



**ANNUAL REPORT AND FINANCIAL STATEMENTS
ARGENTINA CLEARING Y REGISTRO S.A.
DATED 30TH JUNE 2023**



Memoria del Directorio

The Board of Directors' Annual Report

Argentina Clearing y Registro S.A.

Fiscal Year No. 4 – From 1st July 2022 to 30th June 2023

A Letter from the Chairman

We have finished a year of hard work, within a complex Argentinian situation in economic, social, regulatory and environmental terms; facing a huge challenge caused by the loss of a great part of the harvest due to a climatic disaster such as the drought, and the following period getting shaped up by the unpredictability generated by the next presidential elections.

In spite of the context, our efforts are producing tangible results. We are committed to advancing towards a sustainable future by offering safe financial and technological innovations which transform the capital market of Argentina and the region. In this sense, agri-digitalization is fundamental in the contribution to the sector development; and Argentina Clearing, as part of the Matba Rofex Group, has progressed with new, complementary and relevant tools.

Examples include the Guaranteed Digital Deferred-Price (PAF, *for its acronym in Spanish*) introduced in the previous period and the MtR agricultural Over-the-Counter (OTC) Registration, a service available since May 2023 so that market participants can register and value operations over OTC soybean, corn and wheat OTC derivatives. This service is intended to facilitate the registration of hedge operations conducted by participants of the agricultural chain outside the futures market. We are optimistic about both tools and hope that their use will grow in the long term.

As a financial market infrastructure (FMI), we continue expanding the capital market and facilitating the access to new people. This is done complementarily to the essence of our Central Counterparty (CCP) business, through tools enhancing the positive impact of the products and services we offer: the Mutual Funds Exchange and the Mutual Funds (MFCI and FCI, respectively, *for their acronyms in Spanish*) registration service to digital wallets. As we will see, each of them has had a high growth in volumes.

As a CCP, we continue improving our safeguard system by adopting the best international practices to offer a greater financial soundness and guarantee to market operations.

The following pages explain in detail our achievements during this period. But what I find most inspiring is what will come next; the most successful initiatives are those which can be kept in the long term, and all the preliminary work over these years will precisely help us to do so.

We will start a new fiscal year with a change of Chairman and a very complex macroeconomy for sustainable development.

Finally, I would like to express our gratitude to the Board of Directors; all the team; our clients, shareholders, providers; and the new entrepreneurs and professionals who gradually join the ecosystem in order to co-create solutions to the increasingly challenging problems.

Rosario, 31st August 2023.

A safe operation

Argentina Clearing has mechanisms to mitigate the losses caused by default in the transactions settlement process, as per the schedule of responsibilities stated in the guarantee affectation order in case of default.

Defense Lines Resource Waterfall
Data on 30th June 2023
FGOT – Third-party guarantees: \$163,020 million
FGOMG – ALyC guarantees: \$101,058 million
ACyRSA Fund Article No. 45: \$1,407 million
MtR Fund Article No. 45: \$2,924 million
FGIMC – Pooled Fund: \$6,326 million
ACyRSA Net Worth: \$13,352 million
MtR Net Worth: \$39,106 million
Safeguard System

Margins

on 30th June 2023

Total amount:
\$271,642 million
(+53.3% previous period)

213
ALyCs

2,751
Principals

Assets stocks

on 30th June 2023

Total amount:
\$667,083 million
(+112.6% previous period)

650
Assets

51
Depository Entities

Amounts settled by Argentina Clearing during the period

\$2,949,996,720,676
(+105%)

Commitment to the best international practices

In January 2023, we renewed our commitment of alignment to the best international practices based on the [International Organization of Securities Commission \(IOSCO\) Principles](#) and we introduced the revision of the [2023 Qualitative Self-Assessment](#).

As a FMI, Argentina Clearing is submitted to this self-assessment in its role of CCP entity and Trade Repository (TR).

These principles are standards issued by the world cooperation forum of capital market regulators, which promote normative models for fair, effective and solid markets.

Also, every three months we disclose the quantitative information for CCPs ([PQD](#)).

Innovations which fill us with pride

MtR Agricultural OTC Service

In March 2023, the MtR Agricultural OTC Service was launched. This product allows an intermediate, a stockpiling or a cooperative to conduct itself the futures operation in Matba Rofex and to offer the hedge to its client through the Argentina Clearing registration of OTC derivatives, with a certain date, without the need to integrate guarantees and with all the necessary formalities.

Benefits

- Greater legal safety
- Taxing neutrality
- Federal Bureau of Public Revenue (AFIP, *for its acronym in Spanish*) informative effectiveness
- Higher operating efficiency
- Better risk-management
- Flexibility
- Greater transparency

In this period, the MtR OTC registered tonnage was 10,500 tonnes

Guaranteed Digital PAF

It is a complementary tool offered to the commercial chain where the producer delivers grains, the Exchange guarantees the 100% of the delivered goods, there is pricing and settlement on a future date. This is attained through the offer of marketable securities (Digital PAF) created from a “deferred-price operation” that entitles its holder (the possessor of the guaranteed PAF) to receive the grains pricing payments, having the Matba Rofex payment guarantee and pricing through futures operations. Thus, both the registration and the guarantee of these grain purchase/sale bilateral operations are enabled.

We notice more and more participants who are interested in the tool. We are optimistic that its use will get increasingly relevant in the next fiscal years. Also, we are working to incorporate other complementary uses already foreseen in the tool, such as the guaranteed PAF transfer registration among participants and principals or with partial guarantee, which may enhance the product use.

[Guaranteed digital PAF](#)

During the period, 82,400 tonnes were traded

Enhancing the MFCI

As a FMI, the Matba Rofex Group also offers mechanisms and solutions to different participants in order to expand the capital market and to facilitate the access to new people.

Particularly, the MFCI is an operating node that simplifies and enhances the FCI distribution as it allows funds distributors and administrators to offer a wide variety of products to a great diversity of participants.

The subscription channel of FCIs via Matba Rofex and settled by Argentina Clearing grows continuously while constituting a very practical and efficient mechanism.

New MFCI Service – Remuneration of Idle Balances

In order to enhance the MFCI, a complementary tool was implemented to allow a Remuneration of Idle Balances.

During the reporting period, developments and tests of a new service were conducted so that Integral Placement and Distribution Agents (ACDIs, *for its acronym in Spanish*) authorized in the MFCI could offer to their principals the remuneration of their idle balances through subscriptions in a FCI Money Market. It is expected that this functionality will be launched in the 2nd semester of 2023.

MFCI	
Data on closure	
Valuated stock \$42,169 million (+365% previous period)	
143	63
FCI	ACDIs
24	1,942
SG	Principals

Democratization of the access to investments: service to digital wallets

An Argentina Clearing contribution to the fintech sector and the capital market is the offer of the registration service of quota-share holding of FCIs to digital wallets' users.

Digital wallets are regulated by the Argentine Republic Central Bank (BCRA, *for its acronym in Spanish*), which states that payment service providers (PSPs) - the wallets formal figure - can offer remunerations to their clients' balances, as long as they comply with certain requirements, such as the holding registration in order to be able to identify the funds' final beneficiaries, thus providing maximum transparency.

Data on closure
Valuated stock: \$307,491 million (+344.2% previous period)
Accounts with stock 9,19 million people (+66.6% previous period)
6 wallets

DVP Service – FCE Electronic Platforms

Argentina Clearing has entered agreements with Trading Platforms of discount of electronic credit invoices (FCE, *for its acronym in Spanish*), which are offered the delivery-versus-payment (DVP) service. This helps to increase the Small and Medium-Sized Enterprise (SME) funding through the financial system whose buyers are financial entities and non-financial credit providers.

DVP Service	
Data on closure	
FCE settled amounts \$55,658,056,742 (+201%)	
3,592 (+39%) Settled invoices	2 Platforms
170 SMEs	44 Large companies
8 Buyers	

Delivery of Goods

As part of the Matba Rofex Group, Argentina Clearing also participates in the intermediation of delivery processes of those contracts settled by the physical DVP at the agreed price of the underlying product, assuring the parties the price variation until the effective delivery moment. In this way, the different members of the agricultural and livestock sector can hedge against the price variation and deliver grains in a transparent and safe market. Additionally, the seller has the option to request Argentina Clearing that it debits in advance from the buyer the amount equivalent to the value of the grain to be delivered as margins, thus assuring the 100% collection of goods.

The quantity of grains delivered in the period was **4,650,009 tonnes**: an 8% less than the previous period. This means that over 155,000 freight trucks were delivered through this mechanism. It should be considered that during this period Argentina underwent the worst campaign since 1999 due to the drought impact.

Delivered tonnes
Through the Exchange
Soybean: 2,266,157 tonnes (+14%)
Wheat: 771,556 tonnes (-35%)
Corn: 1,613,196 tonnes (-16%)

MiPortafolio: consolidating transparency

MiPortafolio is an application where final investors can check online their portfolio of holdings registered in Argentina Clearing and their operations conducted in Matba Rofex.

It is a tool intended to consolidate the transparency of the market operations. It is available in Android Google Play, Apple AppStore or in a web browser.

[MiPortafolio](#)

A new design of options

In an attempt to simplify the trading, clearing, settlement and guarantees in the operations, a new design of options has been implemented so that their style matches the market needs, international guidelines and valuation simplification. During the reporting period, the style of options over dollar futures was modified to “Equity style”. In the next fiscal year, the rest of the options over financial futures will be included as well. Please, check the Product Guide for options in the following link:

<https://www.matbarofex.com.ar/documentos/investigacion/guia-de-producto-opciones>

Management of investments

The management of the Argentina Clearing y Registro S.A. investment portfolio is fully coordinated with that of its controlling company, Matba Rofex S.A. The investment decisions about instruments, currency and risk placement, as well as their monitoring, correspond to an Investment Committee constituted by directors and coordinated by the Administration and Finances manager, based on an investment policy proposed by this committee and approved by the Board of Directors. The execution of these decisions correspond to the Administration and Finances Management. At the end of the 2023 fiscal year, the Argentina Clearing y Registro S.A. financial investment portfolio is allocated over 90% in instruments nominated in foreign currency.

Equity, economic and statistical data

Main equity variations

These Financial Statements correspond to the fiscal year finished on 30th June 2023.

As regards equity, on 30th June 2023, Argentina Clearing y Registro S.A. total assets amount to \$18,065,420,354, which implies a 30% increase versus \$13,885,182,844 on 30th June 2022.

On their part, current assets amount to \$15,888,784,250, which represents a 24% increase versus \$12,849,537,431 on 30th June 2022. As regards The total of non-current assets amounts to \$2,176,636,104, thus showing a 110% increase versus \$1,035,645,413 on 30th June 2022. The main variation is due to the non-current Other Credits category, where the loan granted to Matba Rofex is exposed, and the accrual of its corresponding interests.

The Company debts on 30th June 2023 amount to \$4,713,641,222, which means a 26% increase versus \$3,728,119,743 on 30th June 2022.

On their part, current liabilities amount to \$4,706,806,605, which represents a 27% increase versus \$3,713,647,920 on 30th June 2022. The non-current liabilities total amounts to \$6,834,617, which implies a 53% decrease versus \$14,471,823 on 30th June 2022; this is due to liabilities for the leasing of commercial offices, which gradually reduces the debt as the right-of-use assets are amortized.

The net worth at the closure of this fiscal year amounts to \$13,351,779,132, whereas on the previous fiscal year it amounted to \$10,157,063,101. The variation is mainly due to the fiscal year result which produced a \$3,195,185,502 profit.

Composition and assessment of the fiscal year result

As regards the economic situation, the fiscal year incomes amount to \$4,245,582,829, which means a 43% increase versus \$2,963,277,475 of the previous fiscal year.

On their part, the fiscal year expenses amount to \$884,674,988, which represents a 20% decrease versus \$1,107,128,543 of the previous fiscal year.

The financial and holding results are positive and amount to \$663,652,551, whereas the ones on 30th June 2022 were negative and amounted to \$1,722,834,882.

The income tax of this fiscal year amounts to \$832,348,300, whereas the one of the previous fiscal year amounted to \$103,498,017.

Due to what has been explained, the fiscal year closed on 30th June 2023 shows a \$3,194,716,031 profit, whereas on 30th June 2022 the profit was \$39,730,693.

Proposals to the Assembly

Adjustment of the “Guarantee Fund Law No. 26,831” reserve book balance (as per Article No. 45 of that law – Guarantee Fund III).

Clearing Houses must constitute, with their own resources, guarantee funds organized under the fiduciary figure or any other modality approved by the National Securities Commission (CNV, *for its acronym in Spanish*). They must be exclusively made up by the eligible assets intended to face the defaulted commitments by the member agents originated in guaranteed operations. These eligible assets, which integrate the funds emerged from the contributions intended as per the decision of each yearly By-Law Assembly, are listed as per the CNV rules.

These funds must be able to face the default of, at least, the two participants who are most exposed to extreme but realistic market conditions. For such purpose, the CNV General Resolution No. 817 states that the Exchanges acting as Clearing Houses and Clearing Houses must periodically check the models and parameters adopted to estimate their requirements as regards margins, contributions to guarantee funds and other risk management mechanisms. The models must be submitted to strict and frequent resistance tests to assess their resistance in extreme but realistic market conditions, and will undergo retrospective tests to assess the reliability of the adopted methodology.

As per what has been previously stated and within the framework of the mentioned applicable rules, the Shareholders' Assembly will consider the adjustment of the "Guarantee Law No. 26,831" reserve book balance (as per Article No. 45 of this Law, Guarantee Fund III), whose balance on 30th June 2023 amounted to \$3,032,358,982. The proposed adjustment implies that:

- The adjustment amount will be expressed in constant currency; therefore, it will include its respective historical and restatement components.
- The guarantee fund balance resulting after the eventual adjustment, which would amount to \$1,406,603,181:
 - * will be expressed in constant currency dated 30th June 2023
 - * will be equivalent to the guarantee fund weekly reported to the CNV
- The difference between these amounts will be re-classified into non-assigned results in order to propose the constitution of an Optional Reserve that will be named "Special Guarantee Fund", as it is detailed in the following sections.

Consideration of the purpose intended for the fiscal year result

As per the integral results statement, the fiscal year integral result amounts to \$3,194,716,031, of which \$3,195,185,502 correspond to the fiscal year result and \$469,471 to the deferred result (loss) due to the adjustment conversion of overseas related companies. The Board of Directors proposes to distribute the \$3,195,185,502 fiscal year result in the following way:

Guarantee Fund Law No. 26,831 – Article No. 45: \$500,000,000

Optional reserve for the distribution of dividends to following fiscal years: \$320,471,834

Non-assigned results (through the conversion reserve with negative balance):
\$469,471

The remaining will be re-classified into non-assigned results in order to propose the constitution of an optional reserve that will be named “Special Guarantee Fund”, as it is detailed in the following section.

Proposal for the constitution of the “Special Guarantee Fund” optional reserve

The Board of Directors proposes the constitution of an optional reserve which will be named “Special Guarantee Fund” and will be made up of the ACyRSA’s own funds in order to strengthen the currently applicable scheme of guarantee funds for the operations guaranteed by this Clearing House, for an amount of \$4,000,000,000. This fund will have priority over the contributions made to the Guarantee Fund II by the non-defaulted ALyC, in case the other ALyC has not complied with its obligations before ACyRSA due to its guaranteed operations. Finally, it proposes to delegate to the Board of Directors the determination of the assets admitted for this fund and, in turn, to enable it to perform as appropriate for the sake of the mentioned fund’s operation, with the previously expressed scopes.

Proposal of partial exclusion of the “optional reserve for the distribution of dividends to the following fiscal years” for the payment of dividends in cash

The Board of Directors proposes partially excluding the optional reserve for the payment of dividends in cash for the amount of \$3,500,000,000.

Consideration of the remuneration to directors and the Supervising Commission as per the Social By-Law and the provisions of Law No. 19,550, Article No. 261

It should be highlighted that the amount of \$13,680,000 has been provided in concept for remuneration to the Board of Directors and the Supervising Commission, also subject to the Assembly’s decision.

31st August 2023

The Board of Directors



Juan Fabricio Silvestri

Chairman
Argentina Clearing y Registro S.A.