



## **ALBA: PORTFOLIO AND RESULTS** **OF THE FIRST HALF OF 2023**

- The net consolidated result was €146.9 million in the first half of 2023, compared to €193.7 million for the same period of the previous year. This decrease is mainly due to the lower results contributed by some of our investee companies, the decrease in the fair value of real estate investments and the fact that in the previous fiscal year greater capital gains were obtained in the sale of investments – all of this was partially offset by the positive performance of the fair value of financial investments during the six-month period.
- The Net Asset Value (NAV) increased by 8.4% in the first half of the year to €5,732 million at 30 June 2023, equivalent to €96.75 per share. Alba's share price ended the first half of the year at €48.70 per share, up 12.9%.
- In this period, Alba invested €79 million and sold assets for a total amount of €6 million, reducing its net cash position<sup>1</sup> to €52 million at 30 June 2023.
- In June, a capital increase was approved in order to implement a flexible dividend for a total amount of €57 million. In this regard, Alba purchased free allotment rights for the amount of €6 million and issued ordinary shares for the amount of €51 million.

### **I. OPERATIONS IN THE PERIOD**

The investments made in the period include the purchase, for a total of €63 million, of an additional 1.5% stake in Technoprobe, a leading global Italian microchip testing equipment company.

On the other hand, the aforementioned amount of divestitures corresponds almost entirely to the sale of the entire stake (77.1%) in the share capital of Artá Partners, which owns 100% of the shares of Artá Capital, SGEIC, S.A.U.

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<sup>1</sup> As a result of the loss of control of the private equity fund manager Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the subgroups of Nuadi, Facundo and Gesdocument, and consequently, since the date of sale, these subgroups have ceased to be consolidated by global integration and have become accounted for at fair value. At December 31, 2022, the aforementioned companies were consolidated by global integration.

All comments made in this document concerning Alba's cash position refer exclusively to that of Alba and therefore exclude the consolidated net debt of the aforementioned companies.

## II. EVOLUTION OF THE MAIN INVESTEE COMPANIES<sup>1</sup>

- **Acerinox** achieved sales of €3,522 million in the first half of the year, 27.0% lower than those recorded in the same period of the previous year, impacted by challenging conditions in all markets due to the destocking process already started in the second part of 2022, primarily in the stainless steel sector. Meanwhile, the high-performance alloys sector performed satisfactorily. Compared to the first half of 2022, steel production decreased by 20.9%, down to 1.0 million tonnes, and the cold rolling production decreased by 27.6%, down to 0.6 million tonnes. EBITDA for the half year amounted to €462 million, 51.1% lower than in the same period of 2022, mainly impacted by the decrease in revenues in the Stainless Steel division mentioned above. Special Alloys (VDM) maintained a strong demand in the first half of the year, achieving record semi-annual EBITDA for this division. Finally, net profit was €278 million, compared to €609 million in the first half of 2022, and net financial debt at 30 June 2023, increased to €721 million (0.8 times the EBITDA of the last twelve months).
- **CIE Automotive** recorded a turnover of €2,011 million in the first half of 2023, 8.1% higher than the same period in 2022, showing a solid growth in all the geographic areas in which it operates, except for China. EBITDA increased to €364 million, 14.1% higher than that recorded in the same period of the previous year, highlighting a solid strengthening of the margin (18.1%; +1.0 percentage points vs. the first half of 2022) in a highly inflationary environment. Net profit increased by 11.2% compared to the first half of 2022, reaching €178 million. Net financial debt at 30 June 2023 was €1,201 million, representing a ratio of 1.7 times the EBITDA of the last twelve months.
- **Ebro Foods** obtained sales of €1,558 million in the first half of 2023, 6.8% higher than those recorded in the same period of the previous year, thanks to the growth in both the Rice division (+8.3%) and the Pasta division (+0.5%). EBITDA increased to €195 million, 15.2% higher than the first half of 2022, with an improvement in terms of margin (+0.9 percentage points vs. the first half of 2022) thanks to the stabilisation of the costs of the primary raw materials and the relaxation of transport and energy costs. Net profit reached €93 million, an increase of 64.1% compared to the same period of 2022, which was affected by the negative result obtained in the sale of Roland Monterrat. The net financial debt at 30 June 2023 increased to €778 million (ratio of 2.2 times the EBITDA of the last twelve months) due to the dividends paid, the increased working capital and the investments made.
- **Naturgy** achieved sales of €12,054 million in the first half of 2023, 28.0% lower than in the same period of the previous year. This drop is explained by the normalisation of energy prices, which were exceptionally high in the first half of 2022 due to the Ukraine conflict. EBITDA in the period amounted to €2,849 million, 39.2% higher than in the first half of 2022, supported by the positive results of liberalised activities, in particular Energy Management and Supply. The net result for the six-month period was €1,045 million, 87.6% higher than in 2022, thanks to the good performance of the EBITDA mentioned above, as well as the positive evolution of the financial result due to the reduction in indebtedness achieved in the period. Net financial debt at 30 June 2023 was €10,752 million (ratio of 1.9 times the EBITDA of the last twelve months).
- **Verisure**, a company that also operates under the “Securitas Direct” brand, posted revenues of €1,524 million in the first half of 2023, 10.4% higher than in the first half of 2022. This improvement was driven by growth in the customer portfolio, which increased by 9.7% compared to the same period of the previous year up to 5.0 million customers (at 30 June 2023) as well as by growth in the average revenue per user (ARPU). Portfolio services adjusted EBITDA<sup>2</sup> amounted to €923 million, 11.2% higher than that recorded in the first six

