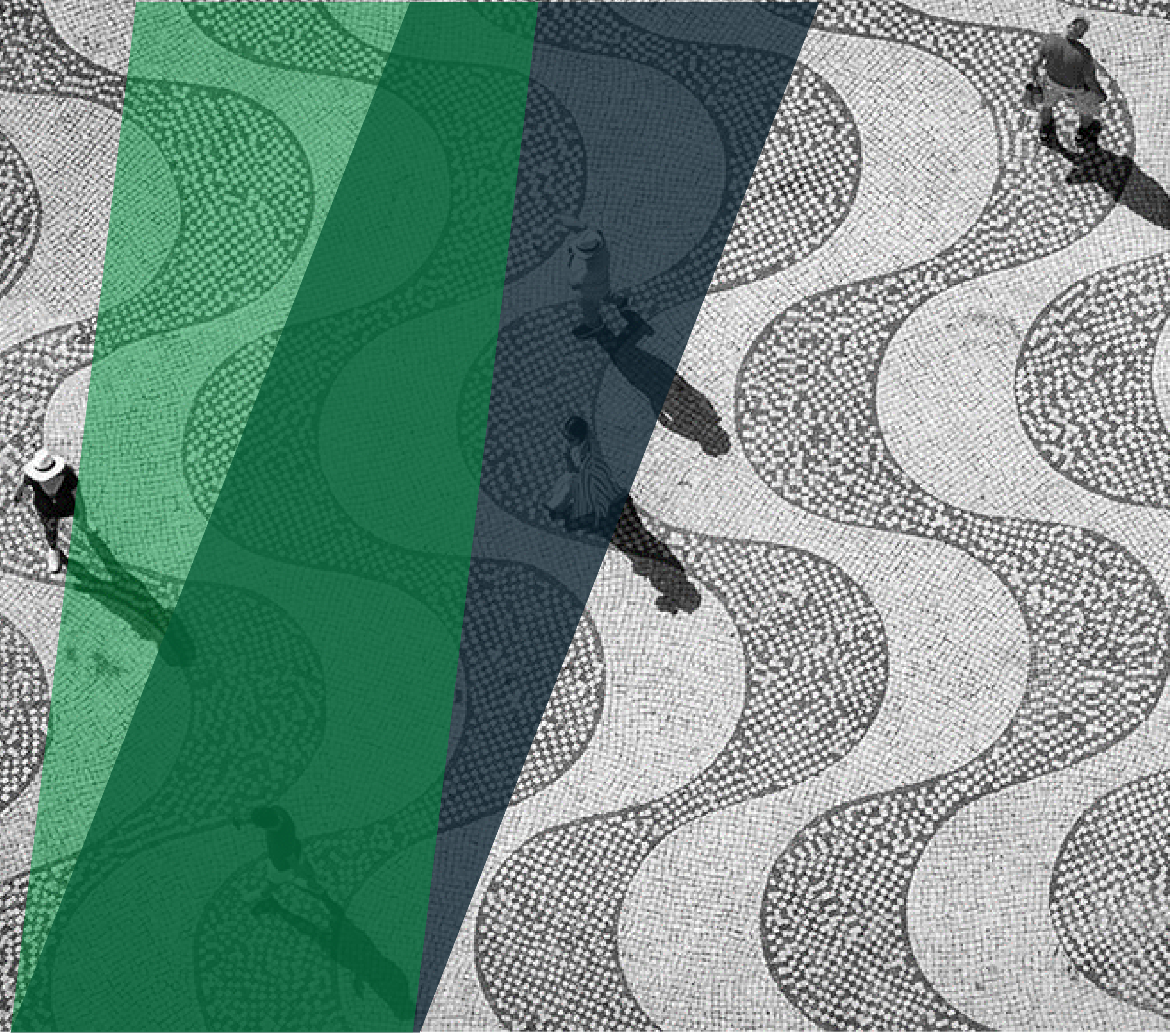

gestão de ativos
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REPORT & ACCOUNTS

2022

IM Gestão de Ativos – Sociedade Gestora de Organismos de Investimento Coletivo, SA.
Av. da República 25, 5º-A, 1050-186 Lisboa - Portugal. Share Capital 1.000.000,00 Euros.
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Contents

Board of Directors’ Management Report

Board of Directors' Management Report

The war between Russia and Ukraine, the rise in inflation and, consequently, in interest rates on the part of the central banks destroyed the expectation of recovery of the financial markets in 2022, after two years marked by the effects of the biggest global pandemic of the last century.

In an adverse economic context, IM Gestão de Ativos – Sociedade Gestora de Organismos de Investimento Coletivo, SA (IMGA) ended the year with €3,620m of assets under management, with Securities Investment Funds totalling €3,605m, a decrease of €701m vs. 2021, of which €384m result from the market devaluation effect and €317m from negative net sales. Despite this evolution, IMGA maintained the second position in the ranking of management companies in Portugal, with 28 securities investment funds and a market share of 21.1%.

The Company increased its fund distribution network in Portugal from 5 to 8 financial entities, with the expectation that the number of adherent networks will continue to increase over the coming years, not only in Portugal, but also in the countries where it will start to distribute the funds it manages.

In this sense, IMGA moved forward with the request for a community passport, having already received the respective authorization from the Comisión Nacional del Mercado de Valores (CNMV) to start distributing funds in the Spanish market.

In addition to requests for a European passport and the expansion of distribution networks, the necessary steps were taken to start the direct distribution of funds on recognized international platforms, with the expectation that this process be formalized at the beginning of 2023.

In terms of venture capital, at the end of 2022, 5 Private Equity Funds (FCR) were registered by the Portuguese Securities Market Commission (CMVM), of which three are already active. Of these, one is fully placed, two are still in the subscription phase and the rest are in the placement phase.

The distribution of these funds is still in an adaptation phase, and it is foreseeable that some of the already existing and duly identified distributors and referrers will be used for this purpose. The wide distribution of this type of fund is expected to start effectively by the end of the first quarter of 2023.

Special mention should be made of the reinforcement of the Company's technical and human resources, which was particularly significant during 2022, in order to ensure compliance with regulatory requirements, namely in relation to socially responsible investment and ESG criteria, as well as in relation to the expansion of activities. Also noteworthy is the continuous investment in internal and control systems, with a view to strengthening the monitoring of the risks of the Company and the Funds it manages.

For the year 2023, IMGA intends to maintain its strategic plan to increase the number of institutional distribution networks, start the process of using referrers to guarantee greater local and international commercial coverage, and adhere to new fund marketing platforms, which may enable it to continue to promote growth in the number of potential investors in its funds.

As a result of the increase in market interest rates, IMGA will remain focused on providing fixed-term funds, thus offering solutions that are more suited to the risk profile of a large number of investors in the distribution networks of the Company's Funds. The expected increased activity of alternative and private equity funds, with special emphasis on the SME segment, should also be noted.

Overview of Markets Evolution in 2022

Overview of Markets Evolution in 2022

INTERNATIONAL FRAMEWORK

The 2022 macroeconomic assessment points to the occurrence of extreme events that conditioned economic dynamics and monetary and budgetary policies on a global scale. Among these, the evolution of the pandemic and Russia's invasion of Ukraine assumed a prominent role, due to their simultaneously exogenous and disruptive nature in multiple dimensions.

2021 had been marked by the reopening of economies and the consequent recovery (in some cases still partial) of the pre-pandemic level of activity, which gave rise to the greatest expansion of the world product since the 1970s. In the last months of the year, the identification of a new variant of Covid-19, Omicron, meant the re-imposition of mobility restrictions in several countries, with notorious implications for domestic demand in the first months of 2022.

In fact, preliminary conclusions were confirmed that the high level of vaccination coverage against Covid-19 and its less virulent degree would impose less pressure on health systems, which allowed for a more lenient stance by the authorities. China was one of the main exceptions, maintaining a high sensitivity to the evolution of the number of cases identified through successive cycles of isolation, massive testing and closure of densely populated areas, although in this case to a somewhat less restrictive stance was displayed than in the recent past.

The lesser relevance of Covid-19 on the international scene in 2022 gave way to the emergence of an equally disruptive and unexpected factor. After intense military rehearsals along the Ukrainian border, Russia invaded Ukraine on February 24, an event seen until then as a risk, but which few considered likely. The almost unisonous response of the main world leaders was proportional to the circumstance. Unprecedented financial sanctions were imposed, such as the exclusion of Russia from the international SWIFT system, the freezing of Russian assets abroad and the banning of market access in euros, dollars and pounds. The export of energy goods, the main dynamo of the Russian economy, was conditioned, the export of strategic goods/services to Russia was banned and sanctions were applied to several Russian oligarchs close to the Kremlin.

Among other measures, Russian retaliation largely included the suspension of almost all gas supplies to Europe. With 40% of the natural gas and about a third of the oil consumed in Europe originating in Russia, this conflict caused an exponential increase in the price of energy raw materials and led to an energy crisis on the continent. Moreover, Russia's importance in the international trade of raw materials is not limited to energy goods, this country being also an important supplier of industrial and precious metals, fertilizers and agricultural goods, along with Ukraine, whose exports were subject to an embargo by Russian forces.

This non-exhaustive exposition serves, therefore, to emphasize the second-order implications of the conflict, namely in terms of inflation. The background of historically high inflation in 2021 and early 2022, spurred on by disruptions in supply chains and excessive levels of demand in various segments, was compounded by an exogenous shock that further conditioned the international profile of the supply of raw materials and which propelled inflation to the highest level in the last forty years in several developed economies. It should also be noted that inflationary pressures have become, over time, more comprehensive, as a result of the transmission of energy and transport prices, wages and other production costs.

This framework meant an absolute reversal of the stance of the main central banks. Although signs of more persistent than expected inflationary pressures had already triggered a change in rhetoric at the end of 2021, the proportion of key rate hikes seen in 2022 could hardly be foreseen. Globally, there were more than 350 key rate hikes, which totaled an accumulated increase of around 280 percentage points, sending the value of rates weighted by global GDP to the highest level since 2008.

The highest levels of inflation since the 1980s, the aggressive rise in interest rates, the energy crisis and the drop in confidence indices hit a world economy that was already during a slowdown cycle. In this sense, the 6.1% expansion of global GDP in 2021 should be followed by growth of less than 3% in 2022, an estimate that has undergone successive downward revisions since the beginning of the year.

Among the developed economies, the USA is one of the negative highlights, projecting an expansion of only 1.6% in 2022, the lowest since 2011 when excluding the drop caused by the pandemic. Even so, it is important to highlight the real GDP growth recorded in 2021 (+5.9%, the most pronounced since 1984), as well as the extreme volatility of components less explanatory of the robustness of the country's domestic economy, such as the evolution of net exports and the item inventories, which contributed decisively to the drop in output in the first two quarters of the year. Even so, even excluding these "extraordinary" contributions, the underlying growth path is downward, due to the loss of consumer purchasing power and the impact of rising interest rates. A positive note for the labor market, where most indicators are consistent with a situation of full employment, a dynamo for the evolution of internal demand. In contrast, the sectors most vulnerable to changes in interest rates are among the most fragile, with emphasis on the real estate market.

The US Federal Reserve was one of the main protagonists in the monetary policy chapter in 2022. After the adoption of a more aggressive rhetoric in the last months of 2021, as a result of the persistence of inflation, the solidity of the labor market and wage growth. This rhetoric gave rise to what will be the most aggressive cycle of rate hikes since the 1970s, with the entirety of the adjustment condensed into a period of just 12 months, given the more structural nature of inflation and the increase in wage pressures.

In view of the situation described above, namely regarding the constraints generated by the war in Ukraine, Europe is among the most economically vulnerable blocs. However, and despite the economic impact caused by the pandemic restrictions in the first months of 2022 and the energy crisis in the region, the first three quarters of the year were positive surprises in terms of real growth (+0.6%, +0.8% and +0.3% in succession, respectively), which positioned the level of activity 2.2% above the pre-pandemic level and contributed to the expansion of real output projected for 2022 to be above 3% (after +5.3% in 2021). Activity in the Euro Area benefited from a solid recovery in services throughout the second quarter of the year, particularly in the segments related to tourism. Contrary to the US situation, the underlying growth profile of the Euro Area is less robust than shown by the growth metrics, which points to a downward trajectory in the coming quarters.

The European inflationary context can also be seen as somewhat different from that of the USA, as it is mainly driven by supply pressures. The price of natural gas reached multiples of that seen in the same period of the previous year and was about ten times higher than the average of the last decade, which together with the rise in the prices of oil, coal and electricity, meant a near doubling of energy costs in Europe in 2022.

The rise in energy prices has had repercussions ranging from an increase in production costs for companies to a significant increase in household costs, which also entails the risk of extreme measures to rationalize consumption. The evolution of this item, along with food products, contributed decisively to European inflation reaching a new historical maximum of 10.6% in October, despite the state measures to control the progression of energy costs implemented by several countries (which include the electricity VAT cut, control of price increases in the regulated market and establishment of maximum electricity prices).

The described framework placed the European Central Bank (ECB) in the most fragile situation since its creation, seeing itself forced to respond to the intensification of inflationary pressures through pronounced increases in its reference rate to preserve its credibility, even legitimizing that the evolution of inflation is mainly linked to supply and that its policy will lead to an even more fragile economic situation in the region. In this sense, the ECB has raised key rates multiple times since its July meeting, in a total of 2.50 percentage points, which, according to its Board of Governors, demonstrated the need for a swift adjustment to contain excessive levels of inflation and avoid possible risks of rising medium-term inflationary expectations. It was also underlined that this process will include additional rate hikes in 2023.

In budgetary terms, several European countries announced support packages that cumulatively represented around 2% of GDP, with several other measures at national and community level already pre-announced, with implementation expected by the beginning of 2023.

Just like the Euro Area, British economy is also in a fragile position, as a result of the rise in energy prices and the climate of political uncertainty. Contrary to most of the main world economies, activity in the United Kingdom remains below the pre-pandemic level (-0.9pp). Measures announced by the British government, which include, among others, a maximum price for electricity prices at levels much lower than the previously projected trajectory, should mean a more favorable, albeit weak, performance over the coming quarters.

The more robust momentum of the Japanese economy points to only a marginal slowdown compared to the previous year, although its growth estimate has also suffered significant downward revisions since the beginning of the year. The inflationary situation in Japan remains somewhat different from that of the other economic blocs; although it has also been seen to intensify, underlying inflation is expected to evolve at levels significantly lower than most developed economies.

One of the main challenges thus relates to the maintenance of an ultra-accommodating monetary stance by the Central Bank of Japan, whilst most other central banks significantly raise rates. The implications of this policy include the depreciation pressure of the yen (which reached a 24-year low), which could mean a more expressive inflationary profile in the future and disruptions in the normal functioning of the bond market. It was in this sense that, in December 2022, the policy for controlling the level of the yield curve was adjusted, with an increase in the maximum level of the 10-year rate from 0.25% to 0.5%.

China's economic disappointment is among the main factors explaining the underperformance of the world economy in 2022. Despite the more lenient stance than in the past, the restrictive policy in response to the evolution of the pandemic continued to significantly condition domestic demand and confidence indices of economic agents.

The cooling of the real estate sector also caused a downward pressure on economic activity, given its representation of close to 30% for China's GDP. The process was instigated by more restrictive directives that regulated the leverage and access to financing of construction companies and property developers. This policy was determined in August 2020 to deal with the escalation in these companies' debt level, the sharp acceleration in home sales and the significant appreciation of land for construction. The regulator began to assess the financial situation of promoters using three indicators (three red lines) – a leverage level below 70%, a gearing ratio below 100% and a situation of balance between short-term liquidity needs and availability. If real estate developers violate one, two or three of these metrics, incrementally restrictive limits are imposed on their debt capacity.

This policy triggered a liquidity crisis in the sector that would lead to the collapse of several promoters and a crisis of confidence that resulted in 2022 in a defensive posture on the part of consumers, who even suspended the payment of installments. In December 2022, house prices had accumulated 16 consecutive months of declines, sales of land for construction registered a drop of close to 40% and sales of constructed buildings had accumulated a correction of around 30% in year-on-year terms.

Despite the monetary and budgetary stimuli implemented throughout the year, the response to the pandemic and the fragility of the real estate market compromised the goal of 5.5% real GDP growth set by the Chinese executive. It is anticipated that the expansion observed in 2022 will not exceed 3.5%, which, if confirmed, will correspond to the largest deviation ever recorded, excluding the year 2020.

Somewhat surprisingly, after the reappointment of Xi Jinping as President of the People's Republic of China and mainly following numerous popular demonstrations against the pandemic restrictions, there was a radical change in the Chinese Government's posture. The “Zero-Covid” policy was abandoned, the seriousness of the disease was devalued, the number of new daily cases ceased to be disclosed, the rules for isolation due to infection were relaxed, the flow of travel in and out of China was reopened, clear instructions aimed at avoiding the imposition of massive restrictions on outbreaks of infections were given and a clear commitment to vaccination of the most vulnerable populations and in a situation of herd immunity was shown. This situation meant an exponential increase in the number of new infections in the last months of 2022 and a relevant drop-in economic activity in the short term.

