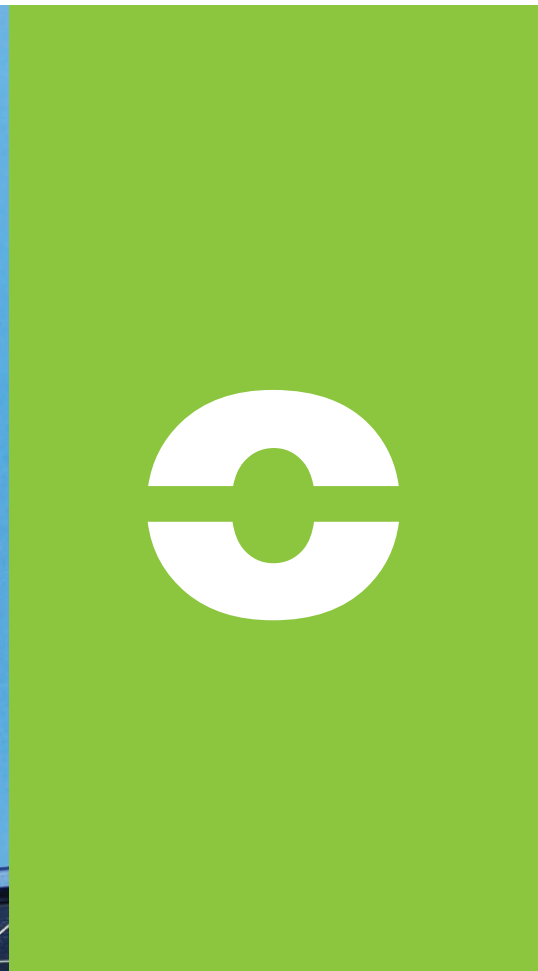


2022



emip

ANNUAL REPORT
AND ACCOUNTS

TABLE OF CONTENTS

01	Message from the Chairperson	05
02	2022 Financial Year	07
	2.1 Background	
	2.2. Organisation	
	2.3. OMI	
03	Development of the MIBEL derivatives market	11
04	Regulation	19
05	Information systems	21
06	Other activities	25
	6.1 Special regime production placement auctions	
	6.2 Supplier of last resort purchase auctions	
	6.3 Capacity rights (gas)	
	6.4 Development of the GPMC/OLMC project	
	6.5 GO Auctions	
07	Outlook for 2023	29
08	Proposed appropriation of profits	31
09	Shareholders, governing bodies and subsidiary	33
10	Financial statements and annexes as at 31 December 2022 and 2021	35

ABBREVIATIONS

OMIClear

OMIClear, C.C., S.A.

OMI

OMI – Operador do Mercado Ibérico

OMIP

OMIP – Pólo Português, S.G.M.R., S.A.

OMIE

OMI – Polo Español, S.A.

OMIP, S.A.

OMIP, S.A.

OMIP SGPS

OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A.

OMEL

Operador del Mercado Iberico de Energía, Polo Español, S.A.

2022

ANNUAL REPORT
AND ACCOUNTS

emip

01

MESSAGE FROM THE CHAIRPERSON

A hroughout 2022, the value and volatility of European electricity and natural gas prices reached extreme levels for which European economies were not prepared, causing economic and social tensions in most European countries.

Russia's use of natural gas (NG) as a weapon of war, deliberately reducing and even cancelling NG supplies, has not only led to a spike in energy prices, but has also threatened the security of energy suppliers in the European market.

In 2022, energy prices experienced strong fluctuations and reached historic highs, driven in particular by the volatility of natural gas, whose European reference contract TTF M+1 (Front Month) fluctuated between €69/MWh and €337/MWh, with an annual average of €129.36/MWh. This dynamic was even more pronounced in electricity prices: in Spain, prices for Q+1 contract (Front Quarter) ranged between €138/MWh and €480/MWh, with an annual average of €183.80/MWh, while the Y+1 contract (Front Year - 2023) ranged between €96/MWh and €351/MWh, with an average of €176.16/MWh. Most European markets saw even higher prices and volatility, with the French case being particularly noteworthy, where Front Quarter contract prices reached €1,660/MWh, with an average of €540.83/MWh, and the 2023 contract reached a maximum of €1,130/MWh with an average of €368.13/MWh.

Following Russia's invasion of Ukraine in February 2022, the EU responded with the RE-PowerEU – a plan for the Union to rapidly end its dependence on Russian energy by strengthening

European resilience and security, reducing energy consumption, accelerating the deployment of renewable energy and energy efficiency, and diversifying sources of supply away from conventional primary energy. The EU has also introduced a temporary state aid scheme to allow certain subsidies to mitigate the impact of high prices. In addition, to mitigate the price crisis and security concerns, the EU has agreed on and implemented a system of greatly increased natural gas storage, demand for reduction measures for both natural gas and electricity, and price caps to avoid windfall profits in both gas and electricity markets.

In the Iberian Peninsula, the Portuguese and Spanish governments implemented several measures aimed at curbing price increases in the electricity market, one of the most important of which that most impacted OMIP SGMR's activity was the design and implementation of a temporary mechanism to adjust the cost of fossil-fuelled electricity generation by setting a ceiling on the price of natural gas used in electricity generation. While this mechanism helped to contain electricity prices on the wholesale market, it also increased regulatory uncertainty and had the additional effect of reducing the liquidity of the electricity forward markets.

The total volume of Iberian futures contracts traded in 2022 was 114 TWh, a decrease of 55% compared to 2021. Trading in futures contracts from other regions was also strongly affected, as shown by the 52% drop in German contracts and the 32% drop in French contracts.

As a result of this adverse environment, the impact on OMIP's activity was significant. The total amount of energy traded on OMIP was 11.9 TWh, which represents a 66.9% reduction compared to the 2021 volume. In economic terms, the volume traded fell by 30.7% to €2,039 million.

In 2022, OMIP continued to develop its activity as the entity responsible for organising the Auctions of Guarantee of Origin of Special Regime Production in Portugal. These auctions, which quickly gained importance at European level and attracted a large number of Portuguese and international participants, generated total revenues of around €61.7 million, which were returned to the national electricity system. In terms of volume, all of the 25.1 TWh offered in the eight auctions held during the year were successfully contracted.

With regard to the outlook for 2023, OMIP, like other OMI Group companies, will continue to be active and will monitor the development of the domestic electricity and natural gas markets, in the context of energy transition and decarbonisation of the economy. Despite the sharp fall in volumes traded and uncertainty over the timing of recovery, OMIP will continue to work towards expanding its portfolio of electricity and natural gas services, developing tools to facilitate the management of risks associated to different pricing between electricity and natural gas, for

example, Financial VTP-ES Natural gas Futures, Financial Spark Spread, and VTP-TTF Natural Gas Spread. OMIP will also be involved in other market activities, especially organising electricity, natural gas, and auctions of guarantees of origin.

The immediate steps will therefore be to continue to diversify in order to mitigate risks, most of which are beyond our control, and to maintain a very tight cost structure, yet flexible enough to efficiently respond to any opportunity. This is the context in which OMIP, braced with the necessary flexibility, will face the new challenges, projects and business opportunities.

Finally, we would like to thank the entire OMIP team, including the non-executive directors, for their excellent work during these particularly challenging times, and all our shareholders for their continued support and confidence.

Lisbon 17 March 2023

Martim Vasconcelos e Sá
Chair of the Board of Directors

A large, stylized number '2022' is centered within a dark grey rectangular box. The numbers are rendered in a light grey, sans-serif font with a slight shadow effect, giving them a three-dimensional appearance. The '0' is a simple oval, and the '2' has a curved top and a horizontal base.

2022

2022 FINANCIAL YEAR

2022 FINANCIAL YEAR

2.1 Background

The Iberian Electricity Market (MIBEL), a joint venture of the governments of the Republic of Portugal and the Kingdom of Spain, aims at building a regional market that is consistent with and a facilitator of a much broader market: the domestic energy market.

Both countries designated OMIP as the managing entity of the futures markets, alongside OMIE, in charge of managing the daily and intra-day market sessions.

It is in this capacity that OMIP, founded in June 2003, manages the MIBEL derivatives market together with OMIClear, founded in April 2004, to serve as central counterpart for market transactions.

OMIP and OMIClear function under Portuguese legislation and are, under this scope, recognised respectively as operator of the regulated market and as central counterpart, both registered with CMVM (*Comissão do Mercado de Valores Mobiliários*, the Portuguese Securities Market Commission).

In accordance with the International Agreement of Santiago, a Board of Regulators supervises MIBEL's activity. This Board comprises regulators from the financial sector (CMVM and *Comisión Nacional del Mercado de Valores*) and from the energy sector (*Entidade Reguladora dos Serviços Energéticos* and *Comisión Nacional de los Mercados y la Competencia*) of both countries.

2.2 Organisation

OMIP's organisational structure is designed so as to ensure regular and effective market operation and, at the same time, to resolve all queries received from participants, supervisory authorities and the general public.

In addition to its own resources, agreements were concluded with other OMI group companies concerning the provision of services, which, to the extent provided for in the law, enables available human resources to be better allocated and managed.

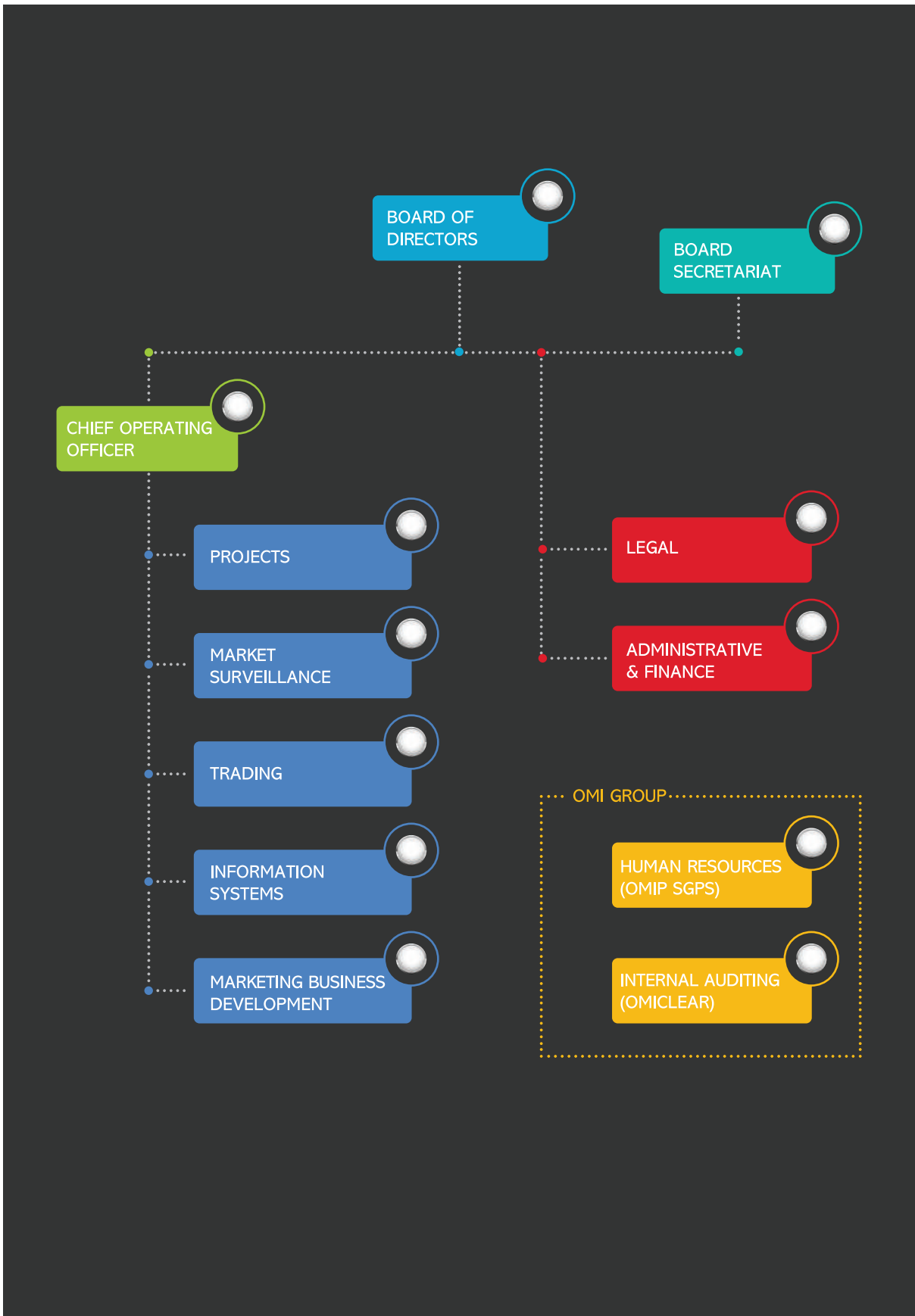
As at 31 December 2022, the company had 12 employees (four women and eight men), to which must be added the Chair of the Board of Directors, who exercises executive functions.

