OTRA INFORMACIÓN RELEVANTE

AGILE CONTENT, S.A.

Bilbao, 29 de abril de 2022

Muy señores nuestros,

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 227 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, así como en la Circular 3/2020 del segmento BME Growth de BME MTF Equity (en adelante "BME Growth"), ponemos en su conocimiento la siguiente información relativa al Annual Report 2021.

Annual Report 2021 (versión en inglés)

De conformidad con lo dispuesto en la Circular 3/2020 de BME Growth, se hace constar que la información comunicada por la presente ha sido elaborada bajo la exclusiva responsabilidad de la Sociedad y sus administradores.

Atentamente,

ANNUAL REPORT 2021

agile content

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01

LETTER FROM THE CEO

> ***2021 has been a great year for Agile Content in terms of growth, execution of synergies and integration of teams, establishing our leadership position across the Pay TV and OTT market.***

HERNÁN SCAPUSIO
CEO, AGILE CONTENT

Dear Shareholder,

We are pleased to present the consolidated financial statements for the year 2021, along with an update on the evolution of our business following our latest industry acquisitions and technology investments.

It has been a great year for Agile Content in terms of growth, execution of synergies and integration of teams, consolidating our leadership position across the Pay TV and OTT market.

Last year we continued to drive our strategy upwards based on three solid pillars: organic growth, the efficient integration of our acquisitions within the model of ownership, and investment in key technologies.

We have reinforced our position as the leading neutral provider of video infrastructure in Europe, with a 169% growth in sales and a turnover of 55 million euros. In addition to this growth, Agile Content increased its EBITDA to 5 million euros, which represents a year-on-year growth of 150%. Adjusted EBITDA, excluding extraordinary expenses, reached around 7.5 million euros. Looking ahead, the company has concluded 2021 with an order book of around €280 million with average contract length between 3 and 8 years and strong recurring revenue.

These results demonstrate the successful strategic approach as a provider of video technologies in B2B and as an outsourced Pay TV infrastructure leader in B2B2C.

With our B2B portfolio, Agile Content works with 17 of the 50 largest telecommunications companies in the world, with more than 50 million households now benefiting from its products and services, a remarkable milestone. On the other hand, Agile TV reached 710,000 subscribers in December 2021 thanks to the integration of Euskaltel TV and strong organic growth, with more than 43,000 net additions in the last quarter. A significant boost that has positioned us as one of the 5 fastest growing Pay TV platforms in Europe in terms of subscriber increase. In the next 5 years, more than 80 million Europeans will adopt new fiber connections and our goal is that all those connections will be accompanied by a TV service thanks to a technical solution that guarantees the best experience at an affordable price for the mass market.

We are already one of the top 30 Pay TV providers in Europe in 2021, with a scale greater than three-quarters of the TV operator market, and on a neutral video infrastructure model geared towards adding critical mass globally.

Agile Content´s revenue and EBITDA growth, driven by operational efficiency and organic growth, demonstrate the potential of our consolidation strategy in a highly fragmented European market. We invest steadily to ensure a competitive, fast and flexible television service, capable of adapting to a fast-moving and increasingly complex market. Tapping into a global and scalable infrastructure with a beneficial cost structure as well as an operational advantage, it differentiates us as a main potential partner for all large global operators.

The corporate operations undertaken in recent years have allowed us to increase investments in R&D by 65%, improving the competitiveness of the portfolio, while proving the scale benefits of investments in development as the R&D investment over sales ratio improved from 18.5% to 11.4%.

During 2021, our investment in R+D+I stood at more than 6 million euros, a year in which Agile Content solutions were recognized by leading organizations in the industry as relevant innovations that drive the future of television. This includes being honored at the Streaming Media European Readers' Choice Awards 2021, as well as the Digital Media World Awards.

Looking back, we know that this entire journey would not have been possible without our committed team of around 300 engineers and video business specialists, with talent spread across 24 countries. Likewise, our shareholders and the financial markets have provided the support, with the necessary muscle to help us maintain this rapid and sustained growth.

> ***Agile Content´s revenue and EBITDA growth, driven by operational efficiency and organic growth, demonstrate the potential of our consolidation strategy in a highly fragmented European market.***

From this position we have new opportunities to be an active agent that consolidates our segment further. We have shown in 2021 that we can successfully manage the entire television value chain thanks to our team and technology.

I would like to offer my thanks for your continued support in our efforts of consolidating the European Pay TV / OTT market, and impact how millions of people are informed and entertained daily.

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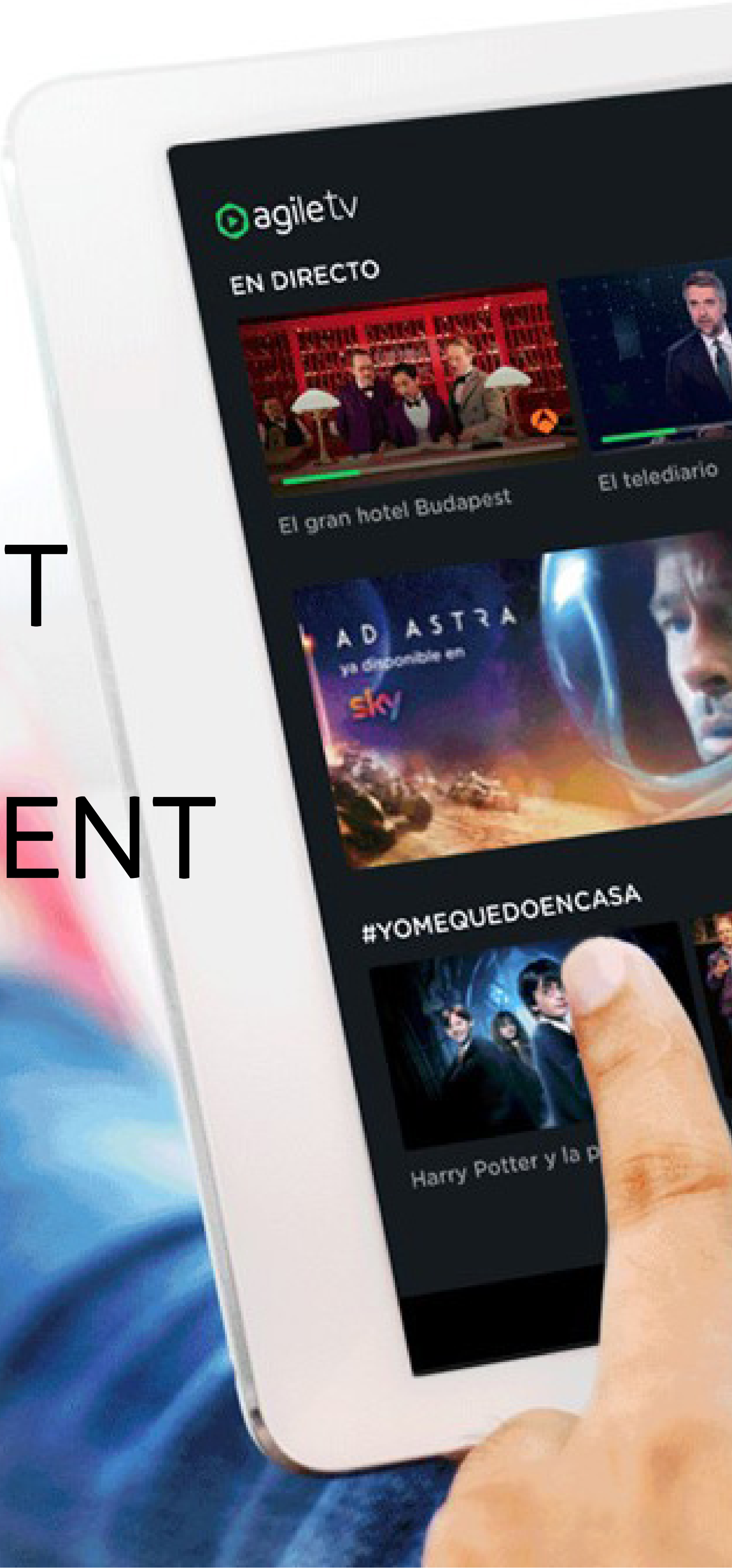
ABOUT AGILE CONTENT



2.1 Who we are

We are leading specialists in television and video services, with a true passion for technology and innovation. As a provider of cloud applications and services for infrastructure and Pay TV business operations, we help organizations transform their television and video businesses to successfully meet the needs and expectations of today's audiences.

Our purpose

Our purpose is to drive the evolution of television and allow more people to benefit from the advantages and opportunities that technology brings to the way we consume video. We aim to provide the best information and entertainment video experience by partnering with telecom operators and media companies. Our technology, our team, and our vision enable them to enhance their broadband offers and efficiently deliver a high-quality competitive television service at an affordable price.

2.2 What makes us different

Our Impact

Every day, millions of people get their TV delivered via services powered by technology from Agile Content together with our partners.

Whether it is local news from a national broadcaster or major sports events on leading global OTT platforms, more than 50 million families enrich their life with easy and affordable access to content streamed to them wherever they are over the internet.

The impact on the daily life of a continuously growing number of individuals and society is the result of our team, our technology and platforms, and the business models that enable the TV services of today and tomorrow.

Specialized Team

Our international team of more than 300 video specialists have industry-leading experience in innovating and delivering streaming solutions for the telecom and media market.

Proven Technology

For more than 14 years, our products, solutions and services have helped partners deliver crucial TV content to more than 50M households around the world and we have been selected as a technology provider and partner to some of the biggest and most demanding global streaming platforms.

Modular Platform

Our cloud-based modular architecture, including pre-integrated as well as customizable options, sets the foundation of a modern TV service and places us in a pole position to transform how content is produced, curated and distributed using the internet.

Flexible Engagement Models

With our alternative business and engagement models, the way our products and services are provided can be adapted to the preferences and prerequisites of our customers' situations and ambitions. This may be as a technology supplier of service critical components in a B2B model or as a B2B2C model.

2.3 Our stakeholders

The support of our stakeholders is key to the present and future of this company. Their needs, expectations and ambitions motivate and drive us to continuously improve and contribute to the industry and society.

Society and end users

With the ever-changing behavior and expectations of the online viewers in a connected society, knowing the user is fundamental in the transformation from a content-centric to a user-centric experience. Our main purpose is to provide the best information and entertainment video experience at an affordable price for a better and more enriched television for all people.

Customers & Partners

Our best allies, telecom operators, broadcasters and content owners, are the liaisons between us and the end-users, joining ambitions and efforts to deliver the TV of today and tomorrow. Their feedback and trust are our inspiration to innovate, and our commitment is to support and grow with them.

Our people

Our employees' knowledge, ideas and experience are the foundation and engine of our company. We strive to build a multicultural, and diverse environment, facilitating the personal and professional growth of each individual and supporting engineering creativity. As a "best place to work" we aim to attract and nurture our talent by offering numerous capabilities to evolve and innovate.

Shareholders

Thanks to the trust of our shareholders, we can continue to develop technology, innovate and consolidate a fragmented European sector, generating growth and value by playing a part in the rapidly transforming video and television industry.

2.4 Some of our partners

Trusted by Top Telco & Media Companies

Partnering with leading content providers

2.5 The Agile Content brands

Agile TV is the fully managed TV service offered by Agile Content to its partners such as MásMóvil, Yoigo, Apple TV, Guuk, Parlem, Euskaltel, R, Telecable, Virgin Telco, RACCtel+ or Sweno. It is one of the leading pay TV providers in Spain, present in 710,000 homes, and it is among the top 30 Pay TV services in Europe. It is a family entertainment service that combines DTT, premium channels, third-party applications, and games, all integrated in one place. Agile TV offers more than 10,000 hours of content through highly recognized channels such as FOX, Disney, AXN, National Geographic, COSMO Etc.

Edgeware supplies operators and content providers with systems to deliver modern TV services over the Internet at a huge scale. Edgeware's unique technology provides an outstanding viewing experience that allows its customers to retain control of their content. Edgeware has more than 200 customers and is headquartered in Stockholm, Sweden, with staff in 15 countries across Europe, Asia and the Americas.

Fon is the global WiFi network who pioneered residential WiFi sharing over a decade ago. Together with leading telcos, it has built the world's largest WiFi community of over 10 million hotspots. Fon are experts in keeping people seamlessly connected by aggregating residential and prime public WiFi footprints, as well as facilitating interconnection between WiFi networks.

WeTek is dedicated to R&D of the Android ecosystem, with 10 years of experience in the industry. As experts in the Mobile Device Management of Android devices, WeTek creates custom hardware, and delivers the software capable of creating operation and cost efficiency to multiple industries - Pay TV, Hospitality, Healthcare, Education, Logistics, and Retail.

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OUR TEAM

3.1 Board of directors

HERNAN SCAPUSIO

Member Of The Board, President, Co-Founder & CEO

Chief Executive Officer and Co-founder of Agile Content. Hernan leads the organic and inorganic growth of the company, with a strong international expansion, placing it as a reference player for large companies in the territories in which it operates. With more than ten years of experience in management within the Audiovisual and Information technology sector, Hernan branched out further into cinema and video post-production and worked with leading directors.

Hernan is currently a member of the Cercle d' Economia and collaborator on numerous initiatives promoting digital technologies. He is also actively participating in various Digital TV forums promoted by the Ministry of Industry and by the Autonomous Government of Catalonia (Generalitat), Spain.

He has taught at different universities, such as Pompeu Fabra University (UPF), Blanquerna – Ramón Llull University (URL), Autonomous University of Barcelona (UAB), Carlos III University of Madrid, among others. He studied Audiovisual Design at the University of Buenos Aires, Management Development Program (PPD) from the IESE Business School (Spain), and Marketing for Media (IME, US).

JOSE ANTONIO LÓPEZ

Independent Member of the Board, Vice president

With more than 30 years of experience in the information communication technology (ICT) sector, he has held multiple senior management positions in operators and multinational companies such as Auna, Amena and Ericsson. Most recently, he has been appointed CEO of Lyntia, Spain's leading independent operator of fiber infrastructure for B2B and FTTH markets. In the last 10 years, he has served as President and CEO of Ericsson Spain and Portugal, Head of Global Telefonica account and member of the Board of Directors for Ericsson´s European and Latin American markets.

López has a Doctorade DBA Cum Laude from Pontifical University of Comillas (ICADE/ICAI), a degree in Economics from the University of Valladolid, an MBA from Instituto de Empresa (IE) and postgraduate degrees from the Universities of Columbia, Wharton and the London Business School.

MONICA RAYO

Member Of The Board, Co-founder & COO

COO and Co-founder of Agile Content, Monica leads Product, R&D, and Operations. With more than 20 years of experience in the ICT sector, Monica has led consulting teams at multinational firms like Oracle, specializing in media convergence and transformation. As a CTO, she has contributed to push forward the future of TV in CCRTV (Spanish broadcaster) leading projects that became a reference for digital video and DTT innovation. Passionate about maximizing the value of content and technology assets to generate and develop new business models, Monica founded Agile Content in 2007 with the purpose of becoming a leading partner for TV Business. Starting the path to pioneer key digital projects for Top T&M Companies in Europe and LATAM. Monica contributes to the evolution of Agile by focusing on capturing value in the digital media space for T&M by driving results towards innovation and efficiency.

Monica holds a Bachelor's degree in Telecommunications and in Computer Science from Universidad La Salle, (Spain), and an Executive Program PDD by IESE Business School (Spain).

Board of directors

BELTRAN MORA-FIGUEROA

Member of the Board
Member of the Audit Committee

Beltrán is General Partner at Inveready Asset Management SGEIC. Before joining Inveready, Beltrán spent more than 10 years at Barclays Capital advising corporates and financial institutions in M&A and capital markets transactions.

Beltrán graduated from CUNEF with a BSc Finance degree and has the Diploma for Directors from the Instituto de Consejeros y Administradores (IC-A).

JOSE POZA

Member of the Board

In 1997, Jose joined the IBERCOM project, a telecommunications operator for companies. After a series of acquisitions and continuous growth, it entered the MAB in 2012. In 2014 IBERCOM merged with MásMóvil, creating the MASMOVIL IBERCOM group. The Group becomes an operator that provides universal telecommunications services to multiple segments. In 2016, MásMóvil bought Pepephone and Yoigo, becoming the 4th mobile operator in Spain.

Currently, he is a member of the Board of Directors of Agile Content and Easo Ventures.

Jose Poza holds a degree in Computer Science from the UPV in San Sebastián.

PEDRO MOLINA

Member of the board

Director and member of the Board of Directors since 2008 of Grupo Salinas, a group of dynamic, fast-growing, and technologically advanced companies focused on creating economic value through market innovation, goods and services companies.

In his previous experience, Pedro also served as Financial Controller of Holding TV AZTECA, among other management positions in different companies.

He holds a Bachelor's degree in Accounting from the Escuela Bancaria y Comercial (Mexico). Postgraduate degree in Finance, Accounting and Taxes from the Instituto Tecnológico Autónomo de México and postgraduate course in Total Aquality from the Instituto Tecnológico de Monterrey (Mexico).

ABEL GIBERT

Independent Member of the board
President of the Nominations & Retribution Committee
Member of the Audit Committee

Abel Gibert joined Seeliger y Conde as Partner in 1997. During his professional career,he has been a Consultant at Arthur Andersen, O. Dati, and Software AG. In 1987, he joined Grupo Indra where he was General Director of Icuatro (an Electromedicine company), Tecnología y Sistemas Didácticos SA and Gyconsa (a technology company in collaboration with Hughes Aircaft Co.). In 1995 he joined Grupo CIRSA as Managing Director for the Southern Cone in Sao Paulo, and later Managing Director in Italy. He has been member of various Boards of Directors and collaborates with various Non-Governmental Organizations, as well as a Professor at the Instituto de Empresa.

Abel Gibert is an Industrial Engineer from the Polytechnic University of Catalonia, PDGand PADE from IESE, Certificate in Executive Coaching and IC-A Diploma.

Board of directors

AGUSTIN CHECA

Independent Member of the board
President of the Audit Committee
Member of the Nominations & Retribution Committee

Agustin Checa is an economic expert with more than 35 years of experience in corporate auditing, accounting, and economic consulting. During his career, Agustin worked for PwC, the International Bank of Commerce, Epacontrol Auditores, and BDO. He has been a member of the board of directors of many different entities, highlighting his more than twelve years as a member, and also vice-president, of the Board of Directors of the National Spanish Registry of Auditing Economists.

He has also taught Finance and Accounting for more than twenty years in different universities and business schools such as Pompeu Fabra University, Barcelona (Spain). Currently, Agustin is a member of the board of directors of several companies and works as an advisor for business valuation and financial supervision.

Agustin Checa has a Bachelor's of Economics from the Universidad Compluense de Madrid (Spain).

ALOYSIO JUNQUEIRA

Member of the board
Nominations & Retribution Committee

Currently an investor, through funds and directly, in more than 60 startups from different areas, such as fintech, retail tech, edutech, martech and foodtech, most of them in Brazil, but also in the USA, Portugal and Spain. Founder & Chief Executive Officer of Intelekto, a company dedicated to providing, managing, installing and trouble ticketing internet infrastructure, and serves on the boards of Agile Content and Sellbie.

Founder of MktTV, a Brazilian company in the field of video management, which was incorporated into Agile in 2015.

Executive with extensive experience in the IT and Telecommunication services sector, with a long international career. Sales experience from Internet Services and IT Outsourcing.

Bachelor's degree and Master certificate in Telecommunication and Electronic Engineering from Pontifical Catholic University of Rio de Janeiro (Brazil).

SILVIA MARTINEZ

Secretary

Silvia Martínez Losas is the Managing Partner of Lexcrea. She holds a Law degree from the University of Navarra, a Business Administration and Management degree from the Abat Oliba-CEU University, and a Multinational MBA from Esade Business School. Member of the ICAB and the College of Economists of Catalonia (CEC).

Prior to founding Lexcrea – a firm specialized in advising startups, SMEs, investors, business angels and other venture capital entities – Silvia worked in top-tier law firms. She has extensive experience in advising on M&A operations, financing rounds in startups, and setting up investment vehicles. She collaborates as Secretary of Board of Directors of numerous companies and venture capital entities.

In 2021 she was ranked, according to TTR (Transactional Track Record), as one of the most active lawyers in Spain, with 33 advised operations.

3.2 Advisors

UMBERTO DE JULIO

Umberto de Julio received a degree in Electronic Engineering from the University of Roma La Sapienza. He began his activity as a researcher at "Fondazione Ugo Bordoni" and then moved to STET-SIP Group (presently Telecom Italia/TIM) where he has been Director of SIP Network from 1986, Deputy General Manager of STET from 1995, General Manager of Telecom Italia from 1997, CEO of TIM from 1998. In 2000, after the OPA of Olive, he left Telecom Italia Group and joined Elserino Piol and Oliver Novick as Partner of Pino Partecipazioni. He then joined Italtel as CEO from 2008 to 2010 and Chairman from 2010 to 2013. In 2017 he founded, with other partners, Eagle Projects, which is today a leading Company in engineering and network design software.

Umberto de Julio has been a member of many international bodies for the definition of standards and served as Board Member for many companies. He has also been Chairman of "Associazione Eledrotecnica e Eledronica Italiana" and of "Quadrato della Radio" and is currently Chairman of ANFOV.

ERIK HALLBERG

Erik has extensive experience in the Telecommunications and Technology European landscape. He has held numerous executive and board member positions in top leading telco companies in Europe such as Yoigo, Telia, Omnitel, Edgeware, Ncell, Prevas AB, and HiQ International AB. In his more than 17 years in Telia in different executive positions all around the globe, where he accomplished many international projects, but also local things in the local markets. He has been the chairman of the board for multiple companies, both listed and non-listed in different countries such as Estonia, Latvia, and Lithuania. Erik supports companies to scale their services base on his experience and network.

Besides being a member of the advisory board to Agile Content, Erik is currently also Chairman of the Board of Haltian, a global IoT and product development company from Finland, Chair in JonDeTech Sensors AB and EyeonID Group AB (both listed in Stockholm) and Chair in Fidesmo AB, as well member of the Board in listed FerroAmp Elektronik AB.

REYNALDO FAGUNDES

A pioneer of Digital Media in Latin America, Mr. Fagundes founded, in 1999, OTT Networks (now part of Agile Content), to become the leading provider of audio and video management systems for Internet distribution, being responsible for several key digital audio and video projects in the region, including massive scale events such as the webcast of the Olympic Games and FIFA's WorldCup in Latin America, and some of the largest OTT video services in the region.

Mr. Fagundes lead Agile Content's B2B division until 2021, being responsible for the strategic planning, management, R&D, sales, and operations, leading the company growth and consolidation as the choice for the largest OTT video operators in Latin America and Europe.

Now serving as a strategic advisor to Agile Content, Mr. Fagundes holds an engineering degree from the University of Sao Paulo/Brazil and has a number of academic prizes including a silver medal in the 34th International Mathematics Olympiad (Hong Kong, 1994). Mr. Fagundes is fluent in English, Spanish, Portuguese, and Italian.

3.3 Management team

HERNAN SCAPUSIO

Member Of The Board, President, Co-Founder & CEO

Hernan Scapusio is CEO and Co-founder of Agile Content. He has more than ten years' experience in management within the audiovisual and information technology sector and is also a member of the Cercle d' Economia and a collaborator on numerous initiatives promoting digital technologies.

MONICA RAYO

Member Of The Board, Co-founder & COO

Monica Rayo is COO and Co-founder of Agile Content. She has more than 20 years' experience in the ICT sector, leading consulting teams at multinational firms like Oracle and CCRTV, specializing in media convergence and transformation.

NUNO FERRAZ DE CARVALHO

Chief Commercial Officer, Portugal

Nuno Ferraz de Carvalho is Agile Content's Chief Commercial Officer. He has 20 years' experience in the global ICT market and was previously the Managing Director at Cisco Systems in Madrid, Spain for the Telco, Media and Broadcasters Unit in South, Central Europe, and LATAM.

JOHAN BOLIN

Chief Technology Officer, Sweden

Johan Bolin is Agile Content's Chief Technology Officer. He has more than 20 years' experience in the Telecom and Media industry and has worked with fixed, mobile, and TV products on both the vendor (Ericsson, Edgeware) and operator (Tele2) side.

ALEX PUREGGER

Chief Monetization Officer, Spain

Alex Puregger is Agile Content's Chief Monetization Officer. He previously worked at leading strategy consultancy, Booz Allen where he co-founded the BA Vienna office, led the Iberia Telco practice and managed projects in Telecom, Media and Internet on a global scale.

Management team

CASPAR LUYTEN

VP of Business Development, Spain

Caspar Luyten is Agile Content's Vice President Of Business Development. He brings in over 20 years of expertise within the international business development, customer experience and digital transformation space. Previously he worked across a variety of industries for companies such as WindTre, Telefonica, BT, Microsoft, Adveo and Alion Energy.

HUGO CONDESA

Head of Diversification, Portugal

Hugo Condesa is Agile Content's Head of Diversification. As the former CEO of WeTek, he has over 18 years' experience in the international IT sector and an additional 8 years in the video delivery industry.

ALEXANDRE FERNANDES

VP of Customer Success, Portugal

Alexandre Fernandes is Agile Content's VP of Customer Success. He has accumulated over 13 years of experience in key director roles at Vivo, Telefonica, TimweTech and FS.

ANDY HOOPER

VP of Product Management , United Kingdom

Andy Hooper is Agile Content's VP of Product Management. In his 20-year career he has held senior roles at companies like ARRIS, Motorola, TIBCO Software, Accenture, and Edgeware.

Management team

FRANCISCO MARTÍN

Operations Director, Spain

Francisco Martin de la Fuente is Agile Content's Director of Global Operations. He has more than 23 years of experience across the telecommunications and technology industry. Throughout his career he has worked for companies including Telefónica, AT&T Unisource, Telia Spain, Iberbanda, Securitas Direct and Fon.

ANDERS WESTIN

Managing Director (Edgeware), Sweden

Anders Westin is Agile Content's VP of Software Engineering and Services. He offers over 25 years of experience, having previously worked at the likes of Ericsson, Edgeware, Motorola and others.

RAFAEL FUZARI

Professional Service Director, Brazil

Rafael Fuzari is Agile Content's Professional Services Director. He has over 20 years of experience working for significant start-ups across Latin America, such as iG (Internet Group), iBest, BRTurbo (Brasil Telecom), and Abril Digital.

ALFONSO ZAPATA

Corporate Director, Spain

Alfonso Zapata is Agile Content's Corporate Director. His years of experience has seen him work at companies such as ING, holding executive positions including CEO and CFO of Spain, France, and Italy.

Management team

CRISTIAN GRAU

Chief Financial Officer, Spain

Cristian Grau is Agile Content's Finance Director. He brings more than 14 years of experience within the financial sector having worked for companies such as PwC, Accelya Group and Privalia (now Veepe).

FABIO AMARAL

General Manager (LATAM), Brazil

Fabio Amaral is Agile Content's General Manager LATAM. Before joining Agile, Fabio Amaral worked for companies such as Baan/Infor, Apple, Totvs and Folha de São Paulo/Plural.