PORTUGUESE ECONOMY

Portugal is among the European economies with the highest growth in 2022, an expansion of close to 7% being expected (after 5.5% in 2021). This performance was supported by the behavior of service exports, related to the tourism sector, by private consumption, following the reopening of the economy post-confinement, and by the carry-over effect related to the expansion in the second half of 2021 (which will explain a 3.9pp impact on real growth in 2022). The economic performance should ensure that the level of activity will close the year comfortably above the pre-pandemic record.

Although private consumption is one of the main drivers of GDP growth in 2022, its contribution is expected to decline marginally over the course of the year, an evolution related to the fading of economic reopening, to the framework of uncertainty and to the negative impact on disposable income of the war and rising interest rates. The reduction of the savings rate to levels below 5% (half of the percentage of 2021), somehow supported private consumption in a context of stagnation of real disposable income. In this context of high inflation and stagnation of real disposable income, the resilience of consumption was explained by the solidity of the labor market, the impact of state support measures and the use of savings accumulated during the pandemic.

Investment showed a significant slowdown in 2022, after having grown by almost 9% in 2021, in a context of significant increases in production costs, a notable rise in interest rates, high economic uncertainty, low execution of the Recovery and Resilience Plan funds, and continued constraints related to disruptions in supply chains. The real estate sector slowed down significantly in 2022 (from 12.2% to just 0.3%), as a result of the impact of rising interest rates and the loss of household disposable income.

Exports of goods and services constituted one of the main dynamos of the Portuguese economy in 2022, having probably registered a growth of close to 18% (13.5% in 2021), an evolution largely determined by exports of tourism-related services (about +80% in 2022), it being anticipated that the sector will have even surpassed the pre-Covid level between the third and fourth quarters of 2022, a substantially faster than expected recovery. Goods exports will have grown by around 6% in 2022, benefiting from the increase in external demand and the attenuation of disruptions associated with the shortage of materials, in the automotive industry.

The labor market continues to show signs of solidity, with an expansion in employment, increases in the number of hours worked and labor supply, and a drop in the unemployment rate to pre-Covid minimums.

Just like in Europe in general, the evolution of prices is mainly motivated by external pressures and related to supply factors that include the transmission of costs caused by disruptions in supply chains, the depreciation of the currency and the evolution of energy and food products costs. However, some effects of the reopening of the economy in the prices charged in services, namely in tourist activity, should also be considered.

In this sense, and in line with the packages presented by most of its European counterparts, measures were also announced in Portugal aimed at mitigating the impact of the energy crisis and inflation. In cumulative terms, such measures could amount to around 1.5% of GDP and should minimize the drop-in activity expected over the coming quarters.

Evolution of the Investment Funds Industry

Evolution of the Investment Funds Industry in 2022

According to the latest statistical report available from EFAMA (European Fund and Asset Management Association) on worldwide assets in open-ended regulated funds (Worldwide Regulated Open-ended Fund Assets and Flows), at the end of the third quarter of 2022 the market stood at €62T, which represents a slight decrease compared to the same period of 2021. Net sales up to the end of September suffered a reversal of trend, having been negative by €100B, when in the same period of 2021 they amounted to more than €2.4T.

By region, most geographies recorded a decrease in assets up to the third quarter of 2022, with emphasis on the negative variation of almost 10% in Europe. Although they have lost some market share, Europe and the USA continue to be the most relevant regions worldwide, representing a total of over 78% of global assets. China was the only region to show a material increase in assets, again cementing its third position on the list of regions with the most assets. This region represents total assets equivalent to €3.4T, having grown by almost 20% over the last year.

Regarding funds by type of asset, in the first nine months of 2022 equity funds suffered a decrease of €2.1T (around 7.5%) compared to the same period of the previous year. After the start of 2022 marked by redemptions and market crashes, the balance for the period in question was naturally very negative, with the equity fund segment having diminished in importance to around 42% of total funds.

Despite a clearly negative market context, between the end of September 2021 and the same period of 2022, bond funds managed to keep the amount of assets under management practically unchanged, with a drop of €100B, less than 1%.

Treasury funds (money market) continued to show a long growth trend, having recorded an increase in assets worth €1.2T, which represents a positive variation of 16.4%.

Balanced funds broke the upward trajectory that they had been showing over the last few years, having lost assets worth €700B. By contrast, real estate funds grew by around €200B in the period under review.

In the period of 12 months until the end of September 2022, equity and balanced funds lost market share to the remaining segments. The greatest percentage change in market share occurred in equity funds, with a loss of around 2.5%. Conversely, treasury funds saw their market share increase by 2.2%.

INVESTMENT FUND INDUSTRY IN EUROPE

In the world distribution of regulated investment funds, Europe continues to occupy a very relevant position. However, over the last year it has seen its market share decrease to less than 30%, when in the same period of the previous year it reached almost 32%. Assets under management in this region decreased to €18.2T in the first nine months of the year, a decrease of almost €2T when compared to the same period of the previous year.

Luxembourg continues to be the preferred financial centre for most European investors, accounting for more than 8% of the world total. Ireland (5.9%), Germany (3.9%) and France (3.2%) are the following marketplaces in the European table. All these countries saw their share of the world market decrease over the last year. The United Kingdom maintained its fifth place in the table of the largest European fund domiciles, but also saw its importance decline again, with its market share standing at 2.8%.

In the first nine months of this year, Europe recorded total negative net sales of more than €295B, with the majority (over 45%) coming from treasury/liquidity funds.

By main asset classes, equity funds have almost €5.8T under management, bond funds €3.9T, balanced funds €3.7T and treasury funds €1.5T.

INVESTMENT FUND INDUSTRY IN PORTUGAL

In Portugal, equity funds recorded total positive net sales of €362m up to the end of September 2022, contradicting the globally negative trend of their European counterparts.

Balanced funds continue to gain importance in the list of preferences of national investors, representing 21.1% of the total managed in investment funds.

According to the “Monthly indicators of securities investment funds” report by the Portuguese Securities Market Commission (CMVM), in December 2022, the amount under management of regulated investment funds (UCITS) totaled more than €16.8B, which represents a decrease of almost €2.7B (-13.8%) compared to the same period of the previous year. In alternative investment funds (AIF), the amount under management amounted to €288.8m, which means a decrease of €42.3m. These falls were due not only to redemptions, but also to a widespread devaluation of assets.

The three largest managers in the national market account for approximately 74.3% of total assets under management, which represents an increase in concentration in these managers when compared to the same period of the previous year.

IM Gestão de Ativos maintained its market share practically unchanged, at 21.1%, occupying the second position in the table of securities investment fund managers in Portugal.

Main Legislative Initiatives in 2022

Main Legislative Initiatives in 2022

On January 30, 2022, Law No. 99-A/2021, of 31 December, entered into force, which proceeds with the "Amendment to the Securities Code, to the General Framework for Collective Investment Undertakings, to the Statute of the Association of Statutory Auditors, the Legal Framework for Audit Supervision, the Statutes of the Portuguese Securities Market Commission (CMVM), the Insolvency and Corporate Recovery Code and related legislation", with the exception of the wording given to article 3 of the LFAS that entered into force on January 1, 2022.

Of note is the change made to the Legal Framework for Audit Supervision, in which CIUs ceased to be considered PIEs (Public Interest Entities).

In the amendment to the Securities Code, emphasis should be given to the simplification of the framework for qualifying holdings (Article 16), namely the elimination of the duty to communicate in relation to the 2% threshold.

On 27 January, ESMA (European Securities and Markets Authority) launched a Public Consultation on "Guidelines on certain aspects of the MiFID II suitability requirements".

On 11 February, ESMA published its Roadmap for the years 2022 to 2024, within the scope of Sustainable Finance.

On 14 February, CMVM launched Public Consultation No. 2/2002, referring to the Draft Regulation on sending information to CMVM on Money Market Funds, provided for in article 37 of Regulation (EU) 2017/1131 of the European Parliament and of the Council, of 14 June 2017 – Regulation on Money Market Funds.

On February 23, the European Commission adopted a Proposal for a Directive on Corporate Sustainability Due Diligence, which aims to *"foster sustainable and responsible corporate behaviour in global value chains. Businesses have a key role in building a sustainable economy and society. They will be required to identify and, if necessary, prevent, eliminate or mitigate the adverse impacts of their activities on human rights, such as child labor and the exploitation of workers, and on the environment, for example pollution and loss of biodiversity. For businesses, these new rules will provide legal certainty and a level playing field. For consumers and investors, they will provide greater transparency. The new EU rules will foster the green transition and protect human rights in Europe and elsewhere."*

At the end of February, the Platform on Sustainable Finance (PSF) published its Report on the constitution of an EU Social Taxonomy.

On 14 March, FinDatEx (Financial Data Exchange Templates) released the final versions of the European ESG Template (EET) V1 and the European MiFID Template (EMT) V4.

On 16 March, the proposal for the revision of the CSDR by the European Commission was published.

During the month of March, a FinDatEx (Financial Data Exchange Templates) Public Consultation on "European PRIIPs Template v2.0" took place.

On 25 March, the ESAs (EBA, EIOPA and ESMA) released an Updated Supervisory Statement on the application of the SFDR, revising the Statement published in February 2021 on this matter, now including new indications on the applicable timeline, on the expectations regarding the explicit disclosure of quantitative elements under Articles 5 and 6 of the EU Taxonomy Regulation and the possibility of using estimates.

On 6 April, CMVM submitted to Public Consultation the "Project to amend CMVM Regulation No. 2/2020 on the prevention of money laundering and terrorist financing" (CMVM Public Consultation No. 4/2022).

On 7 April, the European Commission adopted the proposal for a Delegated Regulation, which complements Regulation (EU) 2019/2088, of the European Parliament and of the Council (SFDR Regulation), with regard to regulatory technical standards (RTS) that specify in greater detail the content and presentation of information related to the principle of “do no significant harm”, the content, methodologies and presentation of information related to sustainability indicators and negative impacts on sustainability, and the content and presentation of information related to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, websites and periodic reports.

On 18 April, CMVM submitted to Public Consultation the Draft Regulation on the Prudential Supervision of Investment Companies and the respective Recovery Plans, which follows the entry into force, on 7 February, of Decree- Law No. 109-H/2021, which approved the Investment Companies Framework and carried out the transposition of several European diplomas relating to the functioning of the referred Entities.

On 5 May, the EFRAG - European Financial Reporting Advisory Group launched a Public Consultation on the “Draft European Sustainability Reporting Standards (ESRS) Exposure Drafts (EDs) developed by the EFRAG PTF -ESRS”.

On 6 May, the Portuguese Official Gazette, 1st Series published Decree-Law no. 31/2022, of 6 May, which approves the Legal Framework for Covered Bonds and transposes Directive (UE) 2019/2162 and Directive (EU) 2021/2261, also amending the General Framework for Collective Investment Undertakings (GFCIU), the Legal Framework for Credit Institutions and Financial Companies (LFCIFC) and the Securities Code (SC).

On 25 May, CMVM submitted to Public Consultation the Draft Regulation amending CMVM Regulation No. 3/2018, of 28 August 2018, which aims to define the minimum contents to be mastered by employees of financial intermediaries providing investment consulting services, portfolio management on behalf of third parties or information to investors on financial products and investment services, principal or auxiliary, as well as independent consultants, and also to regulate professional qualifications and skills required of all.

On May 30, the European Commission published a new Q&A document regarding the implementation of the SFDR.

On 31 May, the CMVM released on its website the Report of its Public Consultation No. 2/2021, on the draft of the Asset Management Framework (AMF), which brought together the contributions of 22 Entities. A new version of the aforementioned draft was also shared, which reflects, as highlighted by the Supervisor, “only the options of the Board of Directors of CMVM, leaving the final option to the Government”.

On 31 May, ESMA published on its website a Supervisory Briefing on “Sustainability risks and disclosures in the area of investment management”, with a view to ensuring the convergence of supervision, at European Union level, of Investment Funds that have sustainability characteristics, and also seeking to fight greenwashing through the definition of common supervisory criteria to be applied by the different Competent National Authorities.

On 2 June, the ESAs (EBA, EIOPA and ESMA) published a Statement which incorporates a set of clarifications regarding the draft Regulatory Technical Standards (RTS) within the scope of Regulation (EU) 2019/2088 of the European Parliament and of the Council, of 27 November 2019, on disclosure of information related to sustainability in the financial services sector (SFDR).

On 9 June, CMVM Regulation no. 5/2022, of 9 June, was published in the Portuguese Official Gazette, which makes the first amendment to CMVM Regulation no. 2/2020, of 17 March, on the Prevention of Money Laundering and Terrorism Financing.

In June, CMVM Regulation No. 4/2022 was published, regarding the provision of information to the CMVM on Money Market Funds (Article 37 of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017).

On 24 June, within the scope of the “PRIPPS” dossier, the Commission Delegated Regulation (EU) 2022/975, of 17 March 2022, was published in the Official Journal of the European Union, of 24 June, which amends:

- the regulatory technical standards established in Delegated Regulation (EU) 2017/653 with regard to the extension of the transitional regime provided for in paragraph 2 of article 14 of that regulation (replacing the reference of 30 June 2022 with that of 31 December 2022) and;
- the regulatory technical standards laid down in Delegated Regulation (EU) 2021/2268 regarding the date of entry into force of that regulation (the reference being now 1 January 2023, instead of 1 July 2022).

On 27 June, the Portuguese Official Gazette, 1st series, published Law no. 12/2022, of 27 June, approving the State Budget for the year 2022 (OE 2022).

On 8 July, ESMA submitted to Public Consultation a document that intends to revise the respective Guidelines on “MiFID II product governance requirements”.

On 15 July, within the scope of the EU Taxonomy, the “Delegated Regulation (EU) 2022/1214, of the Commission, of 9 March 2022, was published in the Official Journal of the European Union, amending the Delegated Regulation (EU) 2021/2139 with regard to economic activities in certain energy sectors, and Delegated Regulation (EU) 2021/2178 with regard to specific public disclosure relating to these economic activities”.

On 25 July, Delegated Regulation (EU) 2022/1288 of the Commission, of 6 April 2022, was published in the Official Journal of the European Union, which complements Regulation (EU) 2019/2088, of the European Parliament and of the Council (SFDR), with regard to regulatory technical standards that specify in greater detail the content and presentation of information related to the principle of "do not significantly harm", the content, methodologies and presentation of information related to sustainability indicators and negative sustainability impacts, and the content and presentation of information related to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, websites and periodic reports.

On 28 July, the ESAs (EBA, ESMA and EIOPA) released a joint document entitled “Joint ESAs’ Report on the extent of voluntary disclosure of principal adverse impact under the SFDR”.

On 3 August, ESMA published a set of Q&A to clarify the implementation of the CSDR (Central Securities Depositories Regulation), namely with regard to the discipline of settlement and penalties/compensations (cash penalties) framework, updating the version that dated from March 2017.

On 11 August, CMVM Regulation no. 6/2022 on “Minimum content to be mastered by employees of financial intermediaries and independent consultants” was published in the Portuguese Official Gazette. The diploma in question amends CMVM Regulation No. 3/2018, which aims to define the minimum contents to be mastered by employees of financial intermediaries who provide consultancy services for investment or portfolio management on behalf of third parties, or who, in the exercise of their functions, within the scope of financial intermediation, provide information to investors on financial instruments or investment activities and services, as well as by independent consultants. The modifications are aimed at including, in the referred contents, the mention of the risks and sustainability factors, as well as the objectives related to sustainability.

On 16 September, ESMA released a document that, in the field of Sustainable Finance, summarizes the main implementation dates of the requirements set out in various community legislative packages (i.e.: SFDR | TR | CSRD | MiFID | IDD | UCITS | AIFMD).

On 23 September, ESMA, after the Public Consultation promoted in early 2022 on the subject, released its Final Report regarding the revision of the “Guidelines on certain aspects of the MiFID II suitability requirements”.

On September 30, the ESAs (i.e., EBA, EIOPA and ESMA) published the “Final Report on draft Regulatory Technical Standards: on information to be provided in pre-contractual documents, on websites, and in periodic reports about the exposure of financial products to investments in fossil gas and nuclear energy activities”.

On 21 October, Law No. 19/2022, of October 21, was published in the Portuguese Official Gazette, 1st Series, which "determines the coefficient for updating rents for 2023, creates extraordinary support for rentals, reduces VAT on the supply of electricity, establishes a transitional framework for updating pensions, establishes a framework for redeeming savings plans and determines the unseizability of support to families".

On 24 October, FinDatEx (Financial Data Exchange Templates) released a new version of the European ESG Template (EET V 1.1).

On 25 October, Proposal for Law No. 40/XV was delivered to the Portuguese Parliament, which "authorizes the Government to review the legislation relating to the activity of collective investment undertakings" and which is part of an Authorized Draft Decree-Law with the Asset Management Framework.

On 18 November, the European Securities and Markets Authority (ESMA) submitted to Public Consultation a document on "Guidelines on funds' names using ESG or sustainability-related terms".

On 14 December, an ESMA publication was released with guidelines on EMIR Reports - "a final report on Guidelines, accompanied by the validation rules and the reporting instructions".

