

CONSOLIDATED ECONOMIC AND FINANCIAL INFORMATION

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- The consolidated financial information has been drawn up in accordance with International Financial Reporting Standards (IFRS-EU).
- At 31 December 2022, the balance sheets of the investee companies of the private equity capital vehicles, Grupo Disfasa, S.L. ("Facundo"), Miralda Activos, S.L.U. ("Nuadi") and Gesdocument y Gestión, S.A. ("Gesdocument") are fully consolidated due to Alba's majority stake in the management company Artá Capital S.G.E.I.C., S.A.U. ("Artá").
- The consolidated profit and loss statement for 2022 includes the results for the first quarter of the Satlink, S.L. Group ("Satlink") and Marsala Activos, S.L.U. ("Preving"), the results as of July 1 of Facundo and Gesdocument and the results for the entire Nuadi fiscal year.

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



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CONSOLIDATED BALANCE SHEETS

ASSETS

In millions of euros	On 31 of December 2022	On 31 of December 2021	On 31 of December 2020
Real estate investments	317.5	334.8	287.1
Tangible fixed assets	22.5	31.5	29.7
Goodwill	75.3	79.6	78.6
Other intangible fixed assets	123.7	119.9	151.7
Investments in associate companies	2,651.7	2,453.3	2,844.9
Financial inv. at fair value with changes in P&L	1,364.2	973.3	171.0
Other financial assets	73.2	66.7	63.6
Non-current assets	4,628.1	4,059.1	3,626.6
Non-current assets held for sale	3.6	134.8	9.0
Cash and cash equivalents	572.3	709.5	676.0
Other current assets	119.1	104.7	104.6
Current assets	695.0	949.0	789.6
Total Assets	5,323.1	5,008.1	4,416.2



EQUITY AND LIABILITIES

In millions of euros	On 31 of December 2022	On 31 of December 2021	On 31 of December 2020
Share capital	59.2	58.2	58.2
Retained earnings and others	4,421.5	4,011.0	3,811.4
Interim dividend	-	(29.1)	(29.1)
Minority shareholders	138.4	164.5	183.0
Total net equity	4,619.1	4,204.6	4,023.5
Financial debt	161.7	247.2	202.2
Provisions and other debt	23.2	14.0	9.3
Other liabilities	55.6	61.9	69.7
Non-current liabilities	240.5	323.1	281.2
Financial debt	389.0	347.4	49.6
Other liabilities	74.5	133.0	61.9
Current liabilities	463.5	480.4	111.5
Total Net Equity and Liabilities	5,323.1	5,008.1	4,416.2

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BALANCE SHEET

The changes in most of the items in Alba's consolidated accounts are largely due to the inclusion in the scope of consolidation of Facundo and Gesdocument, both fully consolidated like Nuadi, and the exclusion from the scope of consolidation of Satlink and Preving.

The *Real estate investments* account, which includes the properties intended for rent, decreased by €17 million in 2022 to €317 million, mainly due to the sale of a building in Madrid for €22 million. This sale generated a profit of €2 million. This decrease was partially reduced by a slight increase in the estimated fair value of the rest of the real estate asset portfolio, the purchase of various garage spaces and improvements made to the real estate properties 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 Profit and Loss Statement under *Changes in the fair value of real estate investments*.

Tangible fixed assets were reduced from €31 million to €22 million in 2022, mainly because the incorporation of Facundo and Gesdocument's tangible assets into the scope of consolidation do not offset the disposals of Preving and Satlink assets and the sales carried out by Nuadi in the year.

Variations in the *Goodwill and Other intangible fixed assets* headings are primarily due to changes in the consolidation scope already discussed above.

Investments in associate companies increased by €198 million in 2022. This increase is mainly explained by the results of the investees (€231 million), the variations in their consolidated net equity (€45 million) and the increases in participation in CIE Automotive, Ebro Foods and Viscofan (€24 million). Decreasing this account and, therefore, partially offsetting the aforementioned increases, are accrued dividends (€99 million) and impairment in the interest in Profand (€3 million).