DANIEL MUNOZ

VP of TV and Entertainment

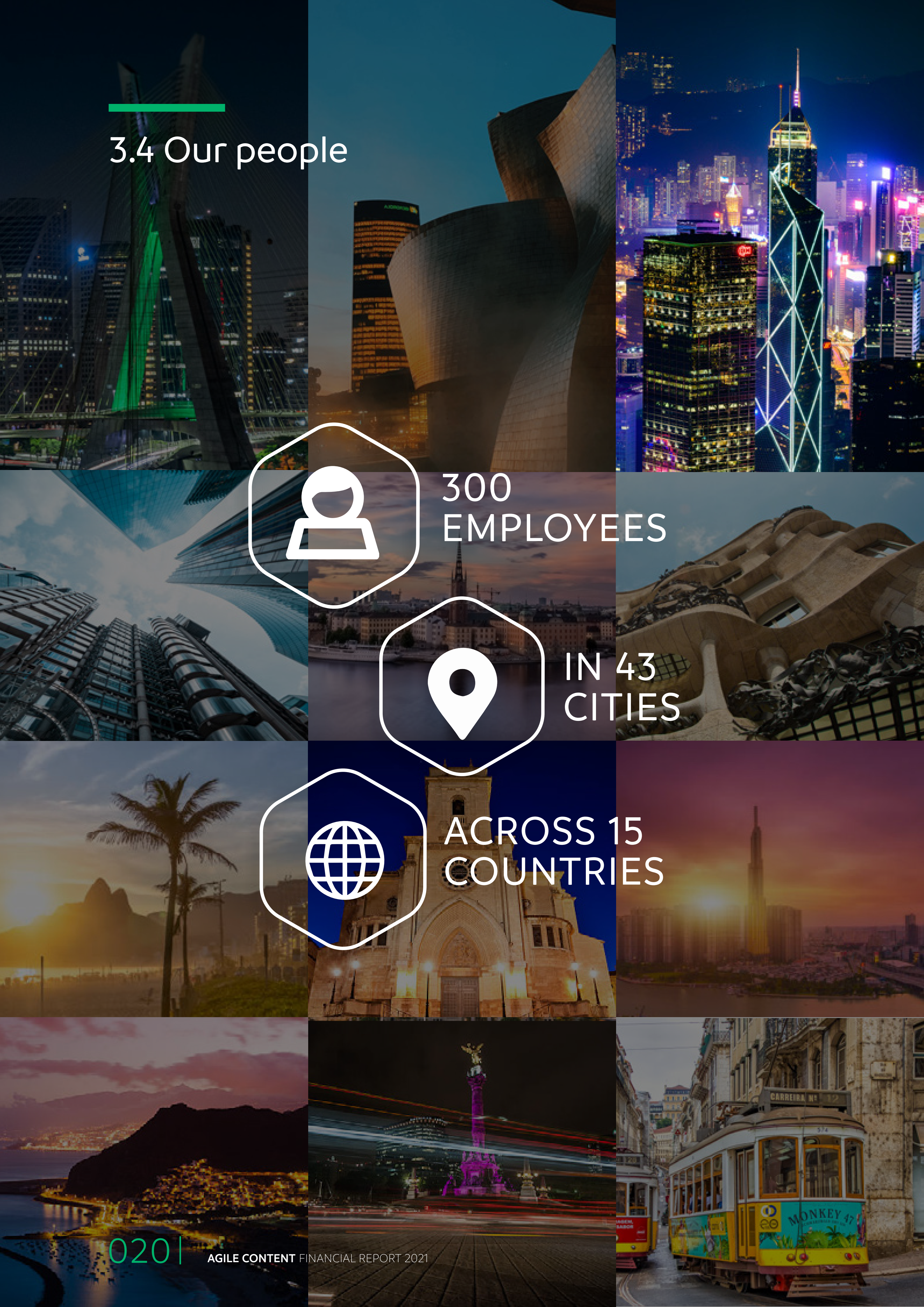
Daniel Munoz is Agile Content's Entertainment & Media Executive. He brings over 20 years' experience of team leadership in blue-chip companies, leading the likes of IBM, FOX, Discovery and Viacom.

CAROLINA CABEZA

Global People & Culture Director, Spain

Carolina Cabeza is Agile Content's Director of People and Culture. She has over 15 years of experience within the people space working for Accenture and Affinity Petcare.

3.4 Our people



300 EMPLOYEES

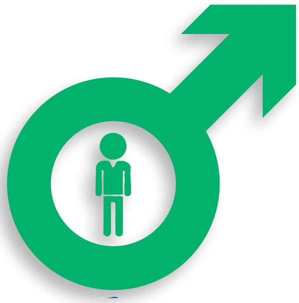
IN 43 CITIES

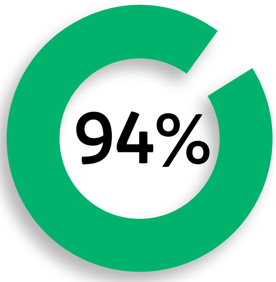
ACROSS 15 COUNTRIES

3.4.1 Our people in figures

Average age 36 years

80% Men



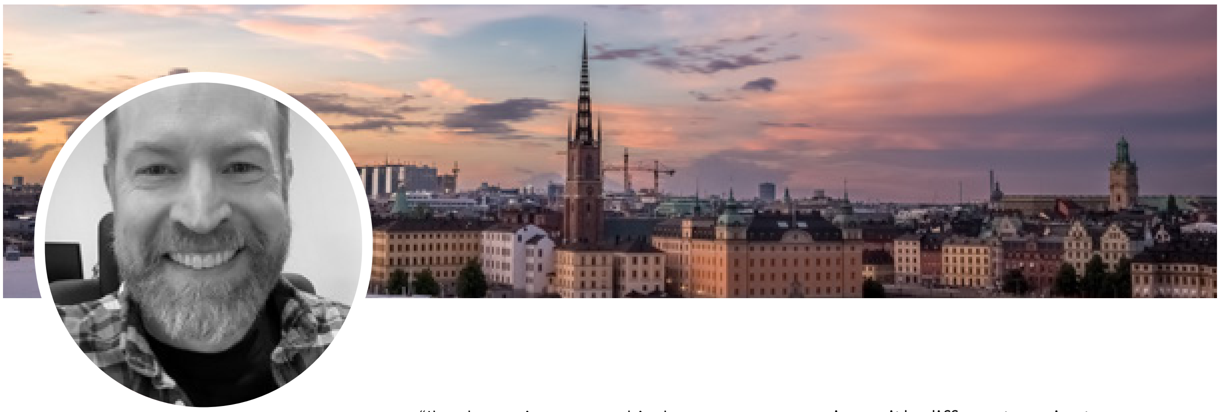


>94% have an indefinite contract

20% Women

Our presence

3.4.2 Meet some of our people



NILS ANDGREN

Senior Software Engineer, Stockholm, Sweden

"I've been interested in how computers process audio and video since I was a kid, so part of uncovering that mystery is what makes this job so rewarding. I also enjoy the challenge that comes with building large-scale video distribution services.

What I like the most about working at Agile Content is working with people of many nationalities, working with different projects across the globe. It makes the workplace interesting and shows the many facets of our industry. It's also what makes us **innovative and agile** when dealing with our customers.

It's also very fun to learn new things and develop quality solutions together with other talented people. I appreciate that regardless of the size of the company, **each contribution matters.**"

MAGDALENA MORÁN

Project Manager, Buenos Aires, Argentina

"What I like most about the video/tv industry is that it's **constantly changing** and evolving, and **its products reach millions of users** – ultimately, we all consume it and is part of our daily lives.

I decided to join Agile Content given the challenge at hand to start projects from scratch in what is a relatively new industry at that time, for me. In addition to that, I was working with a very large customer and with an internal team that is mostly remote.

What I enjoy most about working at Agile Content is the freedom with which I'm allowed to work, the **trust granted, the collaboration between teams** and the **balance between personal life and work.**"

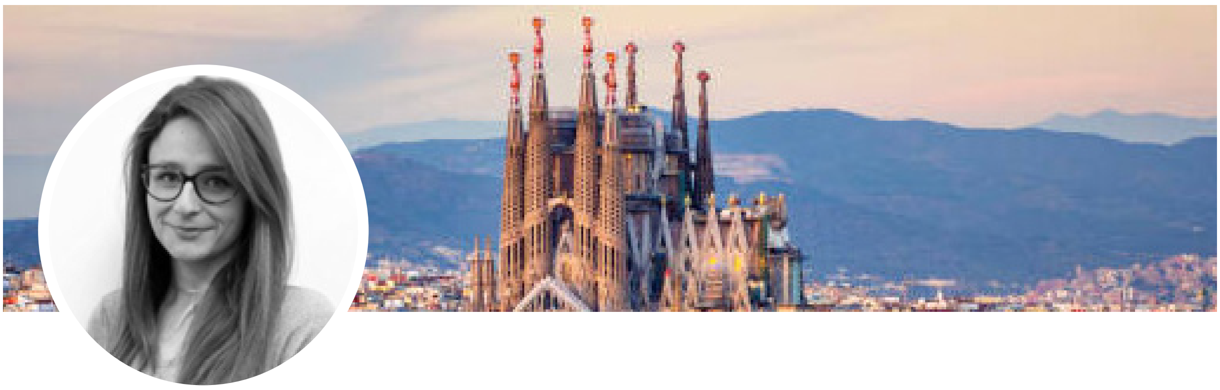
TIAGO DOS SANTOS GODOI

**Back end developer,
São Paulo, Brazil**

"My dream was always to move to Sao Paulo, Brazil. That's when I got to meet the **great people** working for Agile Content. Once I was invited for the interview, I instantly knew that I'd be working for this fantastic company.

Working here I got to really know and understand what it feels like to **work as a team**, and a pretty good one at that!

It's the work environment and the people that makes this **such a great place to work at**, as well as the **ability to continue developing as a professional and also as a person."**



ESTEFANÍA GASPERI

**Product Content Manager,
Barcelona, Spain**

"The audiovisual world is **one of my biggest passions.** I like working in the TV/video industry because we, as a collective, have the ability to create an environment for our clients that creates a moment of relaxation in their day.

I joined Agile Content because the **Agile TV project** caught my attention. It's an initiative in which I could develop several of my areas of expertise (marketing and content).

What I appreciate most about working at Agile Content is the **quality of the people** I work with, both personally and professionally."

04

PAST, PRESENT FUTURE

4.1 An opportunity of consolidation and scale

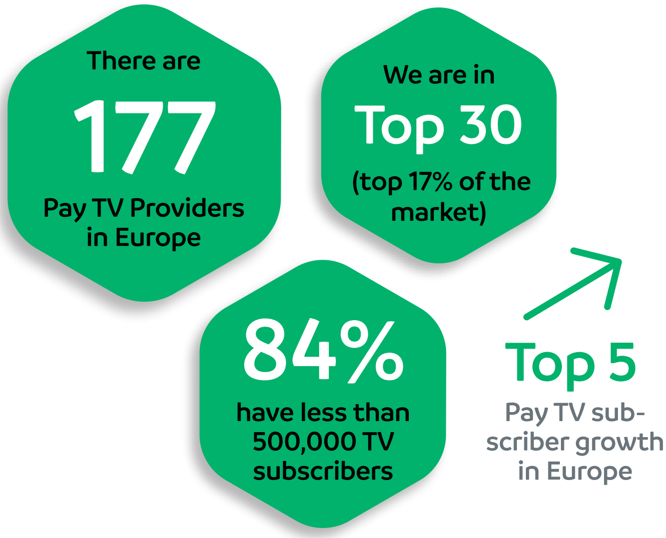
Over the course of a two-year-long pandemic that has accelerated a user behaviors shift, we've witnessed how viewers have been consuming more TV hours than ever before. In pursuit of content variety and competitive prices, this new pace of consumption has accelerated the transformation towards Internet-delivered media and a market where international SVOD giants are rapidly expanding their footprint, leaving Pay TV providers with declining subscriber numbers and forcing them to review current plans and strategies.

Consumer appetite for Internet-based TV and VOD services has made these offerings important companions for fixed and mobile broadband providers, and the build-out of fiber and 5G will further drive the market in this direction both as a technical enabler of high bandwidth services but also due to commercial broadband-content bundles.

However, delivering TV and media services over the Internet is a complex business. For one, these services are consumed on a wide and fragmented "flora" of connected devices, all with different screen sizes, operating systems and capabilities. On top of this, as TV is transitioning into an internet service, user expectations for continuous innovation are increasing. This means that in order to maintain and evolve a successful service, you need industry expertise, experience, and capacity to constantly evolve the technology.

In addition to developing the technology, careful consideration and effort must be given also to how it is operated. The complexity of the solutions, the growing size of content catalogs, and increasing volumes of data to manage, are all crucial challenges for Pay TV providers. Much of this results in costs that are fixed or scales with the amount of content rather than the

A fragmented European Pay TV market



number of subscribers, meaning many Pay TV providers face a scale challenge. This is particularly the case in Europe where there are many smaller Pay TV players. In fact, even the largest ones are considerably smaller than their American or Chinese counterparts.

At Agile Content, we see an opportunity for double consolidation. On the one hand we see a need to consolidate the technology side of the market, establishing an organization with scale based on leading industry expertise with comprehensive experience to leverage the possibilities enabled through cloud and SaaS. This helps our customers in deploying the latest and most innovative technology.

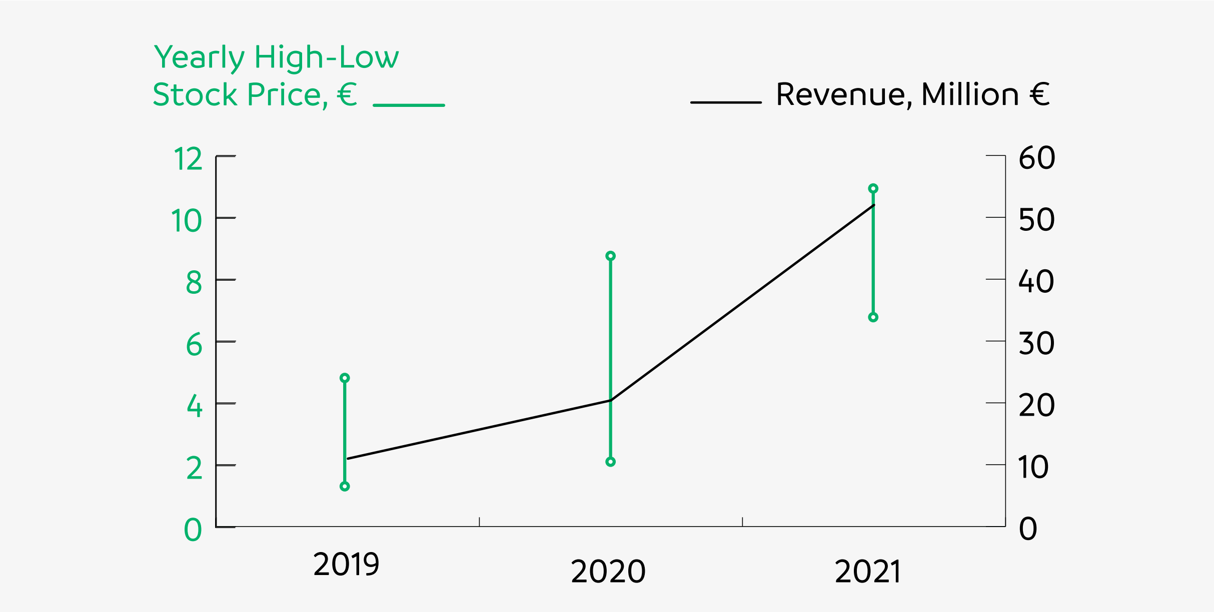
On the other hand, we see an opportunity to consolidate Pay TV platforms across the full operational scope, spanning from technology to content. We offer a platform that can provide scale advantages across operations including content licensing and set-top-box management, as well as commercial execution.

To summarize, our operational capacities, technical expertise, and successful integration leaves us in a favorable position to advance in our mission to consolidate the European Pay TV and streaming market enabling the value of scale in technology and operations.

Agile Content unifies the world of content and broadband, unlocking the full potential of Pay TV and video-on-demand services for telecom operators, while offering content owners the potential of a wider reach and additional monetization opportunities.

Our partnership model enables each party in the ecosystem to focus its efforts and investments on their core business; allowing telecom operators to focus on fiber and mobile propositions and content providers on content creation, while we take care of the technology and the TV service.

4.2 The last 3 years – technological consolidation



Years of experience in developing our services for key TV suppliers across the world, combined with our focus on innovation and the flexibility to adapt to a rapidly changing market, means we have developed into an agile organization of specialists in TV who have brought pioneering technology to the market. Over the last few years this core of technology has evolved with additional layers of services added, making us increasingly integrated with our customers from an operational as well as business perspective.

An important milestone in this journey to become an operational partner more integrated with our customers' value creation was in 2019 when our engagement with MásMóvil matured. This has strengthened our confidence in our strategy as we have continued to develop to the point where we can manage a complete digital TV and video business.

As owning your technology and roadmaps has become crucial for growth in digital businesses, investments in 2021 have equipped us with more specialist talent, expanded our footprint, and ultimately positioned us as a leading company across Latin America and Europe.

This makes 2021 the year when we made our vision a reality. By combining the B2B and B2B2C business models, Agile Content has proven the capability to sustain success and advanced ourselves as one of the top-five fastest-growing Pay TV providers in Europe. Through the acquisition and integration of Edgeware, Fon Technology and WeTek, we complete an end-to-end portfolio to provide a TV service using our own technology, optimizing integrations and managing our own technical evolution and roadmap. We have also gained a global presence via a larger customer base and recognized and respected industry specialists. With the acquisition of Euskaltel's TV business, we have gained scale that has improved our leverage when negotiating content and device contracts. It has also validated our strategy and ambition to be a neutral operator that can reach a relevant size in the market.

With our revenue growth from around 10 million in 2019 to more than 50 million in 2021, together with our order book of more than €280 million for the next years, we are confident to maintain growth rates as we continue to expand and gain scale.

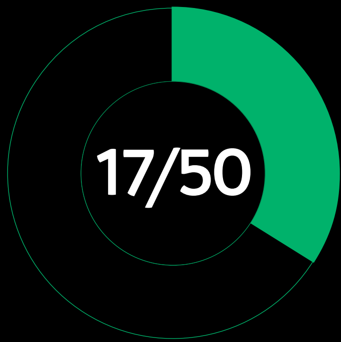
4.3 The year in figures – the company

VIDEO TECHNOLOGY

>120
Customers

>50M
Households around the world

>€6M
R&D Investment



Agile Content works with 17 of the top 50 telcos in the world

PAY TV SERVICE

Top 5

Top 5 Pay TV subscriber growth in Europe – +43k new subscribers in Q4 2021

>130+
channels

165 min
average effective playtime by subscriber

Top 3

Top 3* Pay TV Service in Spain with 710 k subscribers

10,000
hours of entertainment

* in terms of subscribers

4.3.1 Highlights of the year

Jan

Integration of Edgeware

Feb

Exhibited and spoke at the Mobile World Congress in Barcelona

Mar

Apr

Acquisition of FON

May

Jun

Won a Streaming Media European Readers' Choice Award for our OTT and CDN technologies

Jul

Acquisition of WeTek

Aug

Acquisition of the TV service of Euskaltel

Sep

Oct

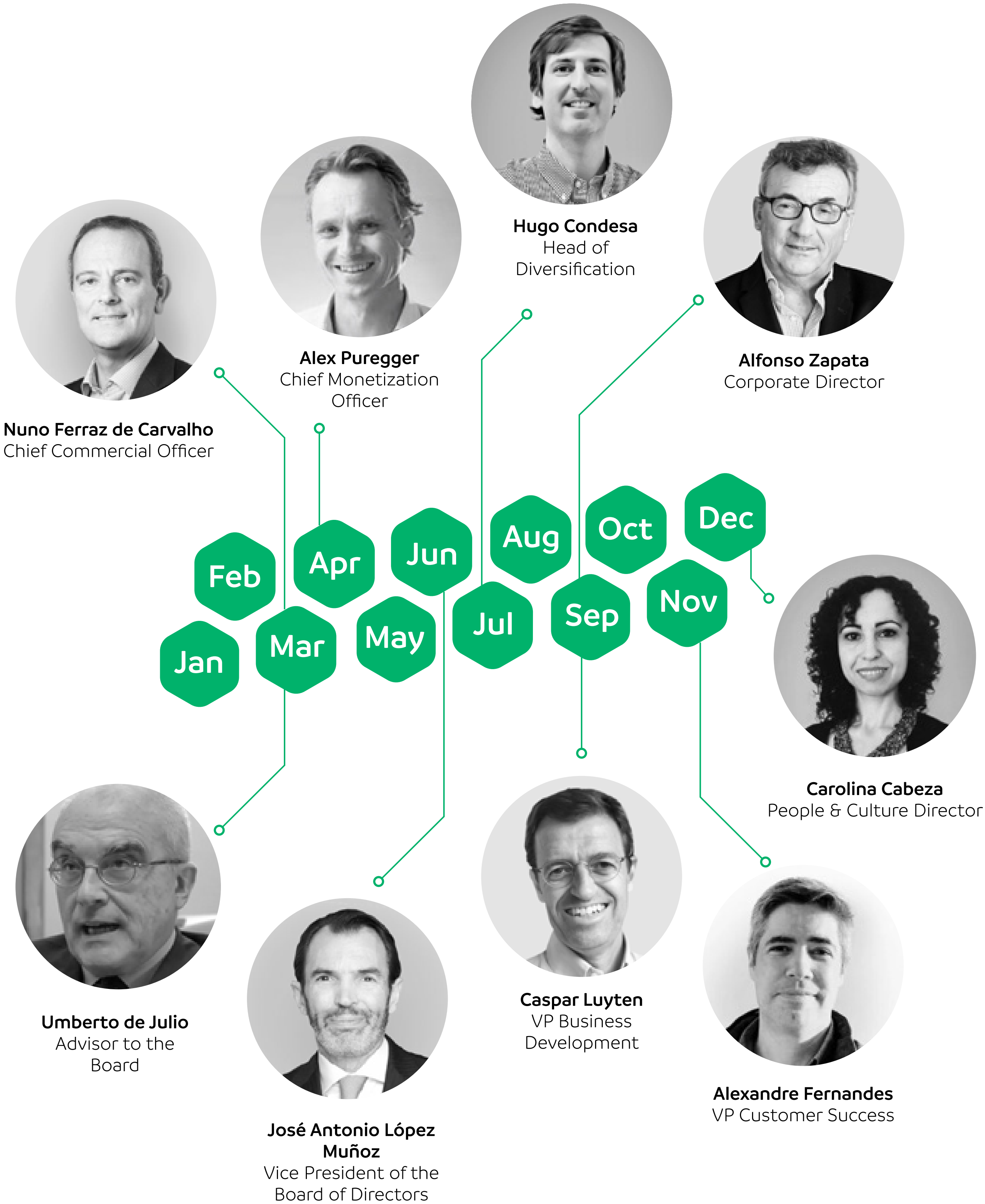
Nov

Dec

Won Gold and Silver at the Digital Media World Awards

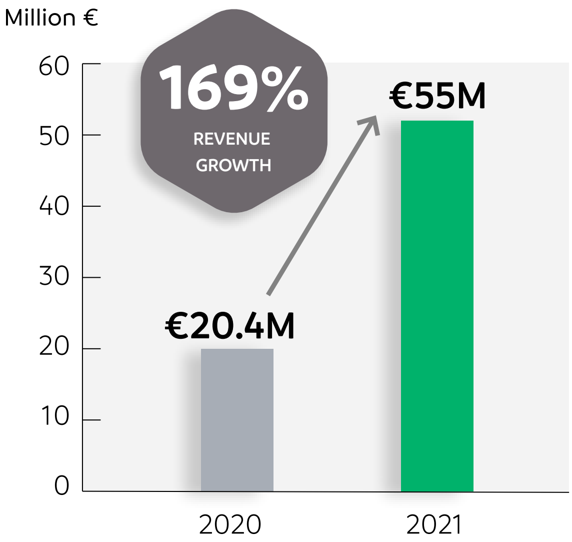
Exhibited and spoke digitally at IBC

4.3.2 New incorporations

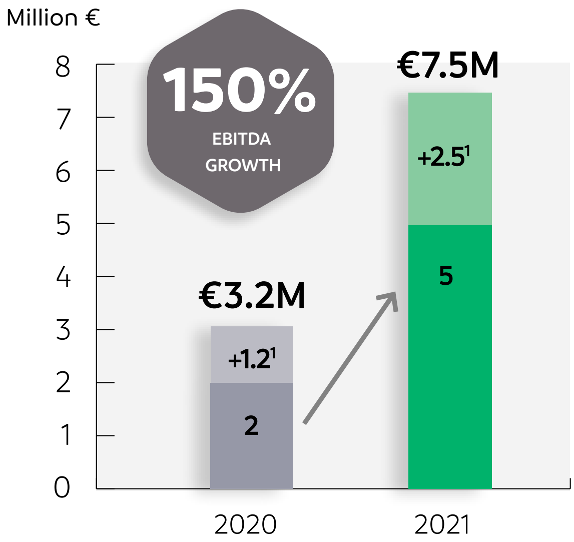


4.3.3 The year in figures – financial

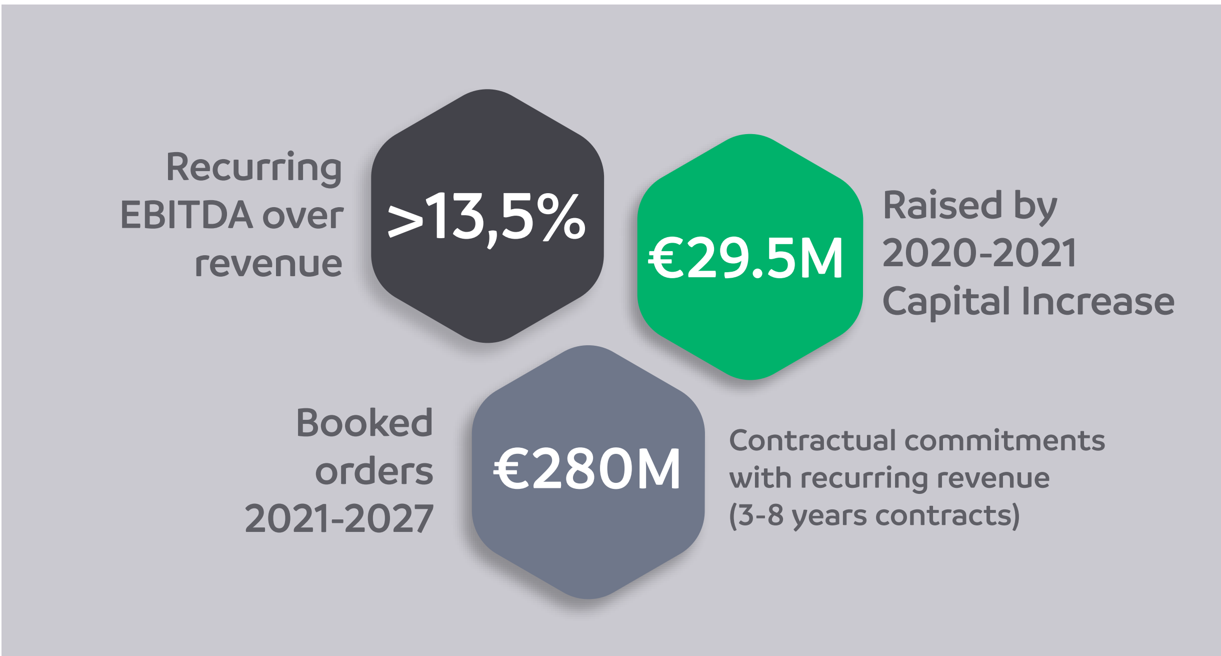
REVENUE



EBITDA

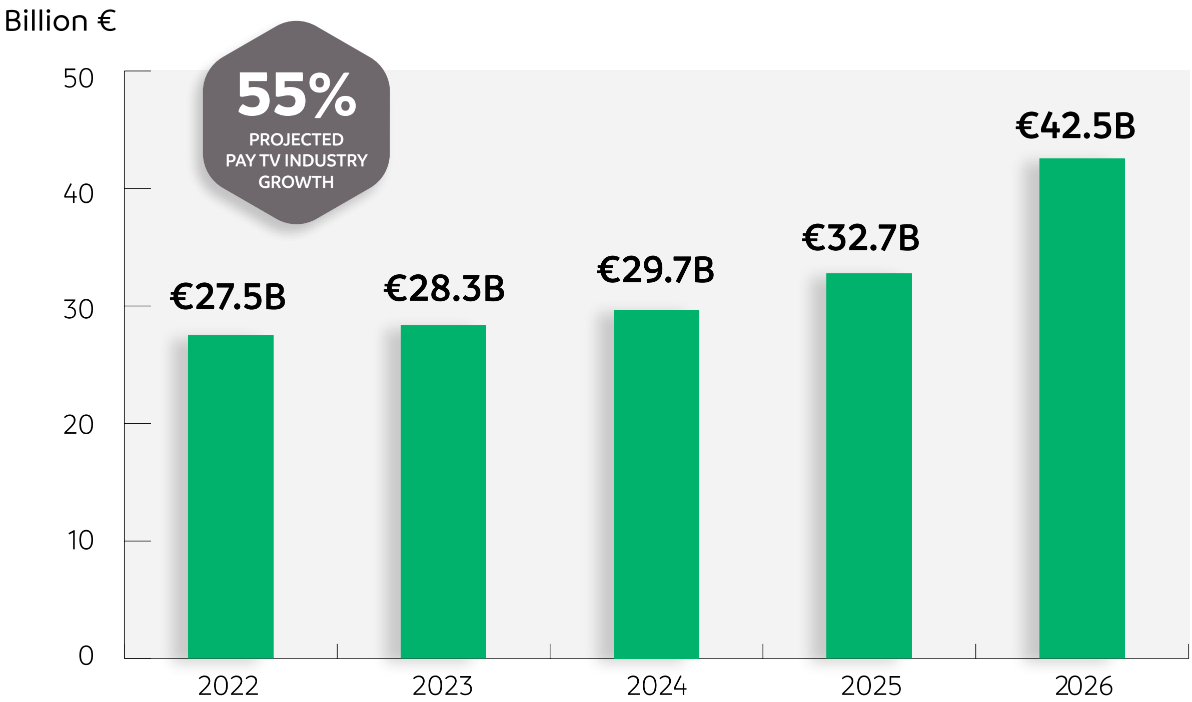


[1] Non-recurring cost



4.4 The next 3 years - market consolidation

MARKET FORECAST: PAY TV REVENUES IN EUROPE, 2022-2026



Source: Dataxis

Based on the 2021-2026 forecast presented by the FFTH Council Europe, the number of homes with broadband will increase from 118 to 197 million in the next five years, across Europe. This is an opportunity that will undoubtedly allow us to expand as a company and continue our growth trajectory. This means that another 80 million families will have broadband access that will allow them to change how they consume and experience TV. In fact, the appetite for more content and more on-demand is one of the main drivers for expansion and upgrades of connectivity in the first place meaning that TV and broadband together push us into a more connected world.