On 30 December, Law no. 24-D/2022, which approves the State Budget for the year 2023 (OE 2023), was published in the Portuguese Official Gazette, Series I, 2nd Supplement.

Main events in 2022

Main events in 2022

CONSTITUTION OF CATEGORY I OF SHARES

On 27 January 2022, Category I was constituted for the IMGA European Equities Fund.

On 3 February, Category I was constituted for the IMGA Iberia Equities Selection ESG and IMGA Iberia Fixed Income ESG Funds, and on 14 February it was constituted for the Money Market, IMGA Ações América and IMGA Global Equities Selection Funds.

IMGA ALOCAÇÃO DEFENSIVA

On 25 January, the IMGA Retorno Global Fund changed its investment policy, as well as its name to IMGA Alocação Defensiva.

CONSTITUTION OF CATEGORY R OF SHARES FOR THE IMGA LIQUIDEZ FUND

On 10 May Category R was constituted for the IMGA Liquidez Fund.

INCLUSION OF A NEW TRADING ENTITY

On 24 de October, Caixa Central Crédito Agrícola was included as a new trading entity of the IMGA Alocação Defensiva and IMGA Investimento PPR/OICVM funds.

IMGA PME FLEX

On 15 November, the distribution of Category I Units of the IMGA PME Flex fund began. This Fund started its activity on 2 January 2023.

CONSTITUTION OF THE IMGA FINANCIAL BONDS 3Y, 2,25%, Série I FUND

On 27 December 2022, CMVM authorized the constitution of the IMGA Financial Bonds, 3 Y, 2.25%, Série I fund, an open-ended fund of limited duration, to be distributed through Millennium BCP and Caixa Central de Crédito Agrícola Mútuo. The Fund started to be distributed on 2nd January 2023.

UPDATES TO THE CONSTITUTIVE DOCUMENTS OF THE FUNDS MANAGED BY THE COMPANY

In January 2022, following the entry into force of the Taxonomy Regulation, a mention was introduced in the Securities Investment Funds' Prospectuses about the alignment of the Funds with the aforementioned Regulation.

In February, the process of the first annual update of the Prospectuses and documents with the Key Investor Information (KII) of the entire IMGA Fund offer was concluded.

In April, the deadline applicable to subscription and redemption processes carried out through Banco Best was changed.

In May, the 2nd mandatory annual update of the constitutive documents of the Funds was completed, with the Total Expense Ratio (TER) updated with reference to the year 2021.

In June, the Prospectus of the IMGA Rendimento Semestral Fund was amended, following the change in the Synthetic Risk and Reward Indicator.

In October, changes were made to all funds' prospectuses (except for the Iberia funds), updating their adaptation process in terms of sustainability and bringing them into line with article 8 of the SFDR.

Throughout 2022, changes were also made related to the extension of the reductions in the management fee, accommodating the current environment of interest rates at historic lows and always considering the defense of the interests of participants.

PUBLICATION OF THE REPORTS AND ACCOUNTS OF THE FUNDS MANAGED BY THE COMPANY

On 29 April and 30 August, the Reports and Accounts of the funds managed by IMGA were published on the CMVM website.

CROSS-BORDER MARKETING OF IMGA FUNDS

On 2 December, following the delivery to the Comisión Nacional del Mercado de Valores («CNMV») of notifications for marketing, on a cross-border basis, the funds IMGA European Equities, IMGA Iberia Fixed Income ESG, IMGA Money Market, IMGA Global Equities Selection, IMGA Iberia Equities ESG and IMGA Ações América, a letter from the CMVM was received informing IMGA of the registration of these funds with that Competent Spanish Authority.

IMPLEMENTATION OF PRIIPs REGULATION

On 30 December, in order to adapt the pre-contractual documentation to the entry into force of the PRIIPs (Packaged Retail Investment and Insurance Products) Regulation for Investment Funds, a new pre-contractual information document (KID - Key Information Document) which replaced the KIID (Key Investor Information Document) for all Investment Funds covered by this regulation.

PRIVATE EQUITY FUNDS

The Almond Tree Private Equity Fund – FCR started its activity on 8 September.

On 28 December, the capital of the Capitalves Fund, FCR (VFC) was increased.

CHANGE OF THE EXTERNAL AUDITOR'S REPRESENTATIVE

As from 1 July, Mazars & Associados – SROC, SA is now represented by Mr. Pedro Miguel Pires de Jesus, as external auditor of IM Gestão de Ativos – SGOIC, SA and Auditor of the CIU managed by the Company.

Risk Management in 2022

Risk Management in 2022

IMGA favors a risk management culture based on principles of rigor, professionalism and diligence, in which all Employees are called upon to contribute, in the specific scope of the fulfillment of their duties as well as in their attitude towards applicable regulatory, ethical and professional obligations.

The risk management system implemented by the Company is based on prudential management principles, with the aim of guaranteeing compliance with the legal and regulatory obligations in force.

The Risk Management Policy aims to provide IMGA with an independent risk management system, adequate and proportionate to the nature, dimension and complexity of its activities, which makes it possible to identify, assess, mitigate, monitor and control all the risks to which the Company and the investment funds it manages are exposed. In this context, a Risk Appetite Framework was established, with the respective tolerance and alert limits, allocation of internal capital, evaluation methodology and specific quantification criteria, adjusted to the company's reality.

IMGA has a Board of Directors, a Supervisory Board, Commissions and Support Committees and is organized into Directorates, Departments, Units and Areas, which operate autonomously, but in line with the guidelines established for each activity and function.

This structure makes it possible to distinguish three lines of defense in the risk management system:

- The Executive Committee, the body that holds the first level of decision-making at IMGA, together with the Directorates (Senior Management), ensures the first line of defence, exercising the daily management of the various risks associated with the company's activity, implementing the control mechanisms appropriate to their mitigation and identifying potential new risks.

- The second line of defense is provided by the Risk Management and Compliance/AML areas of the Control Unit and by the Support Committees, which are responsible for assessing, controlling and monitoring the risks of both the Company and the funds under management, as well as for verifying the application and compliance with legal and internal rules.

- The third line of defense is attributed to the Internal Audit and Supervisory Board areas, which are responsible for validating the implementation and adequacy of the defined controls, supervising the correct application of policies and procedures by the stakeholders.

IMGA has a set of IT solutions that support and ensure the management and control of the risks of the Company and the assets under its management, in line with regulatory and legal requirements and with the strategically defined risk profile, with the monitoring of risks carried out through a systematic process which includes the production of periodic and timely reports, with clear and reliable information on exposures to the relevant risk categories.

The Company, as a money market fund manager, has procedures for internal assessment of the credit quality of money market instruments and their issuers, having developed and implemented an internal rating model focused on various factors, such as financial structure, results and profitability, liquidity, business strength, management and governance, among others, which it applies not only to issuers and instruments that are part of money market funds, but globally to all managed funds, in order to define internal exposure limits.

In 2022, the Risk Management area maintained systematic and periodic controls of the Company and the funds it manages, having developed and implemented additional UCITS control mechanisms within the scope of article 8 of the SFDR (Sustainability Finance Disclosure Regulation), reflecting their objective of promoting environmental and social characteristics.

At the end of the year, and in order to adapt the pre-contractual documentation for the application of the PRIIPS (Packaged Retail Investment and Insurance Products) regulation to its investment funds (with the exception of retirement products, which are excluded from said regulation), IMGA proceeded with the calculation and monitoring of a new risk indicator, called the Summary Risk Indicator (SRI). This indicator began to incorporate, in early 2023, the new "Key Information Document" (KID) that replaces the "Key Investor Information Document" (KIID) for all funds with the exception of PPR (the Portuguese acronym for Retirement Savings Scheme). Despite the introduction of this new indicator (SRI), the SRRI will continue to be in force in fund prospectuses under national regulations and until CMVM amends them.

Commercial Activity in 2022

Commercial Activity in 2022

In 2022, Investment funds experienced the most difficult and challenging macroeconomic context in recent years. At the end of the year, financial markets reported losses in most asset classes, except for raw materials, which registered an increase of 16.1%, with energy-related commodities gaining special relevance due to the war in Ukraine.

Emerging markets, of equities and growth strategies, were the asset or style classes that saw the biggest declines. In geographic terms, the FTSE (UK) stock index survived this “storm”, achieving a positive performance in GBP of around 0.3%. The remaining equity indices, in the respective local currencies, had negative performances ranging from -2.5% for the TOPIX (Japan) to -19.7% for the MSCI EM (Emerging Markets).

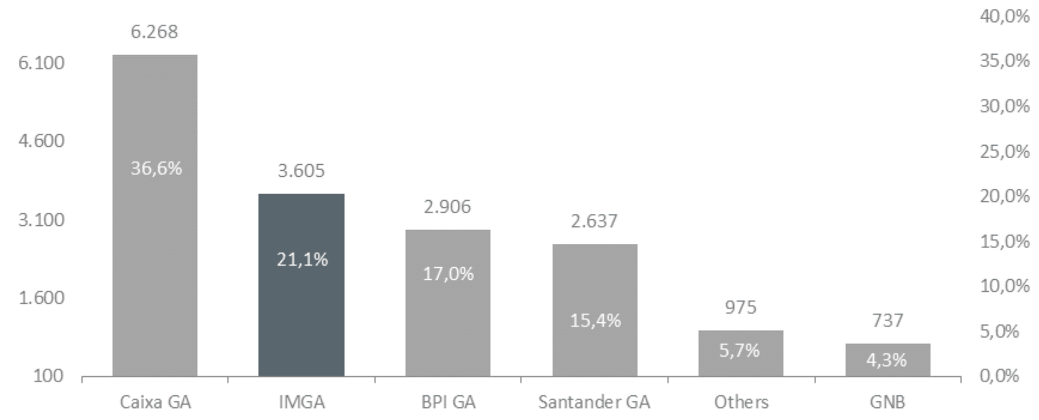
In the fixed rate bond market assets component, it was equally difficult to find value in 2022. The rise in interest rates sponsored by central banks, with the main objective of controlling rampant inflation, led bonds considered as safe heaven to lose approximately 23% in the year. Other sectors such as high yield in USD or EUR achieved better annual performances, despite negative returns of 11.2% and 11.7%, respectively. In this context, government bonds did not provide protection and the global reference index of this market lost approximately 17%, with, for example, the United Kingdom and Spain falling 25% and 17.5%, respectively. In fact, for asset management, the negative performance of this class would have been the most difficult to manage, given its presence in most portfolios. Finally, short-term interest rates, Euribor, which rose throughout 2022, from -0.5% at the beginning of the year to 2.7% in December, did not allow money market and short-term funds, in this short period of time, to effectively capture its strong increase. This type of fund should be able to extract income from this movement for its participants in 2023.

Based on this framework, securities investment funds in Portugal were not immune to performance losses. In average terms, returns in 2022 were negative for monetary (-0.1%), short-term (-2.3%), variable interest rate (-3.6%), Eurobonds (-11. 2%), flexible (-11.6%) and multi-asset funds (between -11.2% and -17.8%), depending on their degree of risk.

With regard to equity funds, and specifically those with Iberian equities, the return was on average positive, standing at 2.9%. Funds with Portuguese shares stood out in this unfavorable scenario, with a positive average return of 5.4%. With regard to European equity funds, this category recorded, on average, a negative return of 12%. American stocks saw their average annual return drop by 22.8%.

The Portuguese market ended 2022 with assets under management, considering all management companies in the universe of APFIPP - Portuguese Association of Investment Funds, Pension Funds and Asset Management, of approximately €17,130m, which corresponds to a loss of €2,691m compared to the end of 2021, of which €2,311m are justified by the negative effect of the market. Net sales were negative by €380m, which contrasts with the positive figure of €4,478m recorded in 2021.

MARKET SHARES (%) AND AUM (M.€)



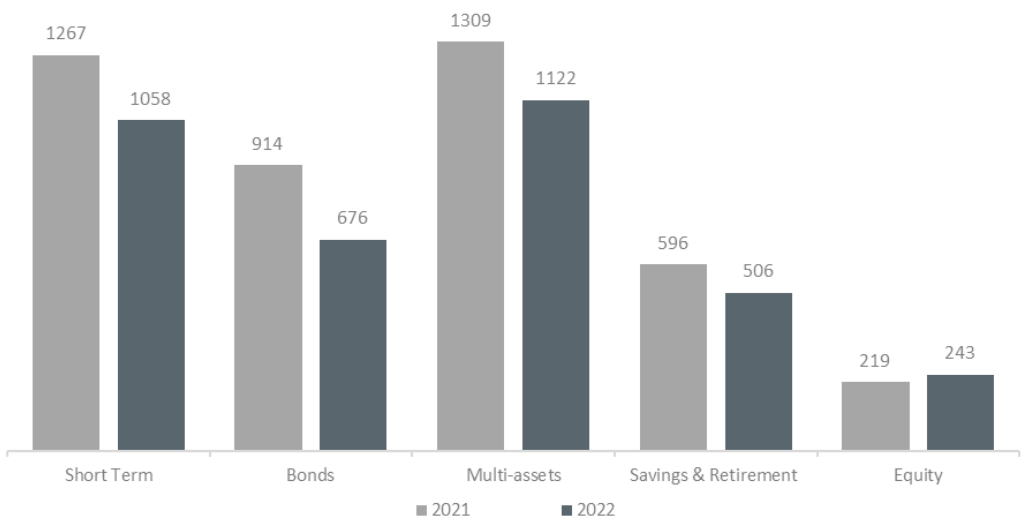
Source: IMGA

In this context, IMGA saw the assets under its management decrease by €701m to €3,605m in 2022, with negative net sales totaling €317m, plus the effect of the portfolio devaluation of €384m. Despite this evolution, IMGA continues to be the largest independent management company and maintained the second position in the ranking of management companies in Portugal, with a market share of 21.1%.

In terms of asset classes, IMGA recorded negative net sales in short-term (€183m) and bond funds (€172m), counteracting the positive evolution of sales in equity (€36m), multi-asset (€2m) and PPR (Retirement Savings Scheme) funds (€0.4M).

The IMGA Retorno Global bond fund was renamed and changed to the multi-asset fund IMGA Alocação Defensiva on January 25, 2022, thus contributing as a detractor of assets under management in the bond fund category with €15.3M on that change date and with an increase of €19.5M for the multi-asset fund class at the end of 2022.

AUM BY CLASS OF FUNDS (M.€)



Source: IMGA

ANALYSIS BY FUND CATEGORIES

MONEY MARKET AND SHORT-TERM FUNDS

The rise in short-term interest rates, namely the Euribor, had an impact on the profitability of investment funds, as they were unable to immediately incorporate the rise in income from assets, such as commercial paper and bonds with reduced maturities. In this category, funds benefit from rising interest rates as assets are renewed at new interest rates; however, the time lag between the rise promoted by central banks and the increase in asset returns promotes some detraction in subscriptions.

Thus, the reduction in amounts under management in the category of short-term funds, which include money market funds, was greater than in the other categories of investment funds in Portugal, due to their weight in terms of assets under management. The loss in this class was 18%, while the remaining categories had an accumulated drop of 14%. This was due to the decrease in income from funds in this segment, which only benefited from the increase in short-term rates in the second half of the year.

At IMGA, assets under management of the Monetary and Short-Term Funds category totalled €1,058m in 2022, a decrease of approximately €209m from December 2021.

The negative profitability in this category was the main factor behind the increase in redemptions, as participants in this class are looking for profitability associated with liquidity, which in the last year fell short of expectations. This trend was noticeable in most management companies.

At the end of 2022, this category represented approximately 29.3% of assets under management at IMGA.

MONEY MARKET AND SHORT-TERM FUNDS	1 YEAR			3 YEARS			5 YEARS		
	Annual Perfomance	Risk		Annual Perfomance	Risk		Annual Perfomance	Risk	
		Volatility	SRI		Volatility	SRI		Volatility	SRI
CA MONETÁRIO	-0,07%	0,15%	1	-0,06%	0,09%	1	-0,03%	0,07%	1
IMGA MONEY MARKET CAT A	-0,17%	0,17%	1	-0,08%	0,10%	1	-0,08%	0,08%	1
IMGA MONEY MARKET CAT R	-0,17%	0,17%	1	-	-	-	-	-	-
IMGA MONEY MARKET CAT I	-	-	-	-	-	-	-	-	-
IMGA MONEY MARKET USD - CAT A	0,82%	0,32%	1	-	-	-	-	-	-
CA CURTO PRAZO	-2,05%	0,54%	2	-0,97%	0,87%	2	-0,67%	0,72%	2
IMGA LIQUIDEZ CAT A	-3,28%	1,35%	2	-1,13%	0,91%	2	-0,73%	0,71%	2
IMGA LIQUIDEZ CAT R	-	-	-	-	-	-	-	-	-

IMGA MONEY MARKET CAT I and IMGA LIQUIDEZ CAT R doesn´t have 1Y perfomance.
Source: APFIPP as at 31 December 2022

BOND FUNDS

In 2022, the Bond Funds category was also hampered by the negative performance of the main world markets, which had returns between -11.2% on American high yield bonds and -22.9% on inflation-indexed bonds, which had not recorded losses since 2018.

