CONSOLIDATED ANNUAL ACCOUNTS OF CORPORACIÓN FINANCIERA ALBA, S.A. AND SUBSIDIARIES FOR 2023

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ASSETS	**Note**	**31/12/2023**	**31/12/2022**
Investment property	6	301.2	317.5
Property, plant and equipment	7	1.3	22.5
Goodwill	8	-	75.3
Other intangible assets	9	0.1	123.7
Investments in associates	10	2,717.0	2,651.7
Investments at fair value through profit or loss	11	1,831.0	1,364.2
Other financial assets	12	88.4	72.3
Other receivables	2	4.5	-
Deferred tax assets	22	0.2	0.9
NON-CURRENT ASSETS		4,943.7	4,628.1
Non-current assets held for sale	2.3 and 30	-	3.6
Inventories		-	26.1
Trade and other receivables	13	40.0	93.0
Other financial assets	14	68.0	374.0
Cash and cash equivalents	14	337.9	198.3
CURRENT ASSETS		445.9	695.0
TOTAL ASSETS		**5,389.6**	**5,323.1**

EQUITY AND LIABILITIES	**Note**	**31/12/2023**	**31/12/2022**
Share capital	15	60.3	59.2
Retained earnings and other reserves		4,665.7	4,421.5
Equity		4,726.0	4,480.7
Non-controlling interests	15	60.1	138.4
TOTAL EQUITY		4,786.1	4,619.1
Loans and borrowings	19	70.0	161.7
Other financial liabilities	12	30.1	22.8
Provisions	17	0.4	0.4
Deferred tax liabilities	22	25.0	55.6
NON-CURRENT LIABILITIES		125.5	240.5
Non-current liabilities held for sale	30	-	1.4
Suppliers and other payables	18	33.5	73.1
Loans and borrowings	19	444.5	389.0
CURRENT LIABILITIES		478.0	463.5
TOTAL EQUITY AND LIABILITIES		**5,389.6**	**5,323.1**

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

CONSOLIDATED INCOME STATEMENT FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2023	2022
Share of profit/(loss) of associates	10	160.8	231.4
Revenue	24	50.7	166.4
Other income		2.4	0.5
Supplies		(16.2)	(61.9)
Changes in fair value of investment property	6	(19.4)	1.1
Proceeds from disposal of and income from assets	2.3 and 6	2.5	47.5
Impairment	10	(42.1)	(3.1)
Personnel expenses	25.a	(25.5)	(53.6)
Other operating expenses	24	(59.1)	(56.7)
Amortisation and depreciation	7 and 9	(4.2)	(18.1)
OPERATING PROFIT/(LOSS)		**49.9**	**253.5**
Finance income	25.b	77.5	21.5
Finance costs and exchange differences		(13.2)	(6.3)
Change in fair value of financial instruments	11, 12, 14 and 25.c	125.0	176.5
NET FINANCE INCOME		**189.3**	**191.7**
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**239.2**	**445.2**
Income tax expense	22	(7.1)	(0.6)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**232.1**	**444.6**
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		**232.1**	**444.6**
Profit/(loss) attributable to non-controlling interests	15	(1.9)	8.2
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO THE GROUP		**234.0**	**436.4**
Earnings/(loss) per share (Euros/share)	15	3.88	7.37

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2023	2022
CONSOLIDATED PROFIT FROM INCOME STATEMENT, INCOME AND		**232.1**	**444.6**
EXPENSE RECOGNISED DIRECTLY IN EQUITY			
Items that will not be reclassified to profit or loss	10	28.5	7.0
Share of other comprehensive income of investments in associates		28.5	7.0
Items that will be reclassified to profit or loss	10	(13.4)	38.0
Share of other comprehensive income of investments in associates		(13.4)	38.0
Amounts transferred to the income statement		-	-
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		**247.2**	**489.6**
TOTAL COMPREHENSIVE INCOME		**247.2**	**489.6**
Attributable to the Parent		249.1	481.4
Attributable to non-controlling interests		(1.9)	8.2

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Share capital	Retained earnings and other reserves	Interim dividend	Equity	Non-controlling interests	Total equity
BALANCE AT 1 JANUARY 2022	58.2	4,011.0	(29.1)	4,040.1	164.5	4,204.6
Changes in consolidated equity of associates (note 10)	-	45.0	-	45.0	-	45.0
Profit/(loss) for the year	-	436.4	-	436.4	8.2	444.6
Total income and expense for the year	-	481.4	-	481.4	8.2	489.6
Interim dividend for the prior year (note 3)	-	(29.1)	29.1	-	(0.8)	(0.8)
Dividends paid in the year (note 3)	-	(41.0)	-	(41.0)	-	(41.0)
Capital increases (note 15)	1.0	(1.0)	-	-	-	-
Other changes	-	0.2	-	0.2	(33.5)	(33.3)
BALANCE AT 31 DECEMBER 2022	59.2	4,421.5	-	4,480.7	138.4	4,619.1
Changes in consolidated equity of associates (note 10)	-	15.1	-	15.1	-	15.1
Profit/(loss) for the year	-	234.0	-	234.0	(1.9)	232.1
Total income and expense for the year	-	249.1	-	249.1	(1.9)	247.2
Dividends paid in the year (note 3)	-	(6.0)	-	(6.0)	-	(6.0)
Capital increases (note 15)	1.1	(1.1)	-	-	-	-
Loss of control (Nuadi, Facundo and Gesdocument) (notes 2.3 and 15)	-	-	-	-	(77.1)	(77.1)
Other changes	-	2.2	-	2.2	0.7	2.9
BALANCE AT 31 DECEMBER 2023	60.3	4,665.7	-	4,726.0	60.1	4,786.1

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2023	2022
OPERATING ACTIVITIES			
Profit/(loss) for the year before tax		239.2	445.2
Adjustments for:			
Amortisation and depreciation	7 and 9	4.2	18.1
Changes in fair value of investment property	6	19.4	(1.1)
Share of profit of associates	10	(160.8)	(231.4)
Income from assets	6 and 10	(2.5)	(47.5)
Impairment	10	42.1	3.1
Change in fair value of financial instruments and other	11, 12, 14 and 25.c	(125.0)	(176.5)
Finance income	25.b	(77.5)	(21.5)
Finance costs		13.2	6.3
Other income and expense		27.4	–
Other cash flows from operating activities			
Dividends received		126.4	88.8
Working capital		(24.7)	25.2
Income tax payments on account		33.2	(14.2)
Interest received		20.4	10.1
Interest paid		(13.2)	(6.3)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**121.8**	**98.3**
INVESTING ACTIVITIES			
Acquisition of interests in associates and other investments	10	(2.3)	(23.8)
Acquisition of subsidiaries, net of cash	5	–	(20.7)
Acquisition of investment property	6	(3.1)	(2.0)
Sale of investment property	6	–	22.0
Acquisition of other investments	11 and 14	(252.0)	(243.0)
Receipts from other financial assets		252.9	175.4
Sales of property, plant and equipment and intangible assets		–	15.2
Purchases of property, plant and equipment and intangible assets	7	(0.3)	(20.7)
Sales of non-current assets held for sale		–	110.8
Other movements (loss of control of Nuadi, Facundo and Gesdocument)		(15.8)	–
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		**(20.6)**	**13.2**
FINANCING ACTIVITIES			
Dividends paid	3	(6.0)	(41.0)
Payments for loans and borrowings	16	(22.3)	(117.2)
Proceeds from loans and borrowings	16	67.3	70.0
Payments for other debts		(0.6)	(1.7)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		**38.4**	**(89.9)**
NET INCREASE IN CASH		**139.6**	**21.6**
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**14**	198.3	176.7
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	14	337.9	198.3

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Activities

Corporación Financiera Alba, S.A. (hereinafter, the Company) has its registered office in Madrid (Spain) and holds significant interests in a number of companies operating in different sectors of the economy. Details of these companies are provided below. Its basic activities include the operation of buildings under lease agreements and the holding of interests in companies through venture capital activity. Alba and its subsidiaries make up the Alba Group (hereinafter, Alba or the Group).

Given Alba's activities, it does not have any environmental liabilities, expenses, assets, provisions or contingencies that could be material with respect to its equity, financial position or results. Consequently, these consolidated annual accounts do not disclose any specific information relating to environmental issues.

2. Basis of Presentation of the Consolidated Annual Accounts

2.1. Accounting principles

Alba's consolidated annual accounts for the year ended 31 December 2023 were authorised for issue by the Board of Directors in the meeting held on 18 March 2024. They have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union in conformity with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, as well as subsequent amendments, to provide a true and fair view of Alba's consolidated equity and consolidated financial position at 31 December 2023, the consolidated results of its operations and changes in consolidated equity and consolidated cash flows of the Group for the year then ended.

The figures disclosed in the consolidated annual accounts are expressed in millions of Euros except where otherwise stated.

These consolidated annual accounts have been prepared on a historical cost basis, except for the following (IAS 1-117 and 1-118):

- Investment property is measured at fair value;
- Financial assets at fair value through profit or loss:
- Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal.

The measurement criteria and principles applied are described in note 4 of these notes to the consolidated annual accounts. All mandatory accounting principles and measurement criteria with a significant effect on the consolidated annual accounts have been applied.

The directors of the Parent consider that the consolidated annual accounts for 2023, authorised for issue on 18 March 2024, will be approved with no changes by the shareholders at their annual general meeting.

Comparative information

These consolidated annual accounts include comparative figures for the prior year.

New standards, amendments and interpretations of existing standards

a) Mandatory standards, amendments and interpretations for all years beginning on or after 1 January 2023.

These consolidated annual accounts have been prepared using the same accounting principles as those applied in the consolidated annual accounts for the year ended 31 December 2022, except for the standards and amendments adopted by the European Union set out below and, therefore, applied for the first time this year, which are mandatory from 1 January 2023 onwards:

- Amendment to IAS 1. Amendments to adequately identify information on significant accounting policies that must be disclosed in the financial statements.

- Amendment to IAS 8. Amendments and clarifications on the definition of accounting estimates.

- Amendment to IAS 12. Clarifications on how companies account for deferred tax on leases and decommissioning obligations.

- Amendment to IFRS 17. Amendments to the transition requirements of IFRS 17 for insurers that first apply IFRS 17 and IFRS 9 at the same time.

- IFRS 9. This replaces IFRS 4 and lays down the principles for the recognition, measurement, presentation and disclosure of insurance contracts so that an entity may provide relevant and reliable financial information about the insurance contracts in the financial statements.

None of the above-mentioned standards and amendments that came into effect in 2023 have had a significant impact on the Group's consolidated financial statements.

b) Standards and interpretations approved by the European Union applied for the first time on or after 1 January 2024.

- Amendment to IFRS 16. Amendment clarifying the subsequent accounting of lease liabilities arising in sale and leaseback transactions.

The Group's directors do not expect significant future impacts from the application of such amendments.

c) Standards and interpretations published by the IASB but not yet approved by the European Union.

- Amendment to IAS 1. Clarifications regarding the presentation of liabilities as current or non-current, particularly with settlement subject to compliance with covenants.

- Amendment to IAS 21. This establishes the requirements for the exchange of currencies, and in the case of non-exchangeability, the exchange rate to be used.

- Amendments to IAS 7 and IFRS 7. Amendments to disclosures in the financial statements regarding supplier agreements and their effects on liabilities, cash flows and liquidity risk.

The Group's directors do not expect significant future impacts from the application of such amendments.

2.2. Use of judgement and estimates in the preparation of the consolidated annual accounts

The preparation of certain information included in these consolidated annual accounts has required the use of judgements and estimates based on assumptions that affect the application of accounting criteria and policies and the reported amounts of assets and liabilities, income and expenses and obligations. The most significant estimates used in preparing these consolidated annual accounts are as follows:

- The estimate of the recoverable amount of interests in associates with indications of impairment.
- The assumptions used to calculate the fair value of certain unlisted financial assets and investment property.
- The determination of the fair values in business combinations and the assessment of possible impairment losses on certain assets.