It's now obvious that the traditional way of consuming TV is coming to an end, and we're witnessing a paradigm shift that is happening right now. There are two factors to take into consideration as we're aiming to improve the TV experience. One is the evolution of advertising concepts towards a model that is flexible, scalable, and supported by personalization based on users' viewing habits, increasing the means to monetize. The other factor focuses on supply and on platforms that can offer the viewers their content and curation of choice giving the user the freedom to decide when, where, and how they want to view their content.

This has also opened a mid-market opportunity with users who do not necessarily want to pay for a traditional Pay TV service but can see the advantages of a competitive, open service at a reasonable price, as a natural complement to a fiber broadband subscription.

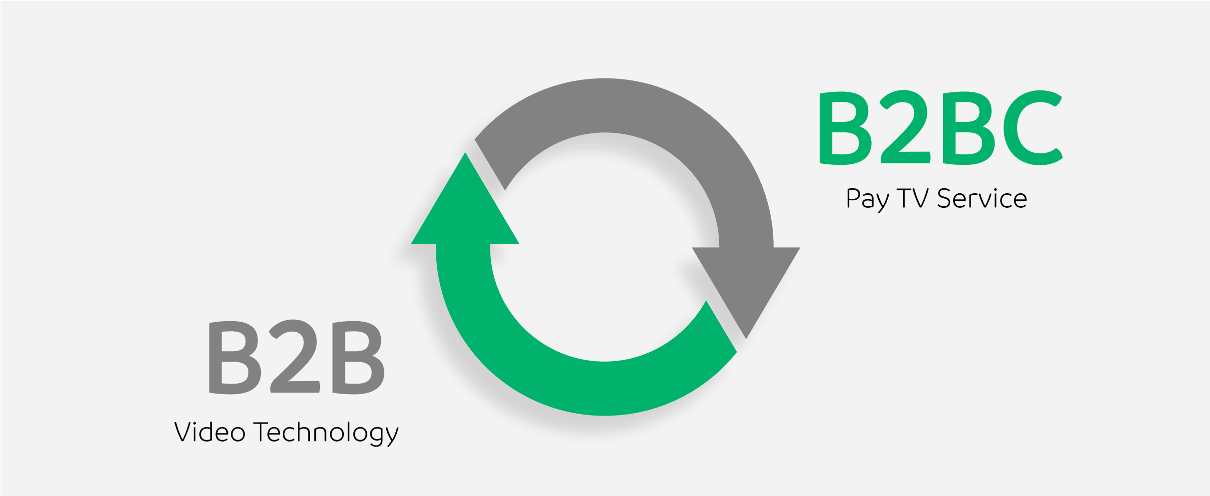
As a result of our consolidation of operations and technologies through continued acquisitions and investments, we offer the required scale, cost-efficiency, and industry know-how to support the ever-changing needs of the broadcast and content industry. Our end-to-end Pay TV proposition offers telecom operators an alternative model for Pay TV in a flexible partnership model that generates more value.

In summary, Agile Content commits to continue to innovate and develop our technology and operational capacities to keep evolving and excelling on a market in transformation. We will replicate our successful model proven in Spain at a European level with the aim of becoming the leading neutral provider of television and video, as well as becoming a key partner to some of the world's largest telecom operators and content providers.

05

OUR PRODUCTS AND SOLUTIONS

5.1 Mutually supporting engagement models



At the core of the Agile Content product proposition is the concept of two engagement models mutually supporting each other. One proposition is a complete TV offering provided to the end user in partnership with operators in a B2B2C model, while the other one is a B2B model where market-leading products and platforms are offered to Pay TV providers and media companies building and operating their own services.

Agile TV is our fully operated TV proposition that includes all back-end applications and capabilities, clients, and set-top-boxes, as well as the content operation and selected content partnerships. Agile TV is offered in a B2B2C model with the end customer relation being managed by Agile Content in partnership with the operator distributing the TV service.

Many of the components used to deliver Agile TV are also offered as distinct products to be integrated into our customers' managed ecosystem. These products may be explicit functions such as CDN or Subtitling, or a solution vertical such as VoD-to-Linear that includes multiple pre-integrated functions.

Some of the B2B products are delivered as software to be integrated and installed within the customers' managed infrastructure, while others are provided as part of our managed cloud services platform, Agile OTT.

Providing our products across these two models brings value to all our customers, as well as to Agile Content. Operating the Agile TV service brings us valuable experience of how our technology performs as an integrated end-to-end platform, as well as insights into what functions and features we should develop to further enhance the end-user value. The nature of the business also provides a revenue flow that is predictable and relatively steady.

Offering B2B products provides experience from many different services and markets - experience we can use to evolve not only our B2B products but also Agile TV. In addition, we get better scale on our technology, providing good margins that we can use to re-invest in new innovations as well as deliver value to the owners.

Combining the two models enables us to stay ahead in a growing and competitive market by offering leading products and solutions.

5.2 Our Technology Products

The technology we develop is essential for our own TV services, providing unique end-user features and experiences. But we also offer much of our leading technology as products to other TV and streaming services. These products are adopted by several leading providers including some of the most acknowledged and respected brands in the world as an integrated critical component in their streaming services.

The purpose of our products is to help customers create and deliver TV and media services over IP networks, either private managed networks or the public internet.

Our technology product portfolio consists of four product areas addressing some of the most essential functions and components of a TV platform.

5.2.1 Our Four Technology Product Areas

Our **Agile Content Management** suite includes the applications and solutions needed to manage big and continuously changing catalogs of content. This includes the services managing the ingest process, getting the content onto the platform with the correct encoding and encryption, but also the curation, ensuring that the content is accurately published on the platform.

To optimize monetization of content, today's TV services typically adopt multiple different business models that complement each other. Our **Agile Content Store** offers all the mechanics to combine subscriptions of channels and VOD with transactional movie rentals. It also provides analytics and insights on the performance of propositions and campaigns, as well as end-user purchasing behavior.

For TV and video content to be delivered over the internet, it must first be processed. Since the available bandwidth on the internet varies, the video stream must first be segmented into small chunks and structured in such a way that bitrates can be adjusted to fit the bandwidth. This is the core functionality of **Agile Content Processing.**

In the process of segmenting the video, we also introduce means for inserting and re-placing advertisements down to a personalized level and offer the capabilities to create recordings out of linear TV or the opposite – to create linear TV out of VOD assets. Agile Content Processing is recognized as one of the world's leading solutions to prepare video content for internet delivery, adopted by global providers with the most expensive content and highest expectations on quality and reliability.

Between the user and the TV platform is an IP network. Once the user presses play on a content asset in the portal, the first small chunks – the segments – of that content are starting to be delivered from the platform to the user's device. If there were nothing but an IP network in between the user and the platform hosting the content, the network would crash given the popularity of these services and the network traffic volumes generated.

To manage the scale of users and streams, a Content Delivery Network is needed to support the IP network. With deployment options spanning from FPGA accelerated appliances to virtualized cloud software, our **Agile Content Delivery** offers market-leading flexibility. Our unique capability to deliver legacy IPTV protocols in combination with the latest streaming protocols on the same infrastructure enables our customers to migrate users and traffic in a cost and operationally efficient manner. The SDN-inspired concept - decoupling the control plane from the delivery plane - means that Agile Content Delivery is well suited for virtualization of networks and cloud / hybrid cloud architectures.

5.3 Agile TV and the partnership model

Although TV is a key service for telecom operators supporting broadband products, it's not their core business. The upside of bundling broadband with TV/ entertainment is widely recognized, however many players underestimate the importance of specific TV expertise and scale to be successful and learn the hard way that not doing the right thing can have deep, long-lasting and expensive consequences of churning customers. In a market where operators are re-focusing on core connectivity and communication products and investments in 5G and fiber, risking subscriber losses while having to spend budgets and efforts on TV is not optimal.

On top of our technology platform, we offer a managed digital TV service through a B2B2C model where we partner with telcos and operate the entire TV business. Our reference case is MásMóvil in Spain where Agile TV is the third largest TV operator in the market, and we provide and own the complete digital TV service.

Agile TV offers operators an opportunity to provide a competitive cloud-based TV-as-a-Service guaranteeing an appealing end-customer experience.

Next to the traditional TV service Agile TV is an open platform that includes several leading SVOD and streaming services such as Netflix, Amazon Prime, Disney+ extending the TV proposition with attractive content bundles. The actual propositions and campaigns are defined together with the operator tailored to fit the operator's strategy and business objectives.

The Agile TV Approach:

- Full management of the TV service
- Leveraging a partnership model to overcome development and deployment challenges
- TV as a Service to benefit from dynamic technology, premium content, and operational support.

06

INNOVATION AND R&D

6.1 Innovation

We are living in a time where technological advancements and innovation are reshaping user behavior, business models and markets at a pace never seen before. Central to this digitalization is the Internet and the rise of cloud platforms, eliminating barriers such as distance and capacity constraints.

Internet and cloud are also changing how we watch TV and video. In fact, video is central in several of the services that we associate with the internet revolution including YouTube, TikTok and Netflix.

At Agile Content, we are passionate about the technologies driving the transformation and the innovations that give users new ways of consuming and interacting with content. We are working with broadcasters and media companies to address how content is produced and curated, taking advantage of new possibilities and creating content designed for being delivered to connected viewers via the internet. With our long experience in networking and telecom, managing the capacity and capabilities of the network infrastructure is another central area in our research and innovation. As the Internet increasingly becomes the primary delivery channel for video, and users' appetite for high-quality video increases, the volume of data being delivered is growing fast, adding exponential loads and complex traffic patterns to manage.

Our main Research and Innovation hub is in Bilbao; however, part of the organization is in Stockholm and Brazil. Having a presence in those locations means we can effectively engage with customers, partners, and universities in different European and Latin American countries in projects where we collaborate and get access to talents from both the fast-growing technology community in the Basque country as well as from one of Europe's leading technology and innovation regions in Stockholm.

Out of a handful of innovation projects in 2021, two were awarded gold and silver medals at the Digital Media World Awards, "Cloud Based Distributed Production" and "VoD-to-Live channel origination". Another example of an innovation project is a proof of concept with residential caches carried out with MasMóvil. These innovation projects are executed together with Agile Content's product development teams, which helps to facilitate a smooth handover once successful innovations are "productified" and brought to a wider market.

> *Staying on top of emerging technologies, contributing to standards, influencing industry forums and innovating new end user and customer propositions, is an important part of our strategy and a necessity in a market where change is the only constant.*
>
> **JOHAN BOLIN**
> CTO, AGILE CONTENT

Staying on top of emerging technologies, contributing to standards, influencing industry forums and innovating new end user and customer propositions, is an important part of our strategy and a necessity in a market where change is the only constant. In 2022 we will continue to expand our team and our efforts to work with more partners and universities, in our quest for evolving the concept of TV and getting TV services to all those with a broadband connection.

07

INVEST IN AGILE CONTENT

Financial Analyst Report:

7.1 EthiFinance Ratings

EthiFinance Ratings (formerly Axesor Rating) assigns Agile Content first time "BB" rating; outlook stable.

The growth Agile Content experienced recently, together with the favorable impact of corporate acquisitions, has improved its market size and associated competitive fundamentals. This offers better financial results and overall improvements across operating cost structures, declaring an improvement in 2021 and more market consolidation in 2022-2023, therefore not foreseeing a change in the rating granted in the short term.

7 reasons to invest in Agile Content:

BUSINESS REASONS

1. A competitive and fragmented sector with favorable demand dynamics and know-how requirements to operate.

2. Medium-sized group that is within the process of incorporating operating segments that provide it with better visibility across potential revenue streams.

3. Concentration in its client portfolio within a market that varies by line of business and growth in 2021.

4. Appropriate management and shareholder support that favors its growth capacity. Financial policy is supported by its shareholders, with the aim to continue developing corporate acquisitions, especially those that favor easier product integrations and offer greater financial returns.

FINANCIAL REASONS

5. Significant activity growth in 2020 / 2021, with positive operating returns

6. Structured funding and controlled financial leverage that qualify the still limited generation of funds.

7. High cash position that ensures clarity across negative operating cash flow reporting and short-term debt maturity structure, and across the process of reorganization after acquisitions are made.

Financial Analyst Report:

7.2 GVC Gaesco

GVC Gaesco BLOG

15 March 2022

Bond issue after meeting targets

We have revised our estimates on the Company following the advanced results and the closing of the WeTek transaction, which in our last review was announced but not closed. We also take into account the Company's announcement of the registration of a MARF bond programme for up to EUR50m.

- The Company's advanced results pointed to revenues above EUR52m (above our estimated EUR47m), and EBITDA of EUR5m (similar to our estimates, including EUR2.5m extraordinary expenses). The data presented is above our previous estimates and improve the Company's growth profile.

- At the operating level, the Company reported 710k subscribers to AgileTV, in line with our estimates and +43k organic growth in 4Q21. To put this data into context, in 4Q Telefónica lost -39k, Vodafone lost -44k and Orange fell -3k. The data indicates that Agile TV is the fastest growing operator in the market and ranks 3rd in TV clients, above Orange (690k at FY2021).

- The Company also recently announced the incorporation of Hugo Condesa, ex CEO of WeTek, as the Director of Diversification of Agile Content, confirming the closing of the operation announced in July. The operation implies investing EUR9.2m, divided in cash and shares at closing (c. EUR3m) and the rest in three years subject to cash generation and payable in shares, thus does not imply cash outflow, although in our DCF estimates we consider it debt, as the convertible bonds.

- On the corporate front, we highlight the possible implications of the merger agreement between Orange and Masmovil announced this past week. The form of the deal (joint venture) and that the new company's CEO will proceed from Masmovil gives us confidence that, at least during the next 3-4 years, the situation should at least be the same as it is now. The current situation offers an upside of integrating Orange's c.700k TV customers in Agile TV's platform, but at this stage it is difficult to predict what might happen, as it will depend on the evolution of both companies and the sector itself.

- The improving results and incorporation of WeTek lead to an increase in estimates on the Company which is offset by the higher net debt arising from said acquisition.

- All in all, our valuation remains stable compared to our previous forecasts due to the lower "g" which leads to lower multiples in a more turbulent market context.

- We reach a fair value of EUR10.10 per share, c. 60% upside potential at current market price, thus we reiterate our Buy recommendation.

08

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

8.1 ESG – Our Commitment

We support the need for companies to actively contribute to solving the biggest current global challenge: that is the fight against climate change and social inequality. It's why management and strong decision-making will sustain work across the environmental, social and good governance fields. These ESG factors go a long way towards contributing to the Sustainable Development Goals (SDG) of the United Nations 2030 agenda.

- Environmental sustainability ('E') promotes the economic development of the organization without threatening or degrading natural resources.
- Social Sustainability ('S') contributes to the company managing and identifying the impacts of the business on employees, customers, and the local communities where they are based around solutions related to talent and work-life balance, equality policies and diversity, health and safety actions, risk management, etc.
- Governance ('G') consists of complying with the rules and principles that regulate the structure and functioning of the governing bodies.

The Agile Content Sustainable Development Plan 2022-2023 involves all our staff, regardless of business area, or country in which they reside, or the position / function they hold, or the area in which their activity is carried out, while guaranteeing the respect and promotion of Human and Labor Rights of all stakeholders, efficient management of natural resources and adequate protection of the environment in which it operates, as well as the ecosystems that comprise it, in line with principles environmental standards consistent with the limits of the planet.

Key principles that are adhered to on a day-to-day basis and channeled through two strategic lines:

1. Innovation, through our Innovation Center in Bilbao and agreements with universities
2. Promotion of STEM vocations among the young generation contributing towards increased employment in our sector, including women to reduce the gender gap

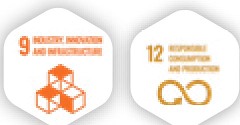
8.1.1 ESG – Key objectives

E — ENVIRONMENTAL

We will reduce our energy consumption and refocus it on sustainable sources of energy

We will minimize office waste and recycle

We will participate in tree planting activities in Brazil to contribute to reforestation



S — SOCIAL

Internally we will focus on the development and growth of our employees, protecting our diversity and ensuring an equal opportunity environment for all.

Externally, we will partner with universities and other educational institutions to drive innovation and build skills for the future in our TV sector

G — GOVERNANCE

The Agile Group is complying with the highest standards regarding governance of listed companies. Our goal is to keep reinforcing the number of independent members and the gender diversity.

09

FINANCIAL REPORT

Audit report on Consolidated Financial Statements issued by an Independent Auditor

AGILE CONTENT, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and Consolidated Management Report for the year ended December 31, 2021

AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Agile Content, S.A.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Agile Content, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2021, the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and the consolidated financial position of the Group at December 31, 2021 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with the applicable regulatory framework for financial information (identified in Note 2 to the accompanying consolidated financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Recognition and measurement of software and industrial property development costs

Description

As indicated in Note 5 to the accompanying consolidated financial statements, the Group records in the "Intangible assets" caption of the consolidated balance sheet at December 31, 2021 internally developed software under operation and industrial property derived from the acquisition of the group of companies Over The Top Networks in 2016 for net carrying amounts of 14,301 and 3,116 thousand euros, respectively.

For development costs to be capitalized certain requirements set forth in the applicable regulatory framework for financial information shall be met and, if reasonable doubts arise as to the technical or economic feasibility of capitalized projects, the amount recognized in assets is taken directly to losses for the year. Additionally, the Group assesses at least at year end whether there is an indication that the items capitalized as internally developed software and industrial property may be impaired. If any indication exists, the Group estimates the recoverable amounts and records the corresponding impairment losses.

We have considered this area a key audit matter due to the complexity of the judgments made by Group Management to assesses whether the requirements established for the capitalization of development costs are met, to identify whether any impairment indication exists, and to estimate the recoverable amount of the items recorded as internally developed software and industrial property, and due to the relevance of amounts involved.

The information on the measurement accounting policies applied, as well as the corresponding disclosures, is presented in Notes 3.b, 3.d and 5 to the accompanying consolidated financial statements.

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the process established by Group Management for the recognition and measurement of software and industrial property development costs, and assessing the design and implementation of relevant controls in the said process.
- Assessing, in cooperation with our valuation specialists, the methodology used by the independent expert hired by Group Management in the impairment tests, verifying its consistency with the regulatory framework for financial information, the reasonableness of the key assumptions considered for estimating the recoverable amount (including the ones related to expected future cash flows and discount and long-term growth rates) and the sensitivity of results to reasonably possible changes in the assumptions made.

- Reviewing the integrity of the control document of work hours incurred whose cost has been capitalized as software development costs.
- Selecting a sample of capitalized employee benefits expense during the year, assessing the reasonableness of hours allocated, cost per hour and allocation to the corresponding project and period, through evidence such as employee time sheets.
- Obtaining the Group's business plan, and a cash-flow budget, to demonstrate its capacity to support the economic feasibility of internally developed software, and monitoring the fulfilment of the business plan until the date of issuance of our report.
- Obtaining a technical report provided by Group Management to assess the existence and evolution of industrial property.
- Assessing the possible existence of significant events occurred from December 31, 2021 to the date of issuance of our audit report that may have an impact on the aforementioned assets.
- Reviewing the information disclosed in the notes to the consolidated financial statements in accordance with the applicable regulatory framework for financial information.

Recognition and measurement of business combinations

Description As indicated in Note 4 to the accompanying consolidated financial statements, during the year ended December 31, 2021 the Group acquired the whole share capital of two companies for an amount of 13,860 thousand euros and three business units for an amount of 33,700 thousand euros. These business combinations gave rise to the recognition of several intangible assets in the consolidated balance sheet, including goodwill amounting to 30,150 thousand euros.

The determination of the fair values of identifiable assets acquired and liabilities assumed in the aforementioned business combinations requires both independent experts and Group Management to make complex estimates, which entails making judgments when establishing the assumptions considered regarding the said estimates, including the allocation of the price paid to recognized intangible assets, among others.

We have considered this area a key audit matter due to the complexity inherent in the estimation process, the significant impact that changes in assumptions may have on the accompanying consolidated financial statements and the relevance of the amounts involved.

The information on the measurement accounting policies applied to business combinations and the resulting assets and liabilities acquired, as well as the corresponding disclosures, is presented in Notes 3.b, 3.d, 3.p, 4 and 5 to the accompanying consolidated financial statements.

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the process followed by Group Management for the recognition and measurement of business combinations.
- Reviewing purchase and sale agreements, and supporting documentation on amounts paid.
- Reviewing the financial information for the companies and business units acquired supporting the key figures included in the consolidated balance sheet.
- Reviewing, in cooperation with our valuation specialists, the methodology used by the independent expert and Group Management to determine the fair values of the assets acquired and liabilities assumed in the business combinations, verifying their consistency with the regulatory framework for financial information, specifically covering their mathematical consistency, and assessing the reasonableness of discount rate and long-term growth rate used.
- Reviewing the accounting and tax impacts of the business combination and verifying that they have been appropriately recorded in the consolidated financial statements.
- Assessing the possible existence of significant events occurred from December 31, 2021 to the date of issuance of our audit report that may have an impact on the aforementioned assets.
- Reviewing the information disclosed in the notes to the consolidated financial statements in accordance with the applicable regulatory framework for financial information.

Other matters paragraph

On May 13, 2021 other auditors issued their audit report on the consolidated financial statements for the year ended December 31, 2020, in which they expressed an unqualified opinion.

Other information: consolidated management report

Other information refers exclusively to the 2021 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

a) Checking only that the consolidated non-financial statement was provided as stipulated by applicable regulations and, if not, disclose this fact.

b) Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2021 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the consolidated equity, consolidated financial position, and consolidated results of the Group, in accordance with the regulatory framework for financial information applicable to the Group in Spain, identified in Note 2 to the accompanying consolidated financial statements, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The audit committee of the parent company is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the parent company's directors.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the parent company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

Additional report to the audit committee of the Parent Company

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee of the Parent Company on April 1, 2022.

Term of engagement

The ordinary general shareholders' meeting held on June 30, 2021 appointed us as Group auditors for 3 years, commencing on December 31, 2021.

Services provided

Non-audit services provided to the audited Group are disclosed in Note 29 to the accompanying consolidated financial statements.