2.3 OMI

OMI's final corporate structure was implemented in 2011, under to Article 4 of the International Agreement of Santiago, revised and amended by the Braga Agreement, which states that OMI "shall comprise two holding companies, with head-office in Portugal and Spain respectively, with cross-shareholdings of 10 % and where both companies will hold 50 % of each of the market managing companies ...". Figure 2 illustrates the agreed model.

In this context, on 18 October 2011 the holding companies OMIP SGPS and OMEL controlled 50:50 of the equity capital of each of the market managing companies OMIP and OMIE. In addition, the corporate governance model fore-

FIGURE 1
OMIP'S ORGANISATIONAL MODEL



seen was implemented, consisting of a Board of Directors common to both market managing companies, OMIP and OMIE.

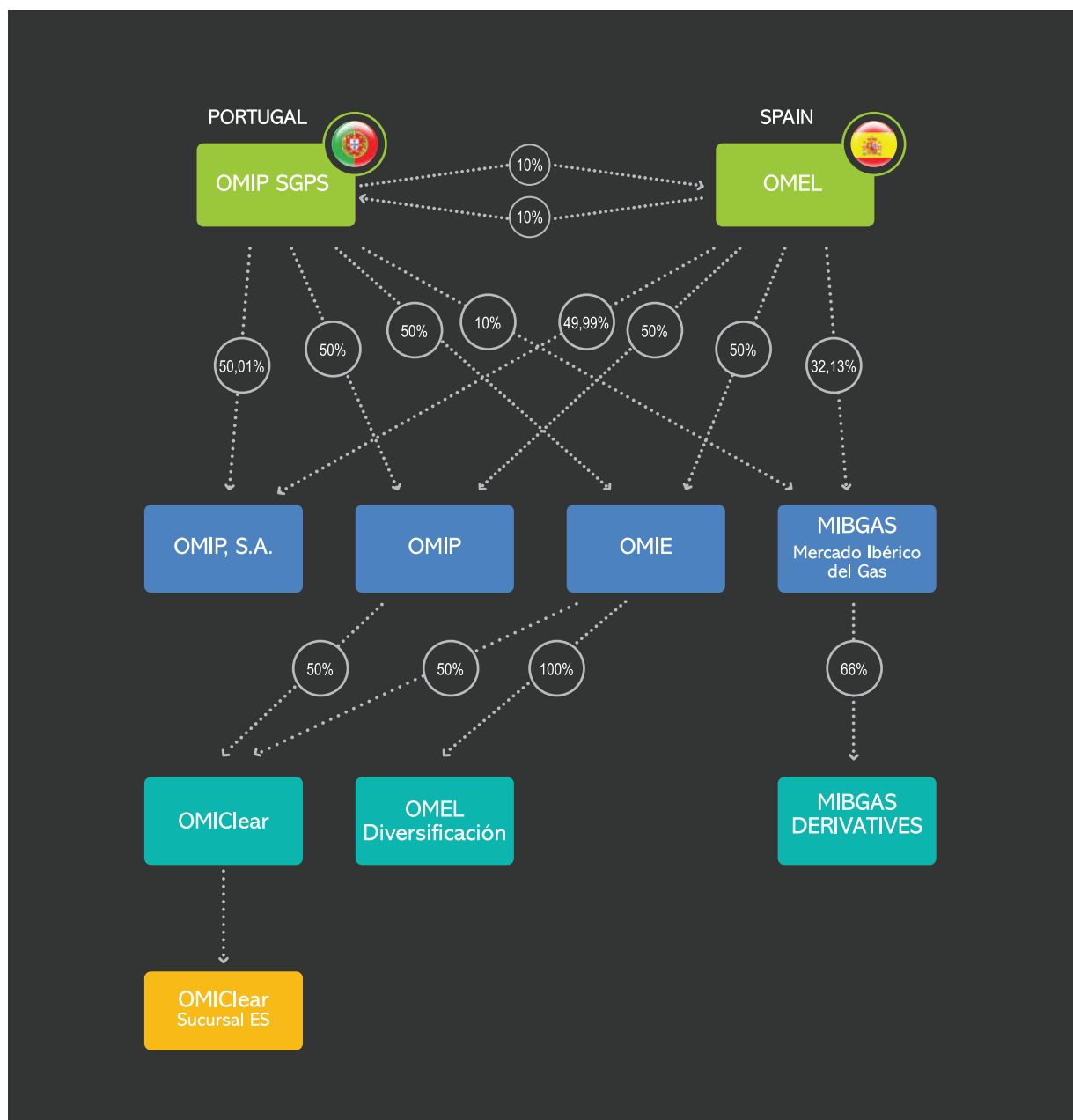
On 12 September 2013, OMIE became part of OMIClear's shareholding structure through a capital increase, completing the OMI model set out in the International Agreement.

2014 and 2015 were years of consolidation and internal reorganisation with the aim of

adapting to the prudential organisational and risk management requirements applicable to OMIClear's activities, a situation that also affected OMIP.

2021 was the fifteenth full year of activity for the Portuguese division of the Iberian Electricity Market Operator, producing marketing materials for distribution to market participants.

FIGURE 2
OMI'S ORGANISATIONAL CHART



03

DEVELOPMENT OF THE MIBEL DERIVATIVES MARKET

DEVELOPMENT OF THE MIBEL DERIVATIVES MARKET

Volumes traded on the MIBEL derivatives market in 2022 totalled 11.9 TWh compared to 36.0 TWh in 2021, i.e. a drop of 67%.

This reduction had the greatest impact on volumes traded on the continuous market and in the LRS and SRG auctions, which fell by 90% and 82% respectively. The volume of bilateral contract registrations also decreased by 52% compared to 2021. All European electricity markets were affected by the war in Ukraine and its aftermath, with rising and volatile energy prices to reaching historic highs, resulting in lower trading in derivative contracts. This high level of uncertainty and risk has been reflected in higher financial collateral requirements by clearing houses and, consequently, restrictions on members trading in the energy forward markets.

Electricity consumption in the Iberian Peninsula also fell by 1.6% compared to the previous year. This was due to the rise in energy prices and the European commitment to reduce demand in the face of the energy crisis, exacerbated by Russia's invasion of Ukraine and the resulting uncertainty of natural gas supplies to the continent.

FIGURE 3
ELECTRICITY CONSUMPTION IN THE IBERIAN PENINSULA (TWH)

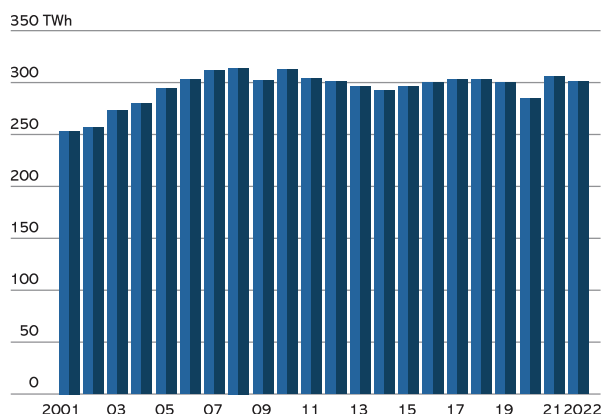


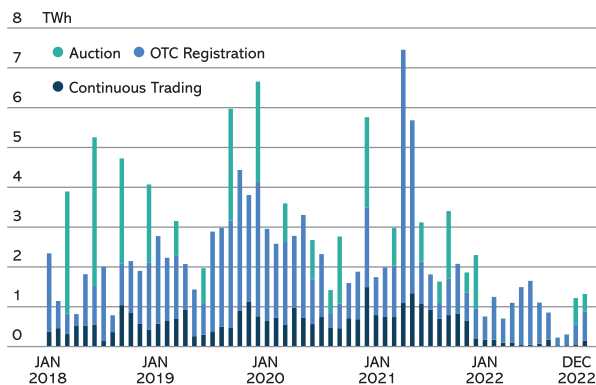
TABLE 1
MAIN ACTIVITY INDICATORS

	2022	2021
Traded volume (TWh)	14.5	36.0
Notional traded volume (M€)	2,038.6	2,941.3
Trading members	72	70

The number of trading members at the end of 2021, as shown in detail below, increased with the admission of 2 trading members.

Volumes traded in April and May were significantly higher than the rest of the months, concentrated in registered bilateral contracts. It should also be noted that, on average, around 1.0 TWh were traded each month in 2022, compared to 3.0 TWh in 2021.

FIGURE 4
ENERGY VOLUME TRADED ONLINE (TWH)



The analysis of the volumes traded each year shows a decrease in 2021. A volume of 11.9 TWh was traded online and in bilateral transactions, down 67% compared to the previous year.

FIGURE 5
ANNUAL VOLUME TRADED ONLINE (TWH)

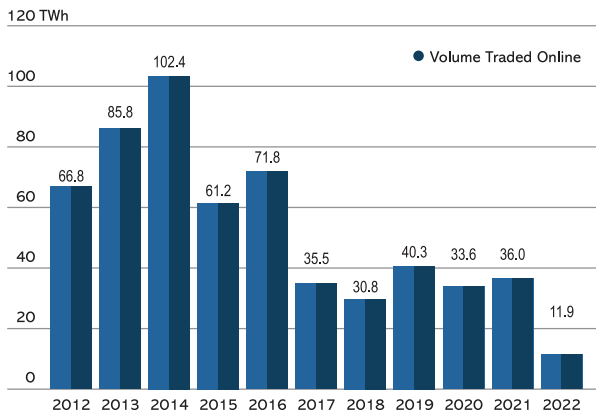
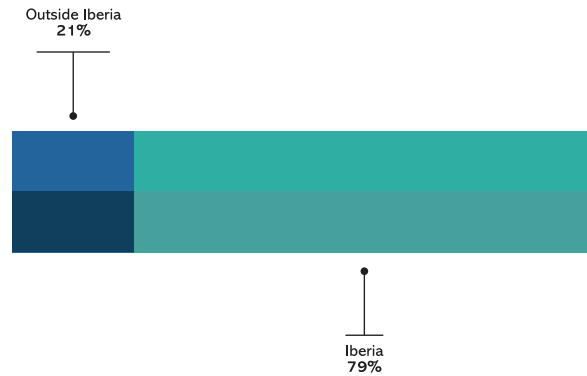


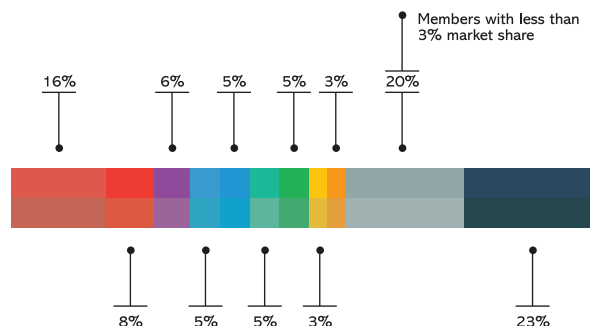
Figure 6 shows that 79% of the total volume was traded by companies based in the Iberian Peninsula, a higher percentage than in 2021 (72%), showing the increasing weight of Iberian companies in the MIBEL forward market.