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<sup>1</sup> The results of the associates are presented using available public information, and are consolidated by using the equity method.

<sup>2</sup> Adjusted EBITDA refers to the exclusion of non-recurring items.

months of 2022. The Group's adjusted EBITDA reached €659 million, 19.2% higher than the first half of the previous year. Net income amounted to €43 million, 47.0% higher than the same half of the previous year. Net financial debt at 30 June 2023 amounted to €7,400 million (ratio of 5.6 times the annualised EBITDA of the last two quarters).

- **Viscofan's** sales in the first half of 2023 increased by 10.7% compared to the same period last year to €629 million, driven by an improved sales price mix and volumes and, with positive performance across all businesses, as well as a very positive performance in EMEA and South America while somewhat weaker in Asia Pacific. EBITDA for the period increased by 5.6%, to €129 million, thanks to improved revenue, cost control and savings from technological improvements that have offset strong cost inflation, lower cogeneration energy revenue and the negative impact of currency fluctuations. Net profit amounted to €63 million, 3.1% lower than the first half of 2022. At 30 June 2023, Viscofan recorded a net bank debt of €144 million (0.5 times the EBITDA of the last twelve months), compared to €101 million at the end of 2022, due to the increase in working capital and the payment of the complementary dividend.

### III. INVESTMENT PORTFOLIO

The composition of Alba's Portfolio as of 30 June 2023 is as follows (millions of euros):

	<u>Stake %</u>	<u>Fair value (1)</u>
<b>LISTED HOLDINGS</b>		<b>3,238</b>
Acerinox	18.52	468
Befesa	8.66	121
CIE Automotive	13.66	458
Ebro Foods	14.52	361
Global Dominion	5.55	33
Naturgy (2)	5.44	1,067
Technoprobe	4.79	208
Viscofan	14.25	419
Others		101
<b>Total market value</b>		<b>3,238</b>
<b>Total book value</b>	<b>2,761</b>	
<b>Unrealised gains</b>	<b>476</b>	
<b>UNLISTED HOLDINGS</b>		<b>2,055</b>
Atlantic Aviation	10.45	
ERM	14.68	
Parques Reunidos	24.98	
Profand	23.71	
Verisure (net of minorities)	6.23	
<u>Through Deyá Capital:</u>		
Alvic	7.76	
Food Delivery Brands	3.13	
Gesdocument (3)	46.53	
Grupo Facundo (3)	31.72	
In-Store Media	18.88	
Monbake	3.69	
Nuadi (3)	37.43	
Preving	21.41	
Topco Satlink	7.20	
<b>Real Estate</b>		<b>326</b>

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- (1) Closing price at 30 June 2023 for listed companies and external valuation as at 30 June 2023 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) As a result of the sale of the stake in the private equity fund manager Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the subgroups of Nuadi, Facundo and Gesdocument, and consequently, since the date of the sale, these subgroups have ceased to be fully consolidated and have since been accounted for at their fair value.