In this unprofitable environment, the bond investment fund category in Portugal registered a negative variation of 12% (€315m) in assets under management, slightly lower than the other fund classes. The negative return on funds caused by the large increase in interest rates led to the loss of managed assets, with the market effect, worth approximately €200m, being the main reason for this change.

At IMGA, funds in this category contributed with a loss of €223m, a substantial part of which is attributed to indexed rate funds which, despite having the lowest variability in share value, are also the ones with the highest volume in this category. Net sales in this category were negative by €172m, with the market effect loss totaling €51m.

The IMGA Retorno Global bond fund was renamed and changed to the multi-asset fund IMGA Alocação Defensiva on January 25, 2022, thus contributing as a detractor of assets under management in the bond fund category with €15.3M on that change date.

The annual return ranged from -3.9% in the IMGA Euro Taxa Variável fund to -12.5% in the IMGA Dívida Publica Europeia fund, which shows in its negative performance the effect of the rise in interest rates on the various public debt bonds in Europe promoted by central banks, in a last resort to control the inflation caused by the war in Ukraine and Covid-19.

At the end of the year, IMGA held a portfolio of €676m in this category of investment funds, distributed by the 6 funds in the different bond components.

BOND FUNDS	1 YEAR			3 YEARS			5 YEARS		
	Annual Perfomance	Risk		Annual Perfomance	Risk		Annual Perfomance	Risk	
		Volatility	SRI		Volatility	SRI		Volatility	SRI
IMGA EURO TAXA VARIAVEL CAT A	-3,91%	1,20%	2	-1,33%	1,74%	2	-0,84%	1,43%	2
IMGA EURO TAXA VARIAVEL CAT R	-3,96%	1,20%	2	-	-	-	-	-	-
CA RENDIMENTO	-4,94%	1,55%	2	-1,96%	2,37%	3	-1,23%	1,94%	3
IMGA RENDIMENTO SEMESTRAL CAT A	-7,12%	2,45%	3	-2,44%	2,84%	3	-1,38%	2,28%	3
IMGA RENDIMENTO SEMESTRAL CAT R	-7,06%	2,44%	3	-	-	-	-	-	-
IMGA DÍVIDA PÚBLICA EUROPEIA CAT A	-12,46%	4,92%	3	-4,66%	4,39%	3	-1,89%	3,96%	3
IMGA DÍVIDA PÚBLICA EUROPEIA CAT R	-12,46%	4,93%	3	-	-	-	-	-	-
IMGA IBERIA FIXED INCOME ESG CAT A	-10,92%	4,29%	3	-4,41%	5,15%	4	-1,84%	4,16%	4
IMGA IBERIA FIXED INCOME ESG CAT I	-	-	-	-	-	-	-	-	-
IMGA IBERIA FIXED INCOME ESG CAT R	-10,94%	4,28%	3	-	-	-	-	-	-
IMGA RENDIMENTO MAIS	-10,44%	4,10%	3	-3,82%	3,93%	3	-2,13%	3,16%	3

IMGA Fixed Income CAT I doesn´t have 1Y perfomance.
Source: APFIPP as at 31 December 2022

MULTI-ASSET AND PPR (RETIREMENT SAVINGS SCHEMES) FUNDS

Multi-asset funds faced a very challenging year in 2022, since asset diversification did not work, as the decorrelation in the various categories decreased and was generally negative. Equity, bond and derivatives markets underperformed on a global scale. The different compositions of funds, according to the degree of risk associated with the portfolios, did not result as a whole and the market effect was negative.

Participants in this category of funds managed, as far as possible, to remain invested during the year and the volume of redemptions was attenuated as a result. The permanence period advised in the medium and long term for this category of funds has thus been respected by investors.

The multi-asset fund category at IMGA was responsible for 29% (€202m) of the negative variation in assets under management experienced during 2022. This variation increases to 42% (€292m) if we add the PPR (Retirement Savings Schemes) amounts, essentially multi-asset funds with long-term tax advantages for the participant. Profitability reductions in the financial markets had a very strong impact on the decrease in assets under management. In fact, the decrease was due to the contraction caused by the market effect since the aggregate balance of this category was positive by €2.3m. The importance of this category of savings in the medium and long term has managed to gain the preference of the Portuguese as an excellent investment alternative.

MULTI-ASSETS AND PPR FUNDS	1 YEAR			3 YEARS			5 YEARS		
	Annual Perfomance	Risk		Annual Perfomance	Risk		Annual Perfomance	Risk	
		Volatility	SRI		Volatility	SRI		Volatility	SRI
IMGA ALOCAÇÃO DEFENSIVA CAT A	-12,34%	6,70%	4	-3,61%	6,23%	4	-2,02%	4,94%	4
IMGA FLEXÍVEL CAT A	-12,53%	8,27%	4	-2,57%	8,28%	4	-1,59%	6,72%	4
IMGA FLEXIVEL CAT R	-12,67%	8,27%	4	-	-	-	-	-	-
IMGA ALOCAÇÃO CONSERVADORA CAT A	-15,05%	8,45%	4	-2,75%	8,38%	4	-1,44%	6,84%	4
IMGA ALOCAÇÃO CONSERVADORA CAT R	-15,05%	8,47%	4	-	-	-	-	-	-
IMGA ALOCAÇÃO MODERADA CAT A	-14,53%	9,59%	4	-1,07%	11,00%	5	-0,37%	9,32%	5
IMGA ALOCAÇÃO MODERADA CAT R	-14,55%	9,60%	4	-	-	-	-	-	-
IMGA ALOCAÇÃO DINÂMICA CAT A	-15,77%	13,09%	5	-0,21%	15,84%	6	0,68%	13,72%	6
IMGA ALOCAÇÃO DINÂMICA CAT R	-15,84%	13,11%	5	-	-	-	-	-	-
EUROBIC SELEÇÃO TOP	-6,31%	4,17%	3	-1,96%	4,80%	3	-	-	3
IMGA POUPANÇA PPR CAT A	-15,16%	8,44%	4	-3,04%	8,41%	4	-1,62%	6,86%	4
IMGA POUPANÇA PPR CAT R	-15,23%	8,45%	4	-	-	-	-	-	-
IMGA INVESTIMENTO PPR CAT A	-14,62%	9,58%	4	-1,48%	11,06%	5	-0,61%	9,34%	5
IMGA INVESTIMENTO PPR CAT R	-14,91%	9,59%	4	-	-	-	-	-	-
EUROBIC PPR/OICVM Ciclo Vida -34	-12,99%	8,64%	4	-0,78%	10,08%	5	-	-	5
EUROBIC PPR/OICVM Ciclo Vida -35-44	-12,35%	8,08%	4	-0,83%	9,39%	4	-	-	4
EUROBIC PPR/OICVM Ciclo Vida -45-54	-11,71%	6,51%	4	-1,75%	7,14%	4	-	-	4
EUROBIC PPR/OICVM Ciclo Vida +55	-11,15%	5,23%	4	-2,89%	5,51%	4	-	-	4

Source: APFIPP as at 31 December 2022

At the end of 2022, IMGA's total assets under management in multi-asset (€1,122m) and PPR funds (€506m) amount to €1,628m, representing 45% of total assets under management. Returns in this class varied between -6% and -15% in the year, depending on the level of implicit risk of the funds.

The IMGA Alocação Defensiva Fund results from the transformation of the IMGA Retorno Global bond fund into a multi-asset fund on January 25, 2022, thus having contributed with €19.5M to the category's increase at the end of the year.

EQUITY FUNDS

The world's equity markets recorded a negative year in 2022, with the main world indices ranging between 0.3% in the English index (the only one to end the year in positive territory) and -18.6% in emerging market indices.

Funds in this category, riskier, showed a wide disparity in returns due to the different geographies of the assets in which they are invested. The Ações Portugal fund obtained a positive return of 4.4% while the Iberia Equities ESG registered a negative return of 2.5%, still far from the double-digit negative returns of the other geographies.

This category, as a whole, lost 4% in assets under management, posting positive net subscriptions of €366m, offset by a negative market effect of approximately €500m. Total assets under management in this category in Portugal amounted to €3,212m at the end of December 2022 and represented 19% of total investment funds managed by APFIPP member companies.

At IMGA, this category also had special prominence, as it reached a positive net sales value of €35.7m, due, in large part, to the important increase of €28.2m in the Ações Portugal fund.

Assets under management in this class rose from €219m in December 2021 to €243m at the end of 2022, representing 6.7% of IMGA's total.

EQUITY FUNDS	1 YEAR			3 YEARS			5 YEARS		
	Annual Perfomance	Risk		Annual Perfomance	Risk		Annual Perfomance	Risk	
		Volatility	SRI		Volatility	SRI		Volatility	SRI
IMGA AÇÕES PORTUGAL CAT A	4,39%	16,64%	6	3,23%	23,46%	6	1,92%	19,88%	6
IMGA AÇÕES PORTUGAL CAT R	4,38%	16,64%	6	-	-	-	-	-	-
IMGA IBERIA EQUITIES ESG CAT A	-2,46%	17,54%	6	-2,33%	23,62%	6	-1,94%	19,90%	6
IMGA EUROPEAN EQUITIES CAT A	-12,91%	17,10%	6	-0,92%	21,25%	6	1,19%	18,30%	6
IMGA EUROPEAN EQUITIES CAT R	-12,93%	17,16%	6	-	-	-	-	-	-
IMGA AÇÕES AMÉRICA CAT A	-15,05%	19,69%	6	7,58%	20,14%	6	9,22%	18,09%	6
IMGA AÇÕES AMÉRICA CAT R	-15,13%	19,73%	6	-	-	-	-	-	-
IMGA GLOBAL EQUITIES SELECTION CAT A	-14,47%	17,63%	6	5,76%	19,06%	6	6,40%	16,95%	6
IMGA GLOBAL EQUITIES SELECTION CAT R	-14,42%	17,64%	6	-	-	-	-	-	-

IMGA Iberia Equities CAT I, IMGA European Equities CAT I, IMGA Ações América CAT I e IMGA Global Equities Selection CAT I doesn´t have 1 Y perfomance.

Source: APFIPP as at 31 December 2022

Financial Performance in 2022

Financial Performance in 2022

EVOLUTION OF ASSETS UNDER MANAGEMENT AND FEES

Securities funds under management amounted to €3,605m on 31 December 2022, which represents a reduction of approximately 16% compared to the same period of 2021 (€4,305m).

Table 1 – Evolution of assets under management

	2022	2021	VARIATION Amount	2022/21 %
SECURITIES FUNDS	**3 604,6**	**4 305,1**	**-700,5**	**-16,27%**
Subscriptions	693,0	5 215,1	-4 522,1	-86,71%
Redemptions	1 010,1	1 218,5	-208,4	-17,10%

Unit: Millions of euros

We must highlight an 87% decrease in subscriptions, with redemptions registering a 17% reduction compared to 2021.

By typology of securities investment funds managed by IMGA, equity funds stand out as the class with positive growth compared to 2021 (11%). The other typologies showed reductions in the value of assets under management, with emphasis on bond funds, with a decrease of 239 million euros (26%).

Table 2 – Evolution of assets under management by typology of funds

	2022	2021	VARIATION 2022/21
BY TYPOLOGY OF FUNDS			
Bonds	695,1	914,2	-219,1
Equities	243,4	218,9	24,5
Multi Assets	1 102,7	1 308,4	-205,7
PPR (Savings & Retirement)	505,8	596,4	-90,6
Short Term	1 057,6	1 267,3	-209,6
TOTAL	**3 604,6**	**4 305,1**	**-700,5**

Unit: Millions of euros

IMGA has consistently registered a positive result in transfers of PPR funds between the various Portuguese management companies, again presenting a positive net balance in 2022, as shown in table 3.

Table 3 – Transfer of PPR (Savings & Retirement)

	2022	2021	VARIATION 2022/21
- From Other Institutions	1,65	1,65	0,00
- To Other Institutions	-0,72	-0,58	-0,14
TRANSFER BALANCE	**0,93**	**1,07**	**-0,14**

Unit: Millions of euros

The management fees charged by the Company to the Funds, in accordance with the regulations and disclosed in their constitutive documents (Prospectus and KII – Key Investor Information), increased overall by 14% in relation to the previous year, with emphasis on the growth in trading entities in general (BCP, Activo Bank, CCCAM and EuroBIC) and the consolidation of the use of new trading entities: (Bison Bank, Banco Invest, BIG and Banco BEST).

Table 4 – Management fees

	2022	2021	VARIATION 2022/21
MANAGEMENT FEES	**10 418,2**	**9 109,2**	**1 309,0**

Unit: Thousands of euros

In 2022 and 2021, in accordance with the contractually defined terms, trading fees referring to the performance of trading entities were recorded as shown in the next table.

In addition to these, the Investment Funds managed by the Company also paid 18,129.6 thousand euros in marketing fees directly to the distributing banks.

Table 5 – Trading Fees

	2022	2021	VARIATION 2022/21
TRADING FEES	**1 628,5**	**1 060,1**	**568,4**

Unit: Thousands of euros

As at 31 December 2022, Net Profit amounted to €1.94m, having increased by 3.9% from the €1.87m of the previous year.

In 2022, personnel and general administrative costs presented amounts higher than those of the previous year (with increases of 3,9% e 23,4%, respectively).

Operating Income reached €2.60m, registering a positive variation of 3.4% compared to the previous year, when it amounted to €2.51m. In 2022, as aforementioned, the volume of security funds under management was reduced by 16%, whilst fees increased by 14%.

Table 6 – Private Equity Funds

	REGISTRATION DATE	MATURITY (YEARS)	AUTHORIZED CAPITAL	PAID-UP CAPITAL
FUNDS			**503**	
Mondego Invest - Fundo de Capital de Risco	26/06/2020	10	50,0	Active
CAPITALVES SIFIDE - Fundo de Capital de Risco	18/12/2020	10	13,2	Active
PVCM Private Equity Fund	10/02/2021	10	20,0	Authorized
SILVER DOMUS – Vida Sénior Assistida - FCR	10/02/2021	10	120,0	Authorized
ALMOND TREE Private Equity Fund – FCR	28/01/2021	10	50,0	Active
IMGA PME Invest, FCR	28/01/2021	7	250,0	Authorized

Unidade: milhões de euros

As part of the Private Equity Fund management activity, initiated at the end of 2020, IMGA proceeded with the authorization process for 4 funds, started the activity of the Almond Tree fund and consolidated the activity of the Mondego and Capitalves funds.

PERSONNEL

In 2022, compared to the previous year, IMGA's staff comprised the same number of employees, with five admissions and five departures, totaling 39 employees on December 31st.

Outlook for the triennium 2023/25

Outlook for the triennium 2023/25

The economic projections for 2023 are unfavourable, anticipating a fragile performance of most developed economies. This central scenario stems from the loss of real disposable income associated with the still high levels of inflation, the energy crisis and the lagged effect of increases in central bank interest rates.

Based on OECD projections, a moderation in the pace of growth of the world economy from 3.1% to 2.2% in 2023 is expected, which equates to the most modest performance since the 2009 financial crisis, excluding the pandemic shock.

The performance of developed economies explains the overall slowdown of the world economy in 2023. Conversely, an acceleration of emerging economies is expected, largely related to the process of reopening of the Chinese economy.

Europe is expected to be among the most fragile geographies, vulnerable to the energy crisis, rising interest rates and the loss of real disposable income, a combination of factors that should entail a drop in the level of economic activity between the end of 2022 and the first months of 2023, albeit in a less accentuated proportion from a historical perspective.

Germany and Italy are among the countries in the Euro Area with the worst projections for 2023, as a result of greater energy dependence on Russia and rising energy prices. Ireland, Spain, Greece and several eastern bloc countries should show growth of over 1% in 2023, according to IMF projections.

The Portuguese economy is expected to register growth of around 1% in 2023, as a result of the sharp drop in both domestic (private consumption) and external demand (exports should slow down in view of the more unfavorable international environment). On the other hand, it is expected that the reduced execution of EU funds from the European Recovery Fund in 2022 will favor gross fixed capital formation in 2023.

The United Kingdom is also in an extremely fragile situation. Although the announced ceilings on energy prices are beneficial, the inflationary profile and the rise in interest rates should condition economic dynamics and entail a drop-in activity in 2022.

Although far from the epicenter of the war in Ukraine and less affected by the escalation in the prices of energy raw materials, the US economy is also expected to show a modest performance in 2023. The OECD anticipates an expansion of only 0.5%, which corresponds to a slowdown compared to the 5.9% and 1.8% in the last two years. The sectors most vulnerable to changes in interest rates, such as the real estate sector, are already showing a notable drop in activity and the expectation for 2023 is of a slowdown in private consumption, associated with the cooling of the labor market and the depletion of excess savings levels.

If in the main economic blocs, the growth trajectory in 2023 seems evident, the same does not apply to China. Benefiting from the increase in world demand for goods in the pandemic period, China was one of the first economies to surpass the pre-Covid level of activity, but the more challenging external environment must now prove to be detrimental to the industrial sector and to export dynamics. Despite the measures to stabilize real estate activity, this sector remains one of the main short-term threats to the economy. On the other hand, the abandonment of the zero-Covid policy and the full reopening of the economy should allow for a significant increase in domestic demand and an acceleration of the pace of growth of this economy to a level close to 5%.