FIGURE 6
MARKET SHARE BY LOCATION OF THE TRADING MEMBER



The distribution of market share between all trading members in 2022 (see Figure 7) is similar to the previous year, where the distribution of volume among the different market members continued. In 2022, the three most active participants accounted for around 47% of the total volume traded (45% in 2021). This indicator of the distribution of the volume traded should be highlighted, as it confirms that the electricity market in the Iberian Peninsula is still competitive, even if the weight of key players is greater than in the previous year.

FIGURE 7
MARKET SHARE BY TRADING MEMBER



In terms of contracts listed for trading and in terms of equivalent energy, annual contracts were the most traded, accounting for around 61.2% of the total portfolio available on OMIP, as shown in Figure 8, followed by the quarterly and monthly contracts, with 29.7% and 9.0% respectively. Short-term instruments clearly remain the contracts with the smallest market share, accounting for less than 0.1%.

FIGURE 8
WEIGHT OF TRADED VOLUME BY TYPE OF CONTRACT

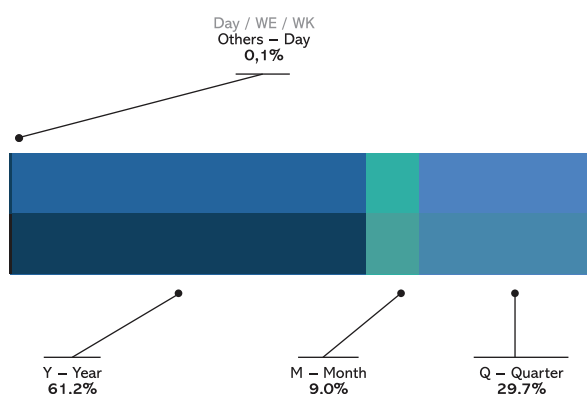


Table 2 lists all the OMIP members, as at 31 December 2022, indicating the trading member dealers, trading member brokers and OTC brokers.

The geographical distribution of participants, in Figure 9, shows two distinct and highly representative areas. One is in the Iberian Peninsula (particularly Spain), where companies with assets and interests in the production and sale of electricity stand out, and the other in the United Kingdom, where financial institutions, banks and investment funds predominate.

As at 31 December 2022, the MIBEL derivatives market comprised 68 trading member dealers, 6 trading member brokers and 10 OTC brokers, as shown in Table 3.

The trading member dealers are dominated by Iberian members, while the trading member brokers and OTC brokers continue to be dominated by non-Iberian members.

TABLE 2
MIBEL DERIVATIVES MARKET MEMBERS

COMPANY	Trading Member Dealer	Trading Member Broker	OTC Broker
Acciona Green Energy Developments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alpiq, AG	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Antuko Energía S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ARRACO Global Markets Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
AXPO Iberia, S.L.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Banco Santander, S.A.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BP Gas Marketing Limited	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Céltica Energía, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cepsa Gas y Electricidad, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CIMD - Corretaje e Información Monetaria y de Divisas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
CITADEL Energy Investments (Ireland) DAC	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comercializadora Regulada, Gas & Power, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Danske Commodities, A/S	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dreue Electric, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ECOCHOICE, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
EDF Trading Limited	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
EDP Energias de Portugal, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
EDP España, S.A.U	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Endesa Energía S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Endesa Energía XXI, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Endesa Generación, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Energía DLR Comercializadora, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ENERGYA VM Gestión de Energía, S.L.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

COMPANY	Trading Member Dealer	Trading Member Broker	OTC Broker
ENFORCESCO, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ENGIE Global Markets SASU	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Eni Global Energy Markets SpA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Enmacc GmbH	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Evergreen Eléctrica, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Factor Energía, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fenie Energía, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Foener Energía, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fortia Energía Servicios, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fortia Energía, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Freepoint Commodities Europe LLP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Futura Energía y Gas, S.L.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Galp Gas Natural, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gas Natural Comercializadora S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
GeoAtlantier, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gesternova, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
GFI Brokers Ltd.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gnera Energía y Tecnología, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Goldman Sachs Bank Europe SE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Griffin Markets Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HEN - Serviços Energéticos, Lda.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Holaluz-Clidom, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Iberdrola Clientes España, S.A.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Iberdrola Comercialización de Último Recurso, S.A.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ICAP Energy LTD	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ICAP Energy, AS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ignis Energía S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ingeniería y Comercialización del Gas, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jafplus Energía, Lda.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kyonynsys Century, S.L.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ledesma Comercializadora Eléctrica, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Macquarie Bank Limited	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marex Spectron International Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mercuria Energy Trading, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MET International AG	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Naturgy Commodities Trading, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nexus Energía, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PETROGAL, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PH Energía, Lda.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Régsiti Comercializadora Regulada S.L.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Repsol Generación Eléctrica, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Repsol Trading, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shell Energy Europe Limited	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SU Eletricidade, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SWAP Energía, S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Switch Energy, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TotalEnergies Gas & Power Limited, London, Meyrin-Geneva Branch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TP ICAP (Europe) S.A.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
TrailStone GmbH	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tullett Prebon (Europe) Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tullett Prebon (Securities) Limited	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Uniper Global Commodities SE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vertsel Energía, S.L.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Viesgo Renovables, S.L.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Villar Mir Energía, S.L.U.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
VITOL S.A.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FIGURE 9
ORIGIN OF MEMBERS (DECEMBER 2022)



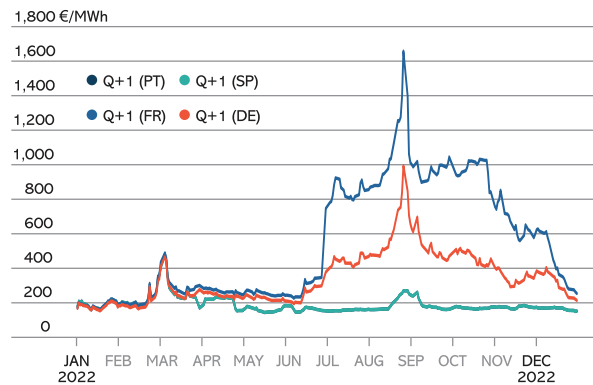
As a result of the marketing work carried out in 2022, two new independent clearing members were admitted compared to the previous year.

TABLE 3
MEMBERS AT THE END OF 2022

Origin	Trading Member (Dealer)	Trading Member (Broker)	OTC Broker
Spain	42	2	1
Portugal	9		
United Kingdom	6	1	6
Germany	2	1	1
Switzerland	5		
France		1	1
Norway		1	1
Belgium	1		
Denmark	1		
Ireland	1		
Italy	1		
Total	68	6	10
Iberian	51	2	1
Non-Iberian	17	4	9

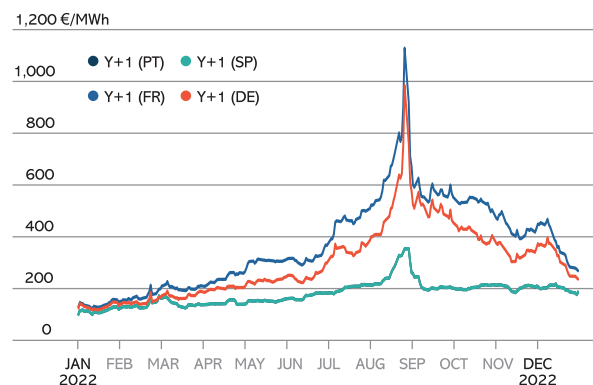
In terms of prices, Figure 10 shows the changes in the first quarterly contracts in the Portuguese, Spanish, French and German zones, with high price volatility throughout the year. In the second half of the year, there was a greater decoupling of prices between the Iberian markets and those of Central Europe, due to the implementation of regulations limiting the price of natural gas for electricity generation, which reduced the impact felt in other countries such as Germany and especially France, where prices peaked above €1,600/MWh due to the reduced supply of Russian natural gas and lower availability of renewable and nuclear generation during the summer months.

FIGURE 10
PRICE DEVELOPMENTS OF Q1 CONTRACTS UNDER NEGOTIATION (EUR/MWH)



A similar trend is found in annual contracts (Year+1), shown in Figure 11, with a tendency for prices to rise to historic highs in August 2022. In the last quarter, however, prices on the electricity markets showed a downward trend. This was due to the replenishment of natural gas reserves through new imports, particularly LNG, and increased production of renewable energy, particularly wind power.

FIGURE 11
PRICE DEVELOPMENTS OF ANNUAL CONTRACTS UNDER NEGOTIATION (EUR/MWH)



The table below summarises some of the most relevant events in 2022.

TABLE 4
SUMMARY OF 2022

EVENTS

Axpo Iberia and Endesa were selected through tender as market makers for 2022.

Launch of trading and registration of natural gas futures contracts with financial settlement with reference to the Spanish Virtual Trading Point (PVB-ES).

2 new trading members were admitted to OMIP (non-Iberian companies in the energy sector). This strengthens OMIP's position in the European context.

Quarterly Portuguese Last Resort Supplier purchase auctions. Traded volumes amounted to 1.1 TWh.

Eight Portuguese guarantee of origin auctions were held during the year. The volume traded amounted to 25.1 TWh.

OMIP organised 4 training sessions on the MIBEL Energy Derivatives Market, two online and two face-to-face, in Madrid and in Lisbon.

In July, OMIP organised the Forward Markets and Renewable Energy Development event in Madrid, which was attended by around 150 participants.

OMIP organised the first post-COVID-19 Trading and Products Committee meeting in November, in Madrid.

04

REGULATION

REGULATION

Since the second half of 2021, there has been a sharp increase in energy prices, not only in the European Union, but worldwide. Russia's invasion of Ukraine in February 2022 exacerbated this increase and marked 2022 in a decisive and transversal way, with a particular impact on the energy and food sectors.

In the energy sector, rising fuel prices and Russia's decision to suspend gas supplies to several European Union Member States have led to unprecedented price volatility and exponential price increases, reaching historically extreme levels.

Concerns about security of supply, on the one hand, and the need for market intervention to limit price formation, on the other hand, have led the various European Union countries and the European Commission itself to adopt a series of political and regulatory measures to try to mitigate the impact of the war on end consumers and the European economy.

In the case of gas, and in order to mitigate the effects of gas price volatility and limit price spikes, European Union countries have agreed on a market adjustment mechanism (embodied in Council Regulation EU 2578/2022 of 22 December), which provides for a ceiling to be applied when gas prices reach exceptional levels.

This market correction mechanism is temporary and transitory and applies to natural gas transactions on the main derivatives markets of the TTF and derivatives markets linked to other virtual trading venues, as a tool to protect against episodes of excessively high gas prices.

At the same time, at the Iberian level, Portugal and Spain have agreed on the design and implementation of an Iberian gas price decoupling mechanism from MIBEL in order to mitigate the current price instability.

This mechanism, which takes account of the specific characteristics of the Iberian electricity market (MIBEL), and the reduced level of electrical interconnection between the Iberian Peninsula and Continental Europe, provides for an exceptional and temporary regime for the fixing of prices on the MIBEL, by setting a reference price for natural gas used in the production of electricity traded on the MIBEL, with a view to reducing the respective prices. The Iberian mechanism was implemented in Portugal on 14 May 2022 by Decree-Law No 33/2022, after several negotiations with the European Commission.

All these interventions at the level of price formation, although positive for consumers, have a significant negative impact on the activity of the forward markets, including the OMIP, since the other side of the coin of price intervention is the significant reduction of risks for market operators, and above all the creation of an environment of uncertainty and regulatory risk, which ultimately discourages forward negotiation of electricity and gas.

In the context of financial regulation, Delegated Regulation (EU) of 20 April 2022 was published, which introduces some relevant simplifications on the subject of position limits, with an impact on the operation of OMIP.