The estimates and assumptions used are periodically reviewed. Any change in accounting estimates following such a review or due to future events is recognised in the consolidated income statement for that and successive periods, in accordance with IAS 8.

2.3. Subsidiaries

Subsidiaries are fully consolidated. The Group obtains control when it is exposed, or has rights, to variable returns from its involvement with a subsidiary and it has the ability to affect those returns through its power over the subsidiary. Specifically, the Group controls a subsidiary if and only if, the Group has:

- Power over the subsidiary (existing rights that give it the current ability to direct the relevant activities of the subsidiary).
- Exposure, or rights, to variable returns from its involvement with the subsidiary.

- The ability to use its power over the subsidiary to affect the amount of the returns.

It is generally assumed that a majority of voting rights amounts to control. In cases where the Group manages venture capital entities or holds investments therein, internal procedures and criteria that take into consideration IFRS 10 are applied to determine whether control exists and, therefore, whether or not the entity should be fully consolidated. These methods take into consideration, among other aspects, the scope of its decision-making authority, the rights held by other parties, the remuneration to which it is entitled in accordance with the remuneration agreement(s) or the decision-maker's exposure to variability of returns from other interests that it holds in the investee.

The assets and liabilities of subsidiaries are measured initially at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the fair values of the identifiable net assets acquired (i.e. a bargain purchase) the difference is recognised in profit or loss on the acquisition date.

Third-party interests in the Group's equity and profit or loss for the year are recognised as non-controlling interests within total equity in the consolidated balance sheet and as profit or loss attributable to non-controlling interests in the consolidated income statement.

In accordance with International Financial Reporting Standards, Group companies and business combinations are fully consolidated and all their assets, liabilities, income, expenses and cash flows are included in the consolidated annual accounts after making the adjustments and eliminations relating to intra-Group transactions.

ALBA GRUPO MARCH

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Details at 31 December 2023 and 2022 are as follows:

Subsidiary	Activity	Year	Percentage ownership	Carrying amount before consolidation	Equity	Profit/(loss) for the year
Alba Patrimonio Inmobiliario, S.A.U.	Investment property	2023	100.00	203.9	218.3	0.6
C/ Castelló, 77, 5ª planta 28006-Madrid		2022	100.00	181.0	229.7	14.2
Alba Europe, S.à.r.l.	Investment in transferable securities	2023	100.00	1480.2	1618.4	40.0
46A Av. J.F.Kennedy L-1855 Luxembourg		2022	100.00	1306.5	1484.7	44.3
Alba Investments, S.à.r.l.	Investment in transferable securities	2023	82.09	358.0	546.7	-0.1
46A Av. J.F.Kennedy L-1855 Luxembourg		2022	82.09	358.0	546.8	-0.1
Artá Capital, SGEIC, S.A.U.	Management Company of Venture Capital Firms	2023	-	-	-	-
Pza. Marqués de Salamanca, 10 28006-Madrid		2022	77.14	1.8	1.6	0.8
Artá Partners, S.A.	Investment in transferable securities	2023	-	-	-	-
C/ Castelló, 77, 5ª planta 28006-Madrid		2022	77.14	1.6	2.1	1.5
Deyá Capital IV, SCR, S.A.U.	Venture capital firm	2023	100.00	66.1	101.4	-28.2
C/ Castelló, 77, 5ª planta 28006-Madrid		2022	100.00	57.8	121.3	28.6
Alba KKR Core International, S.C.A.	Venture capital firm	2023	99.99	586.0	869.1	100.7
2, rue Edward Steichen L-2540 Luxembourg		2022	99.99	562.0	737.1	152.8
Alba KKR Core International Blocker, S.à.r.l.	Venture capital firm	2023	99.99	323.6	375.2	43.4
2, rue Edward Steichen L-2540 Luxembourg		2022	99.99	323.6	355.0	31.4
Nuadi subgroup (Nuadi Components) (1)	Industrial supplies	2023	-	-	-	-
Polígono industrial Arazuri-Orcoyen Arazuri-Navarra		2022	37.43	20.5	43.6	2.1
Facundo subgroup (2)	Production and distribution of nuts, dried fruits and snacks	2023	-	-	-	-
Ctra. N-611, Villamuriel 34190 - Palencia		2022	31.92	18.7	36.4	7.8
Gesdocument y Gestión, S.A. (3)	Provision of legal, employment and financial advisory services	2023	-	-	-	-
Roc Boronat 147,10ª planta 08005 - Barcelona		2022	46.53	8.2	3.4	0.3

(1) At 31 December 2022 this subgroup was made up of Nuadi Components, S.L., Nuadi Europe, S.L. and Shanghai Nuadi China, Co. Ltd.

(2) At 31 December 2022 this subgroup was made up of Disfasa, S.A., Facundo Blancos, S.A.U., Los Girasoles, S.A.U., Incofasa, S.L.U. and PDV Gesfasa D. S.L.U.

(1) (2) (3) Alba's interests are held through Deyá Capital IV, SCR, S.A.U.

Additionally, at 31 December 2022, 53.21% of Gesdocument, 42.57% of the Nuadi subgroup and 48.8% of the Facundo subgroup belonged to other companies / venture capital funds in which Alba did not hold an interest, but which were managed by Artá Capital, SGEIC, S.A.U., which exercised control over said vehicles and determined what investments to make. There were no restrictions regarding management and they were exposed to variable returns. As a result of the foregoing, Alba considered that it had control over these subgroups in 2022.

The main changes in the scope of consolidation in 2023 relating to subsidiaries were as follows:

Sale of the entire stake in Artá Partners, S.A.

In March 2023, the Company sold all the shares it held in the subsidiary Artá Partners, S.A., the owner of 100% of the shares of Artá Capital, SGEIC, S.A.U. The sale gave rise to a gain of Euros 2.5 million, recognised under proceeds from disposal of non-current assets. At 31 December 2023, Euros 4.5 million of long-term receivables are outstanding under other non-current receivables.

At 31 December 2022 the assets and liabilities of these two companies were classified as held for sale.

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the Nuadi, Facundo and Gesdocument subgroups. Therefore, since the date Artá Partners, S.A. was sold, these subgroups have ceased to be fully consolidated and have been recognised at fair value under investments at fair value through profit or loss (see note 11), generating a gain of Euros 7.3 million at 31 December 2023.

When control over Nuadi, Facundo and Gesdocument was lost, Alba held direct interests of 37.43%, 31.92% and 46.53%, respectively, in each of the companies. In addition, there were stakes of 42.57% (Nuadi), 48.08% (Facundo) and 53.21% (Gesdocument) belonging to other companies / venture capital funds in which Alba did not hold an interest, but which were managed by Artá (a company in which Alba is the majority shareholder). This meant that the percentage managed before the loss of control was 80.00% in the cases of Nuadi and Facundo and 90.64% in the case of Gesdocument.

Since the sale, Alba has ceased to participate in the management of these companies via Artá and has only held direct stakes of 37.43% (Nuadi), 31.92% (Facundo) and 46.53% (Gesdocument), therefore exerting no control over them.

The fair value of the Nuadi Group was calculated by Kroll Advisory, S.L., an independent expert, and the methodology used was the same as that described in note 11 for the measurement of investments at fair value through profit or loss.

The main assumptions used to calculate the fair value were as follows:

- Growth rate in perpetuity (g): 2%
- Weighted average cost of capital (WACC): 12.5%

In the case of Facundo and Gesdocument, the investments had been in Alba's portfolio for less than one year at the time of the loss of control of the holdings. They have therefore been valued at their purchase price plus the profit obtained since the acquisition of the holdings. This amount is consistent with their fair value, as there have been no events that would have changed the value of the investment in the short period of time between purchase and loss of control. Therefore, due to the proximity of the dates between the acquisition and the loss of control of the holdings, the fair value and consolidated net assets of the two companies are the same.

The main changes in the scope of consolidation in 2022 relating to subsidiaries were as follows:

Sale of the entire ownership interest in the Satlink subgroup

On 31 March 2022, the sale of the Group's entire ownership interest in the Satlink Group, which at the time of the sale amounted to 28.07%, was completed. The sale amounted to Euros 48.5 million, giving rise to a gain of Euros 36.4 million recognised at 31 December 2022 under proceeds from disposal of non-current assets.

Loss of control of the Preving subgroup

In May 2022, the Preving Group acquired all the shares of Cualtis, S.L.U.; concurrent to the acquisition, a capital increase was carried out at Preving to allow new shareholders to join the subgroup. As a result of these transactions and the entry of new shareholders, the Alba Group's interest in Preving was diluted from 24.81% to 21.41%, and it lost control over the Preving Group as a result of the loss of control of the majority interest by the venture capital management company Artá Capital SGEIC, S.A.U. and the new shareholders' agreements between the parties.

Since the Alba Group's loss of control, the Group's 21.41% ownership interest in Preving has been recognised at fair value under investments at fair value through profit or loss (see note 11), giving rise to a gain of Euros 16.1 million in 2022.

Acquisition of 37.43% of the Facundo Group

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 37.43% of the share capital of Disfasa, S.A. (parent of the Facundo Group) for Euros 21.9 million. The Facundo Group has its registered office in Spain and its principal activity is the production and distribution of nuts, dried fruit and snacks. The main reason for control over this group was that the venture capital management company Artá Capital SGEIC, S.A.U. managed a majority ownership interest (see business combination in note 5). Subsequently, in December, the Group sold its 5.51% interest in the Facundo Group for Euros 3.3 million, giving rise to a gain of Euros 0.1 million in 2022. At 31 December 2022, Alba held 31.92% of the Facundo Group.

Acquisition of 46.79% of Gesdocument y Gestión, S.A.

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 46.79% of the share capital of Gesdocument y Gestión, S.A. for Euros 8.2 million. Gesdocument y Gestión, S.A. has its registered office in Spain, and its principal activity is the provision of tax, economic, financial, administrative, employment and accounting advisory services. The main reason for control over this group was that the venture capital management company Artá Capital SGEIC, S.A.U. managed a majority ownership interest (see business combination in note 5).

In 2023 KPMG Auditores, S.L. was the auditor of all of the companies mentioned except for Alba Europe, S.à r.l. and Alba Investments, S.à r.l., which were audited by Audit Consell Services, S.à r.l., and Alba KKR Core International, S.C.A., which was audited by Deloitte, S.L.

In 2022 KPMG Auditores, S.L. was the auditor of all of the companies mentioned except for Alba Europe, S.à r.l. and Alba Investments, S.à.r.l., which were audited by Audit Consell Services, S.à r.l., Alba KKR Core International, S.C.A., the Preving subgroup, and the Facundo subgroup, which were audited by Deloitte, S.L., and the Nuadi subgroup, which was audited by Ernst&Young, S.L.

2.4. Associates

Entities over which Alba exercises significant influence even though its interest therein is less than 20% are considered associates. To determine whether significant influence exists, among other situations the Parent considers representation on the Board of Directors, involvement in establishing policies and the permanence of the interest.