Despite the solidity of the labor market in most developed economies, these are lagging indicators and, as such, inadequate to assess the timing of the economic cycle. Nevertheless, although some deterioration in labor demand is expected in 2023, the shortage of qualified labor means that companies may be reluctant to lay off their employees.

The severity of the expected European economic downturn will largely depend on the evolution of the energy crisis, an issue that will also be decisive in assessing the inflationary trajectory.

The outlook for 2023 is of a significant decline in inflation. The fall in the price of raw materials, the decline of global demand and the normalization of the functioning of supply chains should guarantee a downward trajectory of inflation. Even so, the repercussions of the rises in energy and food prices may be felt in the remaining components of inflation, which could limit the fall in inflation, particularly in the Euro Area. On the other hand, medium-term factors such as deglobalization, energy transition and demography should condition the convergence of inflation towards the objective of central banks.

The risks associated with the evolution of inflation are still skewed towards positive surprises, as a result of the evolution of wage growth and increases in inflationary expectations.

According to the most recent OECD projections, the inflation level of the G20 should retreat to 6.6% in 2023, after an annual average of 8.2% in 2022. The Euro Area should show the highest level of inflation among developed economies, with an expected slowdown from 8.1% to 6.2%. The projection for the US points to a moderation in the level of inflation from 6.2% to 3.4% in 2023.

The threat of inflation has completely transformed the global financial landscape. The response of monetary policy makers took the form of the most pronounced cycle of hikes in key rates since the 1980s in a period of just 12 months, which entails risks of a more pronounced slowdown and even recession in some economic blocs.

In the case of the European Central Bank, the 250bp rise in the reference rate in 2022 followed a period of eight years of low or even negative interest rates. In the US, the biggest cycle of Fed rate hikes since the end of the 1980s made vulnerable not only the domestic economy but also the core of emerging issuers in dollars, whilst representing a significant deterioration in financial conditions on a global scale.

The macroeconomic outlook for 2023 could end up being more challenging if the inflationary profile proves to be more persistent than expected, which would force central banks to act more aggressively. On the other hand, a more prolonged and wide-ranging armed conflict and greater difficulty in replenishing natural gas inventories would very likely result in a more pronounced drop-in economic activity.

Conversely, a more pronounced retreat in inflation, a ceasefire in Ukraine and a fall in the price of raw materials would allow a partial reversal of interest rate hikes by central banks and, along with a successful reopening of the Chinese economy, enable a resumption of economic activity throughout 2023.

The exceptional nature of the events that occurred in 2022 and the prospects for 2023 corresponded with the performance of financial assets. Most asset classes had negative returns that included corrections between 10% and 20% in the main stock markets. However, the main distinction from past periods of recession or pronounced slowdown in economic activity lies in the performance of fixed income assets.

Typically, interest rates tend to fall in unfavorable economic contexts, as Central Banks reduce key rates and inflation recedes. The current situation, diametrically opposed, led to historic increases in sovereign interest rates and the biggest correction in terms of absolute return for investors in government debt in the US (-19%) and Germany (-23%).

The performance of the financial markets, as usual, largely reflects the expected evolution of the fundamentals of the underlying assets. The described context, although undoubtedly adverse for 2023, will already be at least partially incorporated in current valuations, particularly in the fixed income segment, although subject to a high degree of uncertainty associated with the inflationary trajectory and central banks' response in the presence of the outlined economic scenario.

Thus, despite the risk of an additional rise in sovereign interest rates, the normalization of the functioning of supply chains, the fall in inflation, the downturn in economic activity and the potential pause in the cycle of raising central bank rates could create conditions to positive yields in 2023 in the government debt segment.

Corporate bond debt spreads widened significantly, especially in the high-yield segment, as a result of expectations of deterioration in fundamentals and an increase in the risk of downgrades and default. In 2023, the context of more restrictive monetary policies, more specifically the end of purchase programs and the reduction of the respective balance sheets, means the removal of an important technical support compared to previous years, especially in the investment grade segment.

Generically, the evolution of credit spreads in 2023 will be subordinated to the proportion of the economic downturn. The current level of credit spreads seems to discount the occurrence of a recession of moderate proportions in Europe and a significant slowdown in the pace of activity in the US, which means that the materialization of a more negative scenario may lead to a more considerable widening of spreads. On the other hand, it is important to underline that the level of return offered by both the investment grade and high-yield segments is currently relatively attractive, which could accommodate some widening of spreads and the expected increase in defaults for next year.

A potential break in the cycle of hikes in key rates in developed economies and a possible devaluation of the dollar, along with an economic recovery in China, could equate to a favorable context for emerging market debt. Corporate debt from emerging markets issuers, typically more resilient and with an equally attractive yield and a more solid investor base, should provide a more moderate risk/return profile compared to sovereign issuers.

The prospects for the equity class for 2023 are modest, due to the impact of the aforementioned economic context in the margins and, above all, in corporate results. After the strong adjustment in the price level in 2022, largely determined by the fall in multiples, monitoring this metric will be equally relevant, which will depend mainly on the evolution of monetary policy, interest rates and sentiment in the financial markets.

Remunerations paid to Employees and Corporate Bodies of the Company in 2022

Remunerations paid to Employees and Corporate Bodies of the Company in 2022

Pursuant to Article 161 (2) of the General Framework of Collective Investment Undertakings (GFCIU), the total amount of remunerations paid by the management entity to its employees and the aggregate amount of remunerations of senior management and supervisory bodies is presented below (amounts in euros):

REMUNERATION FOR THE FINANCIAL YEAR 2022

MANAGEMENT AND SUPERVISORY BODIES	FIXED INCOME	VARIABLE INCOME	NUMBER AS AT 31/12/2022
EXECUTIVE COMMITTEE			
Chairman and Directors	300.457	154.159	3
Independent directors	40.080	-	1
SUPERVISORY BOARD			
Chairman and members	31.000	-	3
STAFF	**FIXED INCOME**	**VARIABLE INCOME**	**NUMBER AS AT 31/12/2022**
Employees	1.839.881	259.709	37

Pursuant to the Law and to Article 20(1) of its Articles of Association, the Company's supervisory model also includes a Statutory Auditor or Society of Statutory Auditors, who is not a member of the Supervisory Board, to whom €11,808 were paid for their services during 2022.

Notwithstanding the powers of the Supervisory Board and Statutory Auditor, or of the Society of Statutory Auditors, and as provided for in Article 21(1) of the Articles of Association, the General Meeting appointed an external auditor to audit the Company's accounts, whose services cost €31,980.

In 2022, the sum of €2,500 was also paid as severance pay due to termination of employment contract.

Proposed Allocation of Results for 2022

Proposed Allocation of Results for 2022

Pursuant to subparagraph f) of paragraph 5 of article 66 and for the purposes set out in subparagraph b) of paragraph 1 of article 376, both of the Commercial Companies Code, the legal and statutory capital requirements having been met, the Board of Directors of IM Gestão de Ativos - Sociedade Gestora de Organismos de Investimento Coletivo, SA proposes that the after-tax result for the year 2022, in the amount of €1,941,333.63 (one million, nine hundred and forty-one thousand, three hundred and thirty-three euros and sixty-three cents) be included in the item “Free Reserves”.

Corporate Governance Structure and Practices

Corporate Governance Structure and Practices

GOVERNING BODIES AND INTERNAL STRUCTURES

In accordance with the best international practices and the principles adopted by the CIMD Group, IMGA has implemented a corporate governance structure with all the resources and means necessary to the fulfillment of its respective functions, with a view to promoting a sound and prudent management, based on an effective segregation of duties and clearly defined direct reporting lines.

The Company adopts as a management and supervisory model a Board of Directors and a Supervisory Board and Statutory Auditor, or a company of statutory auditors, which is not a member of the Supervisory Board.

The members of the Governing Bodies are elected by the General Meeting for three-year terms, with the current term of office valid for the triennium 2021/2023.

The General Meeting is composed of a Chairman and a Secretary and deliberates on matters on which the Law and the Articles of Association specifically assign it competence with regard to fundamental issues, such as the election of governing bodies, amendments to the articles of association and approval of the Board of Directors' Management Report, the Balance Sheet and Accounts, as well as the proposed allocation of results.

The Board of Directors is composed of five members, including an independent member, meeting at least once a month, with a view to pursuing the general interests of the Company, as well as ensuring the day-to-day management of the business, which it delegates to an Executive Committee.

The Executive Committee is composed of three members, a Chairman and two Directors, and is directly responsible for the daily activity of the different Divisions that make up the Company, for which the respective responsibilities are duly defined.

Specifically, the Chairman of the Executive Committee is statutorily assigned powers to provide information to the other members of the Board of Directors, regarding the activity and resolutions of the Executive Committee, whose activities he or she coordinates, ensuring that such resolutions are carried out.

The supervision of the Company's business is carried out by a Supervisory Board and a Statutory Auditor, both elected by the General Meeting, who are guaranteed regular access to the information necessary for the proper exercise of their duties. In addition, the General Meeting also appointed an external auditor to verify the Company's accounts.

Also part of the internal structure is a Remuneration Committee, composed of two non-executive Directors and the Chairman of the Supervisory Board, appointed at the General Meeting, with in-house advisory powers in matters relating to the Governing Bodies' Remuneration Policy.

The suitability of the members of the management and supervisory bodies for the exercise of their respective functions is regularly evaluated, fulfilling the legal requirements for this purpose, including the verification of their necessary independence requirements where applicable.

IMGA'S SHAREHOLDING STRUCTURE

Since May 2015, IMGA has been wholly owned by the CIMD Group, one of the largest independent groups in the financial and energy markets in the Iberian Peninsula, which provides brokerage, advisory, management, securitization and energy services, aimed primarily at institutional clients.

CORPORATE STRUCTURE OF THE CIMD GROUP

CIMD, S.A. owns the nine functional companies that make up the Group, of which eight are wholly owned and one, IM Titulización, is 70% owned, with the remaining 30% held by this company's own employees.

The current corporate structure of the Group in Spain is composed of CIMD SV, IM SA, IM Gestión, W2M, IM Valores SV, IM Valora and IM Titulización, complemented by CIMD (Dubai) Ltd and IM Gestão de Ativos in Portugal.

CIMD GROUP'S SHAREHOLDING STRUCTURE

Over the years, the Group has maintained a significantly stable shareholder structure, with 39.2% of the capital being held by its own management. The remaining shareholding interest is held by financial entities of international relevance, where the most important are TP ICAP (21.5%), Banco de Crédito Cooperativo (9.8%), BBVA (9.2%), Grupo Crédito Agrícola (8.7%), Santander (5.8%) and iberCaja (5.8%).

Final Note

Final Note

Throughout 2022, IMGA managed to counteract the constraints imposed by the extraordinarily adverse economic context, reinforcing its investment in means and resources in order to ensure the conditions for growth and diversification of its activity and to continue to pursue the Strategic Plan defined for the triennium.

For the resilience and differentiating dedication to the work carried out, the Board of Directors wishes to express its gratitude and recognition to all those who contributed to the development of the Company, namely:

To the funds' Depositary Banks and Trading Entities, for the diligent and professional manner in which they have carried out their duties;

To Suppliers, Service Providers and Business Partners, for their collaboration throughout the year;

To the members of the Supervisory Board and to the Statutory Auditor, for their close oversight and prompt collaboration;

To the Supervisory Entities, for their collaboration and availability;

To the Funds' Shareholders, for their confidence.

A special word of thanks to all Employees for the high professionalism and dedication shown again in an extraordinarily challenging year, which were decisive for the results achieved.

Lisbon, 23 February 2023

The Board of Directors

Iñigo Trincado Boville

Emanuel Guilherme Louro da Silva

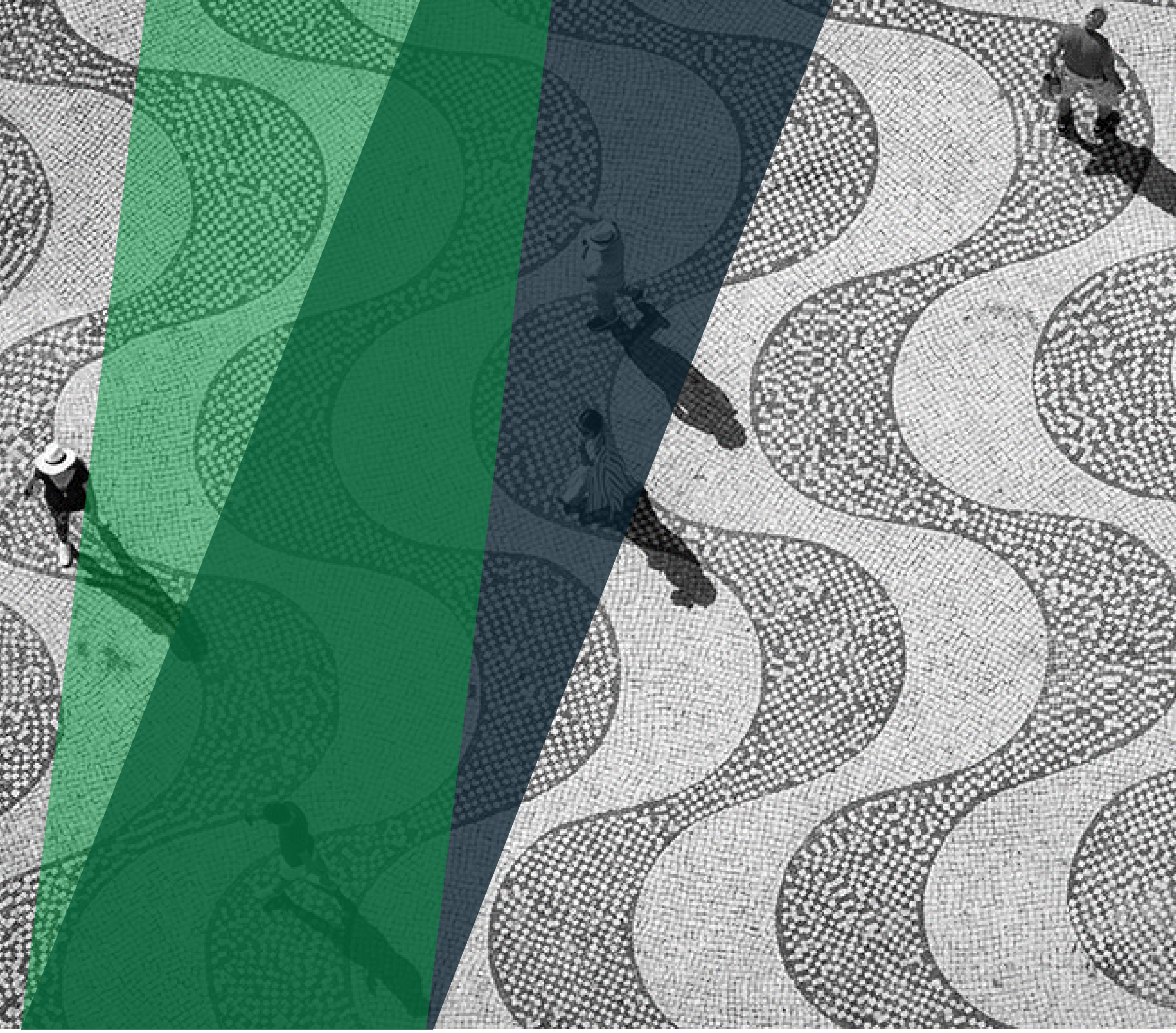
Ana Rita Soares de Oliveira Gomes Viana

Mário Dúlio de Oliveira Negrão

João Pedro Guimarães Gonçalves Pereira

Annexes

- FINANCIAL STATEMENTS AND NOTES
- AUDIT REPORT
- STATUTORY AUDITOR’S REPORT ON THE ACCOUNTS
- REPORT AND OPINION OF THE SUPERVISORY BOARD



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FINANCIAL STATEMENTS AND NOTES

2022

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IM Gestão de Ativos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.
Income Statement and Other Comprehensive Income for the years ended 31 December 2022 and 2021
(Amounts in Euros)

	Notes	2022	2021
Income from services and fees	2	10 418 190	9 109 203
Expenses with services and fees	2	(1 628 527)	(1 060 147)
Income from financial assets available for sale		(5 424)	1 923
Foreign exchange revaluation results (net)		(2 252)	(77)
Income from sale of other assets		(12)	-
Personnel expenses	5	(3 338 510)	(3 213 201)
General administrative expenses	6	(2 174 550)	(1 762 062)
Depreciation and amortisation	7	(528 869)	(508 446)
Other operating income	4	(143 537)	(55 234)
Operating Income		**2 596 510**	**2 511 960**
Interest and similar income	3	4 194	2 376
Interest and similar expenses	3	(32 860)	(11 055)
Income before tax		**2 567 844**	**2 503 281**
Income tax			
Current tax	13	(656 157)	(581 774)
Estimate correction for taxes	13	34 242	-
Deferred tax	13	(4 596)	(52 988)
Net income for the year		**1 941 334**	**1 868 518**
Other comprehensive income			
Comprehensive income for the year		**1 941 334**	**1 868 518**
Earnings per share		1,9413	1,8685