05

INFORMATION SYSTEMS

INFORMATION SYSTEMS

Following on from the work carried out in previous years, in 2022 OMIP's information systems focused on the following essential aspects:

Management of the relationship with technology providers:

- Maintenance of the infrastructure to support technical services;
- Service level and quality management;
- Support to communication between technology suppliers and operational departments.

Support and corrective, preventive and evolutionary maintenance of the technological platforms:

- Specification and testing of new technical functionalities or changes in existing ones;
- Coordination in the implementation of changes in productive or non-productive environments;
- First line support to solving technical problems (internal and external helpdesk service);

- Carry out daily procedures to check the normal operation of systems;
- Analysis and adjustment to regulatory requirements.

Design, specification and testing of new technology solutions supporting OMIP's services.

Participation in the maintenance of business continuity systems and information security management:

- Checking and updating of documents;
- Carrying out maintenance tasks as required by safety policies and procedures;
- Periodical tests to systems and infrastructure.

In 2022, the execution of the aforementioned activities focused primarily on developing new solutions and implementing new functionalities in existing technological platforms, namely:

- Specification and development of minor modifications to the OMIPrices platform

and internal processes to support the company's activities for the launch of 5 and 10-year contracts (PPAs) and the financial gas instrument (FGF).

- Development and testing of an interface to allow the registration of bilateral trading to clients (brokers) who have no interest in being connected via Trayport;
- Specification, development and testing of small changes in the OLMC Portal, the most relevant of which is the integration phase between the OLMC platform and the GiG Portal (Integrated Collateral Manager);
- Completion of the development of the new auction platform - OMIPlusWeb - which replaces the provision of auction services on the previous OMIPlus platform.
- Requirement analysis, functional and technical specification and development award to an external technology platform supplier (OMIPSU) to support the Market Surveillance Department's activities.
- Design and development of market data presentation enhancements for the company's corporate website.

Finally, within the scope of information security and business continuity, in 2022 the following work was carried out by or assisted directly by the Information Systems Department:

- Analysis and mitigation of events identified by the SIEM/SOC;
- Updating the disaster recovery solution in the Datacenter, and prepare and conduct disaster recovery tests therein;
- Preparing and conducting a simulation test of a major cyber incident occurring within the company;
- Extending the use of the privileged access management (PAM) platform to all critical technology vendors;
- Carrying out an assessment of the state of cyber security in the company in order to implement a cyber security master plan for the three-year period 2023-25, to be carried out in early 2023;
- Improvement and renewal of the internal network in the OMIP offices, together with the creation and implementation of a cabling policy.



OTHER ACTIVITIES

6.1 Special regime production placement auctions

The terms and conditions governing the special regime production placement auctions, published in an annex to Directive 5/2011 of ERSE (the Energy Services Regulatory Authority), of 24 November, define OMIP as the entity responsible for organising auctions. This is a regulated mechanism for the sale of electricity production by EDP - Serviço Universal, S.A., within its function as Last Resort Supplier, which involves the auctioning of futures contracts with delivery in the Portuguese zone of the Iberian Electricity Market (MIBEL). The above Directive establishes that auctions follow the clock auction model. For the purpose, OMIP decided to include these auctions as part of the MIBEL Derivatives Market, running them during the course of a special trading session. In 2022, no auctions were held in OMIP.

6.2 Last Resort Supplier purchase auctions

The Regulation on Trade Relations (RRC – Regulamento de Relações Comerciais) and the Tariff Regulation (RT – *Regulamento Tarifário*) establish the separation of functions between the purchase and supply of electricity to clients and the purchase and supply of electricity from special regime production, both of which are

carried out by the Last Resort Supplier (LRS). In the specific case of the purchase and supply of electricity to clients, articles 168 and 169 of the RRC establish that the LRS must purchase electricity through regulated mechanisms expressly provided for this purpose. In addition, the LRS must also purchase electricity to supply its clients in organised markets, namely in organised forward markets. The regulated mechanism for electricity forward contracts to supply the LRS takes the form of acquisition of futures contracts of products listed on the market managed by OMIP, through auction trading. The first two auctions were held in 2019.

6.3 Capacity rights of use (gas)

Natural gas requires complex network infrastructures and terminals through which the energy flows associated with its transport are established, as well as centralised management of the systems thus created. The calculation of the allocation and the technical and economic management of the rights to the capacities (DUCg) are therefore of paramount importance for the proper functioning of the markets.

The new capacity allocation mechanisms in the different infrastructures of the National LNG Transport, Storage and Infrastructure and Terminal Network (RNTIAT), exploring the concept of ex-ante contracting of Capacity Rights of Use (CRU) in the natural gas infrastructures, in

primary issuance and on a secondary market. In accordance with Article 33 of the Regulation on Access to Networks, Infrastructures and Interconnections of the Natural Gas Sector (RARI) – version 2013 – objective, transparent and non-discriminatory mechanisms based on market criteria should be used to give appropriate economic signals to the market participants involved and to comply with other principles laid down in Regulation (EU) 714/2009 of 13 July 2009. The Regulation also provides for the use of products and for rules that are consistent and compatible with the practices advocated by the Commission at European level, in particular the European Grid Code for the allocation of infrastructure capacity. Since September 2013, OMIP has been providing the following services to REN in this area (CRUG): active participation in the initial design and installation of the solution, in close collaboration with REN, and then ensuring all the relevant activities and functions, in particular the training of participants, the creation and availability of technological platforms, and the operation of the primary and secondary markets.

In 2018, primary allocation auctions were extended to intraday products (24 closed-envelope auctions per day on the Trayport platform, every day of the year).

The Secondary Market became operational in 2021, offering two trading models: continuous trading and OTC. This year also saw the expansion of the product range, with the addition of the new Flexibility Service in the Linepack.

The above described functions continued to be ensured by OMIP in 2022. Also during this year, the OMIP Plus auction platform was used to solve congestions in the allocation of monthly, quarterly and annual products. As funções acima descritas continuaram a ser asseguradas pelo OMIP durante o ano de 2022. Neste âmbito, cabe assinalar a utilização da nova plataforma de leilões OMIP Plus para a resolução de vários congestionamentos verificados na atribuição de produtos Mensais, Trimestrais e Anuais.

6.4 Development of the GPMC/OLMC project

OMIP continued to ensure the operation and management of its e_Switch IT platform to support requests to change supplier in the Portuguese gas market in a fast, transparent and secure manner, following the agreement with REN - Gasodutos, S.A., the entity designated by ERSE to manage the process of facilitating the change of supplier in the natural gas sector.

The publication of Law 42/2016 of 16 December 2016, approving the State Budget for 2017, under Article 172, provided for the establishment of the OLMC within the Portuguese electricity and natural gas system, which in practice and as regards the natural gas sector implies the transfer of REN Gasodutos's GPMC NG duties to Adene.

Decree-Law 38/2017 of 31 March 2017 establishes the legal regime applicable to the activities of the OLMC and, under Article 2, commits the Energy Agency (ADENE) to carry out these tasks, and, under Article 11, postpones the transfer to the OLMC the information system supporting the GPMC's tasks.

In this context, REN Gasodutos transferred its contractual position to ADENE at the beginning of 2018, and OMIP continued to ensure the same functions it had under the authority of REN Gasodutos as part of the GPMC/OLMC project Gasodutos. The e_Switch and the FTP were also transferred from the GPMC to Adene's infrastructure.

Under the authority of Adene, we also note the start of development work to integrate the regulated market into the e_Switch platform.

In April 2018, OMIP was invited by Adene to submit a proposal, under the private treaty procedure for the specification, development, operation and maintenance of an electronic logistics platform to support the various procedures related to switching suppliers in the natural gas and electricity sectors (OLMC Portal). OMIP's proposal was accepted and awarded by Adene (OLMC Portal), with works beginning in May. During the year, specification and evolution

phases of the platform were developed and completed, and work began on the implementation of Natural gas.

Although initially planned for the end of January 2020, the OLCM Portal integrated with the SEN (EL – Electricity) and SNGN (GN – natural gas) systems was not put into operation until November 2020 by decision of the ERSE, due to integrations with the EDP Distribuição systems and delays caused by the COVID-19 pandemic. This postponement led to a proposal for an amendment to the ADENE-OMIP contract to ensure the post-production monitoring of the final version of the platform (electricity + natural gas) for a period of one year.

Activities were also undertaken to provide the new quarterly reporting model required by the regulator.

In 2021 and 2022, OMIP continued to ensure the operation and evolutionary maintenance of the OLCM portal through two new direct agreements signed with Adene. In this context, in 2022 it is worth highlighting the start of the integration work between the OLCM platform and the GiG portal (Integrated Collateral Manager).

6.5 GO-PT Auctions

In 2021, OMIP was appointed as the entity responsible for the operation of the GO-PT (Portuguese Guarantee of Origin) auctions in Portugal, which started in July. Under Decree-Law 141/2010 of 31 December 2010 (amended and republished by Decree-Law 60/2020 of 17 August 2020), guarantees of origin for electricity generated from renewable sources by power plants benefitting from price support schemes or investment incentives are delivered by the producers to the Directorate-General for Energy and Geology (DGEG) to be made available to the market.

These guarantees of origin are traded through a competitive auction mechanism – the GO-PT Auctions. The model applicable to the GO-PT auctions is specified in the relevant regulations, which describe the procedure and the role of the various bodies involved, namely:

- The Directorate-General for Energy and Geology (DGEG), through the LRS and the OMIP, makes the GO available to the market under price or investment support schemes;
- The Guarantee of Origin Issuing Entity (GOI) is the entity responsible for the physical settlement of guarantees of origin traded in GO-PT auctions;
- SU ELETRICIDADE (SLR) is the entity responsible for the financial settlement and invoicing of the proceeds of the GO-PT auctions;
- OMIP – Pólo Português, S.G.M.R. (OMIP) is the entity responsible for the operation of the GO-PT auctions;
- OMIP, S.A. (OMIP SA) is the entity responsible for managing the financial guarantees required to qualify for the GO-PT auctions.

The auction model used was the ascending clock auctions on the *OMIPlus* platform managed by OMIP. The guarantees of origin were divided into lots according to technology (solar, wind, hydro, and thermal) and production period. The auctions quickly raised a lot interest in the market, attracting participants from various European countries.

In total, 8 auctions were held in 2022, in a total volume of 25.1 TWh. The end results of the activity in the guarantee of origin auctions are recorded as revenue for the National Electricity System, so the high number of participants resulted in savings of €61.7 million for Portuguese consumers.

This result once again demonstrates OMIP's excellence in the organisation and management of auctions and the company's pioneering role in the design and implementation of innovative solutions to meet the stringent requirements of the European Green Deal, so ambitiously undertaken by the Portuguese and Spanish governments.



OUTLOOK FOR 2023

The year 2023 will be a particularly complex and challenging period for the global energy market, particularly the electricity and natural gas markets.

Activity on the electricity derivatives markets fell sharply last year across Europe, and even more so in the Iberian Peninsula. The situation is expected to stabilise in 2023, with a less uncertain environment and, consequently, a resumption of trading volumes by operators.

The main concern at the beginning of this year will therefore be to closely monitor market developments and variables that may limit prices and trading volumes, as well as the conditions under which participants operate, in order to ensure the integrity and proper functioning of the MIBEL derivatives market.

Once the period of instability on the European Union's eastern border is over, the necessary measures will be taken to create an atmosphere of confidence so that market participants can once again operate in a safe and predictable environment.

In terms of business development, OMIP expects to:

- Recover the activity, in particular trading volumes;
- Increase the number of market participants;
- Continue to organise product placement auctions under the special regime for the MIBEL Portuguese zone;
- Continue to organise Last Resort Supplier Purchase Auctions;

- Continue to organise auctions for guarantees of origin;
- Continue to organise Gas Capacity Rights of Use auctions (DUCg) for transport and storage at RNTIAT;
- Continue to provide change of supplier services in the electricity and natural gas markets;
- Launch PVB-TTF Spread Futures Contracts;
- Develop the portfolio of available products in coordination with market participants, adapting them as necessary;
- Ensure the high level of service that has been provided to market members, including the development of new solutions and functionality specifically requested by members;
- Maintain the recognition and reputation of OMIP as a reference exchange;
- Develop new business areas and complementary and ancillary services to the company's core activity.