Details for 2023 and 2022 are as follows:

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Associate / Auditor	Registered office	Activity	Percentage ownership At 31/12/23	At 31/12/22	Change	Seats on the Board of Directors at 31/12/2023
Acerinox, S.A. Auditor: PWC	Santiago de Compostela, 100 (Madrid)	Manufacture and sale of stainless steel	19.29	18.52	0.77	3
Aegis Lux 2, S.à.r.l. (1) Auditor: PWC	15, Boulevard F.W. Raiffeisen L-2411 Luxembourg	Connected alarms	7.59	7.59	-	1
CIE Automotive, S.A. Auditor: KPMG	Alameda Mazarredo, 69 (Bilbao)	Automotive industry	13.66	13.35	0.31	1
Ebro Foods, S.A. Auditor: EY	Paseo de la Castellana, 20 (Madrid)	Food	14.52	14.52	-	2
Profand Fishing Holding, S.L. Auditor: Deloitte	Avda. García Barbón, 62 Bloque 1, Vigo	Sale of fish and seafood products	23.71	23.71	-	2
Piolin II, S.à.r.l. (2) Auditor: KPMG	26A, Boulevard Royal L-2449 Luxembourg	Recreational and entertainment activities	25.09	25.09	-	1
Rioja Luxembourg, S.à.r.l. (3) Auditor: E&Y	20, Avenue Monterey L-2163 Luxembourg	Businesses relating to gas, electricity and any other energy source	25.73	25.73	-	-
Viscofan, S.A. Auditor: PWC (Tajonar-Navarra)	Polígono Industrial Berroa	Manufacture of meat packaging, cellulose or artificial casings for cured meats	14.25	14.25	-	1

(1) Through this company, Alba holds a 6.23% indirect ownership interest in Verisure, which also operates under the brand name "Securitas Direct".

(2) Through this company, Alba holds a 24.98% indirect ownership interest in Parques Reunidos.

(3) Through this company, Alba holds a 5.33% indirect ownership interest in Naturgy; added to the 0.11% direct ownership interest held by Alba, this yields a total interest of 5.44% in Naturgy. Alba sits on the Board of Directors of Rioja Acquisition, S.à.r.l., a subsidiary of Rioja Luxembourg, S.à.r.l. and direct shareholder of Naturgy.

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

There were no acquisitions or disposals of investments in associates in 2023. Alba has increased its stakes in Acerinox, S.A. and CIE Automotive, S.A. due to the redemption of own shares carried out by these companies. As a result of these transactions, Acerinox, S.A. reduced its share capital by 4% and, therefore, Alba's ownership interest increased by 0.77%. CIE Automotive, S.A. reduced its share capital by 2.2% and, consequently, Alba increased its stake by 0.31%.

In 2022 Alba saw its ownership interest in Acerinox, S.A. increase because of Acerinox's redemption of own shares. As a result of this transaction, Acerinox, S.A. reduced its share capital by 4% and, therefore, Alba's ownership interest increased by 0.74%. The ownership interests in CIE Automotive, S.A., Ebro Foods, S.A. and Viscofan, S.A. increased through new acquisitions in 2022.

3. Distribution of Profit

The distribution of Corporación Financiera Alba, S.A.'s profit for 2023 to be submitted by the Board of Directors for approval by the shareholders at their general meeting, and the distribution of profit for 2022 approved by the shareholders at their general meeting, are as follows (in millions of Euros):

Basis of allocation	2023	2022
Profit for the year	194.1	41.2
Total	194.1	41.2
Distribution		
Reserves	194.1	41.2
Total	194.1	41.2

In addition, Alba's Board of Directors plans to propose for approval by the shareholders at the Annual General Meeting in 2024 a scrip dividend of up to Euros 58,566,264.47 (equivalent to Euros 0.938 per share), whereby the Company's shareholders may choose between (i) receiving newly issued bonus shares; (ii) obtaining an equivalent amount in cash by transferring to the Company the free allotment rights they receive for the shares they hold; and/or (iii) obtaining the cash value by transferring such rights on the market.

The dividends paid by the Company in 2023 and 2022 were as follows:

	No. of shares with rights	Euros/Share	Millions of Euros
2023			
Scrip dividend 2023 (note 15)	6,244,550	0.96	6.0

	No. of shares with rights	Euros/Share	Millions of Euros
2022			
Scrip dividend 2022 (note 15)	12,001,907	0.99	11.9
Final dividend for 2021	58,240,000	0.50	29.1

4. Significant Accounting Policies

The main accounting policies used in preparing the accompanying consolidated annual accounts were as follows:

a) Business combinations and non-controlling interests (minority interests) (note 5)

Business Combinations

Alba applies the acquisition method for business combinations. The acquisition date is the date on which Alba obtains control of the acquiree.

The consideration transferred in a business combination is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred or assumed, the equity instruments issued and any consideration contingent on future events or compliance with certain conditions in exchange for control of the acquiree.

The consideration transferred excludes any payment that does not form part of the exchange for the acquired business. Acquisition costs are recognised as an expense when incurred.

The Group recognises the assets acquired and liabilities assumed at their acquisition-date fair value. Non-controlling interests in the acquiree are recognised at the proportionate interest in the fair value of the net assets acquired. This criterion is only applicable for non-controlling interests which grant present access to economic benefits and entitlement to a proportionate share of the acquiree's net assets in the event of liquidation. Otherwise, non-controlling interests are measured at fair value or value based on market conditions. Liabilities assumed include any contingent liabilities that represent present obligations arising from past events for which the fair value can be reliably measured. The Group also recognises indemnification assets transferred by the seller at the same time and following the same measurement criteria as the item that is subject to indemnification from the acquiree, taking into consideration, where applicable, the insolvency risk and any contractual limitations on the indemnified amount.

With the exception of lease and insurance contracts, the assets acquired and liabilities assumed are classified and designated for subsequent measurement based on contractual agreements, economic terms, accounting and operating policies and any other conditions existing at the acquisition date.

The excess of the consideration given, plus the value assigned to non-controlling interests, over the net of the assets acquired and liabilities assumed is recognised as goodwill. Any shortfall, after evaluating the consideration given, the value assigned to non-controlling interests and the identification and measurement of net assets acquired, is recognised in profit or loss.

If it has only been possible to determine a business combination provisionally at the end of the reporting period, the identifiable net assets are initially recognised at their provisional amounts and adjustments made during the measurement period are recognised as if they had been known at that date. Comparative figures for the previous year are restated where applicable. In any event, adjustments to provisional amounts only reflect information obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognised at that date.

The potential benefit of the acquiree's income tax loss carryforwards and other deferred tax assets, which are not recognised as they did not qualify for recognition at the acquisition date, is accounted for as income tax income provided that it does not arise from a measurement period adjustment.

The contingent consideration is classified in accordance with the underlying contractual terms as a financial asset or financial liability, equity instrument or provision. Subsequent changes in the fair value of a financial asset or financial liability are recognised in consolidated profit or loss or other comprehensive income, provided that they do not arise from a measurement period adjustment. Contingent consideration classified as equity is not remeasured, and subsequent settlement is accounted for in equity.

Contingent consideration classified as a provision is subsequently recognised in accordance with the relevant measurement standard.

The cost of the business combination includes contingent consideration, if this is probable at the acquisition date and can be reliably estimated. Subsequent recognition of or changes to contingent consideration are recognised as a prospective adjustment to the cost of the business combination.

Non-controlling interests (minority interests)

Non-controlling interests in subsidiaries are recognised at the acquisition date in the amount of the proportionate share of the fair value of the identifiable net assets. Non-controlling interests in subsidiaries acquired prior to the date of first-time consolidation were recognised in the amount of the proportionate share of the equity of those subsidiaries at that date.

The consolidated profit for the year and changes in equity of the subsidiaries attributable to Alba and to non-controlling interests after consolidation adjustments and eliminations is determined in accordance with the percentage ownership at year end, without considering the possible exercise or conversion of potential voting rights and after discounting the effect of dividends, agreed or not, on cumulative preference shares classified in equity accounts. However, Group and non-controlling interests are calculated taking into account the possible exercise of potential voting rights and other derivative financial instruments which, in substance, currently allow access to the economic benefits associated with the interests held, such as entitlement to a share in future dividends and changes in the value of subsidiaries.

Profit or loss and each component of other comprehensive income are allocated to equity attributable to shareholders of the Parent and to non-controlling interests in proportion to their investment, even if this results in a balance receivable from non-controlling interests. Agreements entered into between the Group and non-controlling interests are recognised as a separate transaction.

b) Investment property (note 6)

Investment property and buildings used for rental purposes are initially recognised at cost, including transaction costs. These assets are subsequently measured at fair value, determined by independent experts in accordance with the following definition: “The price at which the building could be sold under private contract between a willing seller and an arm's length buyer on the date of valuation, it being assumed that the property is publicly exposed to the market, that market conditions permit orderly disposal and that a normal period, having regard to the nature of the property, is available for the negotiation of the sale”. Changes in fair value are recognised in the income statement for the period in which they arise. These investments are not depreciated.

b.1) Leases

Determination of whether a contract is, or contains, a lease is based on the economic substance of the agreement at the inception date thereof. The contract is analysed to determine whether its fulfilment depends on the use of an asset or specific assets or the agreement implies the right of use of an asset or assets, even though this right is not explicitly specified in the contract.

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Leases in which the Group maintains substantially all the risks and rewards incidental to ownership are classified as operating leases. Contingent rents are recognised as income in the year in which they are obtained.

c) Property, plant and equipment (note 7)

In application of IFRS 1 First-time Adoption of International Financial Reporting Standards, buildings for own use were recognised on 1 January 2004 at fair value, determined by independent experts as defined in the previous note, considering this amount to be the cost of acquisition. This increase in value was credited to equity in the consolidated balance sheet.

The remaining property, plant and equipment are valued at cost of acquisition; interest and exchange differences are not included. Costs of expansion, modernisation or improvements which increase the productivity, capacity or efficiency or extend the useful lives of assets are capitalised as an increase in the cost of those assets.

Depreciation is provided on a straight-line basis, distributing the carrying amount of the assets over their estimated useful lives, in accordance with the following percentages:

	Annual depreciation rates
Buildings and constructions	2
Technical installations	8
Furniture and fixtures	10
Information technology equipment	25

If the carrying amount of an asset exceeds its recoverable amount, the asset is considered to be impaired and its carrying amount is immediately written down to its recoverable amount.

d) Intangible assets

d.1) Goodwill

Goodwill is determined using the same criteria as for business combinations (see note 5).

Goodwill is not amortised but is tested for impairment annually or more frequently where events or circumstances indicate that an asset may be impaired. Goodwill on business combinations is allocated to the cash-generating units (CGUs) or groups of CGUs which are expected to benefit from the synergies of the business combination and the criteria described in note 8 are applied. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

The recoverable amount of the assets is the higher of their fair value less costs of disposal and their value in use.

If the recoverable amount is less than the carrying amount of the asset, the difference is recognised under impairment losses in the consolidated income statement.

d.2) Customer portfolio

The relationships with customers that Alba recognises under customer portfolios are separable and based on a contractual relationship, thus meeting the requirements set out in prevailing legislation for consideration as intangible assets separate from goodwill. In general, these are customer service contracts that have been recognised in the allocation of fair values in business combinations.

The fair value allocated to customer contract portfolios acquired from third parties is the acquisition price.

The income approach was used to determine the fair value of intangible assets allocated in business combinations in the form of customer relationships; discounting the cash flows generated by these relationships at the date of acquisition of the subsidiary. Cash flows are estimated based on the sales, operating investments and EBITDA margins projected in the Company's business plans.

Customer portfolios are amortised on a straight-line basis over their estimated useful lives. The useful life is estimated based on indicators such as average length of relationship with customers or the average annual customer churn rate. The useful lives allocated to these intangible assets are reviewed at the end of each reporting period. The useful life of customer portfolios is between 10 and 15 years.

Customer portfolios are allocated to cash-generating units (CGUs) in accordance with their respective business segment and the country of operation.

d.3) Other intangible assets

These are intangible assets that were recognised in business combinations.

They are amortised on a straight-line basis over their estimated useful life, which is between 3 and 60 years.

Other intangible assets are allocated to cash-generating units (CGUs) in accordance with their respective business segment and the country of operation.