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The Board of Directors

IM Gestão de Ativos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.
Statement of Financial Position for the periods ended 31 December 2022 and 2021
(Amounts in Euros)

	Notes	31-12-2022 Net of provisions, impairment and amortisations	31-12-2021 Net of provisions, impairment and amortisations
ASSETS			
Current Assets			
Cash and Balances at Central Banks	8	1 559	930
Balances at other Credit Institutions	9	1 857 833	4 496 198
Other financial assets at fair value through profit or loss	10	82 075	72 635
Investments in credit institutions	9	3 500 000	-
Other assets	14	1 185 580	1 169 022
Total Current Assets		6 627 048	5 738 785
Noncurrent Assets			
Other tangible assets	11	1 614 367	631 638
Intangible assets	12	1 944 924	2 017 633
Deferred tax assets	13	2 131	6 727
Other assets	14	200 154	200 154
Total Noncurrent Assets		3 761 576	2 856 152
TOTAL ASSETS		10 388 624	8 594 937
LIABILITIES			
Current Liabilities			
Current tax liabilities	13	154 955	87 048
Financial liabilities measured at amortised cost	15	302 270	199 913
Other liabilities	16	2 835 348	2 108 313
Total Current Liabilities		3 292 573	2 395 274
Noncurrent Liabilities			
Financial liabilities measured at amortised cost	15	1 058 228	38 886
Other liabilities	16	255 989	396 632
Total Noncurrent Liabilities		1 314 216	435 518
TOTAL LIABILITIES		4 606 789	2 830 792
EQUITY			
Capital	17	1 000 000	1 000 000
Other reserves and retained earnings	18 & 19	2 840 501	2 895 627
Net income for the year		1 941 334	1 868 518
Total Equity		5 781 834	5 764 145
Total Liabilities and Equity		10 388 624	8 594 937

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Statement of changes in equity for the periods ended 31 December 2022 and 2021

(Amounts in Euros)

	Notes	Capital	Legal and statutory reserves	Free reserves and retained earnings	Net Income for the year	Total Equity
Balance as at 31 December 2020		**1 000 000**	**1 000 001**	**1 888 590**	**1 858 212**	**5 746 803**
Retained earnings		-	-	1 858 212	(1 858 212)	-
Distribution of reserves		-	-	(1 850 000)	-	(1 850 000)
IFRS 16 adjustments		-	-	(1 176)	-	(1 176)
Net income for the year		-	-	-	1 868 518	1 868 518
Balance as at 31 December 2021		**1 000 000**	**1 000 001**	**1 895 626**	**1 868 518**	**5 764 145**
Retained earnings		-	-	1 868 518	(1 868 518)	-
Distribution of reserves	18 e 19	-	-	(1 850 000)	-	(1 850 000)
IFRS 16 adjustments		-	-	(73 644)	-	(73 644)
Net income for the year		-	-	-	1 941 334	1 941 334
Balance as at 31 December 2022		**1 000 000**	**1 000 001**	**1 840 500**	**1 941 334**	**5 781 834**

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The Board of Directors

IM Gestão de Ativos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A.
Cash Flow Statement for the Years ended on 31 December 2022 and 2021
(Amounts in Euros)

	Notes	2022	2021
Cash flows from operating activities			
Interest received		-	-
Fees received		10 918 413	9 356 648
Fees paid		(1 088 650)	(741 768)
Payments to employees		(1 615 899)	(1 541 516)
Payments to suppliers		(2 970 315)	(2 393 416)
Other receipts / (payments)		(1 633 618)	(1 386 133)
		3 609 930	3 293 815
Income tax (paid)/received		(554 008)	(791 910)
		3 055 922	2 501 905
Cash flow from investment activities			
Acquisition / (sale) of financial investments		(2 709)	(7 442)
Acquisition / (sale) of tangible and intangible assets		(3 342)	-
		(6 051)	(7 442)
Cash flow from financing activities			
Payment of dividends		(1 850 000)	(1 850 000)
Lease payments - capital		(333 257)	(305 621)
Lease payments - interest		(4 350)	(2 708)
		(2 187 607)	(2 158 329)
Net change in cash and cash equivalents		862 264	336 134
Cash and cash equivalents at the beginning of the year		4 497 128	4 160 995
Cash and cash equivalents at the end of the year	8 & 9	5 359 393	4 497 128

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The Board of Directors

IM GESTÃO DE ATIVOS - SOCIEDADE GESTORA DE ORGANISMOS DE INVESTIMENTO COLETIVO, S.A.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022

Introductory Note

IM Gestão de Ativos - Sociedade Gestora de Organismos de Investimento Coletivo, SA (the "Company" or "IMGA") was incorporated by public deed on 14 April 1989 and its corporate object is the management, on behalf of the participants and in their exclusive interest, of one or more securities or real estate investment funds as well as, in general, the exercise of all activities permitted by law to collective investment undertakings management companies, in accordance with Portuguese legislation, namely Law no. 16/2015 of February 24, and Regulation no. 2/2015 of July 17 of the Portuguese Securities Market Commission (CMVM).

The Company was part of the BCP Group from 1991 to 2015, when the CIMD Group acquired its entire share capital.

On 27 April 2015, Banco de Portugal (the Portuguese Central Bank) decided not to oppose the acquisition of the entire share capital of Millennium bcp Gestão de Activos – Sociedade Gestora de Fundos de Investimentos, SA, by the CIMD Group, and the transaction was formalized on 18 May 2015. It should be noted that under this agreement, BCP continues to trade the Investment Funds managed by the Company, of which it is one of the depositaries.

Following the acquisition of the Company, its corporate name was changed to IM Gestão de Ativos – Sociedade Gestora de Fundos de Investimento, SA.

The Funds began to be managed directly by IMGA, which reinforced its technical and human resources for this purpose.

As of 1 October 2017, the Company started to manage the 8 Securities Investment Funds previously managed by the Crédito Agrícola Group.

On 27 December 2019, the General Meeting approved the change of the Company's corporate name, in order to adopt the expression "Sociedade Gestora de Organismos de Investimento Coletivo" or the abbreviation "SGOIC" (Collective Investment Undertaking Management Company), in compliance with Decree-Law No. 144/ 2019, of 23 September. The name of the Company was thus changed to IM Gestão de Ativos - Sociedade Gestora de Organismos de Investimento Coletivo, SA.

As at 31 December 2022, the securities funds managed by the Company are the following:

Securities Investment Funds (Open-ended)	Establishment Date
Short-Term Funds	
CA Monetário	6 October 2008
CA Curto Prazo	1 April 2016
IMGA Money Market	4 August 2010
IMGA Money Market USD	29 September 2020
IMGA Liquidez	6 April 2010
Bond Funds	
IMGA Divida Pública Europeia	22 July 2013
IMGA Euro Taxa Variável	23 May 2011
IMGA Iberia Fixed Income ESG	2 February 2017
IMGA Rendimento Mais	19 July 2005
IMGA Rendimento Semestral	1 July 1996
CA Rendimento	20 June 1994
Multi-Asset Funds	
IMGA Alocação Conservadora	14 August 1995
IMGA Alocação Dinâmica	14 August 1995
IMGA Alocação Moderada	14 August 1995
IMGA Alocação Defensiva	24 July 2007
IMGA Flexível	22 June 1998
EUROBIC Seleção TOP	1 October 2018
Equity Funds	
IMGA Ações América	17 January 2000
IMGA Ações Portugal	20 July 1995
IMGA European Equities	19 March 1990
IMGA Global Equities Selection	11 March 2004
IMGA Iberia Equities ESG	2 February 2017
Harmonised Retirement Savings Funds	
IMGA Poupança PPR/OICVM	5 May 2003
IMGA Investimento PPR/OICVM	11 January 2006
EUROBIC PPR/OICVM Ciclo de Vida +55	15 October 2018
EUROBIC PPR/OICVM Ciclo de Vida 45 -54	16 October 2018
EUROBIC PPR/OICVM Ciclo de Vida 35 -44	18 October 2018
EUROBIC PPR/OICVM Ciclo de Vida -34	19 October 2018

The IMGA Retorno Global Fund changed its name to IMGA Alocação Defensiva on 25 January 2022.

As part of the expansion of its activities, in 2022 the Company created the Almond Tree Private Equity - FCR Private Equity Fund; thus, as at 31 December 2022, the funds in this category managed by IMGA are the following:

Private Equity Funds	Establishment Date
Capitalves Sifide – Fundo de Capital de Risco	31 December 2020
Mondego Invest - Fundo de Capital de Risco	2 December 2020
Almond Tree Private Equity - FCR	8 September 2022

Note 1 – Accounting Policies

a) Presentation basis

The Company's financial statements are prepared on a going concern basis and in accordance with the International Accounting Standards/International Financial Reporting Standards (IAS/IFRS), within the scope of Regulation (EC) no. 1606/2002 of the European Parliament and CMVM (the Portuguese Securities Market Commission) Regulation nº 3/2020, which clarifies the accounting framework applicable to Management Companies of Collective Investment Undertakings (SGOICs, in Portuguese) after its submission to the Legal Framework of Credit Institutions and Financial Companies (RGICSF, in Portuguese), as a result of the transfer, from Banco de Portugal (the Portuguese Central Bank) to CMVM, of the prudential supervision powers over SGOICs, operated by Decree-Law no. 144/2019, which concentrated the prudential and behavioral supervision of SGOICs at CMVM.

The preparation of financial statements in accordance with the IFRS requires the Board of Directors to make judgments, estimates and assumptions that affect the application of accounting policies and the value of assets, liabilities, income and expenses. Estimates and associated assumptions are based on historical experience and other factors considered reasonable under the circumstances and form the basis for judgments about the values of assets and liabilities, the valuation of which is not evident through other sources. Actual results may differ from estimates.

The financial statements now presented are expressed in euros and were approved by the Board of Directors on 23 February 2023, being integrated in the accounts of the CIMD Group, the entity that holds the entire share capital of the Company.

b) Changes in accounting policies

In 2022, there were no changes in accounting policies.

c) Financial instruments

The Company measured most financial assets and lease liabilities at amortised cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments, plus or minus the accumulated amortisation using the effective interest method of any difference between that initial amount and the amount at maturity and, for financial assets, adjusted for any impairment losses.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected duration of the financial asset or financial liability from the gross carrying amount of a financial asset or the amortised cost of a financial liability. When calculating the effective interest rate, the expected cash flows were estimated considering all contractual terms of the financial instrument, but disregarding expected credit losses. The calculation includes all fees and points paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

IMGA reduces the carrying amount of financial assets when not measured at fair value, whenever it does not have reasonable expectations of their recovery in whole or in part, so impairments of these assets were weighted using an "expected loss" anticipation model, regardless of whether or not such loss has already been incurred, considering such losses at an amount equal to the expected credit losses over their respective duration if the credit risk associated with that financial instrument has increased significantly since initial recognition.

The Company also measured some financial assets at fair value through profit or loss. In the initial measurement of these assets, transaction costs directly attributable to the acquisition or issuance of the financial asset were not considered. In the subsequent measurement, IMGA replaces the carrying amount with the fair value at the end of each reporting period, recognizing the resulting gains and losses in the income statement.

Upon initial recognition, "trade receivables" that do not have an important financing component are measured at their transaction price (as defined by IFRS 15).

d) Interest recognition

Income related to interest from financial instruments, assets and liabilities, measured at amortised cost, are recognised under interest and similar income or interest and similar expenses (net interest income), through the effective interest rate method.

The effective interest rate is the rate that discounts estimated future payments or receipts over the expected life of the financial instrument (or, where appropriate, for a shorter period) to the net present balance sheet value of the financial asset or liability.

To determine the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument (e.g., early payment options), but disregarding possible impairment losses. The calculation includes fees paid or received considered as an integral part of the effective interest rate, transaction costs and all premiums or discounts directly related to the transaction.

e) Recognition of income from services and fees

Income from services and fees is recognized according to the following criteria:

- when it is obtained as the services are provided, it is recognised in the income statement in the period to which it pertains;
- when it results from the provision of services, it is recognised when the services in question are completed.

f) Other tangible assets

Other tangible assets are stated at acquisition cost, less accumulated depreciation and impairment losses. Subsequent expenses are recognised as a separate asset only when it is likely that they will turn into future economic benefits for the Company. Maintenance and repair expenses are recognised as expenses as they are incurred, in accordance with the accrual principle.

Depreciation is calculated using the straight-line method, over the following periods of expected useful life:

	Number of Years
Equipment	4 to 12
Other fixed assets	3
Right-of-use assets – Real estate	5 and 7
Right-of-use assets –Transport Equipment	4 and 5

Whenever there is an indication that a tangible fixed asset may be impaired, its recoverable amount is estimated, and an impairment loss must be recognised whenever the net value of that asset exceeds its recoverable amount.

The recoverable amount is determined as the higher of the asset's fair value less selling expenses and its value in use, which is calculated based on the present value of estimated future cash flows presumably obtained with continued use of such asset and its sale at the end of its useful life.

Impairment losses on tangible fixed assets are recognised in the income statement.

g) Intangible assets

Acquired intangible assets are recorded at cost less accumulated amortisation and impairment losses. Amortisations are recognized on a systematic/linear basis over the estimated useful lives of intangible assets.

The Company amortizes them using the straight-line method based on their useful lives, in accordance with IAS 38 - Intangible Assets, as follows:

	Useful Life
Development projects / software	3 years
Rights acquired for consideration	20 years

h) Cash and cash equivalents

For cash flow statement purposes, cash and cash equivalents comprise amounts recorded in the balance sheet with a maturity of less than three months as from the balance sheet date, including cash and balances at other credit institutions.

i) Offsetting

Financial assets and liabilities are offset and recognised at their net balance sheet value when the Company has a legal right to offset the recognised amounts and transactions can be settled at their net value.

j) Foreign currency transactions

Foreign currency transactions are converted into the functional currency at the exchange rate in effect on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are converted into the functional currency at the exchange rate in effect on the balance sheet date. Foreign exchange differences resulting from such conversion are recognised in the income statement.

k) Employee benefits

Employee benefits comprise short-term benefits such as salaries and social security contributions, paid leave, variable remuneration, and life and health insurance.

l) Income tax

The Company is subject to the regime established in the Corporate Income Tax Code (CIRC, in Portuguese). In addition, deferred taxes arising from temporary differences between the accounting net income and the net income officially accepted for income tax purposes are accounted for, whenever there is a reasonable probability that such taxes will be paid or recovered in the future.

Taxes on profits recorded in the income statement include the effect of current and deferred taxes. The tax is recognised in the income statement, except when related to items that are moved under equity, which implies its recognition under equity.

Current taxes correspond to the expected amount payable on taxable income for the year, using the tax rate in force or substantially approved by the authorities at the balance sheet date, and any adjustments to taxes from previous years.

Deferred taxes are calculated, in accordance with the balance sheet liability method, on temporary differences between the carrying amounts of assets and liabilities and their tax base, using the tax rates in force or substantially approved at the balance sheet date and which are expected to apply when such temporary differences reverse.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised when probable future taxable profits may absorb deductible temporary differences for tax purposes (including reportable tax losses).

The Company offsets current tax assets and current tax liabilities when it has the right to offset the recognised amounts and intends to settle the tax on a net basis, or to realize the asset and simultaneously settle the liability. The Company offsets deferred tax assets and deferred tax liabilities when it has the right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same tax authority.

m) Tax determination

To determine the global amount of income tax, certain interpretations and estimates were necessary. There are various transactions and calculations for which the determination of taxes payable is uncertain during the normal business cycle.

Other interpretations and estimates may have resulted in a different level of income taxes, current and deferred, recognised in the period.

In Portugal, the Tax Authority is responsible for reviewing the Company’s calculation of its taxable income, during a four-year period, in the years in which a profit is determined and no tax losses are carried forward.

Thus, eventual corrections to the taxable amount, arising mainly from different interpretations of tax legislation, may occur. However, the Company's Board of Directors is convinced that there will be no significant corrections to the income tax recorded in the financial statements.

Note 2 – Income and expenses from/with services and fees

This item comprises:

	2022 Euros	2021 Euros
Income from services and fees		
Securities and private equity funds' management fees	10 418 190	9 109 203
	10 418 190	9 109 203
Expenses with services and fees		
Trading networks usage fees	1 611 896	1 047 272
Other fees	16 631	12 875
	1 628 527	1 060 147
	8 789 663	8 049 056

As at 31 December 2022 and 2021, the item "Income from services and fees – Securities and private equity funds' management fees" refers to management fees charged by the Company, under the contract for the provision of management services for the securities and private equity investment funds managed by IMGA.

In 2022 and 2021, the item "Expenses with services and fees – Trading networks usage fees" records Millennium bcp's variable trading fee.

The item "Other fees" comprises Euro 16,631 (Euro 12,875 in 2021) of banking and bank guarantee fees.