OMIP will therefore continue to work to the highest standards of efficiency and innovation to meet the growing needs of its members and the demands of the business sector in which it operates.

In terms of international cooperation, OMIP will continue to participate actively in the activities of the various international bodies of which it is a member.



PROPOSED APPROPRIATION OF PROFITS

The Board of Director proposes, in accordance with and for the purposes of Article 25 of the Company's Articles of Incorporation, that the net profit for 2022, amounting to €1,218,405.72 (one million two hundred and eighteen thousand, four hundred and five euros and seventy-two cents) be appropriated as follows:

To legal reserves	€121,840.57
To distribution of dividends.....	€700,000.00
To retained earnings.....	€396,565.15

Lisbon, 31 March 2023

The Board of Directors

Carmen Becerril Martinez
Chair

Martim Vasconcelos e Sá
Vice-Chair

Abengoa, S.A.
Germán Bejarano García

Caixa Geral de Depósitos, S.A.
Marco Filipe Gomes Torres Lourenço

Carlos Martin de los Santos Bernardos

EDP – Energias de Portugal, S.A.
Pedro Neves Ferreira

Endesa Generación Portugal, S.A.
Adolfo Javier de Rueda Villén

Ignacio Zumalave Freire

Iberdrola Generación España, S.A.U
Jose Luis Rapum Jimenez

Naturgy Energy Group
Ángel Caballero del Avellanal

REN – Redes Energéticas Nacionais, SGPS, S.A.
Maria José Menéres Duarte Pacheco Clara

REN Serviços, S.A.
Pedro Henriques Gomes Cabral

Santiago Gómez Ramos



SHAREHOLDERS, GOVERNING BODIES AND SUBSIDIARY

9.1 Shareholders

OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A. (50%)

OMEL – Operador del Mercado Ibérico de Energía, Polo Español, S.A. (50%)

9.2 Governing Bodies

Board of the Shareholders' Meeting 3 year period 2021 — 2023

Manuela Lopes dos Santos.....Chair

Board of Directors 3 year period 2021 — 2023¹

Carmen Becerril MartinezChair

Martim Bleck Vasconcelos e Sá..... Vice-Chair

Abengoa, S.A. (German Bejarano).....Voting member

Carlos Martin de los SantosVoting member

Caixa Geral de Depósitos, S.A. (Marco Lourenço).....Voting member

EDP – Energias de Portugal, S.A. (Pedro Neves Ferreira).....Voting member

Endesa Generación Portugal, S.A. (Adolfo Javier de Rueda Villén).....Voting member

Ignacio Zumalave.....Voting member

Naturgy Energy Group, S.A. (Angel Caballero).....Voting member

REN – Redes Energéticas Nacionais, SGPS, S.A.
(Maria José Menéres Duarte Pacheco Clara)Voting member

REN Serviços, S.A. (Pedro Henriques Gomes Cabral).....Voting member

Santiago Gómez RamosVoting member

Supervisory Board/Statutory Auditor 3 year period 2021 — 2023

Ernst & Young Audit & Associados – SROC, S.A. (SROC).....Executive

Pedro Miguel Borges Marques (ROC).....Alternate

9.3 Subsidiary

OMIClear, C.C., S.A. - 50% of the equity capital of €7,500,000.00

1. Board of Directors elected on 1 June 2022, for the 2021-2023 three-year period)



FINANCIAL STATEMENTS AND ANNEXES

AS AT 31 DECEMBER 2022 AND 2021

Balance sheet

			Currency: Euros	
	Note	31-12-2022	31-12-2021	
Assets				
Non-current				
Property, plant and equipment	7	2,868	6,673	
Intangible assets	8	216,980	287,948	
Investments - equity method	9	6,662,491	5,656,370	
Other financial investments	10	5,828	13,909	
		6,888,167	5,964,900	
Current				
Clients	11	259,634	79,031	
State and other public entities	12	205,076	-	
Other accounts receivable	13	252,545	365,767	
Deferrals	14	47,053	43,985	
Cash and bank deposits	5	791,614	1,892,166	
		1,555,922	2,380,949	
Total assets		8,444,089	8,345,849	
Equity				
Paid-up capital	15	2,500,000	2,500,000	
Issue premium	16	1,193,711	1,193,711	
Legal reserves	17	475,836	350,523	
Adjustments/Other changes in equity	18	1,114,928	1,114,928	
Retained earning		1,307,768	1,025,813	
		6,592,243	6,184,975	
Net profit for the period		1,218,406	1,253,132	
Total Equity		7,810,649	7,438,107	
Liabilities				
Current				
Suppliers	19	217,212	152,905	
State and other public entities	12	103,086	337,442	
Other accounts payable	20	312,205	417,395	
Defferals	14	937	-	
		633,440	907,742	
Total Liabilities		633,440	907,742	
Total Equity and Liabilities		8,444,089	8,345,849	

Statement of profit and loss by nature as at 31 December 2022 and 2021

Currency: Euros

	Note	31-12-2022	31-12-2021
Sales and services rendered	21	2,484,217	3,439,671
Gains/(losses) charged to subsidiaries	8	1,056,121	270,272
Supplies and external services	22	(1,103,056)	(1,003,926)
Staff costs	23	(1,352,684)	(1,341,485)
Other income	24	375,372	390,209
Other expenses	25	(68,057)	(134,462)
Results before depreciation, financial expenses and taxes		1,391,913	1,620,279
(Expenses) / reversal depreciation and amortisation	7 e 8	(122,260)	(70,484)
Operational result (before financial expenses and taxes)		1,269,653	1,549,795
Interest and similar costs incurred	26	(100)	(207)
Pre-tax results		1,269,553	1,549,588
Income tax for the period	27	(51,147)	(296,456)
Net result for the period		1,218,406	1,253,132
Basic earning per share		4.87	5.01

Notes on pages 35 to 63 form an integral part of the above financial statements.

Statement of changes in equity

	Note	Paid-up capital	Issue premiums	Legal reserves	Adjustments in financial assets	Retained earning	Net result for the period	Total
On 1 January 2021		2,500,000	1,193,711	299,935	1,114,928	1,025,810	505,879	6,640,263
Changes in the period								
Other changes recognised in equity capital		—	—	50,588	—	455,292	(505,879)	—
		—	—	50,588	—	455,292	(505,879)	—
Net result for the period		—	—	—	—	—	1,253,132	1,253,132
Integral result		—	—	—	—	—	1,253,132	1,253,132
Operations with equity holders in the period								
Distributions	28	—	—	—	—	(455,289)	—	(455,289)
Other changes		—	—	—	—	(455,289)	—	(455,289)
On 31 December 2021		2,500,000	1,193,711	350,523	1,114,928	1,025,813	1,253,132	7,438,107
Changes in the period								
Other changes recognised in equity capital		—	—	125,313	—	1,127,819	(1,253,132)	—
		—	—	125,313	—	1,127,819	(1,253,132)	—
Net result for the period		—	—	—	—	—	1,218,406	1,218,406
Integral result		—	—	—	—	—	1,218,406	1,218,406
Operations with equity holders in the period								
Distributions	28	—	—	—	—	(845,864)	—	(845,864)
Other changes		—	—	—	—	—	—	—
		—	—	—	—	(845,864)	—	(845,864)
On 31 December 2022		2,500,000	1,193,711	475,836	1,114,928	1,307,768	1,218,406	7,810,649

Notes on pages 35 to 63 form an integral part of the above financial statements.

Statement of cash flow as at 31 December 2021 and 2020

Currency: Euros

	Note	31-12-2022	31-12-2021
Cash flow of operating activities			
Receivables from clients		3,224,203	4,599,828
Payments to suppliers		(1,523,564)	(1,490,404)
Payments to staff		(1,338,341)	(1,287,507)
Cash flow generated by operations		362,297	1,821,916
(Payment) / refund of income tax		(422,776)	(227,104)
Other (payments) / receipts		(169,066)	(134,439)
Cash flow of operating activities		(229,544)	1,460,374
Cash flow of investment activities			
Payments regarding:			
Property, plant and equipment		(75,143)	
Intangible fixed assets			(311,633)
Receipts from:			
Dividends	8	50,000	50,000
Cash flow of investment activities		(25,143)	(261,633)
Cash flow of financial activities			
Payments regarding:			
Dividends	28	(845,864)	(455,289)
Cash flow of financial activities		(845,864)	(455,289)
Changes in cash flow and its equivalents		(1,100,552)	743,452
Cash and cash equivalents at the start of the period	5	1,892,166	1,148,714
Cash and cash equivalents at the end of the period	5	791,614	1,892,166

Notes on pages 35 to 63 form an integral part of the above financial statements.

ANNEX TO THE FINANCIAL STATEMENTS

1. Identification of the company and reporting period

OMIP – Pólo Português, S.G.M.R., S.A., whose previous name was OMIP – Operador do Mercado Ibérico de Energia (Pólo Português), S.G.M.R., S.A. was incorporated under Order 360/ME/2003 of the Ministry of Economy, of 6 June, and its public deed was signed on 16 June 2003.

The company began its activity on 10 December 2003, with the purpose of organising and managing a support system for the execution of transactions and settlements in the Iberian energy market, and is therefore responsible for:

- a) the management of organised energy futures contracts;
- b) the brokerage of agents for the purpose of establishing commercial relationships in the Iberian electricity market;
- c) the management of other energy-based product markets;
- d) the provision of settlement services within organised electricity markets;
- e) the provision of settlement services for standard transactions in non-organised energy markets;
- f) the organisation of market services within the operation of the electricity system.

Since 18 October 2011, 50 % of the share capital of OMIP is held by OMIP – Operador do Mercado Ibérico (Portugal), SGPS, S.A. (OMIP SGPS), and 50 % by OMEL – Operador del Mercado Iberico de Energía, Polo Español, S.A. (OMEL).

Until 12 September 2013, OMIP held the entire share capital of OMIClear, C.C., S.A. (OMIClear), whose corporate purpose is the management of a clearing house as a central counterparty and of the settlement system. It currently holds 50% of the shares.

From mid - 2021, OMIP – Pólo Português, SGMR, SA is responsible for managing the auctions of guarantees of origin for electricity generated in Portugal from renewable sources.

Decree-Law No 141/2010 of 31 December (amended and republished by Decree-Law No 60/2020 of 17 August) stipulates that producers must provide the Directorate-General for Energy and Geology with guarantees of origin for the production of electricity from renewable energy sources that:

(i) benefit from a direct price support scheme; or (ii) benefit from an investment incentive, or are generated under a power purchase agreement (PPA) or an early termination agreement of a PPA.

These guarantees of origin are traded through a competitive auction mechanism – the GO-PT auctions. The model applicable to the GO-PT auctions is defined in the relevant rules, which describe the process and the role of the different entities involved, namely:

- The Directorate-General for Energy and Geology (DGEG), through the LRS and OMIP, makes the GO available to the market under price or investment support schemes.
- SU Eletricidade (LRS) is the entity responsible for the financial settlement and invoicing of GO-PT auction revenues.

- OMIP – Pólo Português, S.G.M.R. (OMIP) is the entity responsible for managing the participation and operation of the GO-PT auctions.
- OMIP, S.A. (OMIP SA) is the entity responsible for managing the financial guarantees required to qualify for the GO-PT auctions.
- The Guarantee of Origin Issuing Entity (GOI) is the entity responsible for the physical settlement of guarantees of origin traded in GO-PT auctions.

These financial statements were authorised for issue by the Board of Directors at its meeting held on 28 March 2023 and are subject to the approval by the shareholders. In the opinion of the Board of Directors, these financial statements give a true and fair view of the operations, financial position, and results of operations and cash flows of OMIP.