ERNST & YOUNG, S.L.
(Signature on the original in Spanish)

Alfredo Eguiagaray

April 1, 2022

AGILE CONTENT, S.A.
AND SUBSIDIARY COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2021

AGILE CONTENT, S.A.
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEETS FOR 31 DECEMBER,2021 AND 2020

(Expressed in euros)

ASSETS	Notes to the Report	31/12/2021	31/12/2020
NONCURRENT ASSETS		**79,220,056.19**	**31,415,792.66**
Intangible assets		**77,101,396.95**	**29,393,452.10**
Other intangible assets	**Note 5**	77,101,396.95	29,393,452.10
Tangible assets		**554,937.42**	**698,851.63**
Technical installations and other tangible assets	**Note 6**	554,937.42	698,851.63
Long-term investments in group and associated companies	**Note 12**	**179.89**	**180.09**
Long-term financial investments	**Note 9**	**969,384.92**	**1,282,901.72**
Deferred tax assets	**Note 19**	**594,157.01**	**40,406.51**
CURRENT ASSETS		**41,861,760.90**	**37,498,558.71**
Inventory	**Note 8**	**1,718,828.65**	**753,596.60**
Inventory		1,131,941.85	753,596.60
Advances to suppliers		586,886.80	-
Trade debtors and other receivables		**20,929,389.34**	**16,002,260.42**
Customers by sales and services rendered	**Note 9**	19,994,883.13	10,763,917.02
Personnel	**Note 9**	12,185.26	12,296.41
Current tax assets	**Note 19**	355,346.50	22,844.15
Other credits with Public Administrations	**Note 19**	566,974.45	203,206.04
Shareholders (members) for capital calls		-	4,999,996.80
Short-term financial investments	**Note 9**	**46,001.20**	**66,469.94**
Short-term accruals	**Note 14**	**4,883,023.19**	**3,674,209.57**
Cash and equivalent liquid assets	**Note 9**	**14,284,518.52**	**17,002,022.18**
TOTAL ASSETS		**121,081,817.09**	**68,914,351.37**

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AGILE CONTENT, S.A.
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEETS FOR 31 DECEMBER,2021 AND 2020

(Expressed in euros)

NET EQUITY AND LIABILITIES	Notes to the Report	31/12/2021	31/12/2020
NET EQUITY		**46,444,285.61**	**27,650,386.45**
Own funds	**Note 16**	**43,599,945.78**	**27,256,595.28**
Capital		**2,310,961.28**	**2,104,700.68**
Registered capital		2,310,961.28	2,104,700.68
Share Premium		**28,919,159.48**	**15,666,660.40**
Reserves and surplus from previous fiscal years		**9,422,372.32**	**10,149,464.13**
Non-distributable reserves		141,731.10	141,731.10
Distributable reserves		21,810,768.04	21,990,046.58
Results from previous fiscal years		(12,530,126.82)	(11,982,313.55)
Reserves in consolidated companies		**3,265,883.84**	**589,807.25**
(Treasury shares and equity interests).		**(316,894.30)**	**(1,263,260.86)**
Year-end results attributed to the parent company		**(5,771,266.41)**	**(2,849,738.90)**
Consolidated Gains and Losses		(5,771,266.41)	(2,849,738.90)
Other net equity instruments		**5,769,729.57**	**2,858,962.58**
Non-controlling interests		**2,071,999.13**	-
Valuation change adjustments	**Note 17**	**682,294.65**	**267,326.32**
Grants, Donations and Bequests Received	**Note 24**	**90,046.05**	**126,464.85**
NON-CURRENT LIABILITIES		**25.729,844.91**	**8,385,337.03**
Long-Term Provisions	**Note 22**	**152,654.54**	**5,385.40**
Long-term debts	**Note 10**	**25,247,179.40**	**8,084,417.26**
Bonds and other marketable securities		9,151,385.23	5,082,025.70
Amounts owed to credit institutions		3,499,600.63	1,298,641.14
Other financial liabilities		12,596,193.54	1,703,750.42
Long-term debts to group and associated companies	**Notes 10 and 26**	**185,984.19**	**185,984.20**
Deferred tax liabilities	**Note 19**	**144,026.78**	**109,550.17**
CURRENT LIABILITIES		**48,907,686.57**	**32,878,627.89**
Short-term debt	**Note 10**	**17,504,718.07**	**14,917,282.47**
Amounts owed to credit institutions		1,286,322.17	331,879.68
Other financial liabilities		16,182,856.29	14,585,402.79
Derivatives		35,539.60	-
Commercial creditors and other accounts payable		**26,219,376.05**	**16,200,048.70**
Suppliers	**Note 10**	116,380.55	127,021.77
Other affiliated companies	**Notes 10 and 26**	103,540.40	-
Other Creditors	**Note 10**	22,057,203.27	12,121,888.05
Personnel (outstanding compensation)	**Note 10**	2,001,993.51	2,437,253.72
Other debts to Public Administrations.	**Note 19**	1,245,406.61	1,513,885.16
Advances from customers		694,851.71	-
Short-term accruals	**Note 14**	**5,183,592.45**	**1,761,296.72**
TOTAL NET EQUITY AND LIABILITIES		**121,081,817.09**	**68,914,351.37**

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AGILE CONTENT, S.A.
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF GAINS AND LOSSES FOR THE FISCAL YEARS ENDED 31 DECEMBER 2021 AND 2020

(Expressed in euros)

	Notes to the Report	2021	2020
CONTINUING OPERATIONS			
Net revenues	**Note 28**	**54,945,040.83**	**20,402,906.70**
Net sales		5,672,931.18	406,942.31
Services provided		49,272,109.65	19,995,964.39
Supplies	**Note 27**	**(25,364,408.56)**	**(9,096,810.30)**
Consumption of goods		(3,645,516.89)	(175,980.20)
Work carried out by other companies		(21,718,891.68)	(8,920,830.10)
Asset betterments and improvements	**Note 5**	**6,241,170.32**	**3,774,200.66**
Other operating revenues		**272,766.27**	**27,196.76**
Staff expenditures		**(17,084,020.01)**	**(7,549,751.15)**
Salaries, wages and similar expenses	Note 27	(11,153,945.54)	(5,587,312.69)
Social security contributions	Note 27	(3,860,599.96)	(1,236,270.46)
Provisions	Note 20	(2,069,474.50)	(726,168.00)
Other operational expenses		**(13,957,092.98)**	**(5,538,323.43)**
External services	Note 27	(13,069,252.93)	(5,151,176.14)
Taxes		(215,822.90)	(128,338.81)
Losses, impairments and changes in provisions for business operations	Note 9	(671,954.64)	(249,124.50)
Other current management expenditure		(62.50)	(9,683.98)
Tangible asset amortisation	**Notes 5 and 6**	**(8,681,965.74)**	**(3,286,864.82)**
Provision surpluses		**-**	**65,000.00**
Impairment losses and results from the disposal of tangible assets		-	**(17.60)**
Other results.		**(1,309.36)**	**1,163.45**
OPERATING RESULT		**(3,629,819.22)**	**(1,201,299.73)**
Financial income		**14,719.63**	**8,709.85**
Financial expenses	Note 27	**(2,111,040.93)**	**(1,010,824.41)**
Exchange differences		**(17,407.32)**	**(254,622.39)**
Impairment and results on the disposal of financial instruments		**-**	**(152,199.12)**
FINANCIAL RESULT		**(2,113,728.62)**	**(1,408,936.07)**
PROFIT BEFORE TAXES		**(5,743,547.84)**	**(2,610,235.80)**
Tax on profits	**Note 19**	**27,718.57**	**(239,500.10)**
ANNUAL BALANCE FROM CONTINUED OPERATIONS		**(5,771,266.41)**	**(2,849,735.90)**
CONSOLIDATED YEAR'S PROFIT		**(5,771,266.41)**	**(2,849,735.90)**
Total profit attributed to the Parent Company		(5,771,266.41)	(2,849,735.90)

AGILE CONTENT, S.A.
AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY

A) CONSOLIDATED STATEMENTS OF INCOME AND EXPENSES FOR FISCAL YEARS ENDED 31 DECEMBER 2021 AND 2020

(Expressed in euros)

	Notes to the Report	2021	2020
CONSOLIDATED PROFIT OF THE PERIOD		**(5.771.266,41)**	**(2,849,738.90)**
Income and expenses directly allocated to net equity			
Translation differences		414,968.33	(587,669.49)
TOTAL INCOME AND EXPENSES DIRECTLY ALLOCATED IN CONSOLIDATED NET EQUITY		**414,968.33**	**(587,669.49)**
Transfers to the profit and loss account			
Other flows (Cancellations of soft loans)		(36,418.80)	(44,533.94)
TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT		**(36,418.80)**	**(44,533.94)**
TOTAL RECOGNISED CONSOLIDATED INCOME AND EXPENSES		**(5,392,716.88)**	**(3,481,942.32)**
Total recognised income and expenses attributed to the Parent Company		**(5,392,716.88)**	**(3,481,942.32)**

AGILE CONTENT, S.A. AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY
B) CONSOLIDATED STATEMENT OF TOTAL CHANGES IN NET EQUITY FOR FISCAL YEARS 2021 AND 2020

(Expressed in euros)

	Capital	Non-controlling interests	Share Premium	Other equity instruments	Reserves and surplus from previous years	Year-end results attributed to the parent company	(Own and Parent Company Shares and Equity Interests)	Adjustments for changes in value	Subsidies, donations and legacies received	Total
YEAR-END BALANCE 2019	**1,771,367.48**	**-**	**-**	**-**	**10,793,837.76**	**123,092.79**	**(290,640.00)**	**854,995.56**	**170,998.79**	**13,423,652.38**
Total Recognised income and expenditure statement	**-**	**-**	**-**	**-**	**-**	**(2,849,738.90)**	**-**	**(587,669.24)**	**(44,533.94)**	**(3,481,942.08)**
Transactions with shareholders or owners	**333,333.20**	**-**	**15,666,660.40**	**2,858,962.58**	**(177,659.17)**	**-**	**(972,620.86)**	**-**	**-**	**17,708,676.15**
Capital increases	333,333.20	-	15,666,660.40	-	(1,221,652.62)	-	-	-	-	14,778,340.98
Transactions with treasury shares (net)	-	-	-	-	1,043,993.45	-	(972,620.86)	-	-	71,372.59
Other operations	-	-	-	2,858,962.58	-	-	-	-	-	2,858,962.58
Other changes in net equity	**-**	**-**	**-**	**-**	**123,092.79**	**(123,092.79)**	**-**	**-**	**-**	**-**
Distribution of results for the previous tax year	-	-	-	-	123,092.79	(123,092.79)	-	-	-	-
YEAR-END BALANCE 2020	**2,104,700.68**	**-**	**15,666,660.40**	**2,858,962.58**	**10,739,271.38**	**(2,849,738.90)**	**(1,263,260.86)**	**267,326.32**	**126,464.85**	**27,650,386.45**
Total Recognised income and expenditure statement	**-**	**-**	**-**	**-**	**-**	**(5,771,266.41)**	**-**	**414,968.33**	**(36,418.80)**	**(5,392,716.88)**
Transactions with shareholders or owners	**206,260.60**	**2,071,999.13**	**13,252,499.08**	**2,910,766.99**	**4,798,723.68**	**-**	**946,366.56**	**-**	**-**	**24,186,616.04**
Capital increases	206,260.60	-	13,252,499.08	-	-	-	-	-	-	13,458,759.68
Transactions with treasury shares (net)	-	-	-		4,798,723.68	-	946,366.56	-	-	5,745,090.24
Other operations	-	2,071,999.13	-	2,910,766.99	-	-	-	-	-	4,982,766.12
Other changes in net equity	**-**	**-**	**-**	**-**	**(2,849,738.90)**	**2,849,738.90**	**-**	**-**	**-**	**-**
Distribution of results for the previous fiscal year	-	-	-	-	(2,849,738.90)	2,849,738.90	-	-	-	-
YEAR-END BALANCE 2021	**2,310,961.28**	**2,071,999.13**	**28,919,159.48**	**5,769,729.57**	**12,688,256.16**	**(5,771,266.41)**	**(316,894.30)**	**682,294.65**	**90,046.05**	**46,444,285.61**

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AGILE CONTENT, S.A. AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR FISCAL YEARS 2021 AND 2020

(Expressed in euros)

	Notes to the Report	2021	2020
Consolidated cash flows from operating activities		**3,263,884.50**	**(1,302,524.37)**
Consolidated profit for the year before taxes		**(5,743,547.83)**	**(2,849,738.89)**
Adjustments to consolidated profit		**11,578,499.34**	**4,762,556.70**
Depreciation of tangible assets	**Notes 5 and 6**	8,681,965.74	3,286,882.67
Valuation adjustments for impairment	**Note 9**	671,954.64	411,007.59
Variation in provisions		147,269.14	(72,620.98)
Subsidies (–)	**Note 24**	(36,418.80)	(44,533.94)
Financial income.		(14,719.63)	(11,653.12))
Financial expenses	**Note 27**	2,111,040.93	1,026,462.85
Exchange differences		17,407.32	167,011.62
Changes in consolidated current capital		**(795,414.73)**	**(1,706,976.24)**
Inventory	**Note 9**	969,417.78	(731,883.01)
Debtors and other receivables	**Note 9**	(6,764,558.87)	(11,450,802.24)
Other current assets		(339,395.22)	(882,771.73)
Creditors and other payables	**Note 10**	2,150,434.75	6,900,823.15
Other current liabilities		3,422,295.73	4,484,623.11
Other non-current assets and liabilities		(233,608.90)	(26,965.52)
Other cash flows from consolidated operating activities		**(1,775,652.28)**	**(1,508,365.94)**
Interest payments		(1,775,652.28)	(1,026,462.85)
Interest collections		-	(167,011.62)
Payments for corporate tax		-	(314,891.47)
Consolidated cash flows from investment activities		**(29,971,764.31)**	**(22,427,711.29)**
Investment payments		**(30,328,082.19)**	**(22,427,711.29)**
Intangible assets	**Note 5**	(8,650,653.87)	(4,219,169.94)
Business combination acquisitions	**Note 4**	(21,612,858.63)	(17,117,751.58)
Property, plant and equipment		(64,569.69)	(924,372.74)
Other financial assets		-	(166,417.03))
Proceeds from divestitures		**356,317.88**	**-**
Other financial assets		356,317.88	-
CONSOLIDATED CASH FLOWS FROM FINANCING ACTIVITIES		**23,575,407.57**	**36,914,012.80**
Receivables and (payments) for equity instruments.		**19,405,123.04**	**18,711,291.06**
Issue of equity instruments	**Note 16**	18,458,756.48	19,683,911.92
Acquisition of own equity instruments	**Note 16**	-	(972,620.86)
Disposal of equity instruments of the parent company	**Note 16**	946,366.56	-
Proceeds and payments for financial liability instruments		**4,170,284.53**	**18,202,721.74**
Issue:			
Bonds and other marketable securities	**Note 10**	5,000,000.00	-
Other payables to related parties		-	31,206,823.03
Amounts owed to credit institutions	**Note 10**	2,371,319.40	1,179,536.02
Other debts		7,729,220.17	-
Return and amortisation of			
Debts with credit institutions.	**Note 10**	(702,395.22)	(441,563.26)
Other payables to related parties		-	(13,742,074.44)
Other debts		(10,228,859.82)	
EFFECT OF EXCHANGE RATE VARIATIONS		**414,968.58**	**(587,669.23)**
NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS		**(2,717,503.66)**	**12,596,107.91**
Cash or cash equivalents at the beginning of the year	**Note 9**	17,002,022.18	4,405,914.27
Cash or cash equivalents at the end of the year	**Note 9**	14,284,518.52	17,002,022.18

NOTE 1. GROUP COMPANIES

1.1) Parent Company

a) Incorporation and Domicile

AGILE CONTENT, S.A. (hereinafter "the Company" or "the Parent Company"), formerly **AGILE CONTENTS, S.L.**, was incorporated in Barcelona, Spain, on 24 April 2007.

At the date of preparation of these Consolidated Financial Statements, the registered office of the Parent Company is located at Calle Poeta Joan Maragall 1, Floor 15, 28020 Madrid, although on 4 April 2021 the Board of Directors of the Parent Company agreed to transfer the registered office of Agile Content, S.A. to Plaza Euskadi 5, Floor 15 (Iberdrola Tower), 48009 Bilbao. This corporate resolution was made public on 23 September 2021 and is pending registration with the Trade Registry of Biscay at the date of preparation of these Consolidated Financial Statements.

Since 19 November 2015, the Parent Company's shares have been listed on BME Growth (formerly known as "Mercado Alternativo Bursátil").

b) Activity

Its activity consists of IT consultancy, the development of software applications for the production and distribution of all kinds of interactive content and services in digital media, as well as any other activity related to the aforementioned corporate purpose, such as:

- IT consulting and software development, as well as their commercialisation,
- The design and development of software applications for the production and distribution of all kinds of interactive content and services in digital media,
- The provision of hosting services for software machinery and applications for the production and distribution of all kinds of content and interactive services in digital media,
- The leasing of hardware and software, as well as the integral management of maintenance and monitoring services,
- The design of all kinds of content and services in digital media, consulting on their production and distribution, commercial intermediation between agents linked to the digital consumption of content and services. The activities included in the corporate purpose may be carried out totally or partially, indirectly through participation in companies, groups, associations or, in general, entities with or without legal personality with the same or similar object or purpose,

c) **Legal Regime**

Each of the Group companies is governed by its bylaws and, in the case of Spanish companies, by the current Capital Companies Law.

1.2) **Subsidiary companies:**

The Parent Company owns, directly or indirectly, interests in several companies and possesses, directly and indirectly, control of several companies.

Appendix I contains information on the subsidiaries included in the consolidation of the Group.

The affiliated companies of Agile Content, S.A. that are not included in consolidation because they are considered to be forward transactions or are not significant, and which are valued at cost in the accompanying Consolidated Balance Sheet, are as follows (see Note 11):

Company	Percentage of direct participation
Agile Media Communities, AIE	100%
Agile Content Argentina, S.R.L.	100%

BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in accordance with the regulatory financial reporting framework applicable to the Group, which is established in the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November, which since its publication has been amended several times, most recently by Royal Decree 1/2021, of 12 January, and its implementing regulations, as well as with the rest of the commercial law in force.

These consolidated financial statements were prepared by the Parent Company's Management for submission to the General Shareholder Meeting, and they are deemed to be approved without any changes.

a) **True and Fair View**

The Consolidated Financial Statements of 31 December 2021 have been prepared by the Board of Management of the Parent Company from the accounting records of the different companies that make up the Group, in accordance with the commercial law in force and with the rules established in the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November, and the amendments incorporated therein by Royal Decree 1159/2010, of 17 September, and Royal Decree 602/2016, of 2 December, in the case of Spanish companies, in order to give a true and fair view of the Company's equity, financial position and results, as well as the veracity of the cash flows included in the Consolidated Cash Flow Statement.

The different items of the consolidated financial statements of each of the companies have been subject to the corresponding valuation homogenisation, adapting the criteria applied to those used in consolidation.

b) Effects of the COVID-19 pandemic on the Group's activity

The international pandemic, declared by the World Health Organisation (WHO) on 11 March 2020, has led to an unprecedented health crisis that has impacted the macroeconomic environment and the evolution of business. In this regard, there have been disruptions in the supply chain, increases in raw materials and energy prices and contractions in the supply of certain components. The evolution of the pandemic has had consequences on the economy in general and on the Group's operations, whose effects in the coming months are uncertain and will depend to a large extent on the evolution and extent of the pandemic.

As of the date of presentation of these Consolidated Financial Statements, there have been no significant effects on the Group's activity, and, according to Management's current estimates, no relevant effects are expected for the fiscal year 2022.

c) Currency of Presentation

The consolidated annual accounts are presented in euros, rounded to whole figures, which is the functional and presentation currency of the Group.

d) Critical Aspects of Measurement Uncertainty

When preparing the Consolidated Annual Report, Management drew up various estimates to determine the book value of some of the company´s assets, liabilities, income, and expenses, and of the break down contingent liabilities. These estimates were made on the basis of the best information available at year closing. However, due to the inherent uncertainty therein, they may need to be revised in the light of future events over the coming years. Any changes that may have to be made will be recognised prospectively.

The key assumptions about the future, as well as other relevant information about the estimation of uncertainty at the year-end date, which are associated with a significant risk of significant changes in the value of assets or liabilities in the coming year, are as follows:

Impairment of noncurrent assets

The valuation of noncurrent assets, other than financial assets, requires estimates to be made in order to determine their recoverable value for the purposes of assessing possible impairment, especially for goodwill, internally developed computer applications, and industrial property.

To determine this recoverable amount, the Group's Managers estimate the expected future cash flows of the assets or the cash-generating units of which they form part and use an appropriate discount rate to calculate the present value of those cash flows. Future cash flows depend on meeting the budgets for the next five years, while the discount rates depend on the interest rate and the risk premium associated with the cash generating unit. The assumptions used to calculate the value in use of the cash-generating unit are discussed in Note 5.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, tax loss carryforwards and deductions pending application for which it is probable that the Group will have future taxable profits to enable these assets to be applied. Management must make significant estimates to determine the amount of deferred tax assets that can be recognised, taking into account the amounts and dates on which future taxable profit will be obtained in each of the tax jurisdictions and tax planning strategies. The Group has deferred tax assets recorded as of 31 December 2021 amounting to €594,157.02 (€40,406.51 as of 31 December 2020) corresponding to deductible temporary differences (Note 18). In addition, the Group has tax loss carryforwards of €73,823,009.62 (€20,253,405.20 as of 31 December 2021) for which the related deferred tax assets have not been recorded.

Contingent liabilities

The WeTek group company is involved in a proceeding (OI201901155) due to a claim by the Autoridade Tributária e Aduaneira in Portugal in relation to the IRC (Autonomous Taxation) and FIRC (Non-Resident) tax assessments for the 2017 fiscal year. The Group has recorded a provision for possible tax contingencies amounting to €152,654.54, following the recommendation of its legal advisors according to the best estimate to date (Note 21).

e) Information comparison

In accordance with commercial law, for comparison purposes, each item on the balance sheet, income statement, the income statement, and the cash flow statement is presented together with the figures for 2021 and those for the previous year. The consolidated report also includes quantitative information for the previous year, except when accounting regulations specifically state that it is not required.

On 30 January 2021, Royal Decree 1/2021, of 12 January 2021, was published, amending the General Accounting Plan approved by Royal Decree 1514/2007, dated 16 November. The changes to the Spanish National Chart of Accounts are applicable to fiscal years beginning on or after 1 January and are mainly focused on the criteria for recognition, valuation and breakdown of income and financial instruments, as follows:

- Financial Instruments

  The only change that has taken place is the change of nomenclature in the Consolidated Balance Sheet of the heading "Available-for-sale financial assets" to the new title "Financial assets at fair value through profit or loss." The change has not affected these Consolidated Financial Statements, since the Group has not recorded "Financial assets at fair value through profit or loss."

- Revenue recognition

  The changes have not affected these Consolidated Financial Statements. On 13 February 2021, the Resolution of 10 February 2021, of the Instituto de Contabilidad y Auditoría de Cuentas (Accounting and Auditing Institute) was published, establishing the rules for recording, valuation and preparation of the Consolidated Financial Statements for the recognition of income from the delivery of goods and the rendering of services.

  As an alternative practical solution, the Group has opted to apply the criteria prior to the amendment of the PGC (Royal Decree 1/2021) to contracts that were not completed as of 1 January 2021 (date of first application). For contracts entered into on or after 1 January 2021, the accounting criteria described in Note 3 on accounting policies have been applied.

  This information is not provided since the new criteria have not entailed any relevant changes for the Group either in the recording and valuation or in the presentation and disclosures.

f) <u>The Going Concern Principle</u>

As of 31 December 2021, the Group had a negative working capital of €7,045,925.67, calculated as the difference between current assets minus current liabilities. This fact could indicate the existence of doubts regarding the application of the going concern principle. However, as indicated in note 25 of subsequent events, the Parent Company has at its disposal a financing policy, formalised on 28 March 2022 by The Nimo's Holding S.L. (a company belonging to the Inveready Group, which in turn is one of the reference shareholders of the Agile Content Group), for an amount of up to €13 million to meet the amount related to the purchase and sale of a production unit in August 2021, whose expiration if used is set for 1 May 2023. Based on the foregoing, the Group's Management have prepared these Consolidated Financial Statements on a going concern basis.

g) <u>Changes in Accounting Criteria</u>

No changes have been made in accounting criteria.

h) Correction of Errors

The Consolidated Financial Statements for 2021 included adjustments to the Group's consolidated balance sheet as a result of errors originating in prior years detected in the subsequent year, amounting in aggregate to 0 euros.

The following is a detail of the aforementioned changes in criteria and errors detected during the year:

(Euros)	Fiscal year 2020 and prior years	Fiscal year 2021	Total
Adjustment of movement of intangible assets	86,663.53	-	86,663.53
Adjustment for movement of tangible assets	(86,663.53)	-	(86,663.53)
	-	-	-

The corrections made to the comparative figures of each of the items in the documents comprising the Consolidated Financial Statements are as follows:

- Consolidated balance sheet as of 31 December 2021:

(Euros)	Debits / (Credits)
Intangible assets - increase	86,663.53
Tangible assets - decrease	(86,663.53)
	-

These changes have not resulted in changes in the consolidated statement of changes in equity, income statement and cash flow presented in the previous year and have been made to reflect the correct classification of these balance sheet items.

NOTE 3. REGISTRATION AND VALUATION STANDARDS

a) Consolidation Principles

The consolidation of the financial statements of Agile Content, S.A. with those of its affiliated companies mentioned in Note 1.2) has been carried out using the full consolidation method for all Group companies, since there is effective control. Effective control is understood to be those subsidiaries in which the Parent Company has a direct or indirect shareholding of more than 50% that allows it to hold the majority of the voting rights in the corresponding administrative bodies.

In this case, the subsidiaries were consolidated for the first time in 2012, integrating in the Consolidated Financial Statements all their assets, liabilities, income, expenses and cash flows after the corresponding adjustments and eliminations of intra-group transactions.

The consolidation of the results generated by the companies acquired in a fiscal year is carried out taking into consideration only those relating to the period between the date of acquisition and the closing date of that fiscal year.

The consolidation of the operations of **Agile Content, S.A.** with those of the aforementioned subsidiaries has been carried out in accordance with the following basic principles:

- The criteria used in the preparation of the Balance Sheets, Income Statements, Statements of Changes in Net Equity and Cash Flow Statements of each of the consolidated companies are, in general and in their fundamental aspects, homogeneous.

- The Consolidated Balance Sheet, Income Statement, Statement of Changes in Net Equity and Statement of Cash Flows include the adjustments and eliminations inherent to the consolidation process, as well as the relevant valuation homogenisations to reconcile balances and transactions between the consolidating companies.

- The Consolidated Income Statement includes the income and expenses of the companies that cease to form part of the Group up to the date on which the shareholding was sold or the company liquidated, and of the companies that join the Group from the date on which the shareholding was acquired or the company incorporated, up to the end of the fiscal year.

- The assets and liabilities of subsidiaries whose functional currency is other than the euro have been translated to euros using the exchange rates in effect at year-end and shareholders' equity at the historical exchange rate (that in effect at the date of first consolidation). The income statements of these companies have been translated to euros using the final exchange rates for each month of the year. The global effect of the differences between these exchange rates is shown, net of its tax effect, in Consolidated Net Equity under the heading "Translation Differences."

- All significant accounts and transactions between Group companies have been eliminated in the consolidation process.

- The Consolidated Balance Sheet does not include the tax effect corresponding to the incorporation of the reserves of the subsidiaries to the consolidated Group, since it is estimated that there will be no transfers of reserves not subject to taxation at source, since it is considered that these reserves will be used in each subsidiary as a source of self-financing.

- As mentioned above, 2012 was the Group's first year of consolidation. Consequently, in accordance with one of the alternatives permitted by Royal Decree 1159/2010 of 17 September, the date of incorporation of each subsidiary into the Group is considered to be 1 January 2012, except for those companies that were acquired subsequently, where the date of incorporation into the Group is considered to be the date of acquisition, understood as the date on which control of the acquired business or businesses is acquired.

- The elimination of the subsidiary company equity investment has been carried out by offsetting the holdings of the Parent Company with the proportionate share of the subsidiaries' net equity, which said holdings represent at the date of first consolidation. The differences from first consolidation have been registered as reserves by global integration. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any shortfall in the cost of acquisition with respect to the fair values of the identifiable net assets acquired, i.e. discount on acquisition, is charged to income on the acquisition date. The share of minority shareholders or partners is stated at the proportion of the fair values of the minority's recognised assets and liabilities.

- The consolidated result for the period shows the portion attributable to the Parent Company, which is made up of the result obtained by the Parent Company plus the portion corresponding to it, by virtue of the financial participation, of the result obtained by the affiliated companies.

b) <u>Intangible assets</u>

Fixed or non-current assets whose useful life is limited in time must be depreciated rationally and systematically over the period of their use. However, even when their useful life is not limited in time, when these assets are impaired, the necessary valuation adjustments are made to attribute to them the lower value that corresponds to them at the balance sheet date.

Intangible assets are assets with finite useful lives. When the useful life of these assets cannot be reliably estimated, they are amortised within a 10-year period, without prejudice of the deadlines set out in the special rules applicable to intangible assets.

Intangible assets are valued at cost, whether acquisition or production cost, reduced by the corresponding accumulated amortisation (calculated on the basis of their useful life) and any impairment losses.

Internally generated intangible assets are not capitalised, except for research and development expenses, and are therefore recognised in the Income Statement in the same year in which they are incurred.

Following the provisions of RD 602/2016 of 2 December 2016, goodwill began to be amortised prospectively over the 10-year period, with accounting effects on 1 January 2016.

Research and Development Expenditure

Capitalised research and development expenses are specifically individualised by project and their cost is clearly established so that they can be distributed over time.

The Group's Management also has sound reasons to believe that these projects will be technically successful and economically and commercially profitable.
Research and development expenses are amortised on a straight-line basis over the useful life of the asset, at a rate of 20% per year, and always within 5 years.

The development costs are activated as soon as all the following conditions are met:

- There is a specific and individualised project that allows for reliably valuing the disbursement attributable to the realisation of the project.
- The assignment, allocation, and time distribution of costs for each project are clearly established.
- There are good reasons for the technical success of the project, both in the case where the company intends to exploit it directly, and in the case where there is a market for the result of the project to be sold to a third party once it has been completed.
- The economic-commercial profitability of the project is reasonably assured.
- The financing of the project is reasonably assured to complete its realisation. In addition, the availability of adequate technical or other resources to complete the project and to use the intangible asset is ensured.
- There is an intention to complete the intangible asset.

At year-end, the Group assesses whether there is any indication of impairment of an item capitalised as a development, in which case the recoverable amounts are estimated and the necessary valuation adjustments are made. There is understood to be an impairment loss in the value of an item capitalised as development when its book value exceeds its recoverable amount, this being understood as the higher amount between its fair value less costs to sell and its value in use.

Valuation adjustments for impairment of items capitalised as development, as well as their reversal, when the circumstances that gave rise to them cease to exist, are recognised as an expense or income, respectively, in the Income Statement.

Industrial Property

Corresponds to capitalised development expenses for which the corresponding patent or similar has been obtained and includes the costs of registration and formalisation of industrial property, as well as the costs of acquiring the corresponding rights from third parties. It shall be presumed, unless proved otherwise, that the useful life of the industrial property is ten years.

