

# CONSOLIDATED ECONOMIC AND FINANCIAL INFORMATION

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BALANCE SHEET \_38

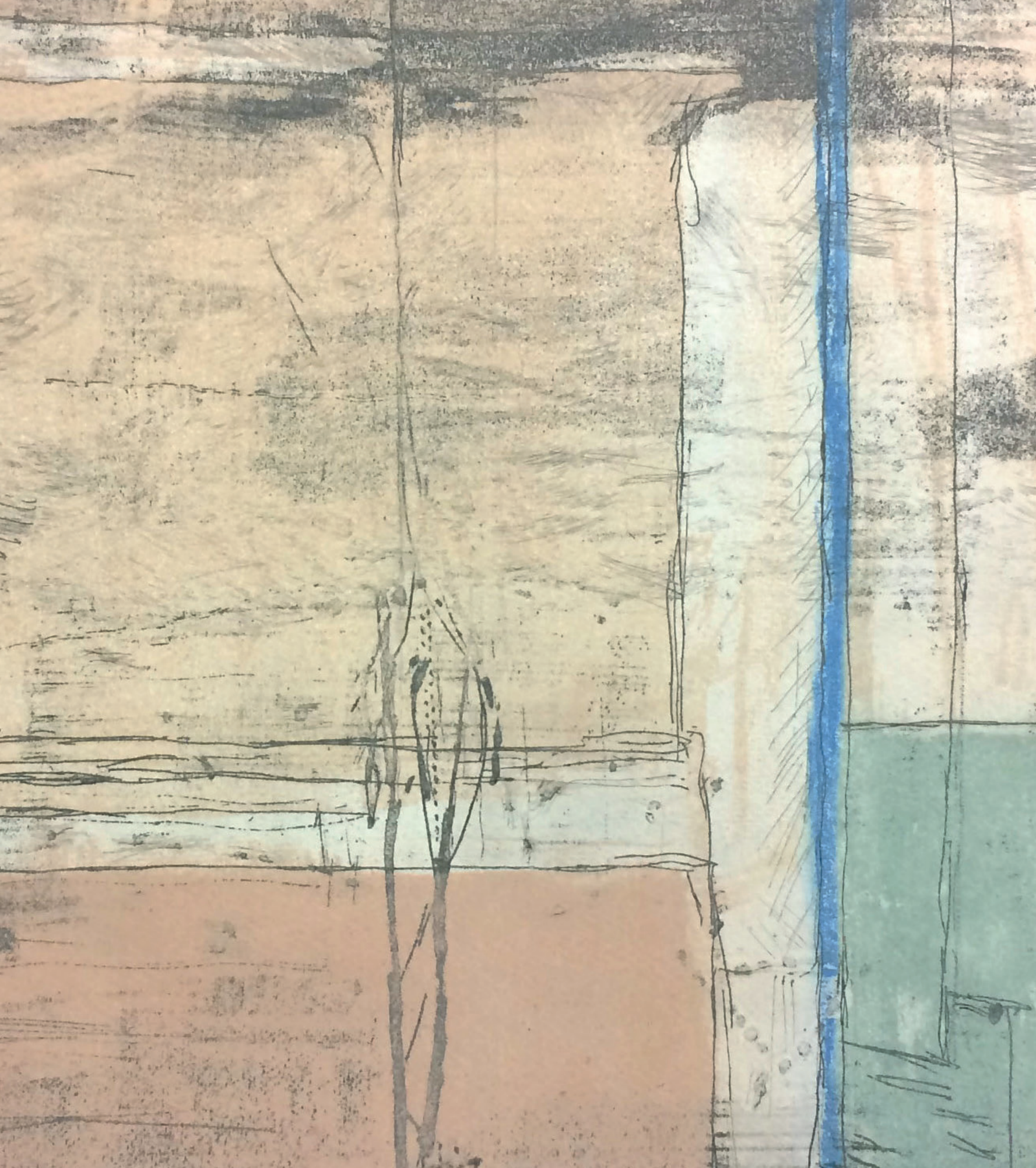
PROFIT AND LOSS STATEMENT \_43

- The consolidated financial information has been drawn up in accordance with International Financial Reporting Standards ("IFRS-EU").
- The investee companies invested in through private equity capital vehicles – Satlink, Miralda Activos, S.L.U. ("Nuadi") and Marsala Activos, S.L.U. ("Preving") – were fully consolidated, due to Alba's majority shareholding in managing company Artá Capital S.G.E.I.C., S.A.U. ("Artá").
- All the Assets and Liabilities of Satlink have been reclassified into the Non-current Assets and Liabilities held for sale items, after the sale agreement reached in early 2022.