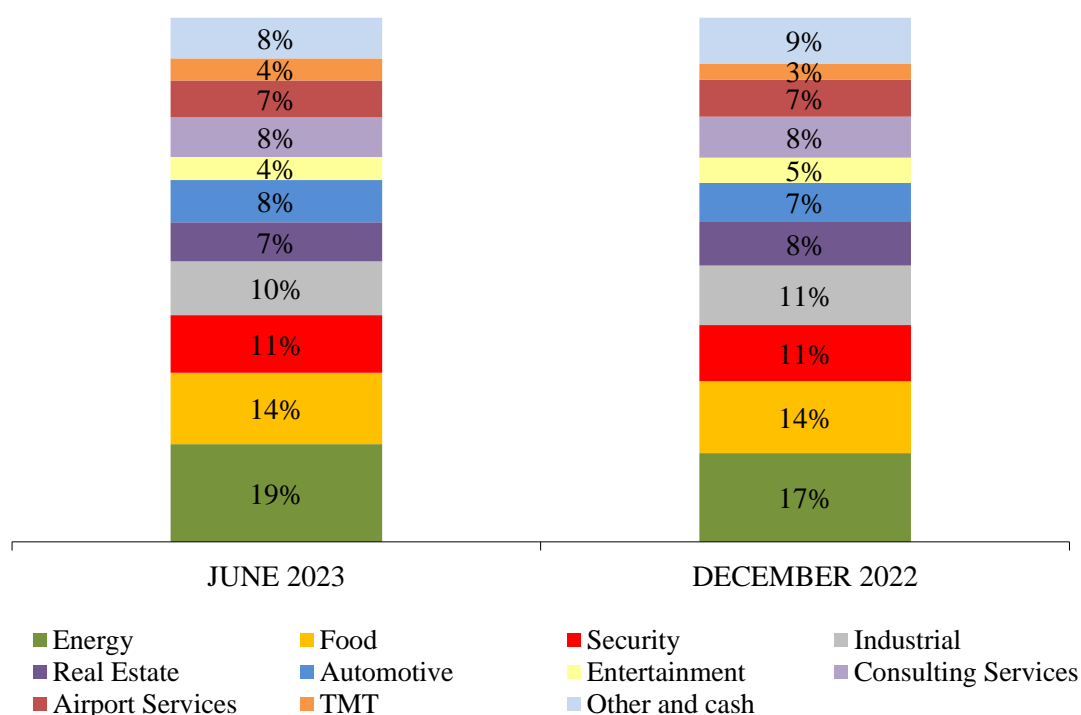
#### IV. NET ASSET VALUE (NAV)

The most representative measure of a company such as Alba is its Net Asset Value (NAV). Calculated according to the criteria normally used in the market, as at 30 June 2023, Alba's NAV before taxes amounted to €5,732 million or €96.75 per share, representing an increase of 8.4% in the six-month period.

	<i>Million euros</i>	
	30/06/2023	31/12/2022
Listed holdings	3,238	2,885
Unlisted holdings	2,055	1,915
Real Estate	326	335
Other assets and liabilities	61	44
Net cash	52	110
<b>Net asset value (NAV)</b>	<b>5,732</b>	<b>5,289</b>
Million shares	59.25	59.25
<b>NAV / share</b>	<b>96.75 €</b>	<b>89.27 €</b>

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

#### V. DISTRIBUTION OF GROSS ASSET VALUE BY SECTOR <sup>(1)</sup>(GAV)



(1) Closing price at 30 June 2023 for listed companies and external valuation at 30 June 2023 for unlisted companies (except internal for in-Store Media) and for real estate properties. "Cash and others" includes, but is not limited to, net cash and investments in Private Equity.