If an event or change in circumstances indicates that the carrying amount of assets subject to amortisation may not be recoverable, Alba determines whether impairment losses have been incurred. An impairment loss is recognised as the difference between the carrying amount of the asset and its recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs of disposal, and value in use. For impairment testing purposes, assets are grouped at the lowest level for which separate identifiable cash flows can be identified (cash-generating unit, CGU). Impaired non-financial assets other than goodwill are reviewed at the end of each reporting period to assess whether the loss has been reversed.

e) Investments in associates (note 10)

Investments in associates are accounted for using the equity method from the date that significant influence commences until the date that significant influence ceases. However, if on the acquisition date all or part of the investment qualifies for recognition as non-current assets or disposal groups held for sale, it is recognised at fair value less costs of disposal.

Investments in associates are initially recognised at cost of acquisition, including any cost directly attributable to the acquisition and any consideration receivable or payable contingent on future events or on compliance with certain conditions.

The excess of the cost of the investment over the Group's share of the fair values of the identifiable net assets is recognised as goodwill, which is included in the carrying amount of the investment.

The Group's share of the profit or loss of associates is recognised as an increase or decrease in the value of the investments, with a credit or debit to share of the profit or loss for the year of associates. The Group's share of other comprehensive income of associates from the date of acquisition is recognised as an increase or decrease in the value of the investments in associates with a balancing entry in other comprehensive income based on the nature of the investment. The distribution of dividends is recognised as a decrease in the value of the investment. The Group's share of profit or loss, including impairment losses recognised by the associates, is calculated based on income and expenses arising from application of the acquisition method.

The Group's share of the profit or loss of an associate and of changes in equity is calculated without considering the possible exercise or conversion of potential voting rights.

Impairment is calculated by comparing the carrying amount of the net investment in the associate with its recoverable amount. The recoverable amount is the higher of value in use and fair value less costs of disposal. Accordingly, value in use is calculated based on the Group's share in the present value of estimated cash flows from ordinary operations and the income generated on final disposal of the associate.

Impairment losses are not allocated to goodwill or other assets implicit in the investment in associates derived from application of the acquisition method. In subsequent years, reversals of impairment of investments are recognised in profit or loss to the extent of any increase in the recoverable amount. Impairment losses are presented separately from the Group's share of profit or loss of associates.

f) Investments at fair value through profit or loss (note 11)

Investments held with the intention of not selling them in the short term and those held through venture capital companies are included in this line item pursuant to IAS 28.18.

They are recognised at fair value through profit or loss.

The fair value of investments in unlisted companies was determined using either the analysis of multiples of comparable companies or the discounted cash flow method, whichever was the most suitable method for each investment.

g) Non-current assets and liabilities held for sale (note 30)

Alba classifies non-current assets or disposal groups as non-current assets held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets or disposal groups are classified as held for sale, provided that they are available for sale in their present condition subject to terms that are usual and customary for sales of such assets and that the transaction is highly probable.

Alba does not depreciate non-current assets or disposal groups classified as held for sale, rather it measures them at the lower of the carrying amount and fair value less the costs of disposal.

Impairment losses on initial classification and subsequent remeasurement of assets classified as held for sale are recognised under profit or loss from continuing operations in the consolidated income statement, unless it is a discontinued operation. Impairment losses are allocated first to reduce the carrying amount of goodwill and then to reduce pro rata the carrying amounts of other assets in the unit.

Alba recognises gains arising from increases in the fair value less costs of disposal in profit or loss to the extent of the cumulative impairment previously recognised due to measurement at fair value less costs of disposal or to impairment of non-current assets.

h) Calculation of fair value (notes 6, 11 and 20)

Alba measures financial instruments and non-financial assets such as investment property at their fair value at the reporting date of the financial statements. Details of the fair value of financial assets measured at amortised cost are provided in note 20. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or most advantageous market must be a market that is accessible for Alba.

The fair value of an asset or a liability is calculated using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Alba uses valuation techniques appropriate to the circumstances and for which sufficient information is available to calculate the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All the assets and liabilities for which calculations or disclosures of their fair value are made in the financial statements are categorised within the fair value hierarchy described below, based on the lowest level input necessary for the calculation of the fair value measurement in its entirety:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input used that is significant for the calculation is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input used that is significant for the calculation is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, at the end of each year Alba reviews their categorisation (based on the lowest level input that is significant for the calculation of fair value as a whole) to determine whether there have been any transfers between the different levels of the hierarchy.

Alba determines the policies and procedures for recurring fair value calculations, such as investment property and unlisted financial assets.

For the valuation of significant assets and liabilities, such as investment property, financial assets and contingent consideration, internal and external valuers are used.

For the purposes of the required disclosures of fair value, the Group has determined the different classes of assets and liabilities based on their nature, characteristics, risks and fair value hierarchy as explained previously.

i) Loans and receivables (notes 12, 13 and 14)

The Group initially measures the financial assets included in this category (other financial assets and trade and other receivables) at fair value, which is the transaction price. In transactions with a due date within one year for which there is no contractual interest rate, dividends receivable and receivables on called-up equity instruments expected to be collected in the short term are measured at their nominal amount, as the effect of not discounting the cash flows is immaterial.

Subsequently these financial assets are measured at amortised cost and the interest accrued is recognised in the income statement using the effective interest method. At least once a year, and whenever there is objective evidence that a loan or receivable is impaired, Alba carries out impairment testing. Based on this analysis, Alba recognises the corresponding impairment losses where applicable.

The impairment loss on these financial assets is calculated as the difference between their carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate.

Impairment and reversals thereof are recognised as an expense or income, respectively, in the income statement. The loss can only be reversed up to the limit of the carrying amount of the receivable that would have been recorded at the reversal date had the impairment loss not been recognised.

j) Cash and cash equivalents (note 14)

This line item of the balance sheet includes cash on hand, demand deposits and other current highly liquid investments that are readily convertible to cash and subject to an insignificant risk of changes in value.

k) Financial liabilities (note 19)

Financial liabilities generally include loans and borrowings that are initially recognised at the cash amount received, less transaction costs. In subsequent periods they are carried at amortised cost using the effective interest method.

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l) Own shares (note 15)

Own shares are recognised as a reduction in equity. No gain or loss is recognised for the purchase, sale, issue, redemption or cancellation of Alba's own equity instruments.

m) Provisions (note 17)

Provisions are recognised for present obligations arising from a past event when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect of the time value of money is significant, the provision is discounted using a pre-tax rate. When discounted, increases in the provision due to the passage of time are recognised as a finance cost.

n) Income tax (note 22)

The income tax expense is calculated as the sum of current tax, calculated by applying the relevant tax rate to the taxable income or tax loss for the period, less any existing deductions and credits, plus any changes in recognised deferred tax assets and liabilities during the period. The income tax expense is recognised in the income statement, except when it relates to transactions recognised directly in equity, in which case the associated tax is also recognised in equity, or as part of a business combination with a charge or credit to goodwill.

o) Alternative pension plan schemes

Alba has three plans – two defined benefit plans and one defined contribution plan – which are externalised to insurance companies and require that contributions be made to a separately managed fund.

The Group recognises the contributions payable to a defined contribution plan in exchange for a service when an employee has rendered service to the Group. The amount of the contributions accrued are recognised as personnel expenses. If the contribution already paid exceeds the accrued expense, the Group only recognises the corresponding asset to the extent that the prepayments will lead to a reduction in future payments or a cash refund.

When contributions to a defined contribution plan are not expected to be paid in full within the 12 months after the end of the year in which the employees render the related service, they are discounted using the market yield on high quality corporate bonds.

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The projected unit credit method was used to measure the obligation derived from pension commitments. With this method the benefits are financed as and when they are generated, based on the employee's years of service at the Company, so that the commitment is fully funded by the end of the employee's working life when they reach retirement age.

Past service cost is recognised in the consolidated income statement at the earlier of the following dates:

- When the plan amendment or curtailment occurs; and
- When the Group recognises related restructuring costs or termination benefits.

The discount rate of obligations and of assets intended to settle the commitments was determined considering the return on high quality corporate bonds with a similar maturity to the commitments measured, using German public debt as a benchmark.

The main assumptions used in 2023 and 2022 to measure defined benefit obligations were as follows:

	2023	2022
Mortality tables	PERM 2020_Col_1st_rank	PERM 2020_Col_1st_rank
Technical interest agreed in the policies	2.5%	2.5%
CPI growth	2.0%	2.0%
Pay rises	2.5%	2.5%
Changes in Social Security base	CPI + 1.20%	2.0%
Discount rate of obligations and of assets intended to settle the commitments	3.0%	3.7%
Retirement age	65	65

The changes in defined benefit plan obligations and the fair value of the assets associated with the benefit in 2023 and 2022 are as follows:

		Cost of commitments recognised in the income statement					
	01/01	Service cost	Interest income/(expense), net	Subtotal included in profit or loss	Obligations met (paid)	Actuarial gains/(losses)	31/12
2023							
Obligations under defined benefit plans	(10.9)	(0.5)	(0.4)	(0.9)	0.1	1.0	(10.7)
Fair value of plan assets	10.9	0.7	0.3	1.0	(0.1)	(1.1)	10.7
(Obligations)/Rights under defined benefit plans, net							-
2022							
Obligations under defined benefit plans	(18.8)	(0.9)	(0.2)	(1.1)	4.2	4.8	(10.9)
Fair value of plan assets	18.8	1.3	0.4	1.7	(4.2)	(5.4)	10.9
(Obligations)/Rights under defined benefit plans, net							-

The contribution expected to be made in 2024 in relation to defined benefit plans is Euros 0.6 million.

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A sensitivity analysis of the main variables taken into account is shown below:

	Discount rate		Future pay rises	
Sensitivity level	+0.5%	-0.50%	+0.5%	-0.50%
2023				
Impact on the (Obligations) / Rights under defined benefit plans, net				
2022	-3.64%	4.20%	1.33%	-1.35%
Impact on the (Obligations) / Rights under defined benefit plans, net	-4.88%	5.70%	1.05%	-1.16%

The contributions related to both plans are recognised in the income statement and disclosed in note 25.a.

p) Share-based payment transactions

At 31 December 2023 and 2022 Alba has no share option schemes.

q) Recognition of income and expenses

Income and expenses are allocated on an accruals basis, irrespective of the timing of collections and payments and always taking into account the economic substance of the transaction.

Revenue represents amounts receivable for goods delivered and services rendered in the ordinary course of business, net of returns and discounts, and amounts received on behalf of third parties, such as value added tax. Revenue is recognised when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group. It is measured at the fair value of the consideration received or receivable.

Revenue is recognised when the customer obtains control of the goods or services sold, i.e. when the customer has the ability to direct the use of and obtain benefits from the goods or services. Depending on the commercial terms of sale, the transfer of control and risk relating to the goods may occur when the materials are dispatched from the Group's facilities or delivered to the customer. The Group takes these terms of sale into account in determining the timing of revenue recognition. Revenue from the sale of goods is recognised when control over the goods is transferred to the customer. Revenues associated with the rendering of services are recognised by reference to the stage of completion of the service at the reporting date; this occurs when revenues can be estimated reliably, it is probable that the benefits of the transaction will flow to the company and the stage of completion and the costs already incurred can be measured reliably.

Purchases, consumables used and changes in merchandise and raw materials, as well as work carried out by other companies, are included under supplies.

The Group has not made any significant judgements in determining the recognition of the revenue of any of the aforementioned subgroups.

The Group uses the five-step model to determine when revenue should be recognised and how much revenue should be recognised.

1. Identify the contract with the customer.

2. Identify the performance obligations in the contract.

3. Determine the transaction price.

4. Allocate the transaction price to the performance obligations.

5. Recognise revenue when a performance obligation is satisfied.

Revenue associated with the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

Lease income from investment property is recognised in the income statement on a straight-line basis over the term of the lease.

Interest income is recognised applying financial criteria, based on the outstanding portion of the principal, the time to maturity and the applicable effective interest rate.