Financial investments at fair value with changes in profit and loss increased from €973 million to €1,364 million in 2022, mainly due to the acquisitions of shares in Technoprobe (€115 million) and Befesa (€57 million), the increase in the fair value of financial investments (€164 million) and the classification in this heading of the shareholding in Preving after the loss of control mentioned above. In this regard, it should be remembered that, in 2022, this account included all the shareholdings in unlisted companies (except for those of Verisure, Parques Reunidos and Profand, which are included as *Investments in associate companies*, and those of Facundo, Nuadi and Gesdocument, which are fully consolidated)



and the shareholdings in other long-term listed companies (Befesa, Technoprobe, etc.).

Other financial assets increased by €6 million, largely thanks to the increase in the fair value of the put option held by the Group on its interest in Profand (€11 million). Likewise, third-party credit collections (- €9 million) and a net increase in other financial assets (€5 million) occurred.

The item *Non-current assets held for sale* was reduced by €131 million in 2022, due to the sale of the entire shareholdings in Indra and the Satlink Group, which were classified as held for sale in 2021. At 31 December 2022, all of the assets of Artá Capital, SGEIC, S.A.U. and Artá Partners, S.A. were classified in this section, which have been sold in March 2023.

The balance of *Cash and cash equivalents* decreased in 2022 from €709 million to €572 million, primarily due to the investments made. At 31 December 2022, Alba's net cash calculated as cash position minus short-term and long-term financial liabilities, excluding the full consolidation of Facundo, Nuadi and Gesdocument, was €110 million, compared with €181 million of net cash at the end of the previous financial year. Net cash including financial investments amounted to €216 million.

For its part, the heading *Other current assets* increased by €14 million mainly due to changes in the scope of consolidation.

Retained earnings and others increased by €410 million, due to the *Net income for the year* (€436 million) and positive changes in the reserves of the investee companies (€45 million). These increases were partially offset by the capital increase and dividend distribution carried out by Corporación Financiera Alba in the year.

During the 2022 financial year, no *interim dividends* were paid out of the net income for the year.

The Extraordinary General Shareholders' Meeting of Corporación Financiera Alba, S.A. held on 29 November 2022 approved a bonus share capital increase in the Company to implement a flexible dividend. On 15 December 2022, the trading period for the free-of-charge allocation rights ended, through which the company proceeded to purchase 12,001,907 free-of-charge allocation rights for an amount of €12 million; this option was accepted by 20.6% of the holders of these rights. The number of new common shares issued in the capital increase was 1,005,174. As a result of this capital increase, the share capital of Corporación Financiera Alba, S.A. at 31 December 2022 amounted to 59,245,174

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shares with a par value of €1 each. In this respect, the new shares of the Company were admitted to trading on the Stock Exchange on 27 December 2022.

The item *Minority shareholders* was reduced from €164 to €138 million in the year as a result of the deconsolidation of Preving and Satlink (- €72 million), which was partially offset by the additions of Facundo and Gesdocument (€39 million) and the results generated in the year (€8 million).

As a result, *Net equity*, including *Minority shareholders*, increased by 9.9% in the year to €4,619 million.

Within the *Non-current liabilities*, the financial debt with a maturity of more than one year for €162 million stands out, which was reduced by €85 million during the year due to the short-term transfer of loans with maturity in 2023, and deferred tax liabilities for €56 million, which were reduced by €6 million mainly due to changes in the scope of consolidation.

Current liabilities, which include both bank loans with maturities of less than one year and other short-term debts (which include non-current liabilities held for sale), were reduced from €480 million at the end of 2021 to €463 million at the end of 2022 mainly due to the exit of Satlink's liabilities classified in 2021 as held for sale (€57 million) and the reduction of suppliers (€2 million). Partially offsetting the aforementioned decreases is the increase in debts with credit institutions, associated with the reclassification from the long term of debts due in 2023, the movements in the scope of consolidation and the credit amortisations carried out in the year (€42 million).