2. Accounting standards for financial reporting

2.1. Basis of preparation

These financial statements have been prepared in accordance with the Portuguese Accounting and Financial Reporting Standards (NCRF – *Norma Contabilística de Relato Financeiro*), issued and in force or issued and adopted as at 31 December 2022.

The preparation of financial statements in conformity with the SNC (Accounting Standardisation System) requires the use of estimates, assumptions and critical judgements in the determination of the accounting policies to be adopted by OMIP, which have a significant effect on the carrying amounts of assets and liabilities and income and expenses for the reporting period.

Although these estimates are based on the Board's best knowledge and expectations of current and future events and activities, actual and future results may differ from these estimates. Note 4.18 identifies the areas involving a higher degree of judgement and complexity, or areas where the assumptions and estimates are relevant to the financial statements.

2.2. Derogation from SNS provisions

During the period covered by these financial statements, there were no exceptional cases that directly required a deviation from a SNC provision.

2.3. Comparability of financial statements

All the information in these financial statements is comparable with that of the previous year.

4. Significant accounting policies

The principal accounting policies used in the preparation of the financial statements, on a going concern basis, are set out below. Unless otherwise stated, these policies have been applied consistently to all periods reported.

4.1. Shareholdings – Subsidiaries

Subsidiaries are all entities (including those created for special purposes) in which OMIP has the power to govern the financial or operating policies. This is usually associated with the direct or indirect control of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered in assessing whether OMIP controls an entity.

Shareholdings in subsidiaries are measured using the equity method. Under this method, the Group's interest in the results of its subsidiaries and associates is included in the statement of profit and loss in proportion to its ownership interest, and its interest in the net assets of its subsidiaries and associated is reflected in the balance sheet in proportion to its ownership interest, taking into account any fair value adjustments and goodwill. These amounts are determined on the basis of the approved financial statements of the subsidiaries and associates or, in the absence of such financial statements, on the basis of best estimates, using the Company's financial year as the reporting date.

4.2. Currency translation

4.2.1 FUNCTIONAL AND PRESENTATION CURRENCY

Unless otherwise stated, the financial statements of OMIP and the notes to these financial statements are presented in EUR.

4.2.2 TRANSACTIONS AND BALANCES

Transactions denominated in currencies other than the euro are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of transactions and from the translation at the closing rate of cash assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss under interest and similar income, interest and similar expenses if related to loans, or other income and gains or other expenses and losses for all other balances/transactions.

4.2.3 EXCHANGE RATES USED

The exchange rates published by Banco de Portugal used to convert balances denominated in foreign currencies were as follows:

Currency	31-12-2022	31-12-2021
	1.0666	1.1326
	0.8869	0.8403

4.3. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. This cost includes the estimated cost at the date of transition to the Portuguese Accounting and Financial Reporting Standards (NCRF) and the costs of assets acquired thereafter.

Acquisition cost comprises the asset's purchase price, costs directly attributable to its acquisition and costs incurred in preparing it for its intended use.

Subsequent expenditure on refurbishments and major repairs that may extend the useful lives of the assets is included in the asset cost.

Ongoing repair and maintenance costs are recognised as an expense in the period in which they are incurred.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives.

	<u>Years</u>
Vehicles	Between 3 and 5 years
Office equipment	Between 3 and 10 years

The useful life of each asset is reviewed at the end of each year to ensure that depreciation is in line with consumption patterns. Changes in useful lives are treated as changes in accounting estimates and are applied prospectively.

Gains or losses arising from the disposal of assets are calculated as the difference between the net realisable value and the carrying amount of the asset and are recognised in the statement of profit and loss.

4.4. Intangible fixed assets

Intangible assets are recognised and measured at cost, which includes costs directly attributable to their acquisition and costs incurred in preparing them for their intended use.

The company recognises as intangible assets the amounts spent on software purchased from third parties, which are subsequently measured using the cost model in accordance with NCRF 6 – Intangible Assets, which states that an intangible asset should be carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with a finite useful life are amortised on a systematic basis over their estimated useful lives from the date they become available for use. Auction platform developments are amortised over 3 years.

4.5. Impairment of assets

Assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Whenever the recoverable amount is less than the carrying amount of an asset, an assessment is made as to whether the loss situation is permanent or definite, and, if so, an impairment loss is recognised. If the loss is not considered to be permanent and definite, the reasons for that decision must be disclosed.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets, other than goodwill, for which impairment losses have been recognised are tested for possible reversal at each reporting date.

When an impairment loss is recognised or reversed, the asset's amortisation and depreciation is recalculated prospectively based on its recoverable amount

4.6. Financial assets

The Board of Directors determines the classification of financial assets at the time of initial recognition according to the purpose for which they were acquired, and reviews this classification at each reporting date.

Financial assets may be classified as:

- a) Financial assets at fair value through profit or loss – including non-derivative financial assets held for trading in respect of short-term investments and assets at fair value through profit or loss at the time they are first recognised;
- b) Loans and receivables – including non-derivative financial assets with fixed or determinable payments that are not quoted in an active market;
- c) Held-to-maturity investments – including non-derivative financial assets with fixed or determinable payments and fixed maturities that the entity has the intention and capacity to hold to maturity;
- d) Available-for-sale financial assets – including available-for-sale non-derivative financial assets that are designated as available-for-sale on initial recognition or that do not fit into any of the above categories. They are recorded as non-current assets unless the intention is to sell them within 12 months of the balance sheet date.

Purchases and sales of investments in financial assets are recognised on the date of the transaction, i.e. the date on which OMIP commits to purchase or sell the asset.

Financial assets at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in profit and loss. These assets are subsequently remeasured at fair value, with gains and losses arising from changes in fair value recognised in profit or loss in the period in which they arise under the heading “Net financial expenses”, which also includes interest and dividends received.

Available-for-sale financial assets are initially recognised at fair value plus transaction costs. They are subsequently carried at fair value with changes in fair value recognised in the fair value reserve in equity. Interest and dividends on available-for-sale financial assets are recognised in profit or loss in the period in which they are earned under the heading “Other operating income” when the right to receive them is established.

The fair value of quoted investments is based on bid prices. If there is no active market, OMIP establishes the fair value using valuation techniques. These techniques include using recent arm’s length transactions where market conditions permit the comparison with instruments that are substantially similar and the calculation of discounted “cash flows” where information is available, favouring market information at the expense of internal information from the target company.

Trade receivables are classified as “Other receivables” in the balance sheet. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the transactions that gave rise to them.

4.7. Clients and other trade receivables

“Clients” and “Other trade receivables” represent amounts receivable for the sale of assets or services in the normal course of OMIP’s business and are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment, if any. Where there is a formal agreement for the deferral of amounts receivable, the fair value is determined using the effective interest rate method, which is the rate that exactly discounts estimated future cash payments to the expected repayment date.

Impairment losses on “Clients” and “Other trade receivables” are recognised when there is objective evidence that they will not be recovered under the initial terms of the transaction. Identified impairment losses are recognised in the statement of profit and loss under “Impairment of trade receivables” and are subsequently reversed through profit or loss when the impairment indicator no longer exists.

4.8. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits, other short-term highly liquid financial investments with original maturities of three months or less, and bank overdrafts. The latter are included in the balance sheet under the heading “Loans granted” in current liabilities and in the statements of cash flow as cash and cash equivalents.

4.9. Share capital

Ordinary shares are included in equity capital.

Costs directly attributable to the issue of new shares or options are recognised in equity as a deduction, net of tax, from the amount issued.

4.10. Trade and Other payables

“Trade” and “Other payables” represent obligations to pay for the acquisition of assets or services and are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

4.11. Financial liabilities

The Board of Directors determines the classification of financial liabilities at the date of initial recognition in accordance with NCRF 27 – Financial Instruments.

Financial liabilities may be classified / measured:

- a) At cost or amortised cost less any impairment loss;
- b) At fair value, with changes in fair value recognised in the statement of profit and loss.

OMIP recognises and measures at cost or amortised cost financial liabilities: (i) that are short-term or have a defined maturity; (ii) whose interest rate may be fixed, variable or linked to market indices; and (iii) for which where there is no contractual clause that could alter the obligation to repay the principal and accrued interest.

For liabilities carried at amortised cost, the interest earned in each period is determined using the effective interest rate method, which is the rate that exactly discounts the estimated future cash payments over the expected life of the financial instrument.

Financial liabilities arising from loans obtained, trade payables (suppliers, other creditors, etc.) and equity instruments, as well as any related derivative contracts that are not quoted in an active market or whose fair value cannot be reliably determined, are carried at cost or amortised cost.

An entity must derecognise a financial liability (or part of a financial liability) only when it is extinguished, i.e. when the contractual obligation is settled, cancelled or expires.

4.12. Income tax

The company is subject to corporate income tax (IRC) at a rate of 17 % on the taxable amount up to €15,000, and at a rate of 21 % on the remaining taxable amount. To the corporate income tax thus obtained is added a surcharge on the taxable income, the rate of which may vary up to 1.5 %, as well as the autonomous tax on charges, in accordance with the rates established in Article 88 of the

Corporate Income Tax Code. In order to determine the taxable amount to which the aforementioned tax rate is applied, the amounts not recognised for tax purposes are added to and subtracted from the accounting result. The difference between the accounting result and the tax result may be temporary or permanent.

Income tax for the period comprises current tax and deferred tax. Income taxes are recognised in the statement of profit and loss except to the extent that they relate to items recognised directly in equity. The amount of current income tax payable is determined on the basis of the total profit before tax, adjusted in accordance with tax regulations.

4.13. Provisions, contingent liabilities and contingent assets

Provisions are recognised when OMIP has: (i) a present legal or constructive obligation as a result of past events; (ii) for which it is likely that an outflow of internal funds will not be required to settle the obligation; and (iii) the amount can be reasonably estimated. If any of the criteria are not met, or if the liability is contingent on the occurrence (or non-occurrence) of a future event, OMIP discloses it as a contingent liability, unless the outflow of resources to settle the obligation is unlikely to occur.

Provisions are measured at the present value of the estimated expenditure required to settle the obligation, using a pre-tax discount rate that reflects market assessments for the discount period and for the risk of the provision in question.

Contingent liabilities are not recognised in the financial statements, but are always disclosed whenever an outflow of resources embodying economic benefits is probable.

Contingent assets are not recognised in the financial statements, but are disclosed when a future inflow of resources is probable

4.14. Expenses and income

Expenses and income are recognised in the period to which they relate, regardless of when they are paid – or received –, in accordance with the principles of accrual accounting. The differences between the amounts received and paid and the corresponding income and expenses are recognised as assets or liabilities when they qualify as such.

4.15. Revenue

Revenue is the fair value of the amounts received or receivable for the sale of goods and/or services in the normal course of OMIP's activities. Revenue is presented net of actual or estimated amounts, or both, for sales returns, trade discounts, volume rebates and prepayments or cash payments. These amounts are estimated on the basis of historical information, specific contractual terms or future expectation regarding the development of sales, and are deducted at the time of revenue recognition by recognising the related liability. Where there is a formal arrangement for the deferral of revenue, the fair value of the revenue is determined using the effective interest rate method, which is the rate that exactly discounts estimated future cash payments or receipts over the expected collection period.

Revenue from the sale of products is recognised when: (i) the amount of revenue can be measured reliably; (ii) it is probable that the economic benefits of the transaction will flow to OMIP; and (iii) a significant part portion of the risks and benefits have been transferred to the buyer.

Revenue from the rendering of services is recognised by reference to the stage of completion or to the contract period if the rendering of the service is not linked to the performance of specific activities, but rather to the ongoing provision of the service.

4.16. Distribution of dividends

The distribution of dividends to OMIP shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by its shareholders.

4.17. Netting of balances and transactions

Assets, liabilities, income and expenses are not offset unless required or permitted by the NCRF (*Accounting and Financial Reporting Standards*).

4.18. Significant estimates and assumptions presented

Estimates and assumptions with an impact on OMIP's financial statements are continually evaluated and represent the Board's best estimate at each reporting date, taking into account historical performance, accumulated experience and expectations about future events that are believed to be reasonable under the circumstances.

The intrinsic nature of the estimates is such that actual results may differ from the amounts estimated. The estimates and assumptions that carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in subsequent periods are as follows:

RELEVANT ACCOUNTING ESTIMATES

4.18.1. Provisions

OMIP periodically analyses any liabilities arising from past events that should be recognised or disclosed.

The subjectivity inherent in determining the probability and internal resources required to settle the liabilities may result in significant adjustments due to changes in the assumptions used or due to the future recognition of provisions previously disclosed as contingent liabilities.

4.18.2. Property, plant and equipment

The determination of the useful lives of assets and the depreciation/amortisation method to be used is essential to determine the amount of depreciation/amortisation recognised in the statement of profit and loss for each period.

These two parameters are determined by the Board of Director's in its best judgement for the assets and businesses concerned, taking into account, where possible, the practices of companies in the sector at an international level.

4.18.3. Impairment

The determination of a potential impairment loss may be triggered by various events, many of which are outside of OMIP's control, such as: (i) the future availability of funding; and (ii) the cost of capital or any other changes internal or external to OMIP.

The identification of impairment indicators, the estimation of future cash flows and the determination of the fair value of assets require management to exercise significant judgement in identifying and assessing various impairment indicators, expected cash flows, applicable discount rates, useful lives and residual values.

4.19. Events after the balance sheet date

Events occurring after the reporting dates that provide additional information about conditions existing at the date of the financial statements are disclosed in the company's financial statements. Material events after the balance sheet date that provide information about conditions subsequent to the balance sheet date are disclosed in the notes to the financial statements.

5. Cash flow

5.1. Cash and cash equivalents not available for use

OMIP did not have any cash or cash equivalent with restrictions on their use during the periods under review.

5.2. Breakdown of values posted in "Cash and bank deposits"

Breakdown of cash and bank deposits as at 31 December 2022 and 31 December 2021:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Cash	,887	887
Bank deposits	790,727	1,891,279
	<u>791,614</u>	<u>1,892,166</u>

Breakdown of the amount considered as the final balance under "Cash and cash equivalents" for the purpose of preparing the statement of cash flow for the years ending 31 December 2022 and 31 December 2021:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Cash resources	<u>887</u>	<u>887</u>
- Cash	<u>887</u>	<u>887</u>
Bank deposits		
- Checking accounts	790,727	1,891,279
	<u>790,727</u>	<u>1,891,279</u>
	<u>791,614</u>	<u>1,892,166</u>

6. Accounting policies, changes in accounting estimates, and errors

6.1. Changes in standards

During the period under review, no new standards, amendments or interpretations to existing standards have been published that should be taken into account by OMIP.

6.2. Changes in accounting policies

During the period under review, there were no changes in the accounting policies used in the preparation of these financial statements.

6.3. Changes in accounting estimates

During the period under review, there were no changes in the accounting estimates used in the preparation of these financial statements.

6.4. Prior period errors

No errors relating to prior periods were identified during prior periods.

7. Property, plant and equipment

Changes posted under “Property, plant and equipment” as at 31 December 2020:

	Vehicles	Office equipment	Total
1 January 2021			
Acquisition cost	87,406	1,763,782	1,851,188
Accumulated depreciation	(71,889)	(1,753,264)	(1,825,155)
Net book value	15,517	10,518	26,035
Additions	-	2,295	2,295
Disposals	(44,317)	-	(44,317)
Depreciation – period	(10,900)	(6,140)	(17,040)
Depreciation - Disposals	39,700	-	39,700
Net book value	-	6,673	6,673
31 December 2021			
Acquisition cost	43,089	1,766,077	1,809,166
Accumulated depreciation	(43,089)	(1,759,404)	(1,802,493)
Net book value	-	6,673	6,673

Changes posted under “Property, plant and equipment” as at 31 December 2021:

	Vehicles	Office equipment	Total
1 January 2022			
Acquisition cost	43,089	1,766,077	1,809,166
Accumulated depreciation	(43,089)	(1,759,404)	(1,802,493)
Net book value	-	6,673	6,673
Additions	-	207	207
Disposals	-	(4,954)	(4,954)
Depreciation – period	-	(4,012)	(4,012)
Depreciation - Disposals	-	4,954	4,954
Net book value	-	2,868	2,868
31 December 2022			
Acquisition cost	43,089	1,761,330	1,804,419
Accumulated depreciation	(43,089)	(1,758,462)	(1,801,551)
Net book value	-	2,868	2,868

Depreciation of property, plant and equipment is recognised in full in the statement of profit and loss under “Depreciation and amortisation expenses/ reversals”.

Additions to property, plant and equipment made in the period ended 31 December 2021 consist mainly of office equipment.

As at 31 December 2022, amortisation was positive at €4,012

8. Intangible assets

Changes recorded under “Intangible assets” as at 31 December 2021:

	Development projects	Total
1 January 2021		
Acquisition cost		-
Accumulated depreciation)		-
Net book value	-	-
Additions	341,392	341,392
Depreciation in the period	(53,444)	(53,444)
Net book value	287,948	287,948
31 December 2021		
Acquisition cost	341,392	341,392
Accumulated depreciation	(53,444)	(53,444)
Net book value	287,948	287,948

Changes recorded under “Intangible assets” as at 31 December 2022:

	Development projects	Total
1 January 2022		
Acquisition cost	341,392	341,392
Accumulated depreciation)	(53,444)	(53,444)
Net book value	287,948	287,948
Additions	47,280	47,280
Depreciation - disposals	(118,248)	(118,248)
Net book value	216,980	216,980
31 December 2022		
Acquisition cost	388,672	388,672
Accumulated depreciation	(171,692)	(171,692)
Net book value	216,980	216,980

The addition to development projects relates to the development of the auction platform.

As at 31 December 2022, the depreciation of intangible assets amounted to €118,248.

9. Investments – Equity method

As at 31 December 2022 and 31 December 2021, the investment in subsidiaries represents 50% of the share capital of OMIClear – C.C., S.A.

Breakdown of the subsidiary:

	31-12-2022	31-12-2021
	OMIClear	OMIClear
Assets		
Non-current	570,692	575,973
Current	2,552,027,797	1,283,793,011
	2,552,598,489	1,284,368,984
Liabilities		
Non-current	206,989	192,170
Current	2,539,066,517	1,272,864,074
	2,539,273,506	1,273,056,244
Equity capital	13,324,983	11,312,740
Activity in the year		
Revenue	6,160,923	4,020,555
Expenditure	(4,048,680)	(3,480,010)
Net result	2,112,243	540,545
% shareholding	50%	50%
	1,056,121	270,272



Movements in the investment for the periods under review are as follows:

	OMIClear
1 January 2021	5,436,098
Dividends received	(50,000)
Gains / (Losses)	,270,272
31 December 2021	5,656,370
Dividends received	(50,000)
Gains / (Losses)	1,056,121
31 December 2022	6,662,491

In 2022, dividends of €50,000 were received from OMIClear (2021: €50,000).

10. Other financial investments

The amounts shown under this heading refer to the monthly contributions paid by the company to the Workers' Compensation Fund (FCT – *Fundo de Compensação do Trabalho*) under Law 70/2013.

11. Clients

Breakdown of “Clients” for the periods ended 31 December 2022 and 31 December 2021:

	31-12-2022			21-12-2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Clients – Related parties (Note 32)	66,900	-	66,900	30,000	-	30,000
Clients – Third parties	192,734	-	192,734	49,031	-	49,031
	259,634	-	259,634	79,031	-	79,031
Impairment	-	-	-	-	-	-
	259,634	-	259,634	79,031	-	79,031

There were no differences between the carrying amounts and fair values in the periods under review.

12. State and other public entities

“State and other public entities” balances as at 31 December 2022 and 31 December 2021:

	31-12-2022		31-12-2021	
	Debtor	Creditor	Debtor	Creditor
Corporate tax - IRC	205,076	-	-	179,453
Income tax - IRS	-	35,542	-	45,166
Value added tax – VAT	-	33,202	-	70,308
Contributions to Social Security	-	34,342	-	42,515
	205,076	103,086	-	337,442

Corporate tax income (IRC) for the reported periods:

	31-12-2022	31-12-2021
Payments on account	243,723	106,503
Withholding tax	12,500	10,500
Corporate tax estimate	(51,147)	(296,456)
	205,076	(179,453)

52

13. Other receivables

Breakdown of “Other receivables” as at 31 December 2022 and 2021:

	31-12-2022			21-12-2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Other debtors						
OMIClear (Note 32)	73,252	-	73,252	87,177	-	87,177
OMIP SGPS (Note 32)	22,993	-	22,993	-	-	-
REN - Gasodutos (Note 32)	67,238	-	67,238	45,482	-	45,482
Adene (security)	58,925	-	58,925	58,925	-	58,925
Other	137	-	137	126	-	126
Accrued income						
Other	30,000	-	30,000	174,057	-	174,057
	252,545	-	252,545	365,767	-	365,767
Impairment						
	-	-	-	-	-	-
	252,545	-	252,545	365,767	-	365,767

Breakdown of “Other income accruals”:

	<u>31-12-2022</u>	<u>31-12-2021</u>
GPMC accruals	-	144,820
EEX accrual	-	29,237
Market Monitoring	30,000	-
	<u>30,000</u>	<u>174,057</u>

There are no differences between the carrying amounts and fair values for the periods under review.

The decrease in accruals is due to: (i) the amount corresponding to GPMC was all invoiced in December, and; (ii) the EEX contract ended in February 2022.

14. Deferrals

Balances under “Deferrals” as at 31 December 2022 and 31 December 2021:

ATIVOS		
	<u>31-12-2022</u>	<u>31-12-2021</u>
Insurance	5,999	5,832
Quotas	4,167	3,750
Bloomberg	4,298	3,976
Other	32,589	30,427
	<u>47,053</u>	<u>43,985</u>

LIABILITIES		
	<u>31-12-2022</u>	<u>31-12-2021</u>
FTP	937	-
	<u>937</u>	<u>-</u>

15. Share capital

As at 31 December 2022 and 31 December 2021, OMIP’s share capital of €2,500,000 was fully subscribed and paid up, represented by 250,000 shares with a nominal value of €10 each.

Breakdown of share capital as at 31 December 2022 and 31 December 2021:

	<u>% Share</u>	<u>Capital</u>
OMIP SGPS	50.00%	1,250,000,
OMIE	50.00%	1,250,000,
	<u>100.00%</u>	<u>2,500,000,</u>

16. Issue premium

Issue premiums of €1,193,711 resulted from a share capital increase in 2004 when OMEL joined the company and a capital increase by the former shareholder REN. Subsequently, part of this amount was used to cover a capital increase.

17. Legal reserves

In accordance with current company, the company is required to transfer at least 5 % of its annual net profit to the legal reserve until it reaches 20 % of the capital. This reserve cannot be distributed unless the company is liquidated, but may be used to absorb losses after other reserves have been used, or may be added to capital.

As at 31 December 2022, this reserve amounted to €475,837 (2021: €350,523), therefore below the 20% of share capital.

18. Adjustments to equity

The amount of €1,114,928 under this heading corresponds to the revaluation of OMIClear following the sale of 50 % made by OMIP to OMIE in September 2013.

54

19. Suppliers

Breakdown of the heading including all current “Suppliers” as at 31 December 2022 and 31 December 2021:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Suppliers	217,212	152,905
	<u>217,212</u>	<u>152,905</u>



20. Other payables

Breakdown of “Other payables” as at 31 December 2022 and 31 December 2021:

	31-12-2022			21-12-2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Supplier investments						
General suppliers	-	-	-	75 143	-	75 143
	-	-	-	75 143	-	75 143
Other creditors						
OMIClear (note 32)	3 500	-	3 500	4 500	-	4 500
Other	7 878	-	7 878	7 248	-	7 248
	11 378	-	11 378	11 748	-	11 748
Creditors due to accrued expenses						
Staff costs	262 850	-	262 850	260 984	-	260 984
Other	37 977	-	37 977	69 520	-	69 520
	300 827	-	300 827	330 504	-	330 504
	312 205	-	312 205	417 395	-	417 395

21. Services provided

Breakdown of services provided and recognised in the statement of profit and loss:

	31-12-2022	31-12-2021
Services provided - Natural Gas	680,571	974,727
Licences and FTP	438,580	432,720
Guarantee of origin auctions	376,789	276,094
Admission and maintenance fees	342,070	350,865
Remit	226,640	226,640
Variable fees	128,455	456,708
Services provided – electricity	126,665	399,769
Market Monitoring (Note 32)	120,000	120,000
EEX	17,372	183,243
Training	27,075	18,905
	2,484,217	3,439,671

In general, there was a decrease in this item. We highlight as the main decreases (i) natural gas services, due to the termination of the Adene - GPMC contract; (ii) electricity services, due to the termination of the CUR and PRE auctions and also because in 2021 we recognised the revenue from a solar auction that took place in 2019 (iii) decrease in variable fees, and iv) decrease in EEX, due to the termination of the contact in February 2022..

In this line, we would also like to highlight an increase in the origin auctions service, which was launched in September 2021.

22. Supplies and external services

Breakdown of costs incurred with “Supplies and external services”:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Specialised works	893,017	840,503
Travel and accommodation	42,588	18,505
Rentals and other office expenses	108,831	108,437
Fees	5,331	2,645
Insurance	20,282	19,474
Commission and banking fees	2,182	2,250
Other	30,825	12,112
	<u>1,103,056</u>	<u>1,003,926</u>

The most significant items under “Supplies and external services” are specialised tasks, which include (i) the maintenance of systems and access to IT platforms, and (ii) the management fees that compensate other Group employees for their work on behalf of OMIP.

The specialised works item saw an increase due to increases from suppliers in general, namely Trayport, which is part of the company’s market system.

56

23. Staff costs

Breakdown of “Staff costs” incurred during the periods ending 31 December 2022 and 2021:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Remunerations		
Governing bodies	207,720	232,339
Staff	885,115	847,600
	<u>1,092,835</u>	<u>1,079,939</u>
Social charges	247,035	239,680
Other	12,814	21,866
	<u>259,849</u>	<u>261,546</u>
	<u>1,352,684</u>	<u>1,341,485</u>

The reduction in the cost of corporate bodies is due to the fact that the Chairman of the Company has waived their variable bonus for the year 2021. This situation reduced staff costs compared to the same period of the previous year.

The average number of OMIP staff in 2022 was 13 (2021: 13).

24. Other income and gains

A rubrica de Outros rendimentos apresenta a seguinte composição:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Maintenance fees (Note 32)	55,437	367,273
OMIClear contract (Note 32)	184,000	-
OMIP SA contract (Note 32)	127,836	-
Other	8,099	22,936
	<u>375,372</u>	<u>390,209</u>

The heading “Management fees” includes the debit amounts charged by OMIP to other Group companies for the provision of human resources to carry out the work resulting from the activities of these companies.

The amounts debited to each company are €184,000 for OMIClear, €55,437 for OMIP SGPS, and €127,836 for OMIP, SA.

25. Other expenses and losses

Breakdown of “Other expenses and losses”:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Costs with market operations	29,273	86,508
Contributions/levies	31,880	32,713
Taxes	634	5,102
Other	6,270	10,139
	<u>68,057</u>	<u>134,462</u>

Costs recognised as market operations include fixed monthly fees/commissions charged by market makers. These members ensure an adequate level of liquidity and depth of quotes. The variations recorded are due to lower volumes traded in 2022 compared to 2021. These costs also include a fee charged by CMVM since 2018, which varies according to the volumes traded.

“Contributions / levies” includes the costs to be borne by the Company in 2022 and 2021 as a result of its membership of representative bodies of the sector, namely the Associação Portuguesa de Energia (*Portuguese Energy Association*), APEX (*Association of Power Exchanges*) and EUROPEX, among others.

26. Financial expenditure and income

Breakdown of "Financial expenditure" for the years 2022 and 2021:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Financial expenditure		
Other financial expenditure	100	207
	100	207

27. Income tax

Breakdown of "Income tax" as at 31 December 2022 and 31 December 2021:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Current income tax	51,147	296,456
	51,147	296,456

The tax rate used for the valuation of taxable differences at the balance sheet date for the year ended 31 December 2022 was 17% for taxable amounts up to €15,000 and 21% for amounts in excess thereof, plus a surcharge of 1.5% (2021: 17% up to €25,000, and 21 % for amounts in excess thereof, in addition to a surcharge of 1.5%).

27.1. Deferred taxes

As at 31 December 2022 and 31 December 2021, there were no situations giving rise to deferred tax assets or liabilities.

27.2. Reconciliation of tax rate

Reconciliation of the effective tax rate for the periods ended 31 December 2022 and 2021:

	<u>31-12-2022</u>		<u>31-12-2021</u>	
Pre-tax result	25,000	1,244,553	15,000	1,534,588
Tax rate	17.0%	21.0%	17.0%	21.0%
	4,250	261,356	2,550	322,264
	265,606		324,814	
Non-deductible expenses		1,262		2,829
Non-taxable income		(225,133)		(60,192)
Surcharge		3,053		19,146
Autonomous taxation		6,359		9,859
		51,147		296,456
Current income tax		51,147		296,456
Income tax		51,147		296,456
Effective tax rate		4.0%		19.1%

Tax rate used to determine the amount of tax in the financial statements:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Tax rate up to €25,000	17.00%	17.00%
Tax rate for the remaining value	21.00%	21.00%
Surcharge	1.50%	1.50%
	<u>20.50%</u>	<u>20.50%</u>

28. Dividends

As at 31 December 2022, OMIP paid dividends in the amount of €845,864 to the OMIP SGPS and OMEL shareholders, in proportion to their shareholdings in the company's equity (2021: €455,289 in dividends were paid).

29. Commitments

As at 31 December 2022 and 31 December 2021, there were no other commitments entered into by the Company that are not reflected in the financial statements.

59

30. Contingencies

CONTINGENT LIABILITIES

As at 31 December 2022 and 31 December 2021, OMIP had no contingent liabilities.

CONTINGENT ASSETS

As at 31 December 2022 and 31 December 2021, OMIP had no contingent assets.

31. Information required by law

Under Article 21(1) of Decree-Law No 411/91, of 17 October 1991, OMIP confirms that it does not owe any contributions to the social security system or to the Treasury.

32. Related parties

As at 31 December 2022 and 31 December 2021, OMIP was 50 % held by OMIP – Operador do Mercado Ibérico (Portugal), SGPS, SA and 50% by OMEL – Operador del Mercado Ibérico de Energia, Pólo Español, SA:

Shareholders:

- OMIP, SGPS
- OMEL

Subsidiary:

- OMIClear – C.C., SA

Other related companies:

- OMI – Polo Español, SA
- REN – Rede Electrica Nacional, S.A.
- REN – Gasodutos, S.A.
- REN – Serviços, S.A.
- Caixa Geral de Depósitos, S.A.
- Banco Comercial Português, S.A.
- EDP – Energias de Portugal, S.A.
- Naturgy Energy Group, S.A.
- Iberdrola Generacion Española, S.A.U.

60

32.1. Transactions with shareholders:

During the periods under review, OMIP carried out the following transactions with its shareholders:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Services acquired		
OMIP SGPS (Note 22)	25,350	25,350
	25,350	25,350
	<u>31-12-2022</u>	<u>31-12-2022</u>
Services provided		
OMIP SGPS (Note 24)	55,437	55,437
	55,437	55,437

32.2. Debit and credit balances with shareholders

For the periods ended 31 December 2022 and 31 December 2021, the balances arising from transactions with shareholders are as follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Other trade receivable		
OMIP SGPS (Note 13)	22,993	-
	22,993	-

32.3. Transactions with subsidiaries

The following transactions were carried out with the subsidiary OMIClear during the periods under review:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Services acquired		
OMIClear (Note 22)	85,344	85,344
	85,344	85,344
	<u>31-12-2022</u>	<u>31-12-2022</u>
Services provided		
OMIClear (Notes 22 and 24)	384,000	384,000
	384,000	384,000

32.4. Debit and credit balances with subsidiaries

For the periods ended 31 December 2022 and 31 December 2021, the balances arising from transactions made with subsidiaries are as follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Other receivables		
OMIClear (Note 13)	73,252	87,177
	73,252	87,177
	<u>31-12-2022</u>	<u>31-12-2022</u>
Other payables		
OMIClear (Note 20)	3,500	4,500
	3,500	4,500

32.5. Transactions with other related parties

During the periods under review, OMIClear carried out the following transactions with the following entities:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Services provided		
REN - Gasodutos (Note 21)	211,140	327,250
REN - Rede Energética Nacional (Note 21)	26,665	-
EDP - Energias de Portugal, SA (Note 21)	44,280	88,121
SU Eletricidade, SA (Note 21)	623,897	625,799
OMIP SA (Note 24)	127,836	127,836
OMIE (Note 21)	120,000	120,000
	1,153,819	1,289,006

32.6. Debit and credit balances with other related parties

As at 31 December 2022 and 31 December 2021, the balances resulting from transactions made with other related parties are as follows:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Clients		
REN - Gasodutos (Note 11)	66,900	-
SU Eletricidade (Note 11)	89,680	-
OMIE (Note 11)	-	30,000
	<u>156,580</u>	<u>30,000</u>
Other trade receivables		
REN - Gasodutos (Note 13)	45,482	45,482
	<u>45,482</u>	<u>45,482</u>

32.7. Management remunerations

Remuneration of the members of the Board of Directors of OMIP for the periods ending on 31 December 2022 and 31 December 2021:

	<u>31-12-2022</u>	<u>31-12-2021</u>
Salaries and other remuneration	195,720	167,596
Bonuses and gratuities	12,000	64,743
	<u>207,720</u>	<u>232,338</u>

33. Subsequent events

Up to the date of approval of these financial statements, the Board of Directors was not aware of any subsequent events that would require disclosure.

34. Proposed appropriation of profits

In accordance with and for the purposes of Article 25 of the Company's Articles of Association, the Board of Directors has decided to propose that the positive net result for 2022 of €1,218,405.72 (one million two hundred and eighteen thousand, four hundred and five euros and seventy-two cents) be appropriated as follows:

To legal reserve	€121,840.57
To distribution of dividends.....	€700,000.00
To retained earnings	€396,565.15

Lisbon, 31 March 2023

The Board of Directors

Carmen Becerril Martinez
Chair

Martim Vasconcelos e Sá
Vice-Chair

Abengoa, S.A.
Germán Bejarano García

Caixa Geral de Depósitos, S.A.
Marco Filipe Gomes Torres Lourenço

Carlos Martin de los Santos Bernardos

EDP – Energias de Portugal, S.A.
Pedro Neves Ferreira

Endesa Generación Portugal, S.A.
Adolfo Javier de Rueda Villén

Ignacio Zumalave Freire

Iberdrola Generación España, S.A.U
Jose Luis Rapum Jimenez

Naturgy Energy Group
Ángel Caballero del Avellanal

REN – Redes Energéticas Nacionais, SGPS, S.A.
Maria José Menéres Duarte Pacheco Clara

REN Serviços, S.A.
Pedro Henriques Gomes Cabral

Santiago Gómez Ramos

The Certified Accountant

Manuela Lopes dos Santos
Certified Accountant. Licence no. 85946



OMIP — Pólo Português, S.G.M.R., S.A.
Av. Casal Ribeiro, n.º 14 — 8º // 1000-092 Lisboa — Portugal
www.omip.pt // omip@omip.pt
Tel: +351 21 000 6000 // Fax: +351 21 000 6001