Dividend income from investments is recognised when the right to receive it is recognised.

At 31 December 2023, in addition to the income from the lease of Alba's properties, the amount recorded under revenue includes the income contributed by the Nuadi, Facundo and Gesdocument subgroups during the first three months of the year. At 31 December 2022, the revenue of the Nuadi, Facundo, Gesdocument, Preving and Satlink subgroups was included.

The nature of the revenue of each of these subgroups in 2023 and 2022 is as follows:

- Satlink subgroup: Revenues are generated primarily from the sale of buoys for fishing activities and the provision of communications services.

- Nuadi subgroup: Revenues are generated primarily from the sale of stamped metal components, plates, electrical wiring and other brake accessories in the automotive sector.

- Preving subgroup: Revenues are generated primarily from the provision of occupational risk prevention services.

- Facundo subgroup: Revenues are generated primarily from the sale of nuts, dried fruit and snacks.
- Gesdocument: Revenues are generated primarily from the provision of legal, employment and financial advisory services.

r) Right-of-use assets and lease liabilities

Assets are recognised under right-of-use assets and are classified based on the nature of the underlying asset. At the commencement date they are measured at the amortised cost of the contract, and subsequently they are measured at cost less any accumulated depreciation and impairment. These assets are depreciated on a straight-line basis over the term of the contract.

The lease liability reflects the fixed instalments agreed and the initial or future payments that are considered highly probable (direct costs related to start-up or penalties, among others), excluding from this calculation variable rent tied to the future measurement of a parameter. The liability is measured at amortised cost using the interest rate implicit in the lease agreement or, if this rate cannot be easily determined, the incremental interest rate payable by the Group for such an agreement.

The liability is discounted using the effective interest method and decreased by the payments made.

The Group remeasures the lease liability by discounting the lease payments at a revised discount rate, if there has been a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

The Group accounts for a lease modification as a separate lease if the modification increases the scope of the lease by adding the right to use one or more underlying assets; and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

5. Business combinations

Goodwill generated in 2023

The Group did not carry out any business combinations in 2023.

Goodwill generated in 2022

<u>Acquisition of 37.43% of the Facundo Group</u>

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 37.43% of the share capital of Disfasa, S.A. (parent of the Facundo Group) for Euros 21.9 million. The Facundo Group has its registered office in Spain and its principal activity is the production and distribution of nuts, dried fruit and snacks. The main reason for this business combination was that the venture capital management company, Arta Capital, SGEIC, S.A.U., controlled a majority interest.

Details of the consideration given, the fair value of the net assets acquired and goodwill are as follows:

Cash paid	21.9
Fair value of net assets acquired	19.0
Goodwill	2.9

The amounts recognised at the acquisition date, by significant class of assets and liabilities, were as follows:

	Carrying amount	Adjustments to fair value	Fair value
Intangible assets (goodwill)	40.1	-	40.1
Other intangible assets	24.0	33.5	57.5
Other property, plant and equipment	2.1	-	2.1
Cash	5.0	-	5.0
Receivables and other assets	8.3	-	8.3
Total assets	79.5	33.5	113.0
Loans and borrowings	(42.5)	-	(42.5)
Deferred tax liabilities	(6.0)	(8.4)	(14.4)
Payables and other liabilities	(5.4)	-	(5.4)
Total liabilities	(53.9)	(8.4)	(62.3)
		Net assets	50.7
		Non-controlling interest	(31.7)
		Net assets acquired	19.0

The intangible assets generated in the business combination relate in full to customer portfolios with useful lives ranging from 7 to 16 years.

In 2022 the acquiree generated revenue of Euros 14.9 million and consolidated profit of Euros 1.2 million for Alba from the acquisition date to the reporting date. Had the acquisition taken place on 1 January 2022, the Group's revenue and consolidated profit for the year ended 31 December 2022 would have amounted to Euros 29.8 million and Euros 7.8 million, respectively.

The fair value of this business combination was estimated by an independent third party. The recognition of this business combination was considered as definitive at 31 December 2022, since at the date of authorisation for issue of these consolidated annual accounts the valuation had been finalised. Therefore, Group management did not modify the fair value of the assets acquired in 2023.

Kroll Advisory, S.L. used the multiperiod excess earnings method (MEEM) to calculate the fair value of intangible assets, which determines the value of an asset based on the cash flows that are generated exclusively by the asset in question. The MEEM estimates the value as the present value of the earnings anticipated from ownership of the intangible asset in excess of the returns required on the investment in the contributory assets necessary to realise those earnings. It is based on the theory that all operating assets contribute to a company's profitability. Accordingly, if the estimated earnings associated with a company's specific asset are dependent on the use of the company's other assets, then the estimated excess earnings of the asset should include charges for the use of these contributory assets. This method was applied for the valuation of the customer portfolio, using a discount rate of 11.50%.

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group no longer exercises control over the Facundo Group, which is therefore no longer fully consolidated and is now carried at fair value (see note 2.3).

Acquisition of 46.79% of Gesdocument y Gestión, S.A.

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 46.79% of the share capital of Gesdocument y Gestión, S.A. for Euros 8 million. Gesdocument y Gestión, S.A. has its registered office in Spain, and its principal activity is the provision of tax, economic, financial, administrative, employment and accounting advisory services. The main reason for this business combination was that the venture capital management company, Artá Capital, SGEIC, S.A.U., controlled the entire ownership interest in this company.

Details of the consideration given, the fair value of the net assets acquired and goodwill are as follows:

Cash paid	8.2
Fair value of net assets acquired	2.1
Goodwill	6.1

The amounts recognised at the acquisition date, by significant class of assets and liabilities, were as follows:

	Carrying amount	Adjustments to fair value	Fair value
Intangible assets	4.3	-	4.3
Other property, plant and equipment	1.2	-	1.2
Cash	4.4	-	4.4
Receivables and other assets	3.1	-	3.1
Total assets	13.0	-	13.0
		-	
Loans and borrowings	(1.0)	-	(1.0)
Payables and other liabilities	(7.5)	-	(7.5)
Total liabilities	(8.5)	-	(8.5)
		Net assets	4.5
		Non-controlling interest	(2.4)
		Net assets acquired	2.1

In 2022 the acquiree generated revenue of Euros 7.3 million and consolidated profit of Euros 0.7 million for Alba from the acquisition date to the reporting date. Had the acquisition taken place on 1 January 2022, the Group's revenue and consolidated profit for the year ended 31 December 2022 would have amounted to Euros 13.8 million and Euros 0.2 million, respectively.

The estimate of the fair value of this business combination was calculated internally by Company management, considering that there are no differences between the carrying amount and the fair value of the assets acquired and liabilities assumed. The recognition of this business combination in the consolidated financial statements at 31 December 2022 was considered provisional, and any adjustments are to be made within one year from the date of acquisition. In 2023 Company management did not modify the fair value of the assets acquired, on considering such values definitive.

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group no longer exercises control over Gesdocument, which is therefore no longer fully consolidated and is now carried at fair value (see note 2.3).

6. Investment Property

This line item comprises buildings leased out. CBRE Valuation Advisory, S.A., a specialist in appraisals of this type of investments, valued these properties at 31 December 2023 and 2022. The valuation was performed according to the Property Appraisal and Valuation Standards and Observations Guide published by the Royal Institution of Chartered Surveyors in the United Kingdom, and is based on the discounted cash flow and comparables method.

The methodology used to calculate the market value consists of preparing 10 years' worth of income and expense projections for each asset, which will subsequently be updated at the reporting date using a market discount rate. The residual amount at the end of year 10 is calculated applying a rate of return ("exit yield" or "cap rate") to the net income projections for year 11. The market values thus obtained are analysed by calculating and analysing the yield capitalisation implicit in these values. The projections are aimed at reflecting the best estimate of future income and expenses of the real estate assets. Both the rate of return and the discount rate are defined in accordance with the domestic market and considering the conditions prevailing in the institutional market.

The valuation method used considers each property on an individual basis, without contemplating any adjustments in respect of the asset belonging to a large portfolio of properties. For each property a rent capitalisation rate considered to be a market rate has been assumed, which was subsequently adjusted based on the following parameters:

- The duration of the lease contract and the solvency of the tenant.
- The location of the premises within the municipality (centre, metropolitan area or periphery).
- The immediate surroundings of the property.
- The state of conservation of the property (external and internal).
- The distribution of the property's surface area between below ground and above ground.
- The facade looks onto one or more streets (corner, chamfer).
- The rental situation compared to market rent.

All of the Group's investment property is located in Madrid. Movement in this item is as follows:

Balance at 1-1-22	334.8
Increases	2.0
Decreases	(20.4)
Change in fair value	1.1
Balance at 31-12-22	317.5
Increases	3.1
Change in fair value	(19.4)
Balance at 31-12-23	301.2

The increases in 2023 and 2022 mainly related to improvements to the properties and the acquisition of several parking spaces amounting to Euros 0.4 million and Euros 0.2 million, respectively. In 2022 the Group sold a building in Madrid for Euros 22 million; this sale gave rise to a gain of Euros 1.6 million.

The most significant information regarding the leasable area at 31 December is as follows:

	2023	2022
Above ground surface area (m^2)	42,420	42,420
Leased area (m^2)	41,429	37,484
Occupancy rate (%)	97.7%	88.4%

A sensitivity analysis of the main variables taken into account when valuing all of Alba's investment property is provided below. The following table shows the potential variation in fair value of all the investment property in the event of a 10% decrease/increase in rent of all the buildings and in the event of a 25 b.p. decrease/increase in the rate of return ("exit yield"):

Year	-10% rent	EXIT YIELD + 25% b.p.	EXIT YIELD - 25% b.p.	+10% rent
2023	-5.71%	-5.61%	6.34%	7.64%
2022	-8.40%	-6.40%	4.90%	8.30%

The expenses related to the vacant area are not significant enough for disclosure.

Details of lease income are provided in note 24. At 31 December 2023 and 2022 lease income relating to the non-cancellable period, calculated up to expiry of the lease, is as follows:

	2023	2022
Less than one year	12.5	11.4
1-5 years	21.6	14.5
More than 5 years	4.4	2.1
TOTAL	38.5	28.0

Insurance policies are arranged to cover the risk of damage to these assets.

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

7. Property, Plant and Equipment

Movement in this balance sheet item is as follows:

	Buildings	Other property, plant and equipment	Total
Cost:			
Balance at 1/1/2022	29.4	37.3	66.7
Increases	3.2	8.6	11.8
Disposals	(3.0)	(9.3)	(12.3)
Business combinations (note 2.3)	2.1	1.2	3.3
Other movements (loss of control of Preving) (note 2.3)	(20.1)	-	(20.1)
Balance at 31/12/2022	11.6	37.8	49.4
Accumulated depreciation:			
Balance at 1/1/2022	(18.5)	(16.4)	(34.9)
Increases	(3.7)	(6.2)	(9.9)
Disposals	0.8	1.5	2.3
Other movements (loss of control of Preving) (note 2.3)	15.9	-	15.9
Balance at 31/12/2022	(5.5)	(21.1)	(26.6)
Provisions:			
Balance at 1/1/2022	(0.3)	-	(0.3)
Balance at 31/12/2022	(0.3)	-	(0.3)
Balance at 31/12/2022	5.8	16.7	22.5
Cost:			
Balance at 1/1/2023	11.6	37.8	49.4
Increases	-	0.3	0.3
Other movements (loss of control of Nuadi, Facundo and Gesdocument) (note 2.3)	(11.6)	(26.9)	(38.5)
Balance at 31/12/2023	0.0	11.2	11.2
Accumulated depreciation:			
Balance at 1/1/2023	(5.5)	(21.1)	(26.6)
Increases	-	(1.8)	(1.8)
Other movements (loss of control of Nuadi, Facundo and Gesdocument) (note 2.3)	5.5	13.0	18.5
Balance at 31/12/2023	0.0	(9.9)	(9.9)
Provisions:			
Balance at 1/1/2023	(0.3)	-	(0.3)
Other movements (loss of control of Nuadi, Facundo and Gesdocument) (note 2.3)	0.3	-	0.3
Balance at 31/12/2023	-	-	-
Balance at 31/12/2023	-	1.3	1.3

Insurance policies are arranged to cover the risk of damage to the various items of property, plant and equipment.

8. Goodwill

Movement in goodwill is as follows:

Balance at 1/1/2022	79.6
Acquisition of Gesdocument y Gestión, S.A. (note 5)	6.1
Acquisition of Facundo Group (note 5)	43.0
Loss of control of Preving subgroup (note 2.3)	(54.5)
Entry of Nuadi Group CGU	1.1
Balance at 31/12/2022	75.3
Loss of control of Nuadi, Facundo y Gesdocument and subgroups (note 2.3)	(75.3)
Balance at 31/12/2023	-

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the Nuadi, Facundo and Gesdocument subgroups (see note 2.3) and, therefore, in 2023 all the goodwill that the Group held in relation to past acquisitions of these subgroups was derecognised.

Goodwill arising from new acquisitions in 2022 was allocated to new cash-generating units (CGUs) arising as a result of these acquisitions.

Goodwill is allocated to CGUs for impairment testing purposes. Goodwill is allocated to the CGUs that are expected to benefit from the business combination from which the goodwill arose.

The Group tests goodwill for impairment at the end of each reporting period, or earlier if there are indications of impairment, in accordance with the accounting policy described in note 4.d.1. At 31 December 2023 it was not necessary to perform an impairment analysis as the goodwill had been fully derecognised. No impairment losses were recognised on goodwill in 2022.

The recoverable amount of the various CGUs was determined on the basis of fair value calculations, based on the valuation report prepared by the independent external appraiser, Kroll Advisory, S.L. The method used to determine the recoverable amount was based on the discounted future cash flow method.

Financial projections (sales, EBITDA, investments, etc.) are based on the budgets (if any are available) and business plans of the companies themselves (which are the same as the CGUs), approved by their respective boards of directors. These projections are not published and were presented to the Group at board meetings. In any case, the reasonableness of the projections prepared by the companies is contrasted with different market comparables and the Group's own opinion based on its past experience. Financial projections are made for a five-year period.

The key valuation variables are as follows: Discount rate (WACC) and perpetual growth rate (g):

- The WACC is calculated using the capital asset pricing model (CAPM) generally accepted by the financial community, and on the basis of market variables obtained through Bloomberg, such as the rate of return on the 10-year bond or levered beta with respect to the benchmark stock market index. In addition, various internal estimates are used, such as: the spread for the Company's non-current debt in respect of the 10-year bond, the tax rate (same as for the cash flows used in the terminal value calculation) and the target capital structure.
- The perpetual growth rate is calculated based on each company and the market in which it operates.

9. Other Intangible Assets

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the Nuadi, Facundo and Gesdocument subgroups (see note 2.3) and, therefore, in 2023 all the intangible assets that the Group held in relation to these subgroups were derecognised.

At 31 December 2023, all intangible assets comprised other intangible assets in the amount of Euros 0.1 million, of which Euros 0.4 million corresponds to cost and Euros 0.3 million to accumulated amortisation.

The amortisation expense for 2023, up to the loss of control, amounted to Euros 2.4 million.

Details of the cost and accumulated amortisation of each class of intangible asset at 31 December 2022 were as follows:

	Trademarks	Customer portfolio	Other intangible assets	Total
Cost	18.5	101.5	19.9	139.9
Accumulated amortisation	-	(14.7)	(1.5)	(16.2)
	18.5	86.8	18.4	123.7

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

10. Investments in Associates

The relevant information on companies included in this item is as follows:

	Assets		Liabilities				
	Current	Non-current	Current	Non-current	Revenues	Consolidated Profit/(loss) Attributable to the Parent	Other comprehensive income
Acerinox, S.A.							
2023	4.321,7	1.777,1	1.902,4	1.733,2	6.608,0	228,1	(146,6)
2022	4.415,7	1.902,4	1.947,1	1.823,3	8.688,5	556,1	172,5
Aegis Lux 2, S.à.r.l.							
2023	674.7	15,327.5	1,263.6	8,691.7	3,090.0	(280.2)	-
2022	732.2	15,459.4	1,157.9	8,634.6	2,827.0	(239.7)	-
CIE Automotive, S.A.							
2023	1,797.0	3,872.0	1,837.7	2,170.1	3,959.5	320.2	(91.2)
2022	1,848.4	3,795.0	1,990.5	2,148.3	3,838.6	300.1	24.2
Ebro Foods, S.A.							
2023	1,627.1	2,244.5	1,192.3	457.2	3,084.5	187.0	(29.8)
2022	1,669.2	2,231.0	869.9	832.1	2,967.7	122.1	40.3
Piolin II, S.à.r.l.							
2023	126.6	2,354.9	396.4	1,789.6	830.1	(119.0)	20.1
2022	149.7	2,369.9	297.5	1,830.7	820.5	8.9	(4.1)
Profand Fishing Holding, S.L.							
2023	414.0	364.6	339.2	283.7	913.7	0.2	-
2022	385.3	339.2	276.3	272.3	929.0	14.6	-
Rioja Luxembourg, S.à.r.l.							
2023	161.0	3,251.0	9.0	1,506.0	-	305.0	278.0
2022	100.0	2,818.0	28.0	1,576.0	-	260.0	249.0
Viscofan, S.A.							
2023	764.0	643.5	339.3	110.4	1,225.8	141.0	1.7
2022	720.5	624.2	325.7	112.1	1,201.0	139.4	40.8

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Notification of shareholdings:

Notifications were issued concerning the acquisition, modification and disposal of interests in the share capital of the companies, in accordance with prevailing legislation.

	Purchases (%)		Sales (%)	
	2023	2022	2023	2022
CIE Automotive, S.A. (*)	-	0.62	-	-
Ebro Foods, S.A.	-	0.08	-	-
Acerinox, S.A. (*)	-	-	-	-
Indra Sistemas, S.A.	-	-	-	3.21
Viscofan, S.A.	-	0.28	-	-

(*) In 2023 the Group increased its interests in Acerinox, S.A. and CIE Automotive, S.A. by 0.77% and 0.31%, respectively, as a result of the redemption of own shares by both companies (see note 2.4).

a) Investments in associates in 2023

Variations in investments in associates in 2023 are as follows:

Company	Consolidated value 01/01/23	Profit/(loss) investees	Accrued dividends	Acquisitions / (disposals) and transfers	Changes in consolidated equity of associates	Impairment	Consolidated value 31/12/2023	Market value 31/12/2023
Acerinox, S.A.	636,9	42,6	(29,4)	-	(28,0)	-	622,1	512,5
Aegis Lux 2, S.à.r..l. (Verisure)	310,8	(22,3)	-	-	(5,4)	-	283,1	-
CIE Automotive, S.A.	401,1	43,8	(14,2)	-	(10,7)	-	420,0	420,9
Ebro Foods, S.A.	412,9	27,1	(12,7)	-	(11,4)	(45,2)	370,7	346,8
Piolin II, S.à.r.l. (Parques Reunidos)	105,4	(29,7)	-	-	0,7	-	76,4	-
Profand Fishing Holding, S.L.	81,2	(1,5)	-	2,3	(3,1)	3,1	82,0	-
Rioja Luxembourg, S.à.r.l. (Naturgy)	358,8	80,6	(1,6)	-	73,0	-	510,8	1.076,5 (*)
Viscofan, S.A.	344,6	20,2	(12,9)	-	-	-	351,9	355,2
TOTALES	2.651,7	160,8	(70,8)	2,3	15,1	(42,1)	2.717,0	

(*) Reflects the value of the indirect interest in Naturgy, net of the pro rata amount of Rioja debt.

The variations in consolidated equity in 2023 are due primarily to adjustments derived from currency translation, changes in the value of financial assets through equity, and variations in own shares.

At 31 December 2023, Alba recognised an impairment loss of Euros 45.2 million on the ownership interest in Ebro Foods, S.A. Alba also reversed in full the impairment of the interest in Profand Fishing Holding, S.L. of Euros 3.1 million recognised in 2022.

Profand Fishing Holding, S.L. was valued by Kroll Advisory, S.L., an independent expert, which has issued its corresponding report. The method used by the independent expert to determine the recoverable amount of this investment is based on discounted future cash flows.

Financial projections (sales, EBITDA, investments, etc.) are based on the budgets and business plans of the company itself, approved by its Board of Directors. These projections are not published and are presented to Alba at board meetings. The financial projections used in the valuation were for five years. In addition, the reasonableness of the Company's projections has been tested against various market comparables.

Key valuation variables: discount rate (WACC) and perpetual growth rate (g).

- The WACC rate has been calculated using the capital asset pricing model (CAPM) adjusted by an additional risk premium. The discount rate was calculated after tax.
- The perpetual growth rate has been calculated on the basis of a normalised cash flow based on the explicit projection of the last year (2028).

The most significant assumptions used in the valuation of Profand Fishing Holding, S.L. in 2023 were as follows:

	Profand Fishing Holding, S.L.
Perpetual growth rate	2.0%
Discount rate (WACC)	9.0%
Capital structure:	
Capital	72.0%
Debt	28.0%
Equity ratio	10.4%
Cost of debt after tax	4.7%

At 31 December 2023, a variation in the assumptions used to calculate fair value would have the following effects thereon:

Change	Profand Fishing Holding, S.L.
Weighted average cost of capital (WACC)	
+ 0.5%	-14.2%
- 0.5%	16.4%
+ 1%	-26.6%
- 1%	35.6%
Perpetual growth	
+ 0.2%	3.4%
- 0.2%	-3.3%
+ 0.4%	7.1%
- 0.4%	-6.4%

The associates whose quoted price at 2023 year end is lower than their carrying amount are as follows: Acerinox, S.A. and Ebro Foods, S.A. In these cases Alba's Investment Department calculates the value in use of each investment, which was reviewed by the Finance Department without involving any independent experts. The discounted cash flow method is used, subsequently subtracting the amount of net debt and non-controlling interests. The assumptions used in 2023 were as follows:

	Acerinox, S.A.	Ebro Foods, S.A.
Perpetual growth rate	1.8%	1.5%
Discount rate (WACC)	9.4%	7.2%
Capital structure:		
Capital	80%	80%
Debt	20%	20%
Equity ratio	10.7%	8.0%
Cost of debt after tax	4.4%	3.9%
Estimated value in use (€/share)	13.34	16.60

Financial projections (sales, EBITDA, investments, etc.) are based, where available, on the annual budgets and business plans of the investees themselves approved by their respective boards of directors. In the event of any subsequent updates or reviews of these business plans by the companies themselves, the latest available version is used. In most cases the budgets and business plans of the investees are internal and have not been announced to the market. In any case, the reasonableness of the projections is contrasted with and supplemented by consensus estimates available through platforms such as Bloomberg and Factset, historical data and the opinion of Alba's own team based on its past experience.

In theory, no adjustments are made to the projections prepared by the companies or to consensus estimates. However, it may be necessary to use internal estimates prepared by Alba in certain situations:

- When the existing projections, either those prepared by the companies themselves or consensus estimates, do not cover the minimum projected period required, established as at least five years, and it is necessary to extend the estimate to this minimum period.
- When the analysts' consensus sample is considered to be insufficiently representative because it consists of too few estimates. In general, the number of analysts that contribute to consensus estimates declines as the period gets longer, and the consensus ceases to be representative in the final years of the explicit period.
- Moreover, consensus estimates tend to be significant for sales and EBITDA, but less so for other relevant cash flow variables such as investments, the tax rate or the change in working capital. For these variables, own estimates are prepared based on a representative sample of analysts' estimates, the company's history, and the knowledge acquired by Alba through its presence on the respective boards of directors and its past experience in the company or similar companies.
- All internal estimates are contrasted with the Company's historical data and analysts' reports, where appropriate.

At 31 December 2023 financial estimates with a time horizon of five years (2024-2028) were used for all the associates analysed, subsequently calculating a terminal value on the basis of this explicit five-year period.

A summary of the main assumptions applied in the financial projections used in the explicit valuation period (2024-2028) for Acerinox, S.A. and Ebro Foods, S.A. is as follows:

- Revenue growth: Ebro Foods, S.A. shows moderate growth in the projected period. The expected cumulative annual growth rate for revenues in the explicit period is in line with the perpetual growth rate used. Conversely, Acerinox, S.A. reflects the dynamics of the cyclical sector in which it operates and, after the record results posted in 2022, revenues are expected to fall steadily until they return to normal levels.

- EBITDA margins: after the decline suffered in 2022, Ebro Foods, S.A. returned to profitability in 2023 thanks to more stable raw materials prices and lower transport and energy costs. A slight fall is foreseen in 2024 and 2025 before a return to normal levels. In Acerinox, S.A., the margin is expected to contract sharply in the 2023-2026 period until it reaches a normalised level in line with the historical average, and remain stable in the following years.

  The deviations between the revenue and EBITDA margin growth projections for Acerinox, S.A. and Ebro Foods, S.A. estimated for 2023 in the 2022 financial valuation and the results actually obtained by both associates in 2023 are shown below:

	Ebro Foods, S.A.	Acerinox, S.A.
Growth in sales	+4.7%	+3.7%
Change in EBITDA margin	-1.0 p.p.	-0.3 p.p.

In the case of Ebro Foods, in the valuation exercise carried out based on analysts' consensuses in December 2022, the amount of revenues estimated for 2023 was 4.7% lower than those reported. On the other hand, the EBITDA margin estimated for 2023 at December 2022 was 1.0 p.p. higher than that reported in 2023.

In the case of Acerinox, the amount of 2023 revenues estimated in the December 2022 valuation exercise, based on analysts' consensuses, was 3.7% lower than those reported at the end of 2023. On the other hand, the EBITDA margin estimated for 2023 at December 2022 was 0.3 p.p. higher than that reported in 2022.

The differences between the estimated and the actual results of Acerinox, S.A. and Ebro Foods, S.A. in 2023 have different causes. In the case of Acerinox, S.A., the cyclical, volatile nature of the international stainless steel market generally makes it difficult for both the company and analysts to draw up entirely accurate financial projections. In the case of Ebro Foods, S.A., the figures for 2023 were undermined by expectations of higher demand than that which materialised during the year, a difficult factor to foresee when the projections were drawn up.

- Investments (expressed as a percentage of sales): these are projected to remain stable in the explicit period in both companies, in line with the historical average. Historical averages do not include acquisitions and, likewise, the financial projections do not take into consideration acquisitions or sales of businesses.
- The tax rate applied ranges from 27.0% to 27.5%, as both companies have activities in jurisdictions where tax rates are higher than those in Spain (25.0%).
- The change in working capital assumes convergence with the historical data.

The WACC discount rate is calculated on the basis of the CAPM generally accepted by the financial community and based on the calculation of the following parameters:

- The CAPM —a method generally accepted by the investment community to calculate the expected return on an investment in an asset based on the risk assumed— is used to calculate the equity ratio. The variables necessary to calculate the return on equity were determined as follows:

- Risk-free rate: since the companies under analysis are of Spanish origin (Acerinox, S.A. and Ebro Foods, S.A.), the yield on the Spanish 10-year bond at the time of valuation is taken as the benchmark.

- Beta: calculated as the average of the betas of each of the companies with respect to the benchmark index (Ibex 35). The average of the betas calculated for different periods (one, three and five years) and different time frames (daily, weekly or monthly correlation) are used for the calculation.

- Market risk premium: historically calculated as a spread of 500 basis points over the risk-free rate used.

- Specific risk premium: an additional risk premium is added to the equity ratio in order to capture the higher risk of low liquidity of shares, for example. This additional risk premium is strictly based on Alba's internal estimates and contributes to raising the cost of equity to levels higher than would have resulted from the direct application of the WACC formula which, in Alba's view, would result in discount rates that are too low in an environment of rising interest rates and macroeconomic uncertainty. This risk premium has a similar effect to using an average historical return versus present value in the risk-free rate.

• The variables necessary to calculate the cost of debt after tax were calculated as follows:

  - Risk-free rate: the greater of the yield of the Spanish 10-year bond or the Euribor 10-year swap is conservatively used to calculate the cost of debt. Both figures are obtained from public market sources (Bloomberg and/or Factset) when performing the valuations.

  - Long-term credit spread: Drawing on its experience, Alba uses a different spread for each company based on its level of risk. This spread ranges between 200 and 350 basis points depending on the company. In addition, the resulting cost of debt is compared with the actual data of the investees (always lower than Alba's estimates) and with the available analysts' consensus.

  - Tax rate: To calculate the cost of debt after tax, the same tax rate is used as the rate used to calculate the free cash flows for the terminal value of discounted cash flows. This rate is normally the general corporate income tax rate applicable to each company in Spain, adjusted in some cases for the estimated weight of activities in different jurisdictions.

- Based on the calculation of the equity ratio and the cost of debt after tax, the WACC is calculated by assuming a weighting of debt and equity following a target capital structure for each company.

In the valuations carried out at 31 December 2023, the cost of equity varies by company, between 8.0% (Ebro Foods, S.A.) and 10.7% (Acerinox, S.A.), while the WACC rate ranges from 7.2% (Ebro Foods, S.A.) to 9.4% (Acerinox, S.A.). These discount rates are in line with those used in previous years' valuations for these companies and have first been contrasted with the available analyst estimates and, more generally, with the historical information and experience of Alba.

A comparison of the equity ratio and 10-year bond yield with those in the prior year for investees with indications of impairment in 2023 is shown below:

Acerinox, S.A.	2023	2022
Cost of equity	10.7%	10.6%
10-year bond yield	3.0%	3.3%

Ebro Foods, S.A.	2023	2022
Cost of equity	8.0%	7.8%
10-year bond yield	3.0%	3.3%

After a significant increase in interest rates from mid-2022 and during 2023, the lower yield on the 10-year bond as of December 2023 reflects the expectation of a fall in rates in 2024. The beta coefficients and market risk premiums of associates remained virtually unchanged. However, the equity ratio of Acerinox, S.A. and Ebro Foods, S.A. rose with respect to the previous year's valuation due to the changes made to the specific risk premium, which showed the following progression compared to the previous year:

	2023	2022
Acerinox, S.A.	2.9%	2.5%
Ebro Foods, S.A.	1.5%	1.0%

In 2023, an increase commensurate with the fall in the Spanish 10-year bond yield was applied due to the expectation that interest rates would drop in 2024.

As indicated, applying this specific risk premium raises the cost of equity, thereby increasing the discount rate (WACC). To confirm the reasonableness of the resulting discount rates, Alba contrasts them with those used by analysts for each of the companies.

In order to calculate the terminal value, a normalised cash flow is used based on the explicit projection for the last year. This normalisation focuses exclusively on the long-term sustainable EBITDA margin assumption, since the other variables either do not have an impact (for example, it is always assumed that investments and depreciation are equal in the terminal value), they do not vary with respect to the explicit projections (for example, the tax rate remains constant throughout the explicit period) or they have a limited impact given that there are no significant variations between both.

The long-term sustainable EBITDA margin is estimated internally based on the projections used in the explicit period, the historical information available (for comparison) and the experience of Alba's team. The margin used in estimating cash flows for the terminal value is lower or, at most, stable with respect to the explicit period. If the estimated margin used to calculate long-term sustainable EBITDA were substantially higher than that of the last explicit year, it would indicate that the Company has not reached a sufficient level of maturity or stability and would lead us to reconsider our estimate of the terminal EBITDA margin or to extend the explicit projection period until that level were reached.

As in all the projections made for these valuations, the estimation and justification of these variables is contrasted with historical information and with a significant sample of recent analyst reports.

At 31 December 2023, the perpetual growth rate ranged from 1.5% to 1.8% per annum, in line with the most recent valuations of these same companies in the past. This variable was also contrasted with a significant sample of recent analyst reports and, as previously commented, there were no significant variations compared to previous valuations.

In 2023, the following sensitivity analysis was performed:

	Acerinox, S.A.	Ebro Foods, S.A.
Discount rate (WACC)		
Rate used in 2023	9.4%	7.2%
Rate to equal the carrying amounts	9.7%	7.2%
Perpetual growth		
Rate used in 2023	1.8%	1.5%
Rate to equal the carrying amounts	1.2%	1.5%
EBITDA margin used to calculate terminal value		
Rate used in 2023	8.8%	12.0%
Margin to equalize the carrying amounts	8.5%	12.0%
Variation in total sales to equal the carrying amounts	-6.3%	-
Variation in EBITDA margin to equal the carrying amounts	-0.2%	-

At 31 December 2023, a variation in the assumptions used to calculate value in use would have the following effect thereon:

Variation	Acerinox, S.A.	Ebro Foods, S.A.
Weighted average cost of capital (WACC)		
+ 0.25%	-2.9%	-5.0%
- 0.25%	3.1%	5.5%
+ 0.5%	-5.6%	-9.7%
- 0.5%	6.4%	11.5%
Perpetual growth		
+ 0.25%	1.6%	3.4%
- 0.25%	-1.5%	-3.2%
+ 0.5%	3.3%	7.2%
- 0.5%	-2.9%	-6.0%
EBITDA margin		
+ 0.5%	5.9%	6.2%
- 0.5%	-5.9%	-6.2%
+ 1%	11.8%	12.5%
- 1%	-11.8%	-12.5%

b) Investments in associates in 2022

The variations in investments in associates in 2022 were as follows:

Company	Consolidated value 01/01/22	Profit/(loss) investees	Accrued dividends	Acquisitions / (disposals) and transfers	Changes in consolidated equity of associates	Impairment	Consolidated value 31/12/2022	Market value 31/12/2022
Acerinox, S.A.	583,9	98,4	(38,5)	-	(6,9)	-	636,9	444,6
Aegis Lux 2, S.à.r..l. (Verisure)	345,8	(18,2)	-	-	(16,8)	-	310,8	-
CIE Automotive, S.A.	366,2	39,5	(12,6)	14,9	(6,9)	-	401,1	393,7
Ebro Foods, S.A.	401,9	17,7	(12,7)	1,9	4,1	-	412,9	327,6
Piolin II, S.à.r.l. (Parques Reunidos)	104,2	2,1	-	-	(0,9)	-	105,4	-
Profand Fishing Holding, S.L.	77,8	3,4	-	0,4	2,7	(3,1)	81,2	-
Rioja Luxembourg, S.à.r.l. (Naturgy)	247,5	68,7	(22,8)	-	65,4	-	358,8	896,0 (*)
Viscofan, S.A.	326,0	19,8	(12,1)	6,6	4,3	-	344,6	398,9
TOTALES	2.453,3	231,4	(98,7)	23,8	45,0	(3,1)	2.651,7	

(*) Reflects the value of the interest in Naturgy, net of Rioja debt.

The changes in consolidated equity in 2022 were due primarily to adjustments derived from currency translation, changes in the value of financial assets through equity, variations in own shares and transition adjustments resulting from the application of new accounting standards.

At 31 December 2022, Alba recognised an impairment loss of Euros 3.1 million on the ownership interest in Profand Fishing Holding, S.L.

Profand Fishing Holding, S.L. was valued by Kroll Advisory, S.L., an independent expert, which issued its corresponding report. The method used by the independent expert to determine the recoverable amount of this investment was based on discounted future cash flows.

Financial projections (sales, EBITDA, investments, etc.) were based on the budgets and business plans of the company itself, approved by its Board of Directors. These projections are not published and are presented to Alba at board meetings. The financial projections used in the valuation were for five years. In addition, the reasonableness of the Company's projections was tested against various market comparables.

Key valuation variables: discount rate (WACC) and perpetual growth rate (g).

- The WACC rate was calculated using the capital asset pricing model (CAPM) adjusted by an additional risk premium. The discount rate was calculated after tax.
- The perpetual growth rate was calculated on the basis of a normalised cash flow based on the explicit projection of the last year (2027).

The most significant assumptions used in the valuation of Profand Fishing Holding, S.L. in 2022 were as follows:

	Profand Fishing Holding, S.L.
Perpetual growth rate	2.0%
Discount rate (WACC)	9.3%
Capital structure:	
Capital	63.0%
Debt	37.0%
Equity ratio	11.9%
Cost of debt after tax	4.7%

At 31 December 2022, a variation in the assumptions used to calculate value in use would have the following effect thereon:

Change	Profand Fishing Holding, S.L.
Weighted average cost of capital (WACC)	
+ 0.5%	-13.5%
- 0.5%	15.5%
+ 1%	-25.3%
- 1%	33.3%
Perpetual growth	
+ 0.2%	3.4%
- 0.2%	-2.6%
+ 0.4%	7.0%
- 0.4%	-5.5%

The associates whose quoted price at 2022 year end was lower than their carrying amount were as follows: Acerinox, S.A., CIE Automotive, S.A. and Ebro Foods, S.A. In these cases Alba's Investment Department calculated the value in use of each investment, which was reviewed by the Finance Department without involving any independent experts. The discounted cash flow method was used, subsequently subtracting the value of net debt and non-controlling interests. The assumptions used in 2022 were as follows:

	Acerinox, S.A.	CIE Automotive, S.A.	Ebro Foods, S.A.
Perpetual growth rate	2.0%	2.0%	1.5%
Discount rate (WACC)	9.4%	8.6%	7.1%
Capital structure:			
Capital	80.0%	80.0%	80.0%
Debt	20.0%	20.0%	20.0%
Equity ratio	10.6%	9.6%	7.8%
Cost of debt after tax	4.6%	4.8%	4.1%
Estimated value in use (€/share)	15.54	33.17	18.64

The method used to calculate value in use in 2022 was the same as that used in 2023 described above in note 10 (a), "Investments in associates in 2023".

A summary of the main assumptions applied in the financial projections used in the explicit valuation period (2023-2027) for Acerinox, S.A., CIE Automotive, and Ebro Foods, S.A. is as follows:
S.A.

- Revenue growth: CIE Automotive, S.A. and Ebro Foods, S.A. show moderate growth in the projected period. Their expected cumulative annual revenue growth in the explicit period is slightly higher than the perpetual growth rate used in each case; growth is higher at the start of the period and converges with the perpetual growth rate in subsequent years. The higher initial growth at CIE Automotive, S.A. is due to the expected recovery in global car production, while at Ebro Foods, S.A. it is due to the strength of particularly resilient demand in periods of macroeconomic uncertainty, as well as the expected rise in prices in the first few years in an inflationary environment.

  Conversely, Acerinox, operating in a cyclical sector and having reached its all-time sales record last year, expects a steady fall in revenues until normal levels are reached.

- EBITDA margins: at Ebro Foods, S.A., after the drop in profitability recorded in 2022 in an environment of high raw material prices and other costs (energy, transport, etc.), slight growth is projected to reach a normalised level in line with the historical period (2015–2021) and at CIE Automotive, S.A., as it is currently at historical average profitability, margins are projected to remain stable. At Acerinox, S.A., the margin is expected to contract sharply in 2023 to a normalised level and remain stable in the following years.

The deviations between the 2022 revenue and EBITDA margin growth projections for Acerinox, S.A. and Ebro Foods, S.A. estimated in the 2021 financial valuation and the results actually obtained by both associates in 2022 are shown below:

	Ebro Foods, S.A.	Acerinox, S.A.
Growth in sales	+17.6%	+18.3%
Change in EBITDA margin	-1.4 p.p.	-0.4 p.p.

In the case of Ebro Foods, the 2022 revenues estimated in the December 2021 valuation exercise, based on the analysts' consensuses, was 17.6% lower than those reported at the end of 2022. On the other hand, the 2022 EBITDA margin estimated at December 2021 was 1.4 p.p. higher than that reported in 2022.

In the case of Acerinox, the 2022 revenues estimated in the December 2021 valuation exercise, based on the analysts' consensuses, was 18.3% lower than those reported at the end of 2022. On the other hand, the 2022 EBITDA margin estimated at December 2021 was 0.4 p.p. higher than that reported in 2022.

The differences between the estimated and actual financial figures recorded by Acerinox, S.A. and Ebro Foods, S.A. had different causes. In the case of Acerinox, the cyclical, volatile nature of the international stainless steel market generally made it difficult for both the company and analysts to draw up entirely accurate financial projections. The figures for Ebro Foods in 2022 were mainly affected by price increases during the year to pass on high cost and raw material inflation to the end customer, a positive exchange rate trend and a corporate transaction, all of which were difficult to foresee at the start of the year, when the projections were made.

- Investments (expressed as a percentage of sales): these are projected to remain stable in the explicit period in the three companies, in line with the historical average. Historical averages do not include acquisitions and, likewise, the financial projections do not take into consideration acquisitions or sales of businesses.

- The tax rate applied ranges from the general Spanish income tax rate of 25.0% to 27.5% for companies operating in jurisdictions with higher tax rates.

- The variation in working capital generally has little impact on these projections, and in any case remains in line with historical data.

In the valuations carried out at 31 December 2022, the cost of equity varies by company, ranging from 7.8% (Ebro Foods, S.A.) to 10.6% (Acerinox, S.A.), while the WACC rate ranges from 7.1% (Ebro Foods, S.A.) to 9.4% (Acerinox, S.A.). In the case of CIE Automotive, S.A., both figures were within the indicated ranges, with a cost of equity of 9.6% and a WACC of 8.6%. These discount rates were in line with those used in previous years' valuations for these companies and were contrasted first with the available analyst estimates and, more generally, with the historical information and experience of Alba.

The 10-year bond yield and the equity ratio for investees with indications of impairment in each of the periods are shown below:

Acerinox, S.A.	2022	2021
Cost of equity	10.6%	10.0%
10-year bond yield	3.3%	0.7%

Ebro Foods, S.A.	2022	2021
Cost of equity	7.8%	7.5%
10-year bond yield	3.3%	0.7%

CIE Automotive, S.A.	2022	2021
Cost of equity	9.6%	n/a
10-year bond yield	3.3%	0.7%

The equity ratios of Acerinox and Ebro (CIE Automotive was not valued in 2021 as it did not show indications of impairment) increased compared to the valuation performed in 2021, mainly due to the increase in interest rates reflected in the higher yield on the Spanish 10-year bond, as both the betas and the market risk premiums of the associates remained virtually unchanged.

However, the rise in equity was less than the rise in the Spanish 10-year bond yield due to changes made to the specific risk premium, the details of which are shown below:

	2022	2021
Acerinox, S.A.	2.5%	4.5%
Ebro Foods, S.A.	1.0%	3.5%
CIE Automotive, S.A.	2.5%	n/a

At 31 December 2022, the perpetual growth rate ranged from 1.5% to 2.0% per annum, with no variations compared to the most recent valuations of these same companies in the past. This variable was also contrasted with a significant sample of recent analyst reports and, as previously commented, there were no significant variations compared to previous valuations.

In 2022, the following sensitivity analysis was performed:

	Acerinox, S.A.	CIE Automotive, S.A.	Ebro Foods, S.A.
Discount rate (WACC)			
Rate used in 2022	9.4%	8.6%	7.1%
Rate to equal the carrying amounts	10.9%	10.2%	7.1%
Perpetual growth			
Rate used in 2022	2.0%	2.0%	1.5%
Rate to equal the carrying amounts	-1.0%	0.0%	1.4%
EBITDA margin used to calculate terminal value			
Rate used in 2022	9.0%	16.5%	13.0%
Margin to equalize the carrying amounts	7.5%	13.8%	12.9%
Variation in total sales to equal carrying amount	-14.1%	-15.9%	-0.5%
Variation in EBITDA margin to equal carrying amount	-1.0%	-2.0%	-0.1%

At 31 December 2022, a variation in the assumptions used to calculate value in use would have the following effect thereon:

Variation	Acerinox, S.A.	CIE Automotive, S.A.	Ebro Foods, S.A.
Weighted average cost of capital (WACC)			
+ 0.25%	-2.8%	-5.0%	-5.4%
- 0.25%	3.0%	5.3%	5.9%
+ 0.5%	-5.5%	-9.6%	-10.3%
- 0.5%	6.3%	11.1%	12.4%
Perpetual growth			
+ 0.25%	1.7%	4.4%	4.0%
- 0.25%	-1.6%	-4.1%	-3.6%
+ 0.5%	3.7%	9.2%	8.3%
- 0.5%	-3.2%	-7.9%	-7.0%
EBITDA margin			
+ 0.5%	5.1%	4.9%	5.5%
- 0.5%	-5.1%	-4.9%	-5.5%
+ 1%	10.1%	9.7%	10.9%
- 1%	-10.1%	-9.7%	-10.9%

11. Investments at Fair Value through Profit or Loss

The percentage ownership interest in investments at fair value through profit or loss at 31 December 2023 and 2022 is as follows:

	%	
Non-current, unquoted	2023	2022
Artá Capital Fund III, FCR	33.70	-
Atlantic Aviation Holding Corporation (1)	10.45	9.47
C. E. Extremadura, S.A.	1.01	1.01
Food Delivery Brands, S.A. (through Tasty Topco, S.C.A.)	3.13	3.13
Gesdocument y Gestion, S.A. (note 2.3)	46.53	-
Grupo Alvic FR Mobiliario, S.A. (through Folkstone, S.L.)	7.76	7.76
Grupo Disfasa, S.A. (Facundo Group) (note 2.3)	31.73	-
Grupo Nuadi Components, S.L. (note 2.3)	37.43	-
InStore Media Group, S.A.	18.89	18.89
March PE Global, SCR, S.A.	33.33	33.33
March PE Global II, SCR, S.A.	21.70	-
Marsala Activos, S.L.U. (Preving)	21.41	21.41
Monbake Grupo Empresarial, S.A. (through Tarasios Investments, S.L.)	3.70	3.70
Nature Topco UK Limited (2)	13.72	14.68
Topco Satlink, S.L.	7.20	7.20
Non-current, quoted		
Befesa Holding, S.à.r.l.	8.66	8.66
Global Dominion Access, S.A.	5.61	5.55
Technoprobe, Spa	5.23	3.26
Inmobiliaria Colonial, SOCIMI, S.A.	5.01	-

(1) Through this company, Alba holds an indirect interest in Atlantic Aviation FBO Inc.

(2) Through this company, Alba holds an indirect interest in ERM Worldwide Group Limited.

Dividends amounting to Euros 55.5 million (Euros 7.8 million in 2022) were received from these listed and unlisted investments in 2023.

Movement during 2023 and 2022 was as follows:

Balance at 01/01/22	973.3
Additions	210.3
Changes in fair value	164.5
Other movements	16.1
Balance at 31/12/2022	1,364.2
Additions	222.1
Changes in fair value	118.4
Reclassification from “other current financial assets”	79.8
Reclassification to “other current financial assets”	(10.7)
Other movements	57.2
Balance at 31/12/2023	1,831.0

In 2023, additions mainly reflect acquisitions of holdings in Technoprobe Spa (Euros 82.5 million), