

2022



FIRST QUARTER
RESULTS



renta4banco

Highlights

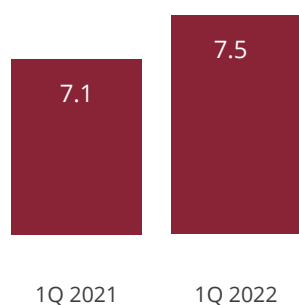
Renta 4 Banco has achieved a Net Profit of 7.5 million Euros during the 1Q of 2022 versus €7.1 million achieved in the 1Q of 2021. This represents an increase of 5.6%.

The “CET1 Fully Loaded” capital ratio is circa 16.39%, well above the current regulatory requirement level.

Return on Equity (ROE) stood at 21.46% on invested capital, well above the industry average.

For yet another quarter, the positive dynamics in commercial and business activity continued. All variables have continued to evolve at a satisfactory pace and to grow steadily despite the extremely complicated environment. Net inflows in the proprietary network amounted to 322 million Euros and the number of clients increased reaching 116,771.

NET PROFIT (1Q 2021 Vs 1Q 2022)
(Thousand euros)



Net Profit: 7.5 million Euros

▲ 5.6% versus same period last year

Net commissions: 27.1 million Euros

▲ 6% versus same period last year

Total customer assets compared positively with the previous year, reaching 27,638 million Euros in the quarter. This represents an increase of 10.6%. The proprietary network of which, 15,358 million Euros corresponded to customer assets in the proprietary network, this mean an increase of 15.1% over the same period last year.

The Latin American subsidiaries continue with the trend of growing positive results, with a joint contribution of approximately 10.1% of the consolidated result.

On April 7, Renta 4 Banco paid a final dividend of 0.11 Euros per share against earnings in 2021, which, added to the interim dividend paid last December, brings total dividend paid to 0.41 Euros per share.

Significant data

OPERATIONAL DATA	1Q 2,021	1Q 2,020	%
Number of Clients Of Proprietary Network	116,771	105,497	10.7%
Total Assets (million Euros)	27,638	24,999	10.6%
Equities	11,639	10,544	10.4%
Investment Funds (proprietary and third party)	6,713	6,263	7.2%
Pension Funds	5,054	4,651	8.7%
SICAVs	1,088	1,044	4.2%
Others	3,144	2,497	25.9%
Assets Proprietary Network (million Euros)	15,358	13,340	15.1%
Assets Third Party Network (million Euros)	12,280	11,659	5.3%

FINANCIAL INDICATORS (THOUSAND EUROS)	1Q 2,021	1Q 2,020	%
Net Commissions	27,094	25,572	6.0%
Fee and commission income + Exchange differences	49,334	48,552	1.6%
Fee and commission expenses	-22,240	-22,980	-3.2%
Cost of Operation	-19,688	-19,946	-1.3%
Activity Margin	7,406	5,626	31.6%
Financial Margin	-46	-223	-
Result of Financial Operations	1,075	4,011	-73.2%
Ordinary Margin	8,435	9,414	-10.4%
Net Profit	7,502	7,102	5.6%
Profit attributed to minority interests	66	-2	-
Profit attributed to the parent	7,436	7,104	4.7%
EPS	0.18	0.17	4.7%

Significant data

EMPLOYEES (PERIOD AVERAGE)	1Q 2,021	1Q 2,020	%
Employees (period average)	619	572	8.2%
Branch Network (Latam)	304(74)	288(67)	5.5%
Central services	315	284	10.9%
Number of Offices	66	66	0.0%

SHARE	1Q 2,021	1Q 2,020	%
Ticker (Reuters/Bloomberg/Adrs)	RTA4.MA	RTA4.MA	
Share Price (€)	9.9	7.98	24.1%
Capitalisation (€)	402,862,710	324,731,760	24.1%
Number of Shares Issued	40,693,203	40,693,203	

Operating Data

Assets under management and administration at the close of 1Q 2022 reached **27,638 million Euros**, **2,639 million Euros** more than the previous year, representing an increase of 10.6%. The proprietary network accounted for **15,358 million Euros** which means an **increase of 2,018 million Euros over the last twelve months**.

Client **assets under management** (mutual funds, SICAVs and pension funds) amounted to **12,855 million Euros**, **an increase of 897 million Euros** versus 2021, representing an **increase of 7.5%**.