Note 3 – Interest, and similar income and expenses

This item comprises the following values:

	2022 Euros	2021 Euros
Interest and similar income		
Interest on deposits and other placements	4 194	-
Other interest	-	2 376
	4 194	2 376
Interest and similar expenses		
Interest on lease liabilities	(32 860)	(11 055)
	(32 860)	(11 055)

In the 2022 financial year, the interest on time deposits that the Company obtained were registered under "Interest on deposits and other placements", whilst in 2021 the item "Other interest" comprises arrears and compensatory interest paid by the Tax Authority pursuant to an arbitration decision favorable to IMGA regarding the cancellation of autonomous taxes included in the 2016 Corporate Income Tax (IRC).

The item "Interest and similar expenses" records interest relative to lease contracts (IFRS 16). The increase from 2021 to 2022 was due to the remeasurement of the values associated with the renewal of the Company's office lease agreement for the same period (5 years).

Note 4 – Other operating income

This item comprises:

	2022 Euros	2021 Euros
Income		
Other operating income	7 607	47 562
	7 607	47 562
Expenses		
Taxes	73 912	57 269
Membership fees	19 327	16 918
Donations	28 500	24 500
Other operating expenses	29 405	4 108
	151 144	102 795
	(143 537)	(55 234)

In 2022 and 2021, the item "Income" associated with "Other operating income", in the amount of Euros 7,607 and 47,562, respectively, is mainly constituted by gains from previous years; in 2021, the derecognition of variable remuneration of an employee whose relationship with the IMGA ended that year, in the amount of Euros 33,208, was registered, as well as the return by the Tax Authority of the amount of Euros 13,650 related to the cancellation of autonomous taxation within the scope of 2016's Corporate Income Tax (IRC), following an arbitration decision favorable to the IMGA. In 2022, this item also records income associated with the reimbursement of court costs, in the amount of Euros 4,406.

Under "Membership fees" are registered the fees paid to APFIPP (the Portuguese Association of Investment Funds, Pension Funds and Asset Management) and to APCRI (the Portuguese Venture Capital Association) (the latter since May 2021), while the item "Donations" comprises IMGA's support to various institutions managing social projects, within the scope of IMGA and the CIMD Group's "Solidarity Day".

The item "Taxes" mostly records, in 2022 and 2021, the Stamp Duty related to Millennium bcp's variable trading fee.

In 2022, "Other operating expenses" mainly include the amount of Euros 20,762 (Euros 2,500 in 2021) related to expenses incurred by the Company as a result of operational errors in the management of certain funds, and Euros 4,237 related to expenses from previous years (Euros 950 in 2021).

Note 5 – Personnel expenses

The item "Personnel expenses" is made up as follows:

	2022 Euros	2021 Euros
Remunerations	2 661 419	2 491 633
Mandatory social charges	522 077	484 379
Optional social charges	152 514	171 523
Contractual indemnities	2 500	65 666
	3 338 510	3 213 201

The variation recorded in the item Remuneration was due, to a large extent, to salary updates for employees, the payment of amounts due in connection with the departures that occurred and, also, to the fact that the 2021 financial year was marked by several parental leaves and sick leaves due to Covid-19 (remunerations not supported by IMGA).

During 2022, the item "Contractual indemnities" records the amount of Euros 2,500 referring to indemnities for termination of employment contracts by mutual agreement.

In 2022, the item "Optional social charges" also includes the amount of Euros 49,385 referring to personnel training (17,984 Euros in 2021). The decrease in this item compared to 2021 was due to the reduction of expenses associated with the Covid -19 contingency plan, namely costs with laboratory tests, in the amount of Euros 1,305 (Euros 8,927 in 2020) and free meals for IMGA employees , in the amount of Euros 28,106 (Euros 74,380 in 2021).

In 2022 and 2021, the average number of employees at the Company's service, by major professional categories, was as follows:

	2022	2021
Executive Committee	3	3
Independent Director of the Board	1	1
Senior Management	5	5
Specific / Technical functions	31	31
	40	40

Note 6 - General administrative expenses

The composition of this item is the following:

	2022 Euros	2021 Euros
Water, energy and fuel	27 803	24 489
Current consumables	5 444	10 159
Publications	318	317
Hygiene and cleaning products	4 700	3 048
Rentals and leases	25 881	18 530
Communications	32 393	24 090
Travel, accomodation and representation	56 552	28 261
Publicity	128 341	127 726
Maintenance and repair	59 798	54 181
Studies and consultancy	418 268	121 778
IT	692 744	664 473
Outsourcing and freelance work	613 670	587 741
Cleaning Services	3 400	2 661
Other specialised services	4 157	17 776
Insurance	16 499	13 675
Litigation	71 262	52 486
Other supplies and services	13 318	10 671
	2 174 550	1 762 062

In the 2022 financial year, the General administrative expenses items that showed more relevant variations compared to 2021 were the following:

- The item “Travel, accommodation and representation” has doubled, as a result of the resumption of the Company’s representation activities, after two years marked by the confinements imposed by Covid-19;
- The item “Studies and consultancy” recorded the highest increase, as a result of the increase in services provided by consultants within the scope of boosting the development of IMGA's activities, rising in 2022 to Euros 418,268 (Euros 121,778 in 2021);
- The item “IT”, which in 2022 represents 32% of general administrative expenses (38% in 2021), recorded an increase of 4.3% (Euros 28,271) in the period. This item includes management support software development services;
- The item “Outsourcing and freelance work” also represents a significant amount in the Company’s general expenses structure (28% in 2022 and 33% in 2021), and includes expenses of a diverse nature, with emphasis on: (i) accounting services; (ii) maintenance of specific software to support fund activity and management (Binfolio, SIGMA, EMIR); and (iii) financial instruments valuation services;

It should be noted that the item “Rentals and leases” accounts for leases of low-value assets, namely printing equipment and water dispensers.

Note 7 – Depreciation and amortisation

This item comprises:

	2022 Euros	2021 Euros
Intangible assets		
Software	24 429	13 576
Others	125 000	125 000
	149 429	138 576
Tangible assets		
Real estate	25 038	25 038
Right-of-use real estate	253 633	261 188
Equipment		
Furniture and materials	15 121	14 950
Telephonic equipment	9 128	8 211
Administrative equipment	348	348
IT equipment	28 568	25 856
Indoor facilities	1 139	1 139
Right-of-use transport equipment	42 151	30 222
Other equipment	2 809	1 413
Other tangible assets	1 504	1 504
	379 440	369 870
	528 869	508 446

The changes, with reference to 31 December 2021, of the items "Intangible assets" and "Tangible assets" are presented in notes 12 and 11, respectively.

In 2022 and 2021, the items "Right-of-use real estate" and "Right-of-use transport equipment" record the depreciation amounts for the year resulting from the application of IFRS 16.

Note 8 – Cash and Balances at Central Banks

As at 31 December 2022, the item Cash and balances at central banks records the amount of Euros 1,559, which includes the amount of foreign currency in cash at the end of 2022.

Note 9 - Balances at other credit institutions

The value of this item is made up of:

	2022 Euros	2021 Euros
Balances at other credit institutions		
Demand deposits	1 857 833	4 496 198
Term deposits	3 500 000	-
Other financial instruments	-	-
	5 357 833	4 496 198

Note 10 – Other financial assets at fair value through profit or loss

In 2022 and 2021 this item comprises exclusively amounts related to IMGA's Work Compensation Fund (FCT in Portuguese).

	2022 Euros	2021 Euros
Work Compensation Fund	82 075	72 635
	82 075	72 635

Note 11 – Other tangible assets

This item's breakdown is the following:

	2022 Euros	2021 Euros
Real estate	347 331	347 331
Right-of-use real estate	2 499 340	1 330 553
Equipment		
Furniture and materials	120 976	120 976
Telephonic equipment	122 964	119 644
Administrative equipment	2 232	2 232
IT equipment	296 780	289 024
Indoor facilities	10 310	10 310
Right-of-use transport equipment	303 918	157 693
Other equipment	23 484	23 484
Other tangible assets	12 035	12 035
	3 739 370	2 413 283
Accumulated depreciation		
Relative to the current year	(343 359)	(367 555)
Relative to previous years	(1 781 644)	(1 414 090)
	(2 125 003)	(1 781 644)
	1 614 367	631 638

In 2022, the item "Right-of-use real estate" shows a significant variation due to the recalculation of the amounts subsequent to the renewal of the Company's office lease agreement for the same period (5 years). This contract allows automatic renewals for equal and successive terms if there is no opposition to such renewals by the parties.

The increase verified in "Right-of-use transport equipment" refers to new vehicle lease contracts, also covered by the application of IFRS 16.

The turnover in the item “Other tangible assets” during 2022 is presented below:

	1 Jan 2022 Euros	Acquisitions / Charges Euros	Sales / Charge-offs Euros	31 Dec 2022 Euros
Cost				
Real estate	347 331	-	-	347 331
Right-of-use real estate	1 330 553	1 168 786	-	2 499 340
Equipment				
Furniture and materials	120 976	-	-	120 976
Telephonic equipment	119 644	4 040	(720)	122 965
Administrative equipment	2 232	-	-	2 232
IT equipment	289 024	9 240	(1 483)	296 781
Indoor facilities	10 310	-	-	10 310
Right-of-use transport equipment	157 693	148 434	(2 210)	303 917
Other equipment	23 484	-	-	23 484
Other tangible assets	12 035	-	-	12 035
	2 413 283	1 330 500	(4 413)	3 739 370
Accumulated depreciation				
Real estate	107 594	25 038	-	132 632
Right-of-use real estate	1 147 426	258 140	(37 887)	1 367 680
Equipment	-			
Furniture and materials	73 622	15 121	-	88 743
Telephonic equipment	79 231	9 128	(516)	87 843
Administrative equipment	1 207	348	-	1 555
IT equipment	235 659	28 568	(1 483)	262 743
Right-of-use transport equipment	120 238	42 220	(771)	161 687
Indoor facilities	5 612	1 139	-	6 750
Other equipment	5 728	2 809	-	8 537
Other tangible assets	5 328	1 504	-	6 832
	1 781 644	384 016	(40 657)	2 125 003
	631 638	946 484	36 244	1 614 367

Compared to 2021 values:

	1 January 2021 Euros	Acquisitions / Charges Euros	Sales / Charge-offs Euros	31 Dec. 2021 Euros
Cost				
Real estate	347 331	-	-	347 331
Right-of-use real estate	1 330 081	472	-	1 330 553
Equipment				
Furniture and materials	118 116	2 860	-	120 976
Telephonic equipment	115 215	6 226	(1 797)	119 644
Administrative equipment	2 232	-	-	2 232
IT equipment	258 661	30 363	-	289 024
Indoor facilities	10 310	-	-	10 310
Right-of-use transport equipment	152 157	5 536	-	157 693
Other equipment	8 861	14 624	(1)	23 484
Other tangible assets	12 035	-	-	12 035
	2 355 000	60 081	(1 798)	2 413 283
Accumulated depreciation				
Real estate	82 556	25 038	-	107 594
Right-of-use real estate	886 042	261 385	-	1 147 426
Equipment				
Furniture and materials	58 672	14 950	-	73 622
Telephonic equipment	72 610	8 211	(1 590)	79 231
Administrative equipment	858	348	-	1 207
IT equipment	209 802	25 856	-	235 659
Indoor facilities	90 937	30 308	(1 008)	120 238
Right-of-use transport equipment	4 473	1 139	-	5 612
Other equipment	4 316	1 413	(0)	5 728
Other tangible assets	3 823	1 504	-	5 328
	1 414 089	370 153	(2 598)	1 781 644
	940 911	(310 071)	800	631 638

Note 12 – Intangible assets

The composition of this item’s value is the following:

	2022 Euros	2021 Euros
Software	295 351	219 949
Other intangible assets	2 500 000	2 500 000
Intangible assets under development	35 363	34 044
	2 830 713	2 753 993
Accumulated amortisation		
Relative to the current year	(149 429)	(138 576)
Relative to previous years	(736 360)	(597 784)
	(885 789)	(736 360)
	1 944 924	2 017 633

In 2022, the "Software" item recorded an increase, due to the transfer of assets in progress to this item, in the amount of Euros 34,044, and the acquisition of management support systems, namely within the scope of compliance with ESG criteria (Environmental, Social and Governance).

The item "Other intangible assets", amounting to 2,500,000 Euros, accounts for the value of the Funds portfolio whose management was transferred from Caixa Central de Crédito Agrícola Mútuo in 2017.

The turnover in the Intangible Assets item during 2022 was as follows:

	1 January 2022 Euros	Acquisitions / Charges Euros	Sales / Charge-offs Euros	31 December 2022 Euros
Cost				
Software	219 949	75 401	-	295 351
Other intangible assets	2 500 000	-	-	2 500 000
Intangible assets under development	34 044	35 363	(34 044)	35 363
	2 753 993	110 764	(34 044)	2 830 713
Accumulated amortisation				
Software	205 110	24 429	-	229 539
Other intangible assets	531 250	125 000	-	656 250
	736 360	149 429	-	885 789
	2 017 632	(38 664)	(34 044)	1 944 924

Compared to 2021 values:

	1 Jan 2021 Euros	Acquisitions / Charges Euros	Sales / Charge-offs Euros	31 Dec 2021 Euros
Cost				
Software	212 471	7 478	-	219 949
Other intangible assets	2 500 000	-	-	2 500 000
Intangible assets under development	34 044	-	-	34 044
	2 746 515	7 478	-	2 753 993
Accumulated amortisation				
Software	191 534	13 576	-	205 110
Other intangible assets	406 250	125 000	-	531 250
	597 784	138 576	-	736 360
	2 148 731	(131 098)	-	2 017 633

Note 13 – Income tax

This item's breakdown is the following:

	2022 Euros	2021 Euros
Current tax		
For the year	656 157	581 774
Corrections of previous years	-	-
	656 157	581 774
Adjustment of tax estimate	(34 242)	-
Deferred tax	4 596	52 988

The item "Adjustment of tax estimate" comprises the annulment of the increase in the 2017 Corporate Tax (IRC) estimate, which, prudently, had been accounted for.

As at 31 December 2022, the item "Deferred tax assets" records the amount of Euros 2,131 (Euros: 6,727 in 2021) generated by temporary tax differences associated with expenses (early retirements) paid by the Company when it was still part of the Millennium bcp group.

This situation generated deferred taxes referring to actuarial deviations recognised against reserves, as a result of the change in accounting policy (under Law 61/2014, of 26 August, which instituted the special regime applicable to deferred tax assets resulting from the non-deduction of expenses and negative equity variations with impairment losses on loans and with post-employment or long-term employee benefits).

Deferred taxes were recognized through profit or loss in the amount of Euros 4,596. These taxes are calculated based on the tax rates expected to be in force on the date of reversal of the temporary differences, which correspond to the rates in effect on the balance sheet date.

In 2022, the item "Current tax liabilities" records the amount of Euros 154,955, which includes the amount of the tax estimate for 2022 (Euros 656,157) minus payments on account and additional payments made in that year (Euros 501,202).

The deferred tax rate breaks down as follows:

	2022	2021
IRC-Corporate Income Tax rate (a)	21%	21%
Municipal surtax	1,5%	1,5%
State surtax (b)	3%	3%
Total (c)	25,5%	25,5%

(a) Applied to deferred taxes associated with tax losses.

(b) Applicable to a taxable amount from 1.5M through 7.5M Euros.

(c) Applied to deferred taxes associated with temporary differences.

The reconciliation of the tax rate breaks down as follows:

	%	2022 Euros	%	2021 Euros
Income before tax		2 567 844		2 503 281
Increase for taxable profit calculation purposes		540 704		451 938
Tax benefits not recognised in the income statement		(434 931)		(554 486)
Taxable profit		2 673 617		2 400 732
IRC-Corporate Income Tax		561 459		504 154
Municipal surtax		40 104		36 011
State surtax		35 208		27 022
Autonomous taxation		19 384		14 588
Estimated tax for the year		656 157		581 774
Corrections of previous years		-		-
Current tax	**25,55%**	**656 157**	**23,24%**	**581 774**

Note 14 – Other assets

The breakdown of this item is the following:

	2022 Euros	2021 Euros
Current assets		
Prepaid expenses	139 617	95 857
Other receivables	970 834	1 049 262
Sundry accounts	75 130	23 904
	1 185 580	**1 169 022**
Noncurrent assets		
Other receivables	101 841	101 841
Sundry accounts	98 312	98 312
	200 154	**200 154**
	1 385 734	**1 369 175**

Under Current Assets, the item “Other receivables” records the current accounts of customers and other debtors, comprising essentially the invoicing of the management fee charged by the Company to the Funds.

In Noncurrent Assets are recorded amounts receivable referring to security deposits of facilities’ rents and other debts related to tax proceedings.

Note 15 – Financial liabilities measured at amortised cost

This item includes lease liabilities, recorded under IFRS 16 in 2019, and comprises the following amounts by settlement term:

	2022 Euros	2021 Euros
Lease liabilities		
Short-term value (settlement in less than 12 months)	302 270	199 913
Medium to long-term value (longer than 12 months)	1 058 228	38 886
	1 360 498	**238 799**

The value of lease liabilities shows a significant variation due to the recalculation of the lease agreement for the Company's office, following its renewal for another 5 years, and the signing of new vehicle lease agreements.