The final part of this report includes the Consolidated Financial Statements, audited by KPMG Auditores, S.L., with more detailed information.









# CONSOLIDATED ECONOMIC AND FINANCIAL INFORMATION

## CONSOLIDATED BALANCE SHEETS BEFORE PROFIT DISTRIBUTION

### ASSETS

In millions of euros	On 31 of December 2021	On 31 of December 2020	On 31 of December 2019
Real estate investments	334.8	287.1	324.5
Tangible fixed assets	31.5	29.7	24.8
Goodwill	79.6	78.6	122.7
Other intangible assets	119.9	151.7	104.4
Investments in associate companies	2,476.5	2,844.9	3,253.1
Inv. at fair value with changes in Profit and Loss	973.3	171.0	150.4
Other financial assets	43.5	63.6	71.3
<b>Non-current assets</b>	<b>4,059.1</b>	<b>3,626.6</b>	<b>4,051.2</b>
Non-current assets held for sale	134.8	9.0	312.7
Cash and cash equivalents	709.5	676.0	192.0
Other current assets	104.7	104.6	136.1
<b>Current assets</b>	<b>949.0</b>	<b>789.6</b>	<b>640.8</b>
<b>Total Assets</b>	<b>5,008.1</b>	<b>4,416.2</b>	<b>4,692.0</b>

## EQUITY AND LIABILITIES

In millions of euros	On 31 of December 2021	On 31 of December 2020	On 31 of December 2019
Share capital	58.2	58.2	58.2
Retained earnings and others	4,011.0	3,811.4	4,124.5
Interim dividend	(29.1)	(29.1)	(29.1)
Minority shareholders	164.5	183.0	194.6
<b>Total equity</b>	<b>4,204.6</b>	<b>4,023.5</b>	<b>4,348.2</b>
Financial debt	247.2	202.2	202.0
Provisions and other debt	14.0	9.3	21.3
Other liabilities	61.9	69.7	54.8
<b>Non-current liabilities</b>	<b>323.1</b>	<b>281.2</b>	<b>278.1</b>
Financial debt	347.4	49.6	16.7
Other debts	133.0	61.9	49.0
<b>Current liabilities</b>	<b>480.4</b>	<b>111.5</b>	<b>65.7</b>
<b>Total Equity and Liabilities</b>	<b>5,008.1</b>	<b>4,416.2</b>	<b>4,692.0</b>

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## BALANCE SHEET

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The evolution in 2021 of the main items on Corporación Financiera Alba's balance sheet was as follows:

The *Real estate investments* account, which includes the properties intended for rent, increased by €47.7 million in 2021, to €334.8 million, mainly due to the purchase of a building in Madrid for €54.5 million and for various improvements made in the real estate properties portfolio. This increase was partially reduced by the sale of a property and several garage spaces in Madrid (€11.2 million) and by a slight decrease in the estimated fair value of the rest of the real estate assets portfolio. The appraisal of real estate properties is carried out half-yearly by an independent expert, and the increase or decrease in value is recognised in the income statement under *Changes in the fair value of real estate investment*.

*Tangible fixed assets* increased from €29.7 million to €31.5 million, mainly due to the companies consolidated by global integration and despite the reclassification of Satlink assets to *Non-current assets held for sale*.

The variations in the *Goodwill* and *Other intangible assets* headings are mainly due to the already mentioned reclassification

of Satlink and to increases, although not significant, produced by the acquisitions made by Preving and Nuadi.

*Investments in associate companies* fell by €368.4 million in 2021. This drop is explained, fundamentally, by the divestiture in Euskaltel (€188.4 million), the removal of Indra Sistemas from the scope of consolidation (€229.8 million, selling a majority and reclassifying the remaining stake as *Non-current assets held for sale*), the reduction in the Acerinox stake (€43.6 million), the accrued dividends and reimbursement of shareholder contributions (€241.4 million) and the changes in its consolidated net equity (€60.8 million). On the other hand, the results of the investee companies (€245.0 million), the investment in Profand (€101.0 million), the increase in the stake in Ebro Foods and Viscofan (€36.4 million) and, to a lesser extent, the additional investment in Parques Reunidos (€13.2 million) which have partially offset the negative elements mentioned.