CONSOLIDATED PROFIT AND LOSS STATEMENT⁽¹⁾

In millions of euros	2022	2021	2020
Share of profit of associated companies	231.4	245.0	(162.2)
Revenue and other income	166.9	235.9	185.9
Changes in the fair value of real estate investments	1.1	(0.8)	(2.8)
Financial income	21.5	17.6	25.5
Impairment of assets and change in fair value of financial instruments	173.4	66.1	17.6
Results from asset sales	47.5	1.0	24.1
Total	641.8	564.8	88.1
Procurement	(61.9)	(66.0)	(45.1)
Operating expenses	(110.3)	(138.0)	(112.5)
Financial expenses	(6.3)	(5.4)	(7.2)
Depreciation	(18.1)	(29.2)	(26.0)
Corporate income tax	(0.6)	(13.1)	(3.2)
Minority shareholders	(8.2)	(10.4)	3.5
Total	(205.4)	(262.1)	(190.5)
Net income	436.4	302.7	(102.4)
Net income per share (euros)	7.37	5.20	(1.76)

(1) This Profit and Loss Statement is presented grouped according to management criteria, which explains the differences between certain chapters and the data included in the Consolidated Annual Accounts.

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PROFIT AND LOSS STATEMENT

Alba's *Net income* amounted to €436 million in 2022, 44.2% more than the previous year's result. The *Earnings per share* increased from €5.20 in 2021 to €7.37 in 2022.

Income under *Share of profit of associated companies* decreased by 5.5% from €245 million in the previous year to €231 million in 2022. This decrease is mainly due to the lower results contributed by Ebro Foods, Parques Reunidos and Verisure and the non-incorporation of the results of the stake in Indra. This effect was partially offset by the greater contribution to the result of the shares in Naturgy and CIE Automotive and the incorporation, for the first time, of Profand's results.

Revenue and other income decreased by €69 million to €167 million in the year, mainly due to changes in the scope of consolidation of fully consolidated shareholdings. In 2022, only three months of Satlink and Preving sales were included (in 2021, all sales for the year were included), partially offset by the inclusion of sales from 1 July 2022 of Facundo and Gesdocument. This item also includes income from Alba's real estate investments, which increased by 6.6% to €13 million, due to the higher occupancy level of the real estate properties and the increase in

average rent, partially offset by the reduction in rentable space during the year, as a result of the aforementioned property sales. Thus, at the end of 2022, the total leasable area amounted to approximately 42,420 square metres, with an occupancy level of 88.4%, compared with 77.9% at the end of 2021.

According to the assessment made by an independent expert, the estimated value of the real estate assets increased by €1 million in 2022, with this amount being recorded under the item of *Changes in the fair value of real estate investments*. At 31 December 2022, the fair value of the real estate investment was €317 million.

Financial income was €21 million in 2022 compared to €18 million the previous financial year, due to higher interest and dividends received.

The heading *Impairment of assets and changes in the fair value of financial instruments* showed a positive result of €173 million in the year, due to the increase in the valuation of *Financial investments at fair value with changes in profit and loss* (+€181 million) and other financial assets included in *Other non-current assets* (+€11 million), which were minimally offset by impairments made on Profand's shareholding (- €3 million) and the decrease in fair value of *Other current assets* (- €15 million).



The *Results from asset sales* includes income of €47 million in 2022 due to the capital gains obtained in the fiscal year in the sales of Satlink (€36 million), from the entire shareholding in Indra (€5 million), from a building in Madrid (€2 million) and from the sales of Nuadi fixed assets (€5 million). The previous year this item included the capital gains obtained from the sales of the shares in Euskaltel and Alvinesa, and the losses suffered in the partial divestitures in Indra and Acerinox.

Provisions and Operating Expenses were reduced in 2022, to €62 million and €110 million, respectively, which is 6.2% and 20.1% less than in the previous year due to changes in the scope of consolidation mentioned in the heading *Revenue and other income*.

Financial expenses increased by €1 million in the year, to €6 million, due to the increase in interest rates in the second part of the year.

Changes in the scope of consolidation of our fully consolidated investee companies explain the change in the item *Minority shareholders* in the consolidated profit and loss statement for the year.

Corporate income tax amounted to €1 million in 2022, compared to €13 million in 2021.