In 2022 leases (rentals) were paid in the amount of Euros 337,607 (Euros 308,329 in 2021). In terms of maturity, the rentals payable associated with the lease liabilities, and not deducted from the financial charges, are as follows: (i) up to one year –Euros 331,825; (ii) from one to five years –Euros 1,105,401.

Note 16 – Other liabilities

This item breaks down as follows:

	2022 Euros	2021 Euros
Current liabilities		
Other creditors	108 521	127 108
Public administration	160 256	151 811
Charges payable for personnel expenses	775 888	595 230
Other charges payable	1 790 684	1 234 165
	2 835 348	**2 108 313**
Noncurrent liabilities		
Other creditors	9 348	9 348
Charges payable for personnel expenses	246 641	387 284
	255 989	**396 632**
	3 091 337	**2 504 945**

In Current Liabilities, the item “Charges payable for personnel expenses” includes due Holidays and Holiday Pay, and bonuses to be granted to Company employees in the following year.

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In 2022, “Other charges payable” essentially includes the variable trading fee of Millennium bcp, in the amount of Euros 1,676,372 (Euros 1,088,650 in 2021), which is invoiced and paid in the following year, and accrued sundry expenses payable, which amounted to Euros 114,312 (Euros 126,190 in 2021).

Under Noncurrent Liabilities, the item “Other creditors” comprises the balance to be reimbursed to the participants in the Millennium PPA fund, already liquidated.

Under the item “Charges payable for personnel expenses” are recorded the bonuses to be paid to employees within a period of two or more years.

Note 17 - Capital

The share capital of IM Gestão de Ativos - Sociedade Gestora de Organismos de Investimento Coletivo, S.A. totalling 1,000,000 Euros, represented by 1,000,000 shares with a par value of 1.00 Euro each, is fully subscribed and paid-up.

Note 18 – Legal reserve

According to Portuguese legislation, the Company must annually increase its legal reserve by at least 5% of annual net profits until it equals the share capital. Normally, this reserve cannot be distributed.

The Company already has the minimum mandatory legal reserve; thus, no reinforcement was made during the year.

Note 19 - Reserves and retained earnings

This item breaks down as follows:

	2022 Euros	2021 Euros
Other reserves and retained earnings		
Legal reserves	1 000 001	1 000 001
Other reserves and earnings carried forward	1 840 500	1 895 626
	2 840 501	**2 895 627**

In 2022, IMGA distributed free reserves totalling Euros 1,850,000, corresponding to 1.85€ per share.

Note 20 - Assets under management

As at 31 December 2022, the global value of the securities funds managed by the Company comprises:

Securities Investment Funds	EUROS
Open-ended Funds	
Short-term Funds	
CA Monetário	63 463 100
CA Curto Prazo	18 394 587
IMGA Money Market	345 423 737
IMGA Money Market USD	10 144 636
IMGA Liquidez	620 219 563
Bond Funds	
IMGA Divida Pública Europeia	11 171 106
IMGA Euro Taxa Variável	246 663 895
IMGA Iberia Fixed Income ESG	2 370 537
IMGA Rendimento Mais	80 481 188
IMGA Rendimento Semestral	203 525 170
CA Rendimento	131 399 199
Multi-asset Funds	
IMGA Alocação Conservadora	805 259 434
IMGA Alocação Dinâmica	75 873 531
IMGA Alocação Moderada	202 540 051
IMGA Alocação Defensiva	19 445 881
IMGA Flexível	13 822 149
EUROBIC Selecção TOP	5 252 970
Equity Funds	
IMGA Ações América	33 037 110
IMGA Ações Portugal	145 769 405
IMGA European Equities	37 620 237
IMGA Global Equities Selection	23 988 977
IMGA Iberia Equities ESG	2 936 944
Harmonised Retirement Savings Funds	
IMGA Poupança PPR/OICVM	447 272 021
IMGA Investimento PPR/OICVM	43 025 783
EUROBIC PPR/OICVM Ciclo Vida -34	1 582 419
EUROBIC PPR/OICVM Ciclo Vida -35-44	2 498 748
EUROBIC PPR/OICVM Ciclo Vida -45-54	3 951 722
EUROBIC PPR/OICVM Ciclo Vida +55	7 477 033
Total Assets under Management	**3 604 611 133**

On that date, the global value of the private equity funds managed by the Company breaks down as follows:

Private Equity Funds	EUROS
Closed-End Funds	
Mondego Invest	1 493 913
Capitalves SIFIDE	13 997 622
Almond Tree Private Equity - FCR	100 000
Total Assets under Management	**15 591 536**

Note 21 - Off-balance sheet accounts

The amounts recorded in off-balance sheet items can be presented as follows:

	2022 Euros	2021 Euros
Amounts managed by the Company	3 620 202 668	4 317 242 350
Guarantee in favor of third parties	100 976	100 976

Note 22 - Fair value

The Company updates the value of the Work Compensation Funds, recorded under the item "Other financial assets at fair value through profit or loss", monthly, based on the quotation provided by these Funds' management entity.

Note 23 - Related parties

As defined in IAS 24, in addition to the entities that control or exert significant influence over the Company, the members of the Board of Directors are also related parties.

No business transactions between the Company and its Directors were authorised, under the terms of article 397 of the Commercial Companies Code.

In 2022 intragroup transactions were carried out as follows:

	Expenses	Income	Balance as at 31 Dec. 2022
Intermoney Valora Consulting, S.A.	216 744	-	27 262
CIMD, S.A.	10 122	-	-
Intermoney Consultoria, S.A.	30 000	-	2 500

Compared with 2021 amounts:

	Expenses	Income	Balance as at 31 Dec. 2021
Intermoney Valora Consulting, S.A.	183 652	-	16 083
CIMD, S.A.	9 037	-	-
Intermoney Consultoria, S.A.	31 000	-	-

The nature of IMGA's relationship with these entities refers to expenses with insurance, valuation of financial instruments and use of the SIGMA and EMIR platforms.

Board of Directors' remuneration

In 2022, the total amount of Euros 494,696 was paid (Euros 404,230 in 2021).

Note 24 – Risk Management

Given the nature of the assets that make up the balance sheet, most of which are demand deposits with Credit Institutions previously evaluated by the Company, and amounts receivable from management fees of the funds under management, the Company has a low level of exposure to counterparty risk and risks associated with the non-payment of amounts receivable, with no history or indication of default by its counterparties.

As for the remaining risks, namely market risks, the degree of exposure is small, irrelevant.

Note 25 – Prudential Requirements

The Company's Own Funds and Own Funds Requirements are calculated in accordance with CMVM Regulation no. 1/2020 and article 71-M of the General Framework for Collective Investment Undertakings (GFCIU, or RGOIC in Portuguese).

	2022 Euros	2021 Euros
Own Funds:		
Paid-up capital	1 000 000	1 000 000
Reserves	2 840 501	2 895 627
Total	3 840 501	3 895 627
Total own funds	1 893 445	1 871 267
Own funds requirements	1 287 231	1 258 854

In accordance with Decree-Law nº 16/2015, of 24 February, the Company must hold, at all times, Own Funds equal to or greater than the amount calculated according to the fixed overheads provided for in paragraphs 1 to 3 of the Article 97 of Regulation (EU) No. 575/2013, of the European Parliament and of the Council, of 26 June 2013, or to the additional amount to the minimum initial capital to be constituted whenever the net asset value of the portfolios under its management exceeds 250,000,000 Euros, pursuant to Article 71-M of the aforementioned Decree-Law.

The amount of additional Own Funds required equals 0.02% of the amount by which the net asset value of the portfolios under management exceeds the amount of Euros 250,000,000, and the sum of the initial capital with the amount of required additional Own Funds cannot exceed Euros 10,000,000.

Note 26 – Relevant facts

In 2022, IMGA continued to expand the universe of entities marketing the funds it manages (namely with Banco Best) and to consolidate its activity in the private equity fund market.

The most relevant fact of 2022 was undoubtedly the Russia-Ukraine war, with a very significant impact on all world economies. In this context, IMGA's activity was, and continues to be, heavily penalized, with a reduction of 16% in assets under management compared to 2021.

Note 27 – Recently issued accounting standards

The new standards and amendments to the IFRS standards in force, with a direct impact on the Company, are presented below, together with a summary description of the amendments and the respective status of endorsement by the European Union, with reference to December 31, 2022.

The summary hereunder does not include changes to the standards published by the IASB not yet endorsed by the European Union.

Amendments to the Rules in effect as from 1 January 2022:

Standard
IAS 16 – Proceeds before Intended Use

Summary Description

This standard is part of the "*narrow scope amendments*" published by IASB in May 2020.

With this amendment, IAS 16 – 'Tangible Fixed Assets' now prohibits the deduction of proceeds from items sold that resulted from the production in test phase of tangible fixed assets ("outputs") from the book value of these same assets.

The proceeds from the sale of the "outputs" obtained during the testing phase of tangible fixed assets must be recognized in the income statement for the year, in accordance with the applicable regulations, as well as directly related expenses.

This amendment is applied retrospectively, without any restatement of comparatives.

Endorsement Regulation
Regulation (UE) No. 2021/1080, of 28 June.

Effective Date
Annual periods beginning on or after 1 January 2022.

Standard
IAS 37 – Onerous Contracts – Cost of fulfilling a contract

Summary Description

This standard is part of the ”*narrow scope amendments*” published by IASB in May 2020.

This amendment specifies which costs an entity must consider when assessing whether or not a contract is onerous. Only expenses directly related to fulfilling the contract are accepted, and these may include: a) incremental costs to fulfill the contract, such as direct labor and materials; and b) the allocation of other expenses that are directly related to the fulfillment of the contract, such as the allocation of depreciation expenses of a given tangible fixed asset used to execute the contract.

This amendment should be applied to contracts that, at the beginning of the first annual reporting period to which the change is applied, still include contractual obligations to be met, without any restatement of comparatives. Any impact must be recognized against retained earnings on the same date.

Endorsement Regulation
Regulation (UE) No. 2021/1080, of 28 June.

Effective Date
Annual periods beginning on or after 1 January 2022.

Standard
IFRS 16 – Covid-19 related rent concessions after 30 June 2021

Summary Description
The amendment extends the applicability of the amendment to IFRS 16 - Covid-19-Related Rent Concessions from 30 June 2021 to 30 June 2022.
The conditions of application of the practical expedient are maintained, with the proviso that: i) a lessee that has already applied 2020’s practical expedient must also apply it to all lease contracts with similar characteristics and in comparable conditions; and ii) a lessee that has not applied the practical expedient to 2020’s eligible rent concessions, cannot apply the extension to 2020’s amendment. This amendment is applied retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings at the beginning of the annual reporting period in which the lessee first applies the amendment.

Endorsement Regulation
Regulation (UE) No. 2021/1421, of 30 August.

Effective Date

Annual periods beginning on or after 1 April 2021, with earlier application in 2021 permitted, contingent on the adoption of the first amendment to IFRS 16 – 'Covid-19 related rent concessions' in 2020.

Note 28 – Subsequent events

After 31 December 2022, there have been no facts that significantly impact the presentation of the financial statements.

Statutory auditor’s report

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of IM Gestão de Ativos – Sociedade Gestora de Organismos de Investimento Coletivo, S.A. (the “Entity”), which comprise the statement of financial position as at December 31, 2022 (showing a total of 10 388 624 euros and a total net equity of 5 718 834 euros, including a net profit of 1 941 334 euros), and the income statement by nature and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the Entity as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Ordem dos Revisores Oficiais de Contas code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and the supervisory body for the financial statements

Management is responsible for:

- the preparation of financial statements that give a true and fair view of the Entity financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS), as adopted in the European Union.
- the preparation of the management report in accordance with applicable laws and regulations.
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- the adoption of accounting policies and principles appropriate in the circumstances; and

- assessing the Entity´s ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the Entity´s ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity´s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity’s internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibility also includes the verification that the information contained in the management report is consistent with the financial statements.

mazars

Report on other legal regulatory requirements

On the management report

Pursuant to article 451, nº 3, al. e) of the Portuguese Companies Code, it is our opinion that the management report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited financial statements and, having regard to our knowledge and assessment over the Entity, we have not identified any material misstatements.

Lisbon, February 28, 2023

Mazars & Associados, Sociedade de Revisores Oficiais de Contas, S.A.

Represented by Pedro Miguel Pires de Jesus (Revisor Oficial de Contas nº 1930, registered at CMVM under nº 20190019)

This report is a translation of a report originally issued in Portuguese. Therefore, according to Portuguese Institute of Statutory Auditors instructions, the report is not to be sign

STATUTORY AUDITOR'S REPORT

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **IM GESTÃO DE ATIVOS - SOCIEDADE GESTORA DE ORGANISMOS DE INVESTIMENTO COLETIVO, S.A.** (the Entity), which comprise the statement of financial position as at 31 of December of 2022 (showing a total of 10.388.624 euros and a total net equity of 5.781.834 euros, including a net profit of 1.941.334 euros), and a statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of IM GESTÃO DE ATIVOS - SOCIEDADE GESTORA DE ORGANISMOS DE INVESTIMENTO COLETIVO, S.A. as at 31 of December of 2022, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section below. We are independent of the Entity in accordance with the law and we have fulfilled other ethical requirements in accordance with the Ordem dos Revisores Oficiais de Contas code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and the supervisory body for the financial statements

Management is responsible for:

- the preparation of financial statements that give a true and fair view of the Entity's financial position, financial performance and cash flows in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union;
- the preparation of the management report in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Entity's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the Entity's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibility also includes the verification that the information contained in the management report is consistent with the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the management report

Pursuant to article 451.º, n.º 3, al. (e) of the Portuguese Companies' Code, it is our opinion that the management report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited financial statements and, having regard to our knowledge and assessment over the Entity, we have not identified any material misstatements.

Lisbon, 2023/02/28

PONTES, BAPTISTA & ASSOCIADOS
Sociedade de Revisores Oficiais de Contas
Número de registo na CMVM: 20161505
Número de registo na OROC: 209
Representada por

Luís Baptista

Número de registo na CMVM: 20160809
Número de registo na OROC: 1198

REPORT AND OPINION OF THE SUPERVISORY BOARD

Dear Shareholders,

In conformity with the powers granted by you and in the performance of our legal and statutory functions, we hereby submit to your assessment the Report on the corporate activity and the Opinion on the Management Report, the Financial Statements and the proposed allocation of profits presented by the Board of Directors, for the financial year ended on the thirty-first December two thousand and twenty-two.

Within the scope of our legal and statutory powers and duties, we monitored the activity of IM Gestão de Ativos – Sociedade Gestora de Organismos de Investimento Coletivo, S.A. during the year two thousand and twenty-two. Based on the Legal Certification of Accounts and the External Auditors' Report, we have verified that the accounting policies and valuation criteria adopted by the Company in the preparation of its Financial Statements lead to a correct assessment of the Company's assets and results.

At the meetings held, we obtained all the information and clarifications requested from the Board of Directors, either through the Executive Committee or from Senior Management. We monitored the external audit works, namely the analysis of the risk management and internal control system in force, the process of preparation and disclosure of financial information, and we learnt of the findings of the internal audit report.

We aknowledged the work carried out and monitored the legal review of the accounts and their execution by Pontes, Baptista & Associados, Sociedade de Revisores Oficiais de Contas, represented by Luís Fernando da Costa Baptista, with whom we met regularly, having verified their independence and taken note of the Legal Certification of Accounts and the Final Report of Audit Conclusions and Recommendations, with the content of which we agree. We also obtained from the external auditors, Mazars & Associados, Sociedade de Revisores Oficiais de Contas, represented by Pedro de Jesus, the necessary collaboration and also agree with the contents of their Audit Report.

The Supervisory Board concluded that, to the best of its knowledge, the Statement of Financial Position, the Income and Comprehensive Income Statement, the Statement of Changes in Equity and the Cash Flow Statement, and the corresponding Notes to the Financial Statements, as well as the Management Report, read together with the Legal Certification of Accounts and the Audit Report, allow for an adequate understanding of the Company's financial situation and results and comply with the accounting, legal and statutory provisions in force.

Thus, it is our opinion that:

1. the Management Report, as well as the Statement of Financial Position, the Income and Comprehensive Income Statement, the Statement of Changes in Equity, the Cash Flow Statement and the Notes to the Financial Statements presented by the Board of Directors and relating to the financial year ended on the thirty-first December two thousand and twenty-two be approved;
2. there are no objections to the approval of the proposal for the allocation of profits presented by the Board of Directors;
3. a vote of praise be approved for the Company's Board of Directors, for the way in which it was able to conduct the governance of the Company, in order to obtain good levels of commercial and accounting results in a difficult economic year and in such an uncertain conjuncture.

Lisbon, the twenty-eight February two thousand and twenty-three

The Supervisory Board

____

José Manuel Pinhão Rodrigues, Chairman

____

Isabel Maria Estima da Costa Lourenço, Member

____

Tiago Roquette Geraldes, Member