## VI. CONSOLIDATED RESULTS

### CONSOLIDATED INCOME STATEMENT <sup>(1)</sup>

	Million euros	
	30/06/2023	30/06/2022
Share of net results of associates	99	147
Rental income and other	46	100
<i>Of leases and others</i>	11	7
<i>From other companies by global integration</i>	35	93
Gains from fair value adjustments in Real Estate investments	(9)	6
Impairment of financial assets	(4)	-
Profit / (Loss) on asset sales	3	43
Variation in fair value of financial instruments	56	(5)
Net financial result	11	1
<b>Sum</b>	<b>202</b>	<b>292</b>
Operating expenses	(49)	(84)
<i>From Alba</i>	(21)	(15)
<i>From other companies by global integration</i>	(28)	(69)
Depreciation	(3)	(10)
<i>From other companies by global integration</i>	(3)	(10)
Corporate income tax	(2)	3
Minority shareholders	(1)	(7)
<b>Sum</b>	<b>(55)</b>	<b>(98)</b>
<b>Net result</b>	<b>147</b>	<b>194</b>
<b>EPS (€)</b>	<b>2.48</b>	<b>3.33</b>

(1) The 3-month income statement of Nuadi, Grupo Facundo and Gesdocument are fully consolidated. As of 30 June 2022, the results of Nuadi, Preving and Satlink were fully consolidated. In the case of Preving and Satlink, only the results of 3 months were included.

**CONSOLIDATED BALANCE SHEET <sup>(1)</sup>**

	<b>ASSETS</b>	
	Million euros	
	30/06/2023	31/12/2022
Intangible asstes	-	199
<i>Goodwill</i>	-	75
<i>Other intangible asstes</i>	-	124
(a) Real Estate Investments	310	318
(a) Fixed asstes	2	22
(b) Investments in Associates	2,731	2,652
(b) Financial asstes at fair value through P & L	1,549	1,364
(c) Other financial investments and other asstes	124	72
Deferred tax asstes	1	1
<b>Non-current asstes</b>	<b>4,717</b>	<b>4,628</b>
(a) (b) Non-current asstes held for sale	-	4
Stock	-	26
(b) (c) Other financial asstes	189	374
(c) Treasury and temporary financial investments	276	198
Debtors and other asstes	41	48
<b>Current asstes</b>	<b>506</b>	<b>695</b>
<b>Total asstes</b>	<b>5,223</b>	<b>5,323</b>

(1) As of 31 December 2022, Nuadi, Facundo and Gesdocument were consolidated by global integration. They were included in the NAV at fair value.

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

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

(c) This relates to the “Net Cash” heading under NAV.

**CONSOLIDATED BALANCE SHEET <sup>(1)</sup>**

	<b>Million euros</b>	
	30/06/2023	31/12/2022
<b><u>LIABILITIES</u></b>		
Share capital	59	59
Reserves and treasury stock	4,434	3,986
Earnings for the year	147	436
Minority interests	63	138
<b>Shareholders' equity</b>	<b>4,703</b>	<b>4,619</b>
Other non-current liabilities	3	23
Net deferred tax	26	56
(c) Long-term debts with credit institutions	80	162
<b>Non-current liabilities</b>	<b>109</b>	<b>241</b>
(b) Liabilities linked to non-current assets held for sale	-	1
(c) Short-term debts with credit institutions	385	389
Current liabilities	26	73
<b>Current liabilities</b>	<b>411</b>	<b>463</b>
<b>Total shareholders' equity and liabilities</b>	<b>5,223</b>	<b>5,323</b>

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- (1) As of 31 December 2022, Nuadi, Facundo and Gesdocument were consolidated by global integration. They were 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” heading under NAV.



## VII. STOCK PRICE PERFORMANCE



- In the first half of 2023, Alba's share price increased by 12.9%, from €43.15 to €48.70. Similarly, in the same period, the IBEX 35 increased by 16.6%, to 9,593 points.

## VIII. SUBSEQUENT EVENTS

- In July, the capital increase agreement was executed in order to implement a flexible dividend that was approved in June. This resulted in the following: (i) Alba purchased 6,244,550 free allotment rights for an amount of €6 million – an option that was accepted by 10.5% of the holders of said rights; and (ii) 1,060,012 ordinary shares were issued to meet the option chosen by the other shareholders, such that, following the capital increase, Alba's share capital was €60,305,186, represented by an equal number of shares with a (1) euro nominal value each.
- On 19 August 2023, Alba informed the Spanish stock exchange regulator (CNMV) that it had reached a 3.016% stake in the company Inmobiliaria Colonial, SOCIMI, S.A.