Assets under management in **mutual funds** amounted to **3,502 million Euros**. **In SICAVs 1,088 million Euros and in pension funds 5,054 million Euros**. With respective growth of **5.6%, 4.2% and 8.7%** over the last twelve months.

Assets invested in **third parties funds** reached **3,211 million Euros**, **representing an increase of 9.0% over the same period last year**.

The pace of growth in the number of clients was maintained, increasing **our market share in a sustained manner for yet another quarter**. The total number of accounts in the proprietary network was **116,771** compared to 105,497 in the same period last year. The growth in the volume of **net new asset gathering by the proprietary network** continued at satisfactory levels, reaching **322 million Euros** in the first quarter.

Income Statement 2022. (January - March)

Profit and Loss	31/03/2022	31/03/2021	%
Interest and similar income	1,327	0,902	47.1%
Interest expense and similar charges	-1,373	-1,125	22.0%
NET INTEREST INCOME	-46	-223	-
Return on equity instruments	0	0	-
Profit (loss) of entities accounted for using the equity method	571	89	541.6%
Fee and commission income	45,912	43,368	5.9%
Fee and commission expenses	-22,240	-22,980	-3.2%
Gains or losses on financial assets and liabilities (net)	1,075	4,011	-73.2%
Exchange differences (net)	2,809	4,812	-41.6%
Other operating income	42	283	-85.2%
Other operating expenses	-466	-1,233	-62.2%
GROSS MARGIN	27,657	28,127	-1.7%
Administrative expenses and depreciation:	-16,780	-16,417	2.2%
a) Personnel expenses	-10,257	-10,560	-2.9%
b) Other administrative expenses	-6,523	-5,857	11.4%
Depreciation and amortisation	-2,442	-2,296	6.4%
Provision expenses (net)	822	-255	-
Impairment losses on financial assets (net)	780	24	-
OPERATING PROFIT	10,037	9,183	9.3%
Loss by deterioration rest of assets (net)			
Gains of susp. assets not clasif. for sale	0	0	-
PROFIT BEFORE TAX	10,037	9,183	9.3%
Tax on profit	-2,535	-2,081	21.8%
CONSOLIDATED PROFIT FOR THE YEAR	7,502	7,102	5.6%
a) Profit attributed to the parent	7,436	7,104	4.7%
b) Profit attributed to minority interests	66	-2	-

Profit and main Income and expenses items

Net Profit attributable to the Group reached **7.5 million Euros**, representing an **increase** of **5.6%** versus 7.1 million Euros achieved in the same period last year.

In the first quarter of 2022, **Gross Commissions** (Commissions received, income from equity method companies and other operating income), **increased by 6.4%** versus the same period last year reaching **46.5 million Euros**.

Gross brokerage commissions decreased by **3.3%**, closing the quarter at **21.9 million Euros**.

Asset Management commissions amounted to **20.4 million Euros**, **17.8%** higher than those recorded in the same period last year.

Commissions from Corporate Services area increased by **11.9%** versus the same period last year. They reached a total of **4.2 million Euros**.

Net Commissions (gross commissions minus paid commissions) plus Exchange differences, increased by **6.0%** to **27.1 million Euros** versus 25.6 million Euros achieved in the same period last year.

Net interest margin was close to zero, due to the high level of liquidity held in the balance sheet remunerated at negative interest rates.

The result from Financial Operations reached **1.1 million Euros** versus 4.0 million Euros achieved in the first quarter of 2021. This represents a decrease of 73.2%.

Gross Margin during the first quarter of 2022 reached **27.7 million Euros**, compared to 28.1 million Euros achieved in the same period last year. Representing a decrease of **1.7%**.

On the cost side, **Operating Expenses** (General Expenses, Personnel Expenses, Other Operating expenses and Depreciation and Amortization) amounted to **19.7 million Euros**, a decrease of **1.3%**.

Personnel expenses decreased by 2.9% to stand at **10.3 million Euros**. **General administrative expenses** rose by **11.4%** to reach **6.5 million Euros**, versus 5.9 million Euros in the same period last year.

The allowance for **impairment of financial** assets amounted to **780** thousand Euros, reversing part of the allocations made in 2021.

Profit from operating activities amounted to **10.0 million Euros**, versus 9.2 million Euros achieved during the previous year, this represents an increase of 9.3%.

Economic and financial perspective

The start of 2022 has confirmed that we are facing a complex and challenging year, as we anticipated in the 4Q 2021 Earnings Report.

From a general perspective, two factors stand out in the 1Q 2021: the outbreak of war in Ukraine and the increase in inflation, with its corresponding impact on interest rates and the bond market. These factors, together with the energy crisis and bottlenecks in supply chains, make for a **complicated economic environment, which is reflected in the financial markets**. In particular, bond markets experienced one of the deepest corrections in recent decades during the first quarter.



In this extremely demanding environment, Renta 4 Banco has continued to grow, boosting its commercial activity and developing new lines of business, thanks to an appropriate business model and a culture based on customer service.

The strength of our business model and the diversification of our revenue lines are reflected in the growth of quarterly profits compared to the previous year, which allows Renta 4 Banco to maintain solvency and liquidity ratios that comfortably exceed regulatory requirements.

In a financial system in which investment and financing flows are gradually but permanently shifting towards the capital markets, we believe that Renta 4's strategic positioning as a bank specializing in investment services is even more valuable. Even more so when the economic environment is one of greater uncertainty and when the breadth and diversity of existing financial solutions requires specialized and close advice to both investors/savers and companies.

Consolidated Balance Sheet

ASSETS	31/03/2022	31/12/2021
		<i>Thousand of euros</i>
1. Cash and balances with central banks	1,010,370	1,194,340
2. Financial assets held for trading	56,290	65,959
3. Other financial assets at fair value through profit or loss	-	-
4. Available-for-sale financial assets	498,001	388,369
5. Debt securities	727,156	466,992
6. Held -to-maturity investments	-	-
7. Hedging derivatives	-	-
8. Non-current assets held for sale	-	-
9. Investments	396	2,104
a) Associates	396	2,104
b) Jointly controlled entities	-	-
10. Insurance contracts linked to pensions	-	-
11. Reinsurance assets	-	-
12. Property and equipment:	59,270	59,060
a) For own use	55,950	55,713
b) Investment properties	3,320	3,347
13. Intangible assets:	21,351	21,065
a) Goodwill	15,291	15,291
b) Otro intangible assets	6,060	5,774
14. Tax assets	3,467	1,332
a) Current	-	81
b) Deferred	3,467	1,251
15. Other assets	3,561	2,229
TOTAL ASSETS	2,379,862	2,201,450

Consolidated Balance Sheet

TOTAL EQUITY AND LIABILITIES	31/03/2022	31/12/2021
		<i>Thousand of euros</i>
TOTAL LIABILITIES	2,071,456	1,657,464
1. Financial liabilities held for trading	66	41
2. Other financial liabilities at fair value through profit or loss	-	-
3. Financial liabilities at amortized cost	2,228,571	2,048,233
4. Changes in the fair value of hedged items in portfolio hedges of interest rate risk	-	-
5. Hedging derivatives	-	-
6. Liabilities associated with non-current assets held for sale	-	-
7. Liabilities under insurance contracts	-	-
8. Provisions	2,945	3,767
9. Tax liabilities	8,576	8,737
a) Current	7,864	8,023
b) Deferred	712	714
10. Fondo de la obra social (sólo Cajas de Ahorro y Cooperativas de crédito)	-	-
11. Other liabilities	10,335	10,678
12. Cash	-	-
EQUITY	129,369	129,994
OWN FUNDS	136,588	133,620
1. Capital or endowment fund	18,312	18,312
a) Issued capital	18,312	18,312
b) Less: uncalled capital	-	-
2. Share premium	8,496	8,496
3. Reserves	102,830	94,147
4. Other equity instruments	-	-
5. Less: Treasury shares	486	486
6. Profit (loss) attributable to the parent	7,436	25,337
7. Less: Dividends and remuneration	-	-12,186
VALUATION ADJUSTMENTS	-8,181	-4,415
1. Available-for-sale financial assets	-6,416	-1,356
2. Cash flow hedges	-	-
3. Hedges in net investments in foreign operations	-	-
4. Exchange differences	-1,765	-3,059
5. Non-current assets held for sale	-	-
6. Companies accounted using the equity method	-	-
7. Other valuation adjustments	-	-
TOTAL EQUITY ATTRIBUTABLE TO THE PARENT	128,407	129,205
MINORITY INTERSTS	962	789
1. Valuation adjustments	-245	-352
2. Others	1,207	1,141
TOTAL EQUITY AND LIABILITY	2,379,862	2,201,450

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