IT Applications

The Group records in this account the costs incurred in the acquisition from third parties and they are recognised to the extent that they meet the conditions already described for development expenses. Maintenance costs of computer applications are charged to the income statement in the year in which they are incurred. The amortisation of software applications is performed using the straight-line method for a period of 5 years.

Goodwill

Goodwill is measured initially, on acquisition, at cost, which is the excess of the cost of the business combination over the fair value of the identifiable assets acquired less the liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses, which are considered irreversible. Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Goodwill may only appear on the assets side of the balance sheet when it has been acquired for consideration. The useful life of goodwill is presumed to be ten years, unless there is evidence to the contrary.

Customer portfolio

The customer portfolio is the result of:

a) the allocation of the capital gains disclosed in the business combinations described in Note 4.

b) acquisition of customer portfolios in Group companies, described in Note 5.

These customer portfolios are assigned to a number of specific customers as cash-generating units.

This intangible asset is amortised over the useful life estimated by the Group, which ranges from 10 to 20 years.

c) Tangible Assets

Tangible assets are valued at their acquisition price or production cost, net of the corresponding accumulated depreciation and, if applicable, of the accumulated amount of recognised valuation corrections for impairment.

The acquisition price or production cost includes, where applicable, the financial expenses corresponding to external financing accrued during the construction or manufacturing period until the assets that require more than one year to be ready for use are put into operating conditions.

Repair and maintenance costs incurred during the year are added to the Consolidated Income Statement. The costs of renovation, expansion or improvement of the tangible assets, which represent an increase in capacity, productivity or a lengthening of the useful life, are capitalised as an increase in the value of the related assets, after derecognising the book values of the items that have been replaced.

Tangible assets, their residual value, if any, being net, are depreciated on a straight-line basis over the years of estimated useful life, which is the period over which the Group expects to use them, as shown in the following table:

	Annual percentage (*)	**Years of estimated useful life**
Technical facilities	10%	10
Furniture	10%	10
IT equipment	25-33%	3-4

(*) Maximum percentages are identified. In some cases, the Group applies accelerated depreciation.

d) Impairment of intangible asset value

At least at the end of the year, the Group assesses whether there is any indication that any noncurrent asset or, where appropriate, any cash-generating unit may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. An impairment loss occurs when the carrying amount is greater than the recoverable amount. Value-in-use is the present value of expected future cash flows, using risk-free market interest rates, adjusted for the specific risks associated with the asset. For assets that do not generate cash flows and are largely independent of those arising from other assets or groups of assets, the recoverable amount is determined for the cash-generating units to which those assets belong, such cash-generating units being the minimum group of elements that generate cash flows that are largely independent of those arising from other assets or groups of assets.

The procedure implemented by the Parent Company's Management for this test is as follows:

Recoverable values are calculated for each cash-generating unit, impairment calculations made on an item-by-item, individual basis.

Management prepares an annual business plan for each cash-generating unit by market and activity, generally covering a five-year period. The main features of these agreements are as follows:

- Earnings and EBITDA projections
- Net financial debt projections

Other variables that influence the calculation of recoverable value are as follows:

- The discount rate to be applied, understood as the weighted average of the cost of capital, the main variables influencing its calculation being the cost of the liabilities and the specific risks of the assets.
- Cash flow growth rate used to extrapolate cash flow projections beyond the period covered by budgets or forecasts.

Projections are based on past experience and best available estimates, which are consistent with external information.

The business plans thus prepared are reviewed and finally approved by the Board of Directors.

The valuation criteria used to calculate the recoverable value of goodwill, internally developed technological applications and industrial property are detailed in Note 5.

Impairment losses and their reversal are recognised in the consolidated income statement. Impairment losses are reversed (a circumstance not permitted in the specific case of the customer portfolio) when the circumstances that gave rise to them cease to exist, except for goodwill. The reversal of the impairment is limited to the carrying amount of the asset that would have been recorded had no corresponding impairment been previously recognised.

e) Leases

A lease is classified as a finance lease if it substantially transfers all the risks and rewards incident to ownership of the asset that is the subject matter of the contract to the lessee. All other leases are classified as operating leases. Repair and maintenance costs incurred during the year are added to the Consolidated Income Statement.

f) Financial Instruments

The Group recognises a financial instrument in the consolidated balance sheet when it becomes a party to the contract or legal transaction in accordance with the provisions thereof, either as the issuer or as an investor or acquirer. Financial instruments are recognised in the consolidated balance sheet when it becomes a party to the contract or legal transaction in accordance with the provisions thereof, either as issuer or as investor or acquirer of the contract or legal transaction. For valuation purposes, financial instruments are classified in one of the following categories:

Loans and Receivables and Accounts Receivable and Accounts Payable

Loans and receivables

This category includes:

a) Trade receivables: financial assets arising from the sale of goods and the rendering of services in connection with trade operations, and

b) Receivables from non-trade operations: financial assets which, not being equity instruments or derivatives, do not have a commercial origin, whose collections are of a determined or determinable amount, and which are not traded in an active market.

Debits and payables

Classified in this category are:

a) Debits for commercial transactions: these are financial liabilities arising from the purchase of goods and services through Group trading operations.

b) Non-trade payables: financial liabilities that, not being derivative instruments, do not have a commercial origin.

When initially recognised in the consolidated balance sheet, the financial assets and liabilities included in this category are recognised at fair value, which is the transaction price, and which is equal to the fair value of the consideration given plus any transaction costs directly attributable to them. They are subsequently valued at amortised cost. Accrued interest is recognised in the Consolidated Income Statement using the effective interest method. Notwithstanding the foregoing, loans maturing in no more than one year and initially valued at their face value continue to be valued at that amount, unless they have become impaired.

However, debits for trade operations with a maximum one-year maturity which do not have a contractual interest rate and whose amount is expected to be paid in the short term, are measured at nominal value, when not discounting the cash flows does not have a significant effect.

At year-end, the necessary valuation adjustments are made if there is objective evidence that the value of a receivable is impaired, i.e. if there is evidence of a reduction or delay in the estimated future cash flows. Impairment adjustments are recognised on the income statement on the basis of the difference between their carrying amount and the present value at year-end of the estimated future cash flows to be generated, discounted at the effective interest rate determined at the time of initial recognition. Value adjustments and their reversal, if any, are recognised on the income statement.

Investments in the Equity of Group Companies.

Such investments are initially measured at cost, which is the fair value of the consideration given plus any directly attributable transaction costs.

They are subsequently measured at cost, minus any accumulated impairment losses.

At year-end, and when there is objective evidence that the carrying value of an investment will not be recoverable, the necessary valuation adjustments are made.

The amount of the valuation adjustment is determined as the difference between the carrying amount and the recoverable amount, understood as the higher of its fair value less costs to sell and the present value of future cash flows derived from the investment, calculated by estimating its share of the cash flows expected to be generated by the investee from its ordinary activities and from its disposal or derecognition.

Value corrections due to impairment losses and, where applicable, their reversal are recognised as profit or loss, respectively, in the income statement. The reversal of impairment is recognised as income in the Income Statement and has as limit the book value of the financial asset that would be recorded at the date of reversal if no impairment had been recorded.

Interest on Financial Assets

Interest and dividends on financial assets accrued after acquisition are recognised as income in the consolidated Income Statement.

For this purpose, in the initial valuation of financial assets, the amount of explicit interest accrued and not yet due at that time is recorded separately, based on their maturity.

Derecognition of Financial Assets

The Group derecognises a financial asset from the balance sheet when:

- The contractual rights to the asset's cash flows expire. In this sense, a financial asset is derecognised when it has matured and the Group has received the corresponding amount.

- The contractual rights to the cash flows of the financial asset have been assigned. In this case, the financial asset is derecognised when the risks and rewards of ownership have been substantially transferred. In particular, in sales transactions with repurchase agreements, factoring and securitisations, the financial asset is derecognised once the Group's exposure, before and after the transfer, to the change in the amounts and timing of the net cash flows of the transferred asset has been compared, and it follow that the risks and rewards have been transferred.

Derecognition of Financial Liabilities

The Group derecognises a previously recognised financial liability when any of the following circumstances arise:

- The obligation has been extinguished because payment has been made to the creditor to settle the debt (through payments in cash or other goods or services), or because the debtor is legally released from any responsibility for the liability.
- The Company's own financial liabilities are acquired, even if with the intention of repositioning them in the future.
- There is an exchange of debt instruments between a lender and a borrower, provided that they have substantially different terms, and the new financial liability that arises is recognised; similarly, a substantial modification of the current terms of a financial liability is recorded, as indicated for debt restructurings.

The difference between the carrying amount of the financial liability, or the part of it that has been derecognised, and the consideration paid, including attributable transaction costs, and which also includes any assets transferred other than cash or liabilities assumed, is recognised in the income statement for the period in which it takes place.

Bonds Delivered

Security deposits provided for operating leases are valued at the amount disbursed.

Derivative financial instruments

Non-derivative financial instruments that include both liability and equity components simultaneously are designated as compound financial instruments.

Bonds convertible into a fixed number of shares of the Parent Company, at the option of the investor or mandatorily if a future event occurs, qualify as a compound financial instrument.

At the date of initial recognition, the carrying amount of the liability component is determined, measured at the fair value of a similar liability that does not have an associated equity component, but includes, where appropriate, any non-equity derivative elements.

The carrying amount of the equity instrument, represented by the option to convert the instrument into shares, is determined by deducting the fair value of the financial liability from the fair value of the compound financial instrument as a whole. In no case will there be any gain or loss on initial recognition.

Transaction costs related to the issuance of a compound financial instrument will be distributed between the liability and equity components, in proportion to the initial valuation of both components.

The separation of the components of the compound financial instrument made at the initial time will not be reviewed during the life of the transaction.

Subsequently, the liability component will generally be accounted for using the amortised cost method, and the equity component will be recognised under "Other equity instruments" included in shareholders' equity in the balance sheet and will not be revalued.

On the date on which the conversion takes place, the parent company will derecognise the liability component with a credit to the capital item and, if applicable, to the share premium.

Treasury stock

Treasury stock is recorded in net equity as less shareholders' equity when acquired, and no gain or loss is recorded in the income statement for its sale or cancellation. Income and expenses derived from transactions with treasury stock are recorded directly in net equity as less reserves.

g) Classification of Balances by Maturity

The classification between current and non-current is made taking into account the expected term to maturity, disposal or cancellation of the companies' obligations and rights. It is considered non-current when it is greater than twelve months from the closing date of the fiscal year.

h) Foreign Currency Transactions

Transactions in foreign currency are accounted for at their equivalent value in euros, using the exchange rates in force on the dates on which they are carried out. At the end of each year, monetary items are valued at the exchange rate at the closing date.

Exchange differences, both positive and negative, arising in this process and those arising on settlement of these assets and liabilities are recognised in the Consolidated Income Statement for the year in which they arise.

Non-monetary items measured at historical cost are valued at the exchange rate prevailing at the date of the transaction.

Non-monetary items recorded at their fair value are valued by applying the exchange rate on the date of its determination. Exchange differences are recorded in the income statement, unless the change in the value of the non-monetary item is recorded in equity, in which case the related exchange differences are also recorded in equity.

E) Inventory

Inventory is measured at acquisition or production cost. The purchase price includes the amount invoiced by the seller, after deduction of any discounts, rebates or other similar items, and all additional expenses incurred until the goods are located for sale, such as transport, customs duties, insurance, and others directly attributable to the acquisition of the stocks. The cost of production is determined by adding to the purchase price of raw materials and other consumables, the costs directly attributable to the product. Also included is the appropriate portion of the costs indirectly attributable to products, insofar as these costs relate to the period of manufacture, processing, or construction involved in positioning them for sale. They are also based on the level of use of the normal working capacity of the means of production.

Given that the Group's inventory does not require a one-year period to be in a condition to be sold, financial and production costs are not included in the cost price or production cost.

The Group uses the weighted average cost for the assignment of value to inventory.

When the net realisable value of the inventory is lower than their acquisition price or production cost, the appropriate valuation adjustments are made, and these are recognised as an expense in the income statement. In the case of raw materials and other consumables in the production process, no valuation adjustment is made when the finished products in which they are incorporated are expected to be sold above cost.

I) Tax on Profits

The Group's Spanish companies are subject to the special tax consolidation regime. Consequently, the income tax expense for the year for this tax group is calculated on the consolidated result, adjusted for permanent differences with the tax criteria and taking into account the applicable tax credits and deductions. The tax effect of temporary differences is included, if applicable, in the corresponding deferred tax assets or liabilities in the accompanying Consolidated Balance Sheet. However, the consolidated income tax expense has been obtained by adding the income tax expense of each of the consolidated companies and has been calculated on the basis of the individual economic profit, adjusted by tax criteria and taking into account the applicable tax credits and deductions.

The income tax expense for each year includes both current tax and deferred taxes, if applicable.

The amount for current tax is the amount payable by the companies as a result of tax assessments.

Differences between the book value of the assets and liabilities and their tax base generate the balances of deferred tax assets or liabilities that are calculated using the tax rates expected to be in effect at the time of their reversal.

Changes in deferred tax assets or liabilities during the year are recorded in the Consolidated Income Statement or directly in Consolidated Net Equity, as appropriate.

A corresponding deferred tax liability is recognised for all taxable temporary differences, and deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available to the company to allow the application of these assets. Provided that this condition is met, a deferred tax asset is recognised for:

a) For deductible temporary differences.

b) For the right to offset tax losses in subsequent years.

c) For unused deductions and other unused tax benefits that remain to be applied for tax purposes.

At each balance sheet date, the book value of the deferred tax assets recorded is analysed and the necessary adjustments are made to the extent that there are doubts as to their future tax recoverability. Likewise, at each closing, the deferred tax assets not recorded in the balance sheet are assessed and are recognised to the extent that their recovery through future taxable profits becomes probable.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when they are reversed, in accordance with current regulations, and in accordance with the manner in which the deferred tax asset or liability is expected to be rationally recovered or paid.

Deferred tax assets and liabilities are not discounted and are classified as non-current assets and liabilities, regardless of the expected date of realisation or settlement.

j) Accruals

The Group's asset accruals correspond to prepaid expenses, mainly to prepayments for services.

In the same way, accruals of liabilities correspond to anticipated revenues, which have been invoiced but have not yet been accrued. Basically, these are licenses and maintenance with third parties.

k) Income and Expenses

Income and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Revenues from the sale of goods and the rendering of services are measured at the fair value of the consideration received or receivable, which, unless there is evidence to the contrary, is the agreed price for such goods or services, less the amount of any discounts, rebates or other similar items, as well as interest included in the face value of receivables.

Revenue from the rendering of services is recognised when the outcome of the transaction can be reliably estimated, considering the percentage of completion of the service at the year-end date. Consequently, revenue from the rendering of services is only recognised when each and every one of the following conditions is met:

a) The amount of income can be reliably measured.

b) It is probable that the Group will receive the benefits or economic returns from the transaction.

c) The stage of completion of the transaction at the reporting date can be reliably measured, and

d) The costs already incurred in the service, as well as those yet to be incurred until the service is completed, can be reliably measured.

l) Equity Items of an Environmental Nature

Expenses related to the minimisation of environmental impact, as well as the protection and improvement of the environment, are recorded according to their nature in the Consolidated Income Statement for the year in which they are incurred.

m) Equity-settled share-based payments to employees through the issuance of equity instruments

Payments to employees through the issuance of equity instruments of the Parent Company are recorded by applying the following criteria:

If the equity instruments granted become vested immediately at the time of grant, the services received are recognised in profit or loss with a consequent increase in equity.

The Group determines the fair value of the instruments granted to employees on the grant date. Market conditions and other conditions that do not determine vesting are considered in the valuation of the fair value of the instrument. The remaining vesting conditions are considered by adjusting the number of equity instruments included in the determination of the amount of the transaction, so that ultimately the amount recognised for services received is taken from the number of equity instruments that will eventually be consolidated. Consequently, the Group recognises the amount for services received during the vesting period based on the best estimate of the number of instruments to be consolidated.

n) Subsidies, Donations and Legacies

Non-refundable capital subsidies, as well as donations and legacies, are valued at the fair value of the amount granted or the asset received. Initially, they are imputed as income directly to the Consolidated Net Equity and are recognised in the Consolidated Income Statement in proportion to the depreciation experienced during the period by the assets financed by these subsidies, except in the case of non-depreciable assets, in which case they will be charged to the income for the year in which their disposal or derecognition in inventory takes place.

Refundable grants are recorded as liabilities until they become non-refundable.

Grants, donations and legacies of a non-refundable nature are charged to income on the basis of their purpose.

Operating subsidies are recognised as income at the moment of their accrual.

o) Interest Rate Subsidies

The Group has granted loans from Public Entities or Organisations, at zero interest rate or at a rate lower than the market rate. As a result, and in accordance with the accounting legislation in force, the Companies have restated the value of these assets, taking as a reference their average cost of financing. The effect of the initial restatement is recorded in Net Equity as an interest rate subsidy. The transfer of these subsidies to the income statement will be linked to the purpose for which the subsidised resources were used, and they will be transferred to the income statement as development expenses are incurred, amortised or derecognised.

p) Business Combinations

Business combinations are accounted for by applying the acquisition method, for which the acquisition date is determined and the cost of the combination is calculated, recording the identifiable assets acquired and liabilities assumed at their fair value as of that date.

Goodwill or the negative difference of the combination is determined by the difference between the fair values of the assets acquired and liabilities assumed recorded and the cost of the combination, all referred to the acquisition date.

The cost of the combination is determined by the aggregation of:

1. The acquisition-date fair values of assets transferred, liabilities incurred or assumed and equity instruments issued.
2. The fair value of any contingent consideration that depends on future events or the fulfilment of predetermined conditions.

Expenses related to the issuance of equity instruments or financial liabilities delivered in exchange for the items acquired are not part of the cost of the combination.

Likewise, since 1 January 2010, the fees paid to legal advisers or other professionals involved in the combination and are not part of the cost of the combination nor the expenses generated internally for these items. These amounts are allocated directly in the income statement.

In the exceptional case that a negative difference arises in the combination, it is added to the income statement as income.

If at the closing date of the fiscal year in which the combination occurs the valuation processes necessary to apply the acquisition method described above cannot be concluded, this accounting is considered provisional, and such provisional values may be adjusted in the period necessary to obtain the required information, which in no case shall exceed one year. The effects of the adjustments made in this period are accounted for retroactively by modifying the comparative information if necessary.

Subsequent changes in the fair value of the contingent consideration are adjusted against income, unless such consideration has been classified as equity in which case subsequent changes in its fair value are not recognised.

q) Provisions and contingencies

Existing obligations at year-end, arising as a result of past events that could result in material damages for the Group, and whose amount and time of cancellation are undetermined, are recorded in the Consolidated Balance Sheet as provisions and are valued at current value of the best possible estimate of the amount necessary to cancel or transfer the obligation to a third party.

Adjustments to the provision due to restatement are recognised as a financial expense as they accrue. In the case of provisions due within one year or less, with a non-significant financial impact, no discount is made.

The Group also reports, where appropriate, contingencies that do not give rise to a provision.

r) Related-Party Transactions

Consequently, as a general rule, the items subject to transaction are accounted for at the initial stage at their fair value. The subsequent valuation is carried out in accordance with the relevant rules.

The prices of transactions with related parties are adequately supported and, therefore, the Group's Managers consider that there are no risks that could give rise to significant tax liabilities.

s) Cash

This section includes cash on hand, bank current accounts and deposits and reverse repurchase agreements which meet all the following requirements:

- Are easily convertible into cash.
- They have a maximum 3-month maturity date at the date of purchase.
- There is no significant risk that they will depreciate in value.
- Form part of the Group's normal cash management policy.

For the purposes of the consolidated statement of cash flows, occasional overdrafts that are part of the Group's cash management are included as less cash and cash equivalents.

NOTE 4. BUSINESS COMBINATIONS

a) Wetek - Soluções Tecnológicas, S.A. (2021)

On 30 November 2021, the Group acquired 100% of the shares of the company WeTek - Soluções Tecnológicas, S.A. specialised in the development of devices for the digital distribution of content, through the disbursement of a fixed amount of cash and shares combined with four earn outs due to objectives achieved by WeTek over three and a half years from the date of purchase.

The integration into the group took place on 1 October 2021.

	Euros
Total WeTek Shareholders' Equity at 01.10.2021	**(366,132.85)**
Contracts transferred	700,000.00
Contracts to be transferred	7,523,458.00
Total Purchase Price	**8,223,458.00**
Resulting amount of assets acquired	**8,589,590.85**
Own technology	1,069,000.00
Brand	1,660,000.00
Customer Relationship	2,605,000.00
Goodwill	**3,255,590.85**

Additionally, on 27 December 2021, the Group sold 1% of the shares in the share capital of WeTek to Growth Inov - Fundo de Capital de Risco 3, with the intention that the new partner would incorporate capital for the development of research and development projects. In this regard, although the Group has recognised the interest of minority shareholders in net equity, the minority interest has not been recognised in the consolidated result for the year, as it is not significant since it corresponds to WeTek's individual result for the last four days of the 2021 fiscal year.

b) Euskaltel (2021)

On 10 August 2021, Agile Content acquires the TV business unit of Euskaltel S.A., and R Cable and Telecable Telecomunicaciones S.A.U. through its subsidiary Over The Top Networks Ibérica S.L.U., thus continuing the consolidation process in the European TV space. Agile TV extends the collaboration with the new MASMOVIL Group and will provide its services to Euskaltel in the same way as it is already doing with Agile TV to the different brands. Agile intends to promote an innovation centre in the Basque Country with the aim of boosting the audiovisual industry, increasing its international competitiveness and attracting future investments. In line with the importance of the new business perimeter, the company has decided to move its headquarters to Biscay, where Agile Content already has a work centre located in Bilbao.

It was carried out through a €32,000,000 operation involving the integration of the television business unit with nearly 500,000 pay TV subscribers with a leadership position in the Basque Country, Galicia and Asturias, which enhances scale and competitive capacity from Agile.TV.

The transaction contemplates an initial payment of 60%, which the company is to use its own resources, plus a remaining 12-month payment of 40%. The deal also includes an 8-year marketing agreement with the MásMovilEuskaltel group as Agile TV's marketing agent, which reinforces the distribution relationship, according to the specific focus and strategy of each company.

As of 10 August 2021, this acquisition resulted in the recognition of a right of use in the amount of 6,163,000 euros and goodwill in the amount of €25,837,000 under intangible assets in the consolidated balance sheet.

c) Alma Telecom (2021)

On 10 August 2021, Agile Content also acquired 100% of the business unit of Alma Telecom S.L.U. for 1,400,000 euros. In this transaction, the employees, suppliers and customers of this company, domiciled in Almansa, whose activity is focused on the production and commercialisation of television content, are transferred.

As of 10 August 2021, this acquisition has resulted in the recognition of a customer relationship asset in the amount of €944,000 and goodwill in the amount of €456,000 under intangible assets in the consolidated balance sheet.

d) TV Alcantarilla and Oriol Fibra (2021)

Also effective 10 August 2021, the Group acquired the TV Alcantarilla and Oriol Fibra business units. These refer to customer and supplier contracts, as well as a series of assets for the development of the activity, which as a consequence meant at that date the recognition of goodwill in the amount of 275,000 euros and 25,000 euros, respectively.

e) Fon Wireless Group (2021)

On 23 February 2021, the Group acquired 100% of the shares of the company Fon Wireless, LTD specialised in technology for Wifi networks, through the disbursement of a fixed amount of cash and shares combined with an earn out based on the Parent Company's share price five years from the date of purchase. The shares of the subsidiary Fon Labs, S.L. were also included in the transaction.

The integration into the group took place on 1 April 2021.

	Euros
Total Fon Wireless Shareholders' Equity as of 01.04.2021	**176,099.49**
Compensation transferred	4,446,202.70
Compensations to be transferred	1,000,000.00
Total Purchase Price	**5,446,202.70**
Resulting amount of assets acquired	**5,270,103.21**
Brand	499,000.00
Customer portfolio	1,231,000.00
Own technology	1,281,000.00
Goodwill	**2,259,103.21**

f) Edgeware Group AB (2020)

On 3 November 2020, the Group launched a cash tender offer to the shareholders of Edgeware AB (a company listed on Nasdaq Stockholm, the Swedish stock exchange) with the objective of obtaining all of the shares of Edgeware AB. As of 23 November 2020, 90.18% of the outstanding shares had been subscribed, and the subscription period was extended until 15 December 2020.

The integration into the Group took place on 1 December 2020. At that date, the Group owned 96.9% of the shares of Edgeware AB. However, by virtue of the legislation in Sweden that allows the acquisition of all shares held by retailers at the price set in the tender offer, until 100% of the acquired entity is obtained, the Group formally requested the exercise of the acquisition right and, consequently, the Group recognised in the financial statements 100% of the shares in the amount of €907,043.35. On 19 July 2021, the acquisition of the shares of the minority shareholders was completed.

	Euros
Total Edgeware Shareholders' Equity as of 01.12.2020	**14,449,565 81**
Compensations transferred	27,827,532.
Compensation pending transfer to minority shareholders (through the carryforward process Note 9)	907.043 35
Total Purchase Price	**28,734,575 59**
Resulting amount of assets acquired	**14,285,009.78**
Technological assets	1,730,701.46
Customer portfolio	225,351 75
Brand	3,172,952.68
Goodwill	**9,156,003 89**

NOTE 5. INTANGIBLE ASSETS

The detail and movement of intangible assets during 2021 is as follows, in euros:

	31/12/2020	Perimeter additions	Entries / (Endowments)	Write-offs / Impairment	Translation differences	31/12/2021
Cost:						
Industrial property	6,513,385.01	-	-	-	551,256.46	7,064,641.47
Internally developed software applications	21,441,518.92	2,173,693.33	6,241,170.32	-	(62,317.62)	29,794,064.94
Technology	1,744,952.14	2,350,000.00	-	-	-	4,094,952.14
Brand	3,515,931.21	2,659,000.00	-	-	(1,526.18)	6,173,405.03
Customer portfolio	555,464.05	3,836,000.00	-	-	(1,121.64)	4,390,342.41
Goodwill	10,993,301.51	5,514,694.06	26,593,000.00	-	(1,590.52)	43,099,405.04
Concessions, licenses and similar rights	-	-	7,107,000.00	-	-	7,107,000.00
Computer applications	202,337.16	6,323.45	-	(11,556.18)	(508.91)	196,595.52
	44,966,889.99	**16,539,710.84**	**39,941,170.32**	**(11,556.18)**	**484,191.59**	**101,920,406.55**
Accumulated Amortisation						
Industrial property	(3,270,630.30)	-	(678,172.92)	-	-	(3,948,803.22)
Internally developed software applications	(11,086,016.75)	(1,004,511.55)	(3,439,262.09)	-	36,728.74	(15,493,061.66)
Technology	(29,082.54)	(245,600.00)	(348,990.43)	-	-	(623,672.97)
Brand	(118,734.32)	(78,925.00)	(366,077.21)	-	804.63	(562,931.91)
Customer portfolio	(145,407.52)	(326,139.88)	(72,772.36)	-	804.63	(543,515.13)
Goodwill	(812,657.29)	(250,822.51)	(2,123,223.86)	-	(1,021.48)	(3,187,725.14)
Concessions, licenses and similar rights	-	-	(275,109.00)	-	-	(275,109.00)
Computer applications	(110,909.17)	-	(76,773.02)	-	3,491.62	(184,190.57)
	(15,573,437.89)	**(1,905,998.94)**	**(7,380,380.89)**	**-**	**40,808.13**	**(24,819,009.60)**
Net Intangible Assets	**29,393,452.10**	**14,633,711.90**	**32,560,789.42**	**(11,556.18)**	**524,999.72**	**77,101,396.95**

The detail and movement of intangible assets during the 2020 fiscal year, in euros, was as follows:

	31/12/2019	Perimeter Additions	Entries / (Endowments)	Write-offs / Impairment	Currency conversion differences	31/12/2020
Cost:						
Industrial property	7,147,968.91	(89,552.63)	-	-	(545,031.27)	6,513,385.01
Internally developed software applications	15,023,336.62	8,009,177.89	3,774,200.66	(5,365,196.25)		21,441,518.92
Edgeware technology	-	1,744,952.14	-	-	-	1,744,952.14
Brand	-	3,515,931.21	-	-	-	3,515,931.21
Customer portfolio	560,414.02	457,395.79	-	(462,345.76)	-	555,464.05
Goodwill	1,553,117.23	9,440,184.27	-	-	-	10,993,301.50
Computer applications	51,759.84	102,935.98	83,299.56	(35,658.22)	-	202,337.16
	24,336,596.62	**23,181,024.65**	**3,857,500 22**	**5,863,200 23**	**545.031 27**	**44,966,889.99**
Accumulated Amortisation						
Industrial property	(2,592,457.39)	9,225.26	(678,172.92)	-	(9,225.25)	(3,270,630.30)
Internally developed software applications	(7,312,950.85)	(5,752,570.95)	(1,646,208.06)	3,625,713.11	-	(11,086,016.75)
Edgeware technology	-	(237.52)	(28,845.02)	-	-	(29,082.54)
Brand	-	(92,293.05)	(26,441.27)	-	-	(118,734.32)
Customer portfolio	(184,470.28)	(81,039.73)	(176,547.81)	296,650.30	-	(145,407.52)
Goodwill	(582,418.95)	462.95	(230,701.29)	-	-	(812,657.29)
Computer applications	(46,229.94)	(60,156.51)	(40,180.94)	35,658.22	-	(110,909.17)
	(10,718,527.41)	**(5,976,609.55)**	**(2,827,097.31)**	**3,958,021.63**	**(9,225.25)**	**(15,573,437.89)**
Impairment						
Research and development	(1,739,483.14)	-	-	1,739,483.14	-	-
Customer portfolio	(165,695.46)	-	-	165,695.46	-	-
	(1,905,178.60)	**-**	**-**	**1,905,178.60**	**-**	**-**
Net Intangible Assets	**11,712,890.63**	**17,204,415.10**	**994,744.69**	**-**	**(545,031.27)**	**29,393,452.10**

a) Cash-generating unit and impairment test

To determine the recoverable amount of the Cash Generating Unit, which includes industrial property and internally developed software, the Group uses discounted free cash flows based on the 5-year budgets approved annually by the Group, being therefore applicable for valuation purposes those approved as of 31 December 2021. The Mangers have considered in the preparation of the recoverable value calculations the relevant business assumptions, such as market evolution in each country, expected activation of R&D expenses, operating expenses, among others.

Management considers that no events have occurred in the main countries during the 2021 financial year that could significantly affect the assumptions used in the determination of cash flows.

In addition, cash flows have been discounted using the following assumptions:

- Risk-free rate of 0.89%, corresponding to the average of the last 5 years of the Spanish 10-year bond yield
- An equity premium of 6.4%. This data is obtained from observations of long-term historical series of the differential between the return on equities in the stock market and financial assets with lower risk, supposedly long-term government bonds.
- A specific risk premium of 4% (based on company size and other specific risk factors).
- The cost of borrowed funds has been estimated in accordance with the current market for financing companies with a risk profile similar to the Group's, net of taxes (25% in Spain).
- Royalty rate of 9% applied to projected sales.
- The resulting cash flows are discounted at a rate of 10.3% in Spain, i.e. 0.5 percentage points above the WACC (9.8% in Spain).

b) Industrial Property

As part of the sale and purchase agreement of the Over The Top Networks Group, the Group acquired industrial property in the amount of $8 million, the net book value of which as of 31 December 2021 is €3,115,838.25 (€3,242,754.71 at year-end 2020). Such industrial property consists primarily of the use of programming and video content systems.

In relation to Industrial Property, which has a defined useful life, in addition to being amortised, it must be tested for impairment annually.

As of 31 December 2021, the corresponding impairment test has been performed and there is no impairment. In order to perform this impairment test, the Parent Company has commissioned a valuation report from an independent expert.

The Parent Company's Management consider that the revenues from the main agreements with the main customers for the next few years will be sufficient to recover the value as of 31 December 2021.

c) Internally developed software applications

Additions in 2021 and 2020 for "Internally developed computer applications" mainly correspond to activations made by Group personnel, and additionally include invoices from external parties that perform developments for the Group. These software applications consist of a framework that implements the business logic of a TV service, which is extended and complemented with components to expand the scope of its functionalities and capabilities. It is based on industry-leading platforms and firmware that ensure that the product can maintain its business functionality with little wear and tear or technological debt, since the continuous updating of these platforms allows backward compatibility while making the systems compatible with new hardware, formats, libraries or operating systems, keeping the value of our asset isolated from these changes and without acquired technological debt.

The Group's Management considers that the applications developed meet the technical and economic criteria required for their recognition as assets. As of 31 December 2021, the Group had activated work in the amount of €6,241,170.32 (€3,774,200.66 in the previous fiscal year).

Computer software development expenses capitalised by the Group mainly relate to the following:

- Those corresponding to the Parent Company, the amount of which, net of amortisation, amounts to €5,116,556.56 as of 31 December 2021 (€4,554,086.22 at the end of the previous fiscal year).

- Agile Content Investments and Subsidiaries, the amount of which, net of depreciation and amortisation, amounts to €3,532,809.77 as of 31 December 2021 (€3,524,540.35 at the end of the previous fiscal year).

- Edgeware AB, whose amount net of amortisation as of 31 December 2021 amounts to €4,131,204.36. (€2,276,875.59 at the end of the previous fiscal year).

- WeTek, whose amount net of depreciation and amortisation as of 31 December 2021 amounts to €1,350,431.78, of which €1,263,330.90 was included in the scope of consolidation on 1 October 2021.

As of 31 December 2021, the Group's management has assessed whether there is any indication of impairment for each of the capitalised developed products. The individualised margin that these products will generate over their remaining useful lives at the balance sheet date has been estimated, and no additional impairment needs have been identified, since the margin of each product exceeds the net book value at year-end.

d) Intangible assets arising from WeTek's business combination allocation

The acquisition cost overrun corresponding to the WeTek business combination has been allocated by the Group's management as follows:

Brand

The brand for an amount of €1,660,000.00 derives from the acquisition of WeTek by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 10 years.

Technology

The technology for an amount of €1,069,000.00 is derived from the acquisition of WeTek by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 5 years.

Customer portfolio

The customer portfolios for the amount of €2,220,000.00 and €385,000.00 (the 5 main customers are distinguished from the rest) are derived from the acquisition of WeTek by the Group, according to the conditions described in Note 4. Their useful lives have been estimated at 7 years and 6 years, respectively.

These assets, which have a defined useful life, in addition to being depreciated, must be tested annually for impairment. The recoverable amount of the assets is estimated by applying the individualised valuation model of discounted cash flows from the business plan foreseen for the CGU.

e) Intangible assets arising in the allocation of the business combination of Euskaltel and Alma Telecom

Right of Use

The right of use for the amount of €6,163,000.00 is derived from the acquisition of Euskaltel by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 8 years.

Customer portfolio

The client portfolio for the amount of €944,000.00 is derived from the acquisition of Alma Telecom by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 14 years.

f) Intangible assets arising from FON's business combination allocation

The acquisition cost overrun corresponding to the FON business combination has been allocated by the Group's management as follows:

Brand

The brand for the amount of €499,000.00 is derived from the acquisition of FON by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 10 years.

Technology

The technology for the amount of €1,281,000.00 is derived from the acquisition of FON by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 5 years.

Customer portfolio

The client portfolio for the amount of €1,231,000.00 is derived from the acquisition of FON by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 4 years.

These assets, which have a defined useful life, in addition to being depreciated, must be tested annually for impairment. The recoverable amount of the assets is estimated by applying the individualised valuation model of discounted cash flows from the business plan foreseen for the CGU.

g) Intangible assets arising from the allocation of Edgeware's business combination

The acquisition cost overrun related to the Edgeware business combination has been allocated by the Group's management as follows:

Brand

The brand for the amount of €3,169,124.04 generated in 2020 is derived from the acquisition of the Edgeware group by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 10 years.

Technology

The technology for the amount of €1,730,701.46 generated in 2020 is derived from the acquisition of the Edgeware group by the Group, according to the conditions described in Note 4. Its useful life has been estimated at 5 years.

Customer portfolio

The customer portfolio for the amount of €225,351.75 generated in 2021 is derived from the acquisition of the Edgeware group by the Group, according to the conditions described in Note 4.

Its useful life has been estimated at 20 years.

These assets, which have a defined useful life, in addition to being depreciated, must be tested for impairment annually. The recoverable amount of the assets is estimated by applying the individualised valuation model of discounted cash flows from the business plan foreseen for the CGU.

h) Consolidation Goodwill

Wetek - Soluções Tecnológicas, S.A.

As described in Note 4, although the Group acquired 100% of the shares of the company WeTek on 30 November 2021, its integration into the Group took place on 1 October 2021, resulting in goodwill of €3,255,590.85.

The accounting for this business combination is not definitive, pending the final analysis of the activation and classification of goodwill and other intangible assets.

Euskaltel, Alma Telecom, TV Alcantarilla and Oriol Fibra

As described in Note 4, on 10 August 2021, the business units Euskaltel, Alma Telecom, TV Alcantarilla and Oriol Fibra were acquired, integrating the Goodwill Group for €25,837,000; €456,000.00; €275,000.00; and €25,000.00, respectively.

The accounting for this business combination is not definitive, pending the final analysis of the activation and classification of goodwill and other intangible assets.

FON Wireless, LTD.

On 23 February 2021, the Group acquired 100% of the shares of the company Fon Wireless, LTD specialised in technology for Wifi networks, through the disbursement of a fixed amount of cash and shares combined with an earn out based on the Parent Company's share price five years from the date of purchase. The shares of the subsidiary Fon Labs, S.L. were also included in the transaction.

Its integration into the Group took place on 1 April 2021. The Goodwill for the amount of €2,259,103.21 generated in fiscal year 2021 is derived from the acquisition of Fon Wireless Company by the Group, according to the conditions described in Note 4.

The accounting for this business combination is not definitive, pending the final analysis of the activation and classification of goodwill and other intangible assets.

Edgeware AB

On 3 November 2020, the Group launched a cash tender offer to the shareholders of Edgeware AB (a company listed on Nasdaq Stockholm, the Swedish stock exchange) with the objective of obtaining all of the shares of Edgeware AB. As of 23 November 2020, 90.18% of the outstanding shares had been subscribed. The subscription period was extended until 15 December 2020.

The Goodwill for the amount of €9,113,771.04 generated in fiscal year 2020 is derived from the acquisition of the Edgeware group by the Group, according to the conditions described in Note 4.

This goodwill, which has a defined useful life, in addition to being amortised, must be tested annually for impairment. The recoverable amount of goodwill is estimated by applying the valuation model consisting of discounted cash flows of the business plan foreseen for the CGU.

Over The Top Networks, S.A.

On 23 June 2016, the Group acquired a 100% interest in the Company Over The Top Networks, S.A. and in turn 100% of its interests in Over The Top Networks Ibérica, S.L. and Over The Top Networks International Inc.

Goodwill for the amount of €1,553,117.23 generated in 2016 is derived from the acquisition of the Over The Top Networks group by the Group, according to the conditions described in Note 4.

This goodwill, which has a defined useful life, in addition to being amortised, must be tested annually for impairment. The recoverable amount of goodwill is estimated by applying the valuation model consisting of discounted cash flows of the business plan foreseen for the CGU.

Fully amortised items in use

The breakdown, by headings, of the most significant fully depreciated assets in use is shown below, with an indication of their cost value, in euros:

	31/12/2021	**31/12/2020**
Software development	5,690,251.24	1,959,115.67
IT Applications	80,000.00	7,845.00
Total	**5,770,251.24**	**1,966,960.67**

NOTE 6. TANGIBLE ASSETS

The detail and movement of tangible assets during the 2021 fiscal year are as follows, in euros:

	31/12/2020	Perimeter additions	Entries/ (Endowments)	Derecognitions	Translation differences	31/12/2021
Cost						
Technical installations and machinery	132,974.22	-	935.22	-	(473.97)	133,435.46
Other facilities, tools and furniture	18,914.21	67,056.72	0.47	-	-	85,971.40
Information processing equipment	2,476,379.95	-	131,235.70	-	(7,010.93)	2,600,604.72
Other tangible assets	615.46	-	-	-	-	615.46
	2,628,883.84	**67,056.72**	**132,171.39**	**-**	**(7,484.91)**	**2,820,627.04**
Accumulated amortisation						
Technical installations and machinery	(111,886.05)	-	(4,594.68)	-	(293.92)	(116,774.65)
Other facilities, tools and furniture	(19,575.45)	(61,298.74)	-	-	-	(80,874.19)
Information processing equipment	(1,797,955.25)	-	(273,837.86)	-	4,367.80	(2,067,425.31)
Other tangible assets	(615.46)	-	-	-	-	(615.46)
	(1,930,032.21)	**(61,298.74)**	**(278,432.54)**	**-**	**4,073.87**	**(2,265,689.62)**
Net Tangible Assets	**698,851.63**	**5,757.98**	**(146,261.15)**	**-**	**(3,411.03)**	**554,937.42**

The detail and movement of tangible assets during the 2020 fiscal year are as follows, in euros:

	31/12/2019	Perimeter additions	Entries/ (Endowments)	Derecognitions	31/12/2020
Cost					
Technical installations and machinery	23,758.55	125,931.17	-	(16,715.50)	132,974.22
Other facilities, tools and furniture	19,298.69	-	-	(384.48)	18,914.21
Information processing equipment	209,788.10	1,570,409.46	710,000.00	(13,817.61)	2,476,379.95
Other tangible assets	615.46	-	-	-	615.46
	253,460.80	**1,696,340.63**	**710,000.00**	**(30,917.59)**	**2,628,883.84**
Accumulated depreciation					
Technical installations and machinery	(13,791.83)	(111,886.05)	(2,934.67)	16,726.50	(111,886.05)
Other facilities, tools and furniture	(19,992.94)	-	-	417.49	(19,575.45)
Information processing equipment	(140,069.49)	(1,487,234.33)	(184,469.04)	13,817.61	(1,797,955.25)
Other tangible assets	(615.46)	-	-	-	(615.46)
	(174,469.72)	**(1,599,120.38)**	**(187,403.71)**	**30,961.60**	**(1,930,032.21)**
Net Tangible Assets	**78,991.08**	**97,220.25**	**522,596.29**	**44.01**	**698,851.63**

In the 2020 fiscal year, the Group acquired a set of technological elements from a former business partner in the amount of €1,000,000.00, the breakdown of which is as follows:

Information processing equipment (hardware) in the amount of €710,000.00,

Computer software in the amount of €80,000.00 (Note 5),

Technical support services in the amount of €210,000,

<u>Fully amortised items in use</u>

The breakdown, by headings, of the most significant fully depreciated assets in use is shown below, with an indication of their cost value, in euros:

	31/12/2021	31/12/2020
Technical installations and machinery	1,352,156.46	-
Furniture	42,238.26	17,251.71
Information processing equipment	604,347.79	24,504.54
Other tangible assets	615.45	615.45
Total	**1,999,357.96**	**42,371.70**

Other information

All of the Group's tangible assets are assigned to operations and duly insured, and they are not subject to any kind of encumbrance.

NOTE 7, LEASES AND OTHER TRANSACTIONS OF A SIMILAR NATURE

7.1) Operating leases (the Group as lessee)

The charge to income as of 31 December 2021 for operating leases amounted to €822,615.96 (€215,665.92 in the previous fiscal year).

The total amount of future minimum lease payments under non-cancellable operating leases is as follows, in euros:

	31 December 2021	31 December 2020
Up to 1 year	616,205.46	100,527.88
One to five years	81,945.00	34,219.95
More than five years	-	-
	698,150.46	**134,747.83**

As of 31 December 2021, the Group has seven office leases in force, with the minimum remaining compliance period in all cases being less than one year, except for the lease of the new office in Bilbao, whose minimum compliance period is until 1 April 2024.

NOTE 8, INVENTORIES

The itemisation of inventories is as follows:

	31/12/2021	31/12/2020
Production and distribution business		
Raw materials and other supplies	59,986.56	26,773.85
Products in process and semi-finished products	430,226.05	16,811.24
Finished products	752,752.33	710,011.51
Advances	586,886.80	-
	1,829,851.74	**753,596.60**
Valuation adjustments for impairment	(111,023.09)	-
Total	**1,718,828.66**	**753,596.60**

The Group's inventories are mainly related to the business units conducted by WeTek and Edgeware AB.

NOTE 9. FINANCIAL ASSETS

The detail of long-term financial assets is as follows, in euros:

	Credits and Others	
	31/12/2021	31/12/2020
Loans and items payable (Note 9.1.b)	969,384.92	1,282,901.72
Total	**969,384.92**	**1,282,901.72**

The detail of short-term financial assets is as follows, in euros:

	Credits and Others	
	31/12/2021	31/12/2020
Financial assets at fair value with changes in profit or loss:	**14,284,518.52**	**17,002,022.18**
Cash and cash equivalents (Note 9.1.a)	14,284,518.52	17,002,022.18
Held-to-maturity investments	**46,001.20**	**66,469.94**
Loans and items payable (Note 9.1.b)	**20,007,068.38**	**15,776,210.23**
Total	**34,337,588.10**	**32,844,702.35**

9.1.a) Assets at fair value with changes in profit or loss

Cash and cash equivalents

The detail of these assets as of 31 December 2021 and 2020 is as follows in euros:

	31/12/2021	31/12/2020
Current accounts:	14,284,002.61	17,001,229.67
Cash	515.91	792.51
Total	**14,284,518.52**	**17,002,022.18**

This heading basically includes cash and short-term bank deposits with an initial maturity of less than three months or a shorter term. Cash and cash equivalents are remunerated at market rates. There are no restrictions on the availability of these balances.

Law 7/2012, of 29 October, amending tax and budgetary regulations and adapting financial regulations for the intensification of actions in the prevention and fight against fraud introduces a specific reporting obligation regarding assets and rights located abroad, through the new eighteenth additional provision of Law 58/2003, of 17 December, General Tax Law.

The regulatory development of this new information obligation linked to the international scope is found in articles 42 bis, 42 ter and 54 bis of the Regulation approved by Royal Decree 1065/2007, of 27 July. Pursuant to the aforementioned Article 42, bis, those authorised in current accounts opened in financial entities located abroad by subsidiaries of the group with the Parent company located in Spain are obliged to report on them, unless they are recorded in the consolidated accounts of the group or in the annual report of the entity resident in Spanish territory. The information related to these is as follows:

Financial institution	Holder	Country	Currency	31/12/2021 Currency	31/12/2021 Euros
Skandinaviska Enskilda Banken	Edgeware AB	Sweden	Euros	330,937.04	330,491.09
Skandinaviska Enskilda Banken	Edgeware AB	Sweden	Pound sterling	957.29	1,138.48
Skandinaviska Enskilda Banken	Edgeware AB	Sweden	Swedish Krona	19,689,752.33	1,926,492.49
Skandinaviska Enskilda Banken	Edgeware AB	Sweden	Swedish Krona	50,000.00	4,879.50
Skandinaviska Enskilda Banken	Cavena Image Products	Sweden	Swedish Krona	794,142.90	77,500.41
Skandinaviska Enskilda Banken	Edgeware AB	Sweden	MXN	26,922.38	1,154.11
Skandinaviska Enskilda Banken	Edgeware AB	Sweden	US Dollar	162,209.43	143,249.33
Skandinaviska Enskilda Banken	Cavena Image Products	Sweden	Euros	10.57	10.47
JPMorgan Chase Bank, N.A	Edgeware AB	United States	US Dollar	144,666.15	119,091.58
JPMorgan Chase Bank, N.A	Edgeware AB	United States	US Dollar	4,382.27	3,869.33
Straight2Bank	Edgeware AB	Hong Kong	Hong Kong Dollar	932,648.75	105,585.16
BB&T Bank	Over The Top Networks International, Inc.	USA	US Dollar	6,677.85	5,897.08
Banco Itaú	Over The Top Networks, S.A.	Brazil	Real	70,809.98	11,081.43
Skandinaviska Enskilda Banken	Agile Content, S.A.	Sweden	Swedish Krona	2,617,527.68	255,444.53
					2,985,884.98

9.1.b) Loans and receivables

As of 31 December 2021 and 2020, this item is broken down as follows:

	Euros			
	31/12/2021		31/12/2020	
	Long-term	Short term	Long-term	Short term
Trade receivables				
Third party customers	-	19,994,883.13	-	10,763,917.02
Total trade receivables	**-**	**19,994,883.13**	**-**	**10,763,917.02**
Non-trade receivables				
Shareholders for required disbursements (Note 15)	-	-	-	4,999,996.80
Personnel	-	12,185.26	-	12,296.41
Bonds and deposits	954,985.75	46,001.20	1,102,093.03	66,469.94
Impositions	14,399.17	-	180,808.99	-
Total receivables from non-trade operations	**969,384.92**	**58,186.45**	**1,282,902.02**	**5,078,763.15**
Total	**969,384.92**	**20,053,069.58**	**1,282,902.02**	**15,842,680.17**

The balance of "Shareholders for required disbursements" as of 31 December 2020, as shown in Note 15.1, corresponded to the amount pending disbursement for the capital increase agreed at the General Shareholders' Meeting held on 14 December 2020, whose disbursement and notarisation became effective in February 2021 (see Note 24).

Of the total balance of long-term "Bonds and deposits" amounting to €954,985.75 as of 31 December 2021 (€1,102,093.03 as of 31 December 2020), €716,002.08 mainly relates to guarantees for certain subsidised loans received during 2013 and subsequent fiscal years.

The balances of trade and other receivables, including impairment caused by bad debts, for the current year, are as follows, in euros:

	Euros					
Impairment	**31/12/2020**	**Perimeter additions**	**Impairment allowance**	**Decreases**	**Exchange rate difference**	**31/12/2021**
Trade receivables						
Third party customers	(1,126,900.48)	(80,303.58)	(671,954.64)	666,538.79	19,965.49	(1,192,654.42)

Additions to the perimeter during 2021 correspond to the incorporation of Fon Wireless, Fon Labs and Wetek

The balances of trade and other receivables, including impairment caused by bad debts, for the previous year, are as follows, in euros:

	Euros		
Impairment	**31/12/2019**	**Valuation adjustments for impairment**	**31/12/2020**
Trade receivables			
Third party customers	(877,775.98)	(249,124.50)	(1,126,900.48)

NOTE 10. FINANCIAL LIABILITIES

The detail of long-term financial liabilities is as follows, in euros:

	Debts with credit entities		**Other financial liabilities**		**Total**	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Debits and payables (Note 10.1)	3,499,600.63	1,298,641.14	21,747,578.77	6,785,776.12	25,247,179.40	8,084,417.26

The detail of short-term financial liabilities is as follows, in euros:

	Debts with entities Credit		Other liabilities Financial		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Debits and payables (Note 10.1)	1,286,322.17	331,879.68	41,192,365.34	29,271,566.33	42,478,687.51	29,603,446.01

10.1) Debits and payables

Details as of 31 December 2021 and 2020 are as follows, in euros:

	31/12/2021		Balance as of 31/12/2020	
	Long term	Short term	Long term	Short term
For commercial operations:				
Suppliers	-	-	-	127,021.77
Creditor	-	22,173,583.82	-	12,109,850.86
Payables to related parties (Note 26.1)	-	103,540.40	-	12,037.19
Advances from customers	-	694,851.72	-	-
Total trade balances	**-**	**22,971,975.94**	**-**	**12,248,909.82**
For non-commercial operations:				
Debts with credit institutions (Note 10.1.1)	3,499,600.63	1,286,322.17	1,298,641.14	331,879.68
Bonds and other marketable securities (Note 10.1.4)	9,151,385.23	-	5,082,025.70	-
Payable to related parties (Bridge Financing) (Notes 10.1.5, 10.1.6 and 26.1)	3,500,003.21	160,784.89	-	6,998,921.11
Payable to shareholders (Notes 10.1.6 and 26.1)	-	18,388.60	-	5,444,439.00
Payable to minority interests (Note 26.1)	-	-	-	1,018,798.58
Derivatives	-	35,539.60	-	-
Outstanding disbursements on acquisitions (Note 10.1.7)	7,175,604.67	15,423,134.31	-	-
Other payables (Note 10.1.2)	1,265,573.56	499,822.04	1,446,278.11	744,863.14
Other payables to third parties (Note 10.1.3)	655,012.10	80,726.45	257,472.31	378,380.96
Outstanding compensation	-	2,001,993.51	-	2,437,253.72
Total balances from non-trade operations	**25,247,179.40**	**19,506,711.57**	**8,084,417.26**	**17,354,536.19**
Total Debits and payables	**25,247,179.40**	**42,478,687.51**	**8,084,417.26**	**29,603,446.01**

At year-end 2021, 80.52% of the Group's financial debt, which includes bank loans, other debts and debts with related parties, corresponds to an average fixed interest rate of 4.08%

10.1.1) Debts with credit institutions

The breakdown of debts to credit institutions as of December 2020 is as follows:

	Short-term		Long-term		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Loans	1,089,796.46	316,673.01	3,499,600.63	1,298,641.14	4,589,397.09	1,615,314.15
Credit cards	196,525.71	15,206.67	-	-	196,525.71	15,206.67
TOTAL	**1,286,322.17**	**331,879.68**	**3,499,600.63**	**1,298,641.14**	**4,785,922.80**	**1,630,520.82**

Loans

Details of loans received that the Group holds as of 31 December 2021, bearing interest at market rates are as follows, in euros:

Amount Granted	Date Maturity	Short-term	Long-term	Balance at Closing as of 31/12/2021
352,800.00	09/04/2025	86,180.57	210,294.76	296,475.33
350,000.00	14/07/2025	84,942.06	230,336.10	315,278.16
320,000.00	24/06/2025	77,490.70	210,687.02	288,177.72
400,000.00	25/10/2025	97,324.65	294,648.35	391,973.00
495,000.00	03/02/2026	95,571.79	321,908.20	417,479.99
700,000.00	29/11/2025	155,510.70	544,867.57	700,378.27
1,000,000.00	01/07/2026	192,867.65	727,805.81	920,673.46
200,000.00	06/08/2021	39,653.87	160,346.16	200,000.03
500,000.00	11/09/2021	100,000.00	366,666.67	466,666.67
500,000.00	04/07/2020	97,754.47	353,914.99	451,669.46
250,000.00	19/03/2024	62,500.00	78,125.00	140,625.00
		1,089,796.46	3,499,600.63	4,589,397.09

Details of loans received that the Group held as of 31 December 2020, bearing interest at market rates are as follows, in euros:

Amount Granted	Expiry date	Short-term	Long-term	Closing Balance as of 31/12/2020
400,000,00	03/06/2021	43,455,71	-	43,455,71
400,000,00	20/06/2021	42,935,61	-	42,935,61
300,000,00	30/06/2021	51,637,10	-	51,637,10
125,000,00	15/11/2021	39,795,15	-	39,795,15
352,800,00	09/05/2025	49,280,64	303,519,36	352,800,00
350,000,00	09/06/2025	34,595,19	315,404,81	350,000,00
320,000,00	24/07/2025	31,675,20	288,324,80	320,000,00
400,000,00	25/10/2025	8,607,83	391,392,17	400,000,00
		301,892.43	**1,298,641.14**	**1,600,623.00**

Credit policies

As of 31 December 2021, the Group has credit facilities granted with a total limit amounting to €150,000.00 (€150,000.00 in fiscal year 2020). The balance drawn down as of 31 December 2021 is €0 (€55,707.05 as of 31 December 2020).

Discount lines

As of 31 December 2021, the Group has discount lines granted with a total limit of €75,000.00 (€75,000.00 in fiscal year 2020). As of 31 December 2021 and 2020, no amounts have been drawn down.

10.1.2) Other debts

The summary of other payables as of 31 December 2021 and 2020 is shown below, in euros:

	31/12/2021		**31/12/2020**	
	Long-term	**Short-term**	**Long-term**	**Short-term**
Participation loan ENISA	68,249.97	53,999.99	122,250.00	54,000.00
ACCION (NEBT) Subsidised Loan	7,940.12	16,702.79	23,682.17	16,702.76
CDTI Subsidised Loans	176,537.68	18,426.00	-	27,775.15
Ministry of Science and Innovation Subsidised Loans (INNPACTO 2010-2012)	24,625.70	48,723.05	70,403.23	62,498.98
Subsidised loans from the Ministry of Industry, Energy and Tourism (Avanza)	-	52,173.84	-	376,132.09
Cominn	5,845.19	61,275.40	31,288.45	41,869.64
Subsidised loans from the Ministry of Economy and Competitiveness (EMPLEA 2014)	-	3,955.12	-	20,700.65
Subsidised loans from the Ministry of Economy and Competitiveness (RETOS 2016)	164,652.30	68,564.40	202,381.62	72,108.49
Subsidised loans from the Ministry of Economy and Competitiveness (RETOS 2017)	330,711.79	108,918.54	385,305.23	71,994.68
Subsidised loans from the Ministry of Economy and Competitiveness (RETOS 2018)	365,176.12	67,082.91	418,406.14	-
Subsidised loans from the Ministry of Economy and Competitiveness (RETOS 2019)	121,834.70	-	117,773.87	-
	1,265,573.56	**499,822.04**	**1,371,490.71**	**743,782.44**

Most of these grants have below-market interest rates. Based on the economic substance of the transaction, the Board of Directors considers that an interest rate subsidy is evidenced by the difference between the amount received and the fair value of the debt determined by the effective interest rate (present value of the payments to be made discounted at the market interest rate).

10.1.3) Other payables to third parties

On 18 December 2017, the Parent Company acquired in treasury stock ownership 110,030 treasury shares listed on the alternative stock market (MAB) of the company Molkolan, S.L. for the amount of €143,039.12. Both parties have agreed to pay in 73 monthly instalments of €1,959.44, being the maturity of the debt in December 2023. As of 31 December 2021, the outstanding amount amounted to €45,067.00 (€68,580.28 as of 31 December 2020).

On 1 September 2018, Agile Advertisement, S.L. acquired a business unit for which a fixed price of €200,000.00 payable in shares of Agile Content, S.A. was agreed upon. This amount had not been paid as of 31 December 2018, constituting a short-term debt held with Jarvis Digital, S.L.

On 31 July 2018, Agile Content Inversiones, S.L. formalised a loan with various entities in the aggregate amount of €1,400,000. The loan agreement establishes the fulfilment of certain financial ratios, as well as obligations to do and not to do, which are customary in this type of financing. As of 31 December 2021, there is no noncompliance with these.

The Parent Company, as well as the subsidiaries Over The Top Network, S.A. and Over The Top Network Ibérica, S.L., act as joint and several guarantors in securing the payment obligations arising from the signing of the loan.

On 5 May 2021, the Company made the early repayment of the aforementioned loan in the amount of €275,092.97, leaving an outstanding amount of €92,463.43.

10.1.4) Obligations and other negotiable securities

On 16 September 2020, the General Shareholders' Meeting of Agile held in ordinary and extraordinary session resolved to approve an issue of unsecured bonds convertible into shares of the Issuer (the "Bonds"), in the amount of €7,000,000, subscribed and paid on 21September 2020 by InvereadyConvertible Finance I, FCR, Onchena, S.L., Sierrablu Capital, S.L. and Cabonitel, S.L. and other minority shareholders. All of the above with a maturity of six (6) years, excluding the pre-emptive subscription right, on the proposed terms, interest of 2.85% in cash payable in arrears in calendar semesters and 6.00% in the form of PIK ("Payment in Kind", interest that will be capitalised to the nominal value of each Bond issued at the end of each interest period referred to and will be payable either in cash or through the delivery of new shares of the Group. As of 31 December 2021, the amount of debt corresponds to €5,373,951.09 and its effect on net equity is €2,303,121.89.

On 2 November 2021, the General Shareholders' Meeting of Agile held in extraordinary session resolved to approve an issue of unsecured bonds convertible into shares of the Issuer (the "Bonds"), amounting to €5,000,000 plus a maximum of one million two hundred and fifty-three thousand seven hundred and nine euros (€1,253,709) of capitalizable interest, excluding pre-emptive subscription rights. On 18 November 2021, Inveready Convertible SCR, Inveready Convertible I FRC and Inveready Convertible II FRC subscribed for €5,000,000. As of 31 December 2021, the amount of debt corresponds to €3,777,434.14 and its effect on net equity is €1,397,133.18.

10.1.5) Debts with related parties (Bridge Financing)

On 29 October 2020, the Group entered into a bridge loan agreement with the companies Inveready Convertible Finance, Gaea Inversiones S.C.R. and Inveready Evergreen, S.C.R. to finance the tender offer for the shares of Edgeware AB for an amount of up to €24 million, of which only €20 million was drawn down. As of 31 December 2021, the outstanding balance is €3,500,003.21 and €77,392.86 of interest. This transaction has a guaranteed financing of 24M€ with a bullet maturity of six (6) years from three of AGILE's reference shareholders, such as Grupo Inveready, Onchena, S.L. and Sierrablu Capital, S.L. This debt is complementary to the two capital increases described in Note 16, in the financing of the sale and purchase of Edgeware. The loan accrues an annual interest rate of 4.0% payable semi-annually, with 0.25% increments at six (6) months and a semi-annual fee of 1.50% on the drawn portion of the loan.

10.1.6) Debts with related parties

On 23 December 2020, the Group entered into a contract with the related company Knowkers Consulting & Investment, S.L. for an amount of €5,264,439, with an interest rate of Euribor + 1.5%, maturing on 30 June 2021.

On 23 December 2020, the Group entered into a contract with the related company Knowkers Consulting & Investment, S.L. for the amount of €180,000, with an interest rate of Euribor + 0.25% and maturing on 30 June 2021. These loans were capitalised during the year (see Note 16).

The Group has an outstanding balance payable to Knowkers amounting to €41,104.32. (See Note 26.1)

10.1.7) Outstanding disbursements on acquisitions

See Note 4

10.2) Other information related to financial liabilities

a) Classification by maturity date

Details of the maturities of financial debts as of 31 December 2020 are as follows:

	Maturity in years						
	2022	**2023**	**2024**	**2025**	**2026**	**More than 5 years**	**Total**
Financial debt:	**17,325,544.57**	**4,619,488.15**	**3,576,105.85**	**2,484,900.21**	**6,962,691.74**	**3,948,753.24**	**38,917,483.76**
Amounts owed to credit institutions	1,286,322.17	1,128,699.00	1,104,204.65	982,249.90	284,447.08	-	**4,785,922.80**
Other financial liabilities related to public financing	499,822.04	324,914.05	211,079.20	204,752.31	198,649.90	326,178.10	**1,765,395.60**
Convertible debentures with third parties	-	-	-	-	5,373,951.09	3,777,434.14	**9,151,385.23**
Other financial liabilities	116,266.05	655,012.10	-	-	-	-	**771,278.15**
Outstanding disbursements on acquisitions	15,423,134.31	2,510,863.00	2,260,822.00	1,297,898.00	1,106,021.67	-	**22,598,738.98**
Debts with related parties	**179,173.49**	**-**	**-**	**-**	**3,500,003.21**	**-**	**3,679,176.70**
Debts with related parties	160,784.89	-	-	-	3,500,003.21	-	3,660,788.10
Debts with partners	18,388.60	-	-	-	-	-	18,388.60
Commercial creditors and other accounts payable	**24,973,969.45**	**-**	**-**	**-**	**-**	**-**	**24,973,969.45**
Creditors	22,173,583.82	-	-	-	-	-	22,173,583.82
Related party payables	103,540.40	-	-	-	-	-	103,540.40
Personnel	2,001,993.51	-	-	-	-	-	2,001,993.51
Advances from customers	694,851.72	-	-	-	-	-	694,851.72
TOTAL	**42,478,687.51**	**4,619,488.15**	**3,576,105.85**	**2,484,900.21**	**10,463,072.95**	**3,948,375.24**	**67,725,866.91**

In addition, the classification of financial instruments at the end of the previous fiscal year is as follows, in euros:

	Maturity in years						
	2021	2022	2023	2024	2025	More than 5 years	Total
Financial debt:	**14,812,222.85**	**944,241.76**	**632,731.89**	**552,092.28**	**401,961.70**	**5,553,389.70**	**22,896,640.18**
Debts with entities							
Credit	317,189.10	352,059.52	358,875.37	365,860.41	221,845.84	-	1,615,830.24
Other financial liabilities	14,495,733.75	592,182.24	273,856.52	186,231.87	180,115.86	5,553,389.70	21,281,509.94
Debts with group companies	111,755.39	-	-	-	-	-	**111,755.39**
Commercial creditors and other accounts payable	**12,142,674.21**	**-**	**-**	**-**	**-**	**-**	**12,142,674.21**
Creditors	9,424,797.35	-	-	-	-	-	9,479,797.35
Personnel	2,699,146.06	-	-	-	-	-	2,614,146.07
Advances from customers	18,730.80	-	-	-	-	-	18,730.80
Total	**27,066,652.45**	**944,241.76**	**632,731.89**	**552,092.28**	**401,961.70**	**5,553,389.70**	**35,009,314.40**

b) Refinancing of contractual obligations

During 2021 the Group has requested and agreed to refinance certain instalments in the amount of 189 thousand euros corresponding to loans with other entities (189 thousand euros in the previous fiscal year).

Except as mentioned in the preceding paragraphs, there has been no impact on compliance with the obligations related to loans received from third parties.

NOTE 11, INFORMATION ON DEFERRED PAYMENTS MADE TO SUPPLIERS, THIRD ADDITIONAL PROVISION, "DUTY OF INFORMATION" OF LAW 15/2010, OF 5 JULY

Pursuant to the second final provision of Law 31/2014, of 3 December, amending the Capital Companies Act to improve corporate governance, amends the third additional provision of Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, establishing measures to combat late payment in commercial transactions, and with respect to the Resolution of 29 January 2016, of the Institute of Accounting y Account Auditing, on the information to be included in the notes to the consolidated financial statements in relation to said Law, the information is as follows for fiscal years 2021 and 2020 for Spanish consolidated companies:

	Fiscal Year 2021 Days	Fiscal Year 2020 Days
Average period of payment to suppliers	90.76	79.75
Paid transactions ratio	109.01	84.72
Outstanding transactions ratio	51.65	67.58
	Euro	**Euros**
Total payments made	14,690,686.59	12,903,688.04
Total outstanding payments	6,856,446.55	5,271,831.12

The Group's management will take the appropriate measures to comply with the legal regulations in force and reduce the payment period to suppliers.

NOTE 12. NON-CONSOLIDATED GROUP, MULTIGROUP AND ASSOCIATE COMPANIES

The composition and movement during the fiscal year 2021 of the investments held in Group and Associated Companies is as follows, in euros:

	Cost	Net value as of 31/12/2020	Additions	Decreases	Net value as of 31/12/2021
Group Companies					
Agile Media Communities, AIE	1,154,035.49	-	-	-	-
Agile Contents Argentina, S.R.L.	403,876.48	-	-	-	-
Agile Content Group LLC	179.89	179.89	-	-	179.89
Total group companies	**1,558,091.86**	**-**	**-**	**-**	**179.89**

	Cost	Net value as of 31/12/2019	Additions	Decreases	Net value as of 31/12/2020
Group Companies					
Agile Media Communities, AIE	1,154,035.49	-	-	-	-
Agile Contents Argentina, S.R.L.	403,876.48	-	-	-	-
Agile Content Group LLC	179.89	179.89	-	-	179.89
Total group companies	**1,558,091.86**	**-**	**-**	**-**	**179.89**

The equity interests held as of 31 December 2021 and 2020 in non-consolidated Group companies correspond, in euros, to:

Company	% Part. Direct	Cost	Net value as of 31/12/2021	Book value as of 31/12/2021
Group companies				
Agile Media Communities, AIE	100%	1,154,035.49	-	130,235.42
Agile Contents Argentina, SRL	100%	403,876.48	-	18,890.44
Agile Content Group LLC	100%	179.89	179.89	ND
Total group companies		**1,557,911.97**	**-**	**149,125.86**

Company	% Direct Part.	Cost	Net Value as of 31/12/2020	Book Value as of 31/12/2020
Group companies				
Agile Media Communities, AIE	100%	1,154,035.49	-	130,235.42
Agile Contents Argentina, SRL	100%	403,876.48	-	18,890.44
Agile Content Group LLC	100%	179.89	179.89	ND
Total group companies		**1,557,911.97**	**-**	**149,125.86**

<u>Agile Media Communities, AIE</u>

On 2 June 2009, the company was incorporated with the corporate purpose of developing software technology platforms for the multimedia sector in multilingual, multichannel and linguistic localisation environments, at an international level. Its registered office is at PCB, Edificio Helix, calle Baldiri Reixac, 4-6, Barcelona. The Company's fiscal year begins on 1 January and ends on 31 December of each year.
The Company's interest in this company is impaired in its entirety.

<u>Agile Contents Argentina, S.R.L.</u>

On 18 August 2011, the company was incorporated with the corporate purpose of IT consulting and software development as well as the commercialisation of these in the Argentine market. Its registered office is located at 25 de mayo 432, 15th floor, Buenos Aires, Argentina. The Company's fiscal year begins on 1 January and ends on 31 December of each year.
The Company's interest in this company is impaired in its entirety.

<u>Agile Content Group LLC</u>

On 12 May 2015, the company was incorporated with the corporate purpose of IT consulting and software development as well as the commercialisation of the same. During fiscal years 2021 and 2020 it was inactive. Its registered office is at Avenida Diagonal 449, 7º y ático, Barcelona. The Company's fiscal year begins on 1 January and ends on 31 December of each year.

NOTE 13. RELATED COMPANIES

As of 31 December 2021 and 2020, the Group does not have any share in Related Companies.

NOTE 14. ASSET AND LIABILITY ACCRUALS AND DEFERRALS

14.1) Asset accruals

The asset accruals that the Group has as of 31 December 2021 in the amount of €4,883,023.19 (€3,674,209.57 in 2020), correspond to prepaid expenses, mainly for services to be accrued in the following year.

14.2) Accrued Liability

The accruals of liabilities that the Group has as of 31 December 2021 in the amount of €5,183,592.45 (€1,761,296.72 in 2020), correspond to anticipated revenues whose invoicing has been made during the current fiscal year, but their accrual will be carried out in the following fiscal years.

NOTE 15. INFORMATION ON THE NATURE AND RISK LEVEL OF FINANCIAL INSTRUMENTS

The Group's activities are exposed to different types of financial risks, the most significant of which are as follows:

15.1 Credit risk

Credit risk is the risk of loss stemming from the failure of a counterparty to comply with the contractual obligations they have entered into with the Group. This means that it may not be possible to recover the financial assets for the amount entered in the books within the specified time period.

The maximum exposure to credit risk as of 31 December is as follows:

(Euros)	2021	2020
Long-term investments in group and associated companies	179.89	180.13
Long-term financial investments	969,384.92	1,282,901.72
Trade debtors and other receivables	21,407,997.47	16,001,955.54
Short-term financial investments	46,001.20	66,469.94
Cash and equivalent liquid assets	14,284,518.52	17,002,022.18
	36,708,081.99	**34,353,529.51**

15.2) Liquidity risk

The Group applies prudent liquidity risk management through the maintenance of sufficient cash or immediate liquidity deposits. As of 21 December 2021, the Group maintains a negative working capital amounting to €7,045,925.67. However, as indicated in note 25, on 28 March 2022, financing was formalised for an amount of up to 13 million euros and on 10 March 2022, the Company announced the registration of its first Marf Bond program, for an amount of up to €50,000,000.00 to meet its short-term obligations.

The Group's treasury is managed in order to achieve the best possible optimisation of resources and the cash position is reviewed on a weekly basis, as well as the evolution of the risks that may negatively affect it, and the progress of the action plan defined to mitigate the impact of these risks should they materialise is monitored

15.3) Exchange Rate Risk

The Group is exposed to foreign exchange risk, since some of its transactions are denominated in US dollars. The Group has contracted exchange rate insurance with financial institutions to minimise possible fluctuations in exchange rates.

15.4) Interest rate risk

Interest rate risk is the potential loss caused by changes in the fair value or future cash flows of a financial instrument due to changes in market interest rates. The Group's exposure to the risk of changes in interest rates is only due to long-term loans received at floating rates.

Changes in interest rates modify the fair value of assets and liabilities that accrue a fixed interest rate, as well as the future cash flows of assets and liabilities referenced to a variable interest rate.

The objective of interest rate risk management is to achieve a balanced debt structure that minimises the cost of debt over the multi-year horizon with low volatility in the Income Statement.

No derivatives have been contracted to mitigate interest rate risk.

NOTE 16. EQUITY FUNDS

16.1 Share Capital

As of 31 December 2020, the Group's Share Capital amounts to €2,310,961.28 and is represented by 23,109,612 registered shares of €0.1 nominal each, fully subscribed and paid. All shares have equal voting and dividend rights and are listed on BME Growth.

Capital Increases in fiscal year 2021

On 30 June 2021, the Parent Company's General Shareholders' Meeting resolved to increase share capital by credit compensation, in the amount of €129,260.60, by issuing and placing into circulation 1,292,606 shares of €0.10 par value each, of the same class and series as those currently outstanding, issued with a share premium of €6.142, totalling €8,068,759.68.

On 2 November 2021, the General Shareholders' Meeting of the Parent Company resolved to increase share capital by credit compensation, in the amount of €770,000, by issuing and placing into circulation 7,700,000.00 shares of €0.10 par value each, of the same class and series as the shares currently in circulation, which will be issued with a share premium of €6.90, totalling €5,390,000.00.

Capital Increases in fiscal year 2020

On 14 December 2020, the Parent Company's General Shareholders' Meeting resolved to increase share capital by €229,166.60 with a share premium of €10,770,830.20, totalling €10,999,996.80. This capital increase was registered and fully paid as of 31 December 2020.

On 14 December 2020, the Parent Company's General Shareholders' Meeting resolved to increase share capital by €104,166.60, by issuing and placing into circulation 1,041,666 new shares with a par value of €0.10 each. In addition, this capital increase entailed a share premium of €4.70 per share, amounting to €4,895,830.20. The disbursement and notarisation of the capital increase deed was carried out in February 2021, and it was registered in the commercial registry on 12 March 2021.

The breakdown of the shareholders and their holdings in the share capital as of 31 December 2019 is as follows:

Shareholder	Holdings	Shares
Knowkers Consulting & Investment. S.L.	16.11%	3,722,958.49
Inveready Group	9.75%	2,253,187.17

16.2) Share Premium

The share premium as of 31 December 2021 amounted to €28,919,159.08 and arose entirely as a result of the capital increases carried out in 2021 and 2020.

16.3) Reserves

Details of other payables are as follows, in euros:

	31/12/2021	31/12/2021
Legal reserve	141,731.10	141,731.10
Voluntary reserve	21,810,768.04	21,990,046.58
TOTAL	**21,952,499.14**	**22,131,777.68**

Legal Reserve

The Legal Reserve is restricted as to its use, which is determined by various legal provisions. In accordance with the Capital Companies Law, companies which, under this legal form, obtain profits, are obliged to provide it with 10% of such profits, until the reserve fund constituted reaches one-fifth of the subscribed share capital. The destinations of the legal reserve are the compensation of losses or the expansion of capital in the amount exceeding 10% of the previously increased capital, as well as its distribution to the shareholders in the event of liquidation. As of 31 December 2021 and 31 December 2020, the Legal Reserve was not fully endowed.

16.4) Treasury Stock

As of 31 December 2021, the Group holds 44,633 treasury shares (153,713 in 2020) for a value of €316,894.30 (€1,263,260.86 in 2020).

16.5) Reserves of Fully Consolidated Companies

The reserves corresponding to the fully Consolidated Companies as of 31 December 2021 and at the end of the previous year are as follows, in euros:

Subsidiary Companies	31/12/2021	31/12/2020
Wetek Soluções Tecnológicas, S.A.	4,978,001.87	-
Edgeware Ab and subsidiaries	(237,478.09)	-
Agile Content Inversiones S.L. and Subsidiary Companies	(1,474,639.94)	589,807.25
	3,265,883.84	**589,807.25**

16.6) Other Net Equity Instruments

On 14 September 2020, the Group signed a framework financing agreement through the issuance of senior unsecured bonds convertible into new shares of the Group (Bonds) whose maximum issue amount was set at €7,000,000. As of 31 December 2021, the balance recognised in the Group's equity is €3,855,492.09. (€2,132,794.58 in the previous fiscal year).

On 16 September 2020, the General Shareholders' Meeting approved, for the purposes set forth in Article 219 of the Capital Companies Act and Article 28 of the Company's Bylaws, to approve the Incentive Plan for executives and key employees of the Group through the delivery of shares. The Plan aims to meet the Company's corporate objectives and its control, stimulating its expansion, improving the management of the company, focusing on the optimisation of all aspects necessary to increase its long-term value, aligning the interests of employees and shareholders and encouraging the permanence of the Company's key employees. As of 31 December 2021, the Group has provisioned an expense of €2,069,474.50, corresponding to the amounts accrued to date. (€726,168.00 in the previous fiscal year).

On 2 November 2021, the General Shareholders' Meeting of Agile held in extraordinary session resolved to approve an issue of unsecured bonds convertible into shares of the Issuer (the "Bonds"), amounting to €5,000,000 plus a maximum of one million two hundred and fifty-three thousand seven hundred and nine euros (€1,253,709) of capitalizable interest, excluding pre-emptive subscription rights. On 18 November 2021, Inveready Convertible SCR, Inveready Convertible IFRC and Inveready Convertible II FRC subscribed for €5,000,000.

NOTE 17. ADJUSTMENTS FOR CHANGES IN VALUE

Translation Differences

The translation differences correspond to the difference between the assets and liabilities of the consolidated companies in foreign currency, translated at the closing exchange rate, since their corresponding net assets are valued at the historical exchange rate and their income statements are valued at the final exchange rate of each month of the fiscal year 2021.

The breakdown of translation differences in group companies is as follows. in euros:

Subsidiary companies:	31/12/2021	31/12/2020
Edgeware AB	(114,504.25)	-
Agile Content Inversiones S.L. and Subsidiary Companies	796,798.90	267,326.32
Total	**682,294.65**	**267,326.32**

NOTE 18. FOREIGN CURRENCY

The most significant balances in foreign currencies at the end of the year were as follows:

	31/12/2021	Classification by currency		
	Exchange value in euros	Value in SEK	Value in USD	Value in BRL
ASSETS				
Intangible assets	11,749,530.20	461,667.04	2,751,535.01	24,958,572.85
Creditors and other payables	127,748.91	9,410.97	-	200,478.73
Cash and cash equivalents.	7,396,220.91	445,950.08	2,158,079.57	2,463,784.68
LIABILITIES				
Trade creditors	10,213,833.26	569,734.44	3,243,338.46	4,515,135.33

The most significant balances in foreign currencies at the end of the previous fiscal year were as follows:

	31/12/2020	Classification by currency		
	Exchange value in euros	Value in SEK	Value in USD	Value in BRL
ASSETS				
Intangible assets	9,616,675.05	31,615,430.12	8,000,000.00	6,000.00
Creditors and other payables	5,136,310.71	47,925,374.88	-	2,767,399.51
Cash and cash equivalents.	10,833,164.37	108,925,220.29	177,579.58	-
LIABILITIES				
Trade creditors	114,672.81	673,530.84	-	310,130.33

The most significant transactions carried out in foreign currencies during fiscal years 2021 and 2020 are detailed below:

	2021	Classification by currency					
	Exchange value in euros	Value in USD	Value in GBP	Value in SEK	Value in RLB	Value in LKR	Value in AUD
Sales	17,769,219.65	5,497,834.20	2,191.10	116,197,335.96	10,531,159.64	80,170.00	28,683.70
Purchases	(4,193,060.30)	(2,926,866.61)	-	(15,716,597.61)	(2,022,334.02)	-	-

2020	Classification by currency	
	Countervalue In euros	Value in USD
Sales	6,058,993.11	7,354,826.20
Purchases	(1,655,814.62)	(1,985,667.14)

The amount of exchange differences recognised in profit or loss as of 31 December 2021 and 31 December 2020 are as follows, in euros:

	31/12/2021	31/12/2020
Exchange differences	(17,407.32)	(254,622.39)

NOTE 19. TAX STATUS

The breakdown of balances with Public Administrations as of 31 December 2021 and 2020 is as follows, in euros:

	31/12/2021		31/12/2020	
	Receivable	Payable	Receivable	Payable
Non-current:				
Deferred tax assets	594,157.01	-	40,406.51	-
Deferred tax liabilities	-	144,026.78	-	109,550.17
Non-Current Total	**594,157.01**	**144,026.78**	**40,406.51**	**109,550.17**
Current:				
Value Added Tax	566,974.46	499,010.93	203,206.04	411,778.17
Tax Refund	355,346.50	-	22,844.15	-
Withholdings for income tax and other concepts	-	638,950.01	-	696,383.63
Social Security	-	107,445.67	-	405,723.35
Total Current	**922,320.95**	**1,245,406.61**	**226,050.19**	**1,513,885.15**

Tax Status

For the taxes to which the companies are subject, the last four fiscal years are open to inspection by the tax authorities. As of the current date, there are open inspection proceedings in connection with WeTek's 2017 IRC (Autonomous Taxation) and FIRC (Non-Resident) tax assessments (see Note 22).

According to the legal provisions in force, tax assessments cannot be considered definitive until they have been inspected by the tax authorities or the limitation period, currently set at four years, has elapsed. As a result, any inspections may give rise to liabilities in addition to those recorded by the Companies. However, the Group's Management considers that such liabilities, if incurred, would not be significant in comparison with the shareholders' equity and the annual results obtained.

Beginning in 2017, the Group pays income tax on a consolidated basis. The head of the Group tax group is the Agile Content Company. S.A. The Consolidated Tax Group includes the Company as parent company, and as subsidiaries, those Spanish companies that meet the requirements of the regulations governing the taxation of the consolidated profit of the Groups of Companies. The companies comprising the Consolidated Tax Group as of 31 December 2021 are Agile Contents Inversiones. S.L. Over The Top Networks Ibérica. S.L and Agile Advertisement. S.L.

The Group has established transfer prices for transactions with Group companies that are not consolidated for tax purposes. These prices have been applied throughout the year and are updated annually.

The companies that form the consolidated group must calculate their income tax liability taking into account the particularities derived from the special tax consolidation regime.

Consolidated Income Tax Expenses

The reconciliation of net income and expenses for the 2021 fiscal year with the taxable income base for the tax group is as follows:

	2021 Income statement		
Annual balance before tax			**(5,771,266.41)**
	Increases	***Decreases***	***Net effect***
Eliminations	**137,567.40**	**(27,718.57)**	**109,848.84**
Permanent differences	**296,429.01**	**-**	**296,429.01**
Temporary differences	**1,935,915.91**	**-**	**1,935,915.91**
Other long-term employee benefits	1,078,396.50	-	1,078,396.50
Limitation on the deductibility of financial expenses (art. 16.1 LIS)	532,519.41	-	532,519.41
Bonus	325,000.00	-	325,000.00
Tax base (tax result)			**(3,429,072.65)**

The reconciliation of net income and expenses for the previous fiscal year with the taxable income base of the tax group is as follows:

	2020 Income statement		
Annual balance before tax			**(1,433,889.66)**
	Increases	*Decreases*	*Net effect*
Eliminations	517,480.00		517,480.00
Consolidated accounting result			**(916,409.66)**
Permanent differences	**262,291.41**	**(1,221,652.62)**	**(959,361.21)**
Originating in the fiscal year	262,291.41	(1,221,652.62)	(959,361.21)
Offsetting of tax bases	-		
Tax base (tax result)			**(1,875,770.87)**

The permanent differences generated by the Group in fiscal years 2021 and 2020 mainly relate to impairment of goodwill and investments with group companies.

The main components of the income tax expense of the Tax Group are as follows, in euros:

	31/12/2021	31/12/2020
Deferred tax	27,718.57	(103,713.63)
Total Tax Group Tax	**27,718.57**	**(103,713.63)**

Deferred Tax Assets and Liabilities

The movement in deferred taxes generated and cancelled in 2021 is detailed below, in euros:

INCOME STATEMENT				
	Balance as of 31/12/2020	Generated	Applied/ Cancelled	Balance as of 31/12/2021
Deferred tax assets:				
Deferred tax assets	40,406.51	620,222.31	(66,471.81)	594,157.01
Tax base Credits				
	40,406.51	**620,222.31**	**(66,471.81)**	**594,157.01**
Deferred tax liabilities				
Temporary differences due to Subsidies	(109,550.17)	(34,476.61)	-	(144,026.78)
	(109,550.17)	**(34,476.61)**	**-**	**(144,026.78)**

Additions to the scope during the 2021 fiscal year correspond to the incorporation of Fon Wireless and Fon Labs as of 1 April 2021.

The movement in deferred taxes generated and cancelled relating to the previous year is detailed below, in euros:

INCOME STATEMENT	Balance as of 31/12/2019	Generated	Applied/ Cancelled	Balance as of 31/12/2020
Deferred tax assets:				
Deferred tax assets	39,841.81	11,587.79	(11,023.09)	40,406.51
	39,841.81	**11,587.79**	**(11,023.09)**	**40,406.51**
Deferred tax liabilities:				
Temporary differences due to Subsidies	(67,492.24)	(56,902.57)	14,844.64	(109,550.17)
	(67,492.24)	**(56,902.57)**	**14,844.64**	**(109,550.17)**

Negative Taxable Income to be Offset

The detail of the tax loss carryforwards to be offset in future years prior to the fiscal consolidation is as follows, expressed in euros:

Negative Tax Bases (euros)		
	Balance as of 31/12/2021	Balance as of 31/12/2020
2012 (*)	330,273.22	330,273.22
2013 (*)	440,764.49	440,764.49
2014 (*)	650,942.93	650,942.93
2015 (*)	901,701.36	901,701.36
2016 (*)	49,609,835.58	1,394,646.58
2018	5,862,521.77	1,313,103.77
2019	2,408,730.12	2,408,730.12
2020	12,813,242.73	12,813,242.73
2021	804,997.42	-
Total	**73,823,009.62**	**20,253,405.20**

(*) Correspond to the tax bases of the tax Group.

NOTE 20. EQUITY INSTRUMENT-BASED PAYMENT TRANSACTIONS

On 16 September 2020, the General Shareholders' Meeting approved, for the purposes set forth in Article 219 of the Capital Company Law and Article 28 of the Company's Bylaws, the Incentive Plan for executives and key employees of the Group through the delivery of shares. The Plan aims to meet the Group's corporate objectives and its control, stimulating its expansion, improving the Group's management, focusing on the optimisation of all aspects necessary to increase its long-term value, aligning the interests of employees and shareholders and encouraging the permanence of the Group's key employees. As of 31 December 2021, the Group has provisioned an expense of €2,069,474.50 (€726,168.00 at the end of the previous fiscal year), corresponding to the amounts accrued to date.

NOTE 21. CONSOLIDATED RESULT

The detail of the Consolidated Result as of 31 December 2021 is as follows, in euros:

Subsidiary Company	Individual results of the companies	Holdings	Consolidation adjustments included in year-end results	Total profit attributed to the parent company
Agile Content, S.A.	(2,410,621.35)	100%	(2,392,419.69)	(4,803,041.04)
Agile Content Inversiones, S.L. and subsidiaries	(1,359,670.29)	100%	(264,520.12)	(1,624,190.42)
Edgeware AB and subsidiaries	(925,344.36)	100%	(438,694.46)	(1,364,038.82)
Fon Wireless and subsidiaries	1,971,900.68	100%	(518,312.28)	1,453,588.40
Agile Content Portugal Unip, Lda	15,015.35	100%	(332,879.63)	(317,864.28)
WeTek - Soluções Tecnológicas, S.A.	(216,284.19)	69%	1,100,563.94	884,279.74
	(2,925,004.17)		(2,846,262.24)	(5,771,266.41)

The detail of the Consolidated Profit for the fiscal year 2020 is as follows, in euros:

Subsidiary Company	Individual results of the companies	Holdings	Consolidation adjustments included in year-end results	Total profit attributed to the parent company
Agile Content, S.A.	(547,812.70)	100%	1,977,513.98	1,429,701.28
Agile Content Inversiones, S.L. and subsidiaries	(2,230,392.59)	100%	(1,856,784.33)	(4,087,176.92)
Edgeware AB and subsidiaries	(38,369.80)	100%	(153,893.45)	(192,263.25)
	(2,816,575.09)		(33,163.80)	(2,849,738.89)

NOTE 22. PROVISIONS AND CONTINGENCIES

The detail of movement of provisions as of 31 December 2021 and 31 December 2020 is as follows:

Provision type	31 December 2021	31 December 2020
Long-term:		
Taxes	152,654.54	5,385.40
Total	**152,654.54**	**5,385.40**

Tax contingencies

As of 31 December 2021, the WeTek group company is involved in a proceeding (OI201901155) due to a claim by the Autoridade Tributária e Aduaneira in Portugal in relation to IRC (Autonomous Taxation) and FIRC (Non-resident) tax assessments for the 2017 fiscal year. In this regard, the Group has recorded a provision for possible tax contingencies in the amount of €152,654.54 following the recommendation of its legal advisors based on the best estimate to date.

As of 31 December 2020, and as indicated in the transfer pricing analysis, the Group was subject to a possible unquantified tax contingency for not having invoiced the subsidiaries for the transfer of the base technology necessary for its operation. As of 31 December 2021 this situation has been reversed.

NOTE 23. ENVIRONMENTAL INFORMATION

The Group, due to its activity, does not have any assets and has not incurred any expenses aimed at minimising environmental impact and protecting and improving the environment. Also, there are no provisions for risks and expenses or contingencies relating to the protection and improvement of the environment.

NOTE 24. SUBSIDIES, DONATIONS AND LEGACIES RECEIVED

The movement in grants, donations and legacies received from third parties other than the Shareholders during fiscal years 2021 and 2020 are shown below, in euros:

	Amount as of 31/12/2021	Amount as of 31/12/2020
Balance at the beginning of the fiscal year	**126,464.85**	**170,998.79**
(-) Subsidies transferred to income for the year	-	-
(+) Tax effect	-	-
(+/-) Perimeter write-offs	-	-
(+/-) Other movements	(36,418.80)	(44,533.94)
Year's closing balance:	**90,046.05**	**126,464.85**

24.1) Other grants, donations and legacies

The detail and movement of this heading for each of the subsidies granted as of 31 December 2021 is as follows, in euros:

	Entity Granting Agency	Concept	Original Amount	Balance as of 31/12/2020	Increase/ (Decrease)	Balance as of 31/12/2021	Effect Tax	Subsidy Net
2013	Various agencies	Interest subsidy (*)	559,047.74	126,464.85	(27,314.10)	99,150.75	(9,104.70)	90,046.05

(*) As of 31 December 2021, the Group has recorded as interest subsidy the differential with respect to market interest of the most significant loans received until 31 December 2020 at zero or below market interest rate.

The Group has complied with the conditions assigned to the subsidies.

The detail and movement of this heading for each of the subsidies granted as of 31 December 2020 was as follows, in euros:

	Entity/ Granting Agency	Concept	Original Amount	Balance as of 31/12/2019	Increase/ (Decrease)	Balance as of 31/12/2020	Effect Tax	Subsidy Net
2013	Various agencies	Interest subsidy (*)	559,047.74	170,998.79	(33,400.46)	137,598.34	(11,133.49)	126,464.85

(*) As of 31 December 2020, the Group has recorded as interest subsidy the differential with respect to market interest of the most significant loans received until 31 December 2019 at zero or below market interest rate.

The Group has complied with the conditions assigned to the subsidies.

NOTE 25. FACTS AFTER CLOSING

On 28 March 2022, the Parent Company received financing from The Nimo's Holding S.L. (a company belonging to the Inveready Group, which in turn is one of the reference shareholders of the Agile Content Group), in the amount of up to 13 million euros to cover the amount related to the purchase and sale of a production unit in August 2021, the maturity of which, if used, is set for 1 May 2023.

On 10 March 2022, the Group announced the registration of its first Marf Bonds program, for an amount of up to €50,000,000.00.

In addition, after the end of fiscal year 2021 and until the preparation of these Consolidated Financial Statements, there have been no additional significant events not described in the other notes to these consolidated financial statements that have a significant effect on these consolidated financial statements.

NOTE 26. RELATED PARTY TRANSACTIONS

(26.1) Balances between Related Parties

Details of balances held with related parties as of 31 December 2021 are shown below, in euros:

Outstanding Balances with Related Parties as of 31 December 2021	Other Group Companies	Other Related Companies
NONCURRENT ASSETS	**-**	**-**
Long-term loans:	**44,420.08**	**-**
Agile Content Argentina, S.R.L.	44,420.08	-
Credit impairment	**(44,420.08)**	**-**
Agile Content Argentina, S.R.L.	(44,420.08)	-
NON-CURRENT LIABILITIES	**185,984.20**	**12,496,151.42**
Long-term debt	**185,984.19**	**12,496,151.42**
Agile Media Communities AIE	185,984.19	-
BANEGA	-	153,541.46
SALVADOR JUAN PASTOR RI	-	153,541.46
Onchena, S.L.	-	690,936.57
MONTEPELAYO SL	-	76,770.73
Inveready Group	-	11,421,361.20

CURRENT LIABILITIES	-	**282,713.89**
Short-term debts:	-	**179,173.49**
Majority shareholder and member of the Board of Directors of the Group (Knowkers Consulting & Investments, S.L.)	-	41,104.32
Group Shareholders	-	18,388.60
Gaea Inversiones S.C.R. S.A.	-	91,505.77
Inveready Evergreen S.C.R. S.A.	-	14,960.07
Inveready Convertible Finance Capital, S.C.R., S.A.	-	4,343.68
INVEREADY CONVERTIBLE FINANCE I, F.C.R.	-	8,871.05
Accounts payable:	-	**103,540.40**
Inveready Asset Management	-	12,428.88
INVEREADY CONVERTIBLE FINANCE CAPITAL SA	-	3,626.93
Inveready Convertible Finance II F.C.R	-	10,192.77
Inveready Convertible Finance, I, FCR	-	7,415.24
Knowkers Consulting & Investments, S.L.	-	3,630.00
The Nimo's Holding, S.L.	-	66,246.58

Details of balances held with related parties as of 31 December 2020 are shown below, in euros:

Outstanding Balances with Related Parties as of 31 December 2020	Other Group Companies	Other Related Companies
NONCURRENT ASSETS		
Long-term loans:	**44,420.08**	
Agile Content Argentina, S.R.L.	44,420.08	
Credit impairment	**(44,420.08)**	
Agile Content Argentina, S.R.L.	(44,420.08)	
CURRENT ASSETS	**-**	**4,999,996.80**
Accounts receivable	-	**4,999,996.80**
Shareholders for required disbursements (2)	-	4,999,996.80
NON-CURRENT LIABILITIES	**185,984.20**	**5,082,025.69**
Long-term debt	**185,984.20**	**5,082,025.69**
Agile Media Communities AIE	185,984.20	-
Cabonitel, S.A.	-	2,541,012.85
Inveready Convertible, FCR	-	871,204.41
Montepelayo, S.L.	-	72,600.37
Onchena, S.L.	-	653,403.30
Sierrablu Capital, S.L.	-	653,403.30
Other bondholders	-	290,401.46

CURRENT LIABILITIES	**-**	**13,472,360.31**
Short-term debts:	**-**	**13,462,159.06**
Majority shareholder and member of the Board of Directors of the Group (Knowkers Consulting & Investments, S.L.)	-	5,444,439.00
Group Shareholders	-	111,755.60
Edgeware AB Minority Shareholders	-	907,043.35
Gaea Inversiones S.C.R. S.A.	-	5,351,258.43
Inveready Convertible Finance	-	772,797.54
Inveready Evergreen S.C.R. S.A.	-	874,865.14
Accounts payable	**-**	**10,201.25**
Inveready Convertible Finance I F C C R	-	2,677.81
Inveready Convertible Finance Capital, S.A.	-	1,309.00
Inveready Evergreen S.C.R. S.A.	-	6,214.44

26.2) Related-party transactions

The most significant transactions carried out with related companies in 2021 are detailed below, in euros:

	Financial expenses
Total	**1,637,961.15**
Inveready Group	1,394,419.97
BANEGA	17,711.36
Salvador Juan Pastor	17,711.36
Onchena, S.L.	79,701.13
Montepelayo SL	8,855.68
The Nimo's Holding, S.L.	119,561.65

The most significant transactions carried out with related companies in 2020 are detailed below, in euros:

	Services received
Total	**166,601.47**
Inveready Asset Management	20,543.60
Knowkers Consulting & Investment, S.L.	146,057.87

The most significant transactions carried out with related companies consist of financial expenses accrued for convertible bonds obtained by related parties.

26.3) Balances and Transactions with the Board of Directors and Senior Management

The amounts received by the Group's Board of Directors during fiscal years 2021 and 2020 are detailed below, in euros:

	2021	2020
Salaries, allowances and other compensation (*)	40,750.00	26,620.00

(*) In fiscal years 2021 and 2020 the compensation received corresponds to two members of the Board of Directors.

As of 31 December 2021 and 31 December 2020, there are no commitments for pension supplements, guarantees or sureties granted to members of the Board of Directors.

As of 31 December 2021 and 31 December 2020, the Group had not granted any loans to members of the Board of Directors.

The amounts received by the Group's Senior Management during fiscal years 2021 and 2020 are detailed below, in euros:

	2021	2020
Salaries, allowances and other compensation (*)	572.150,00	511.907,00

(*) In fiscal years 2021 and 2020 the compensation received corresponds to two members of Senior Management.

Apart from the two members of the Board of Directors, there are no other personnel in the Group who meet the definition of Senior Management personnel.

Other information concerning the Board of Directors

In application of the provisions of Article 229 TER of the current Capital Companies Act, it is hereby reported that the members of the Board of Directors of the Group and, if applicable, parties related to them, do not hold any interests in other companies with the same, similar or complementary corporate purpose.

Likewise, and in accordance with the aforementioned Capital Companies Act, it is reported that the Board of Directors has not carried out any activity on its own behalf or on behalf of third parties with the Group that may be considered to be outside the ordinary course of business or that has not been carried out under normal market conditions.

The premium paid for Management's civil liability insurance for damages caused by acts or omissions in the performance of their duties amounted to €25,263.84 (€7,324.36 in the previous year).

NOTE 27. INCOME AND EXPENSES

27.1) Procurement

The breakdown of this heading in the accompanying Income Statement is as follows, in euros:

	2021	2020
Consumption of goods	**3,645,516.89**	**175,980.20**
Portugal	2,150,631.21	-
Sweden	1,494,885.68	175,980.20
Work done by other companies	**21,718,891.68**	**8,920,830.10**
Spain	20,821,919.94	8,463,260.68
United Kingdom	450,149.27	-
Brazil	316,720.33	287,381.21
Portugal	78,343.99	-
Sweden	51,758.15	170,188.21
Total Procurements	**25,364,408.56**	**9,096,810.30**

27.2) Personnel Expenses

The breakdown of staff costs is as follows:

	2021	2020
Salaries, wages and similar expenses		
Wages and salaries	10,859,867.16	5,587,312.69
Transactions with payments based on equity instruments (Note 25)	2,069,474.50	726,168.00
Indemnifications	294,078.38	-
	13,223,420.04	**6,313,480.69**
b) Social security contributions.		
Social Security	3,644,733.42	1,028,718.24
Other benefits	215,866.54	207,552.22
	3,860,599.96	**1,236,270.46**
	17,084,020.01	**7,549,751.15**

27.3) Employee Information

The average number of Group employees in fiscal years 2021 and 2020, broken down by category, is as follows:

	2021	2020
Senior management	6	3
Other management personnel	21	26
Scientific and intellectual support technicians and professionals	193	167
Administrative employees	21	16
Commercial, sales and similar	16	17
TOTAL	**256**	**229**

The distribution of the Group's personnel at the end of each period by category and gender is as follows:

	31.12.2021			31.12.2020		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Senior management	7	1	8	2	1	3
Other management staff	15	0	15	21	6	27
Scientific and intellectual support technicians and professionals	179	44	223	138	25	163
Administrative employees	11	15	26	6	10	16
Commercial, sales and similar	12	3	15	14	2	16
Total	**224**	**63**	**287**	**181**	**44**	**225**

The Group does not have any persons with a disability equal to or greater than 33% employed during fiscal years 2021 and 2020.

27.4) External services

The breakdown of the external services is as follows:

	2021	2020
Research and development expenses for the fiscal year	429,481.56	31,189.18
Leases and fees	1,112,326.94	215,665.92
Repairs and maintenance	25,034.82	20,854.61
Third-party professional services	9,214,506.16	3,874,247.68
Transport	24,561.54	6,301.53
Insurance premiums	295,211.68	156,688.87
Banking and similar services	46,905.54	51,235.81
Advertising and public relations	437,375.70	12,758.53
Supplies	214,907.21	34,183.35
Other services	1,268,941.79	748,050.66
	13,069,252.93	**5,151,176.14**

27.5) Financial expenses

The breakdown of financial expenses is as follows:

	2021	2020
Interests from debts to third parties		
Interest from long-term debentures and bonds, other related parties (Note 9.1)	661,985.02	270,445.48
Interest on debts, other related parties (Note 9.1)	1,067,183.67	453,839.90
Bank borrowings and other financial liabilities (Note 9.1)	154,383.81	213,269.76
Financial expenses (Note 9.1)	227,488.43	79,622.92
	2,111,040.93	1,010,827.41

NOTE 28. SEGMENT REPORTING

The distribution of the net sales corresponding to the Group's ordinary activities, by category and/or business segment, is shown below, in euros:

	2021		2020	
Description of the activity	**Euros**	**%**	**Euros**	**%**
Agile Multimedia Platform – Content management and distribution and audience monetisation	8,066,891.36	14.68%	6,330,745.45	31.03
OTT / Agile TV	28,503,113.99	51.88%	12,560,240.22	61.56%
WiFi Services	2,953,433.65	5.38%	-	0.00%
Edgeware	11,811,035.34	21.50%	1,511,921.03-	7.41%
Wetek	3,610,566.49	6.57%	-	-
Total	**54,945,040.83**	**100%**	**20,402,906.70**	**100%**

The distribution of net sales by activity category geographical market is as follows:

	2021		2020	
Geographical Market	**Euros**	**%**	**Euros**	**%**
Sales in Spain	34,920,706.89	63.56%	13,441,216.75	65.88%
Sales in the rest of the world	20,024,333.95	36.44%	6,961,689.95	34.12%
Total	**54,945,040.83**	**100%**	**20,402,906.70**	**100%**

NOTE 29. AUDIT FEES

The total fees accrued for audit and related services and other services in fiscal year 2021 amount to €178,462.50 (€151,900 in fiscal year 2020).

The fees accrued in euros for the various companies using the EY brand in fiscal year 2021 (BDO in fiscal year 2020) are as follows:

	2021	2020
Audit Services	93,000.00	75,000.00
Verification and related services with the audit (1)	28,000.00	76,900.00
Total audit fees	**121,000.00**	**151,900.00**

(1) In 2021 includes the limited review of interim financial statements and fees related to the capital increase.

In addition, other auditing firms have provided auditing services to various group companies for €57,462.50 in 2021 (€0.00 in 2020).

AGILE CONTENT. S.A. AND SUBSIDIARY COMPANIES

Itemisation of Holdings in Subsidiaries
31 December 2021

(Expressed in euros)

				Holdings		
Company	Registered Address	Activity	Auditor	Company of the holding group	% of holdings	Holdings amount
Agile Content Inversiones, S.L.	Spain	Equity holdings and advertising	EY	Agile Content, S.A.	100%	3,000.00
Agile Advertisement, S.L.	Spain	Advertising	Not audited	Agile Content Inversiones, S.L.	100%	3,000.00
Over the Top Networks, S.A.	Brazil	Software development	Not audited	Agile Content Inversiones, S.L.	100%	8,768,575.40
Over the Top Networks Ibérica, S.A.	Spain	Software development and digital video and TV distribution	EY	Over the Top Networks, S.A.	100%	56,860.05
Over the Top Networks International Inc.	United States	Software development	Not audited	Over the Top Networks, S.A.	100%	7,427,645.33
Edgeware AB	Sweden	Software and hardware development	Local auditor	Agile Content, S.A.	100%	23,385,231.19
Cavena Image Products AB	Sweden	Software development	Not audited	Edgeware AB	100%	-
Edgeware Inc.	United States	Software development	Not audited	Edgeware AB	100%	-
Edgeware Hong Kong Ltd.	China	Software development	Not audited	Edgeware AB	100%	-
Fon Wireless Ltd.	United Kingdom	WiFi connection provider	Local auditor	Agile Content, S.A.	100%	5,446,202.70
Fon Labs, S.L.	Spain	Software development	Not audited	Fon Wireless Ltd.	100%	67,000.00
Agile Content Portugal Unip, Lda	Portugal	Software development	Not audited	Agile Content, S.A.	100%	3,000.00
WeTek - Soluções Tecnológicas, S.A.	Portugal	Development of devices for digital content distribution	Local auditor	Agile Content, S.A.	69%	8,223,458.00
Agile Content Labs, S.L.	Spain	Software development	Not audited	Fon Labs, S.L.	100%	3,000.00

AGILE CONTENT. S.A. AND SUBSIDIARY COMPANIES

Itemisation of Holdings in Subsidiaries
31 December 2020

(Expressed in euros)

				Holdings		
Company	Registered Address	Activity	Activities	Company of the holding group	% of holdings	Holdings amount
Agile Content Inversiones, S.L.	Spain	Equity holdings and advertising	Not audited	Agile Content, S.A.	100%	3,000.00
Agile Advertisement, S.L.	Spain	Advertising	Not audited	Agile Content Inversiones, S.L.	100%	3,000.00
Over the Top Networks, S.A.	Brazil	Software development	Not audited	Agile Content Inversiones, S.L.	100%	8,768,575.40
Over the Top Networks Ibérica, S.A.	Spain	Software development and digital video and TV distribution	Not audited	Over the Top Networks, S.A.	100%	56,860.05
Over the Top Networks International Inc.	United States	Software development	Not audited	Over the Top Networks, S.A.	100%	7,427,645.33
Edgeware AB	Sweden	Software and hardware development	Local auditor	Agile Content, S.A.	100%	28,734,575.59
Cavena Image Products AB	Sweden	Software development	Not audited	Edgeware AB	100%	-
Edgeware Inc.	United States	Software development	Not audited	Edgeware AB	100%	-
Edgeware Hong Kong Ltd.	China	Software development	Not audited	Edgeware AB	100%	-

AGILE CONTENT, S.A.
AND SUBSIDIARY COMPANIES

CONSOLIDATED MANAGEMENT REPORT
FOR THE FISCAL YEAR 2021

1. REVENUE PERFORMANCE AND FUTURE PROSPECTS

Total net sales increased by 169% mainly due to the following acquisitions made by the Group during 2021:

- Acquisition on 30 November 2021 of 100% of the shares of the company WeTek - Soluções Tecnológicas, S.A. specialised in the development of devices for the digital distribution of content (subsequently on 27 December 2021 the Group sold to Growth Inov - Fundo de Capital de Risco 31% of the shares in the share capital of WeTek, with the intention that the new partner will incorporate capital for the development of research and development projects).
- Acquisition on 10 August 2021 of 100% of the TV business unit of Euskaltel, S.A., and R Cable and Telecable Telecomunicaciones S.A.U. through its subsidiary Over The Top Networks Ibérica S.L.U., thus continuing the consolidation process in the European TV space.
- Acquisition on 10 August 2021 of 100% of the business units of Alma Telecom, S.L.U., TV Alcantarilla and Oriol Fibra.
- Acquisition on 21 February 2021 of 100% of the shares of the company Fon Wireless, LTD specialised in technology for Wifi networks, together with the shares of the subsidiary Fon Labs, S.L.

Personnel expenses have consequently increased by 126% due to the incorporation of new talent, representing 31% of revenues from sales to third parties.

2. RESEARCH AND DEVELOPMENT

Investment in R&D continues to be a fundamental aspect of the Group's ability to respond to the needs of its B2B customers and to create differentiated and scalable products in the B2B2C model. Throughout the fiscal year ended 31 December 2021, the Group has incurred expenses in relation to research and development amounting to €6,661,170.32, representing 11% of revenues from sales to third parties.

3. TREASURY STOCK

As of 31 December 2021, the Parent Company holds 44,633 treasury shares for a value of €316,894, representing 0.2% of the share capital.

4. DERIVATIVE FINANCIAL INSTRUMENTS

As of 31 December 2021, the Group has a cash flow hedging financial instrument amounting to €35,539.60, classified and recorded as a current liability.

5. AVERAGE PERIOD OF PAYMENT TO SUPPLIERS

The average supplier payment period for the Group's Spanish companies is 90.76 days. The amount exceeding the limit established by the Delinquency Law will be recovered in fiscal year 2022 through increased control of payments.

6. STATE OF NON-FINANCIAL INFORMATION

In accordance with the provisions of Article 49 of the Commercial Code, the Group does not include the Consolidated Statement of Non-Financial Information in the Consolidated Management Report, opting instead to prepare a separate statement. This report is sent separately to BME Growth and can be consulted on the web page of www.bmegrowth.es

7. POST-CLOSING EVENTS

On 28 March 2022, the Parent Company received financing from The Nimo's Holding S.L. (a company belonging to the Inveready Group, which in turn is one of the reference shareholders of the Agile Content Group), in the amount of up to 13 million euros to cover the amount related to the purchase and sale of a production unit in August 2021, the maturity of which, if used, is set for 1 May 2023.

On 10 March 2022, the Group announced the registration of its first Marf Bonds program, for an amount of up to €50,000,000.00.

In addition, after the end of fiscal year 2021 and until the preparation of these Consolidated Financial Statements, there have been no additional significant events not described in the other notes to these consolidated financial statements that have a significant effect on these consolidated financial statements.

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FORMULATION OF FINANCIAL STATEMENTS
CONSOLIDATED AS OF 31 DECEMBER 2021

In compliance with the commercial law in force, the Board of Directors of **AGILE CONTENT, S.A.** prepares the Consolidated Financial Statements of **AGILE CONTENT, S.A. AND SUBSIDIARY COMPANIES,** corresponding to fiscal year 2021. The Consolidated Financial Statements are comprised of the accompanying documents that precede this document.

Bilbao, 31 March 2022
The Board of Directors.

Knowkers Consulting & Investment, S.L. Represented by Mr. Hernán-Santiago Scapusio Vinent	Marcapar2006, S.L. Represented by Mr. José Antonio López Muñoz
INVEREADY CIVILÓN, S.C.R., S.A. Represented by Mr. Beltrán Mora Figueroa	Ms. Mónica Rayo Moragón
Mr. Aloysio Jose Da Fonseca Junqueira	T.V. AZTECA, Sociedad Anónima Bursátil de Capital Variable (Stock Corporation with Variable Capital) Represented by Mr. Pedro Martín Molina Reyes
Mr. Abel Gibert Espinagosa	Mr. Agustín Checa Jiménez
EPC Advisory and Management, S.L. Represented by Mr. Jose Eulalio Poza Sanz	

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