*Investments at fair value with changes in Profit and Loss* increased significantly from €171.0 million to €973.3 million in 2021, mainly due to acquisitions of stakes in Atlantic Aviation (€312.2 million) and ERM (€249.4 million), the stake increase in Befesa (€70.0 million) and the increase in the fair value

of financial investments (€68.4 million), which offset the reduction produced by the sale of the Alvinosa stake (€36.6 million). In this regard, it should be remembered that, in 2021, this account included all the shareholdings in unlisted companies (except for those in Verisure, Parques Reunidos and Profand, which are included as *Investments in associate companies*, and those in Satlink, Nuadi and Preving, which are consolidated by global integration) and the shareholdings in other long-term listed companies (Befesa and Global Dominion).

*Other financial assets* were reduced by €20.1 million mainly due to the collection of other financial assets (€15.0 million) and loans to third parties (€4.4 million).

The *Non-current assets held for sale* item increased by €125.8 million in 2021, by classifying all Satlink assets as held for sale, after the aforementioned sale agreement, and by the transfer to this heading of the unsold stake in Indra Sistemas. On the other hand, it was reduced by €9.0 million due to the sale of a real estate property in early 2021.

The *Cash and cash equivalents* balance increased in 2021 from €676.0 million to €709.5 million, despite the investments made, mainly due to the dividends collected, the

aforementioned divestitures and the increased use of indebtedness for investment in short-term financial assets in order to have a more efficient use of cash. At 31 December 2021, Alba's net cash calculated as cash position minus short-term and long-term financial liabilities, excluding the full consolidation of Satlink, Nuadi and Preving, was €181.5 million, compared with €522.8 million of net cash at the end of the previous financial year.

For its part, *Other current assets* item remained stable at €104.7 million despite the reclassification of the assets of Satlink to "assets held for sale".

*Retained earnings and others* increased by €199.6 million, due to the fact that the *Income for the year* (€302.7 million) and the reclassification of the negative reserves of associate companies to profits in the sales of Acerinox and Indra Sistemas (€12.6 million) more than offset the negative variations in the reserves of the investee companies (€60.8 million) and the distribution of dividends paid by Corporación Financiera Alba in the year.

The *Interim dividend* item amounted to €29.1 million at the end of 2021 and reflects the Ordinary Interim Dividend of €0.50 gross per share paid in October out of the 2021 profit.

# CONSOLIDATED ECONOMIC AND FINANCIAL INFORMATION

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The *Minority shareholders* item decreased from €183.0 million to €164.5 million in the financial year, mainly as a result of the payment of dividends and reimbursements of contributions from Group Companies with minority shareholders.

As a result, *Total equity*, including *Minority shareholders*, increased by 4.5% in the year to €4,204.6 million.

The *Non-current liabilities* item included financial debts maturing in more than one year for €247.2 million, which increased by €45.0 million during the year, and deferred tax liabilities for €61.9 million, which decreased by €7.8 million due to the transfer of Satlink's liabilities to the *Non-current liabilities held for sale* item.

*Current liabilities*, including both bank loans with maturities of less than one year and other short-term debts, increased from €111.5 million at the end of 2020 to €480.4 million at the end of 2021, due to the increase in leverage and the reclassification of the liabilities of Satlink, both previously explained in this report.



## CONSOLIDATED PROFIT AND LOSS STATEMENT<sup>(1)</sup>

In millions of euros	2021	2020	2019
Share of profit of associate companies	245.0	(162.2)	84.5
Revenue and other income	235.9	185.9	99.6
Change in fair value of real estate investment	(0.8)	(2.8)	2.8
Financial income	17.6	25.5	6.6
Impairment of assets and change in fair value of financial instruments	66.1	17.6	68.9
Results from asset sales	1.0	24.1	24.9
<b>Total</b>	<b>564.8</b>	<b>88.1</b>	<b>287.3</b>
Procurement	(66.0)	(45.1)	(23.7)
Operating expenses	(138.0)	(112.5)	(71.0)
Financial expenses	(5.4)	(7.2)	(2.6)
Depreciation	(29.2)	(26.0)	(11.0)
Corporate income tax	(13.1)	(3.2)	(0.7)
Minority shareholders	(10.4)	3.5	0.9
<b>Total</b>	<b>(262.1)</b>	<b>(190.5)</b>	<b>(108.1)</b>
<b>Net profit/(loss)</b>	<b>302.7</b>	<b>(102.4)</b>	<b>179.2</b>
<b>Net profit/(loss) per share (euros)</b>	<b>5.20</b>	<b>(1.76)</b>	<b>3.08</b>

(1) This income statement is presented grouped according to management criteria, which explains the differences between certain chapters and the data included in the financial statements.



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## PROFIT AND LOSS STATEMENT

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Alba's *Net profit* amounted to €302.7 million in 2021, compared to a loss of €102.4 million in the previous year, and therefore, the net income per share was €5.20 in the year versus a loss per share of €1.76 in 2020.

The result recorded in the *Share of profit of associate companies* heading rose to €245.0 million, compared to a negative result of €162.2 million in 2020. This improvement is due to the general recovery of the results of the associate companies against the losses suffered by them in the previous year due to the impact of the COVID-19 crisis.

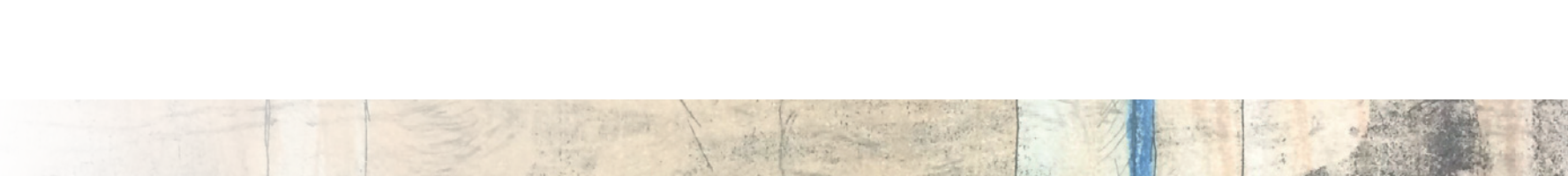
*Revenue and other income* increased by €50.0 million, to €235.9 million in the year, mainly due to the high growth in revenue experienced by the consolidated investee companies following their global integration (Satlink, Preving and Nuadi). Additionally, this item includes the revenues of Alba's real estate investments, which were reduced by 24.8%, to €12.1 million, due to the reduction of the rentable floor space in the financial year arising from the sales of real estate properties previously mentioned and from the lower average occupancy rate. Thus, at the end of 2021, the total leasable area amounted to approximately 45,617 square

metres, with an occupancy level of 77.9%, compared with 80.6% at the end of 2020.

According to the assessment made by an independent expert, the estimated value of the real estate assets decreased by €0.8 million in 2021, with this amount being recorded under the *Change in the fair value of real estate investments* item. At 31 December 2021, the fair value of property investments was €334.8 million.

*Financial income* was €17.6 million in 2021 compared to €25.5 million the previous financial year, due to lower interest and dividends received.

The *Impairment of assets and change in fair value of financial instruments* heading showed a positive result of €66.1 million in the year, derived from the increase in valuation of *Financial investments at fair value with changes in Profit and Loss* (+€68.4 million) and other financial assets included in the *Other current assets* item (+€14.3 million), more-than offset the impairments made to the stake held in Indra Sistemas (€16.6 million) due to the reclassification of the unsold stake in this Company to the *Non-current assets held for sale* item.



*Results from asset sales* includes an income of €1.0 million in 2021, as the capital gains obtained in the year from the sale of the shares in Euskaltel and Alvinesa were higher than the accounting losses suffered in the partial divestitures in Indra Sistemas and Acerinox. The previous year this item included gains earned in the sale of the stake in Bolsas y Mercados Españoles.

*Procurement and Operating expenses* amounted, in 2021, to €66.0 million and €138.0 million, respectively, 46.3% and 22.7% more than in the previous year due to the increase in activity and the increase in operating costs experienced by the consolidated investee companies following their global integration.

The *Financial expenses* were reduced by €1.8 million euros in the year, down to €5.4 million, due to the lower interest paid.

The higher results obtained by our consolidated investee companies due to their global integration explain the variation in the *Minority shareholders* item of the consolidated income statement for the year.

*Corporate income tax* includes an expense of €13.1 million in 2021 compared to €3.2 million in 2020.