



ALBA: PORTFOLIO AND RESULTS **FOR 2021**

- Consolidated net income amounted to €303 million in 2021, compared with losses of €102 million in the previous year due to the impact of the COVID-19. This improvement is due to the greater income obtained by some of our investee companies and the positive performance of other financial investments in companies recorded at fair value.
- The Net Asset Value (NAV) increased by 26.2% over the year up to €5,433 million as at 31 December 2021, which is equivalent to €93.29 per share. Alba's share price ended the year at €51.50 per share, registering a 32.2% increase over the year.
- During the year, Alba invested €964 million and sold assets for a total amount of €462 million, significantly reducing its net cash position¹ to €182 million as at 31 December 2021.
- In October, Alba distributed a gross dividend of €0.50 per share to its shareholders, drawn from earnings in 2021, representing a disbursement of €29 million. The total amount distributed in dividends during the 2021 financial year was €58 million.

I. OPERATIONS OF THE FINANCIAL YEAR

The investments made by Alba were as follows:

- The purchase of a 12.3% shareholding in KKR Apple Holdings Corporation which implies an investment of €312 million. Through this Entity, Alba acquired an indirect interest of 12.3% in the share capital of Atlantic Aviation FBO Holding. With a presence at 78 airports in the United States, Atlantic Aviation is one of the leading providers of airport services for private and corporate aviation in the US.
- The purchase of a 16.0% shareholding in Nature Topco UK Limited, which implied an investment of €249 million. Through this Entity, Alba acquired an indirect shareholding of 14.7% in the share capital of ERM Worldwide Group Limited. ERM, based in London, is the leading company in environmental, sustainability and health & safety consulting services.
- The purchase a 23.7% shareholding in Profand Fishing Holding which implied an investment of €100 million, including the purchase of shares and the subscription of a capital increase aimed to support the company's organic and inorganic growth. Profand is one of the leading companies in the fishing sector in Spain and a world leader in cephalopods. It has sea mining activities and processing plants in Spain, US, Argentina, Morocco, India, Peru and Senegal.
- Acquisition of a 3.1% share in Befesa for €70 million, in the context of the capital increase carried out by Befesa for the acquisition of American Zinc Recycling in the United States. With this investment, Alba increased its stake in Befesa to 5.1%.
- The purchase of the office building located at Paseo de la Castellana 42 in Madrid for €55 million.

¹ As at 31 December 2021, Satlink, Nuadi and Preving were fully consolidated. All comments made in this document concerning Alba's cash position refer exclusively to that of Alba, excluding the consolidated net debt of Satlink, Nuadi and Preving.

- Increase in the stake of Viscofan (0.9%) and Ebro Foods (0.4%), for €25 million and €11 million respectively.
- Other financial investments for a total amount of €144 million.

On the other hand, the following divestments were performed:

- Sale of the entire stake (11.0%) in the share capital of Euskaltel for €216 million, as part of the voluntary takeover bid launched by Grupo MásMóvil. This sale generated a gross book gain of €28 million.
- Sale of a 7.3% shareholding in Indra for €127 million and a 1.6% shareholding in Acerinox for €50 million.
- The sale, through Deyá Capital, of the entire stake (16.8%) in Alvinosa's share capital, for €48 million. As part of this investment, Alba has obtained an IRR of 44.9% per annum over the 4.1 years it has been shareholder in the company.
- Sale of two real estate properties in Madrid and various parking spaces for €21 million.

II. EVOLUTION OF THE MAIN INVESTEE COMPANIES¹

- In 2021, **Acerinox** achieved its best results since 2007. Sales increased by 43.6% compared to the previous year, up to €6,706 million, supported by favourable market dynamics, with solid demand in all geographies. With respect to 2020, the production of steel increased by 18.5%, up to 2.5 million metric tons, and cold mill production grew by 17.5%, up to 1.6 million metric tons. The adjusted EBITDA was €989 million in the fiscal year, 2.6 times higher than the previous year, thanks to the strength of all the subsidiaries of the Stainless Steel Division and the greater contribution from the Special Alloys Division (VDM). For its part, net profit was €572 million, compared to €49 million in 2020. Net financial debt as at 31 December 2021 amounted to €578 million (0.6 times the EBITDA of the year), registering a decrease of €194 million compared to the same date of the previous year.
- The revenue of **CIE Automotive** amounted to €3,269 million in 2021, 13.4% higher than 2020, showing above-market growth in all geographies in which CIE Automotive operates, except China. Excluding the impact of foreign exchange rates, sales are in line with pre-COVID levels, despite the fact that automobile production is still lower, mainly due to chips shortage. EBITDA increased by 33.3% compared to 2020, to €575 million. Likewise, net profit increased by 44.4% up to €268 million. Adjusted net financial debt as at 31 December 2021 was €1,377 million, implying a ratio of 2.4 times the EBITDA for the year.
- **Ebro Foods** achieved sales of €2,877 million in 2021, slightly below those recorded the previous year (-0.7%). EBITDA decreased to €354 million, 2.9% lower than in 2020, mainly due to the increase in the cost of raw materials and cost related to logistics. However, compared to 2019, on a like-for-like basis, sales grew by 14.6% and EBITDA by 15.3%. For its part, net profit increased by 24.0% to €239 million, boosted by the net capital gain from the sale of assets in North America and France. The net financial debt as at 31 December 2021 was significantly reduced to €505 million (ratio of 1.4 times EBITDA of the year) with the sale of the mentioned divestments.
- **Naturgy** obtained sales of €22,140 million in 2021, 44.3% higher than the previous year, due to the increase in demand and energy prices, that offset the negative effect of the depreciation of Latin American currencies against the euro. The reported EBITDA for the year amounted

¹ The results of the Investee Companies are presented using available public information and consolidated using the equity method.

to €3,529 million, 2.3% higher than in 2020. However, if non-ordinary elements such as restructuring costs were eliminated, EBITDA would have increased by 7.2% in the year. Net income was €1,214 million, compared to a loss of €347 million in 2020. Net financial debt as at 31 December 2021 was €12,831 million (a ratio of 3.6 times EBITDA for the year), 5.7% lower than that reported at the end of the previous year.

- **Verisure**, a company that also operates under the brand of “Securitas Direct”, obtained revenues of €2,509 million in 2021, 17.3% more than in the previous year. This improvement was driven by a growing customer base, which increased by 13.6%, to 4.3 million customers as of 31 December 2021. Adjusted EBITDA¹ of the client portfolio amounted to €1,477 million in the year, 17.7% higher than that registered in 2020. Total adjusted EBITDA reached €1,048 million, 14.0% higher than the previous year. Net income amounted to €15 million, compared to a negative net income of €93 million in the previous year. Net financial debt as at 31 December 2021 amounted to €7,172 million (ratio of 6.8 times the adjusted EBITDA for the year).
- Sales of **Viscofan** in 2021 increased by 6.3% compared to the previous year, to €969 million, supported by the outstanding growth in Europe & Asia and, to a minor extent, in North America, as well as an improvement of the results in the cogeneration activity. On a like-for-like basis, excluding the impact of FX, sales for the year would have increased by 8.0% compared to 2020. EBITDA for the year increased by 5.2% to €247 million, due to higher revenues, production efficiencies and cost control (despite increases in the cost of raw materials, energy and transport). Net profit amounted to €133 million, 8.6% higher than in 2020. As of 31 December 2021, Viscofan registered a net bank debt of €2 million compared to a net bank debt of €38 million at the end of 2020.

¹ The adjusted EBITDA excludes non-recurring items.

III. INVESTMENT PORTFOLIO

The composition of Alba's Portfolio as at 31 December 2021 is as follows (millions of €):

	<u>Stake %</u>	<u>Fair value (1)</u>
LISTED HOLDINGS		3,190
Acerinox	17.78	548
Befesa	5.10	138
CIE Automotive	12.73	427
Ebro Foods	14.44	375
Global Dominion	5.27	40
Indra	3.21	54
Naturgy (2)	5.44	1,107
Viscofan	13.97	370
Short term investments		133
Total market value		3,190
Total book value	2,290	
Unrealised gains	900	
UNLISTED HOLDINGS		1,647
Atlantic Aviation	12.28	
ERM	14.68	
Parques Reunidos	24.98	
Profand	23.71	
Verisure (excluding minorities)	6.24	
<u>Through Deyá Capital</u>		
Alvic	7.76	
in-Store Media	18.89	
Monbake	3.70	
Nuadi (3)	37.43	
Preving (3)	24.81	
Satlink (3)	28.07	
Food Delivery Brands	3.27	
REAL ESTATE		352

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- (1) Closing price at 31 December for listed companies and external valuation as at 31 December for unlisted companies (except the internal one for in-Store Media) and real estate properties.
(2) This includes an indirect shareholding of 5.33% and a direct shareholding of 0.11%.
(3) Fully consolidated.

IV. NET ASSET VALUE (NAV)

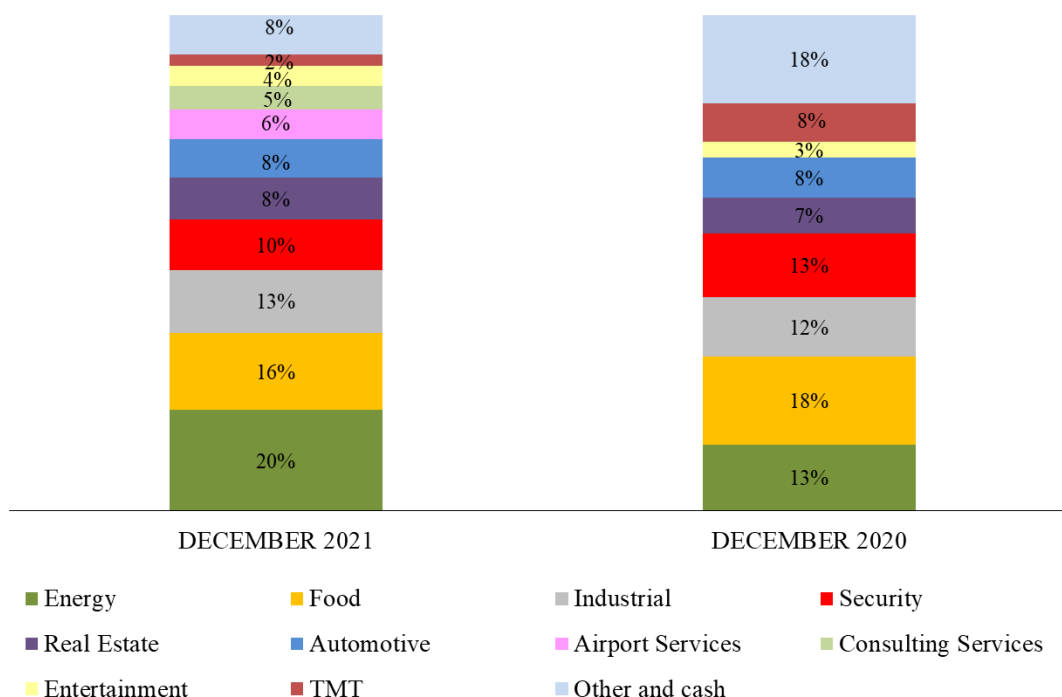
The most representative measure of a company like Alba is its Net Asset Value (NAV). Calculated according to the criteria commonly used in the market, as at 31 December 2021, Alba's NAV before tax amounted to €5,433 million or €93.29 per share, representing a 26.2% increase in the year.

	<i>Million euros</i>	
	31/12/2021	31/12/2020
Listed holdings	3,190	2,530
Unlisted holdings	1,647	868
Real Estate	352	313
Other assets and liabilities	63	70
Net cash (including fixed income)	182	523
Net asset value	5,433	4,304
Million shares	58.24	58.24
Net asset value / share	93.29 €	73.89 €

Satlink, Nuadi and Preving are included at fair value.

The relationship with the Consolidated Balance Sheet is included in the footnotes of section dedicated to the Balance Sheet (pages 7 and 8).

V. SECTORAL DISTRIBUTION OF GROSS ASSET VALUE ⁽¹⁾(GAV)



(1) Closing price at 31 December 2021 for listed companies and external valuation at 31 December for unlisted companies (except internal for in-Store Media) and real estate properties.

VI. CONSOLIDATED RESULTS

CONSOLIDATED INCOME STATEMENT ⁽¹⁾

	Million euros	
	31/12/2021	31/12/2020
Share of net results of associates	245	(162)
Rental income and other	236	185
<i>Of leases and others</i>	13	17
<i>From other companies by global integration</i>	223	168
Gains from fair value adjustments in Real Estate investments	(1)	(3)
Profit / (Loss) on asset sales	1	24
Variation in fair value of financial instruments	83	18
Net financial result	12	18
Impairment of financial assets	(17)	-
Sum	559	80
Operating expenses	(204)	(156)
<i>From Alba</i>	(34)	(26)
<i>From other companies by global integration</i>	(170)	(130)
Depreciation	(29)	(26)
<i>From Alba</i>	(1)	(1)
<i>From other companies by global integration</i>	(28)	(25)
Corporate income tax	(13)	(3)
Minority shareholders	(10)	4
Sum	(256)	(182)
Net result	303	(102)
EPS (€)	5.20	(1.76)

(1) Satlink, Nuadi and Preving are fully consolidated.

CONSOLIDATED BALANCE SHEET ⁽¹⁾

	ASSETS	
	Million euros	
	31/12/2021	31/12/2020
Intangible asstes	199	230
<i>Goodwill</i>	79	78
<i>Other intangible assets</i>	120	152
(a) Real Estate Investments	335	287
(a) Fixed assets	31	30
(b) Investments in Associates	2,477	2,845
(b) Financial assets at fair value through P & L	839	171
(c) Other financial investments and other assets	175	61
	3	3
Non-current assets	4,059	3,627
(a) (b) Non-current assets held for sale	135	9
Stock	23	18
Outstanding tax refunds	39	36
(b) (c) Other financial assets	539	380
(c) Treasury and temporary financial investments	170	296
Debtors and other assets	43	50
Current assets	949	789
Total assets	5,008	4,416

(1) Satlink, Nuadi and Preving are fully consolidated. They are included in the NAV at fair value.

(a) This relates to the “Real Estate Properties” heading under NAV.

(b) This relates to the “Listed securities” and “Unlisted securities” headings under NAV.

(c) This relates to the “Net cash (including fixed income)” heading in the NAV.

CONSOLIDATED BALANCE SHEET ⁽¹⁾

	LIABILITIES	
	Million euros	
	31/12/2021	31/12/2020
Share capital	58	58
Reserves and treasury stock	3,679	3,885
Earnings for the year	303	(102)
Minority interests	165	182
Shareholders' equity	4,205	4,023
Other non-current liabilities	14	10
Net deferred tax	62	70
(c) Long-term debts with credit institutions	247	202
Non-current liabilities	323	282
(b) Liabilities linked to non-current assets held for sale	57	-
(c) Short-term debts with credit institutions	347	50
Current liabilities	76	61
Current liabilities	480	111
Total shareholders' equity and liabilities	5,008	4,416

(1) Satlink, Nuadi and Preving are fully consolidated. They are included in the NAV at fair value.

(b) This relates to the “Listed securities” and “Unlisted securities” headings of the NAV.

(c) This relates to the “Net cash (including fixed income)” heading in the NAV.

VII. STOCK PRICE PERFORMANCE



- In 2021, Alba's share price increased by 32.2%, from €38.95 to €51.50, while in the same period the IBEX 35 increased by 7.9%, to 8,714 points.

VIII. SUBSEQUENT EVENTS

As at 31 December 2021, Alba announced the following operations:

- The acquisition of a 2.8% stake in Technoprobe S.p.A, for €95 million, within the IPO of the company on the 15th February. Technoprobe is an Italian company, world leader in the design and manufacture of probe cards, complex electro-mechanical interfaces used in the testing of microchips in the production of integrated circuits. The Company has become listed on Euronext Growth Milan.
- The agreement to sell, through Deyá Capital, the entire shareholding (28.1%) of Satlink. The sale is subject to the compliance of certain precedent conditions, with special interest on the approval of the competition authorities, which are expected to be obtained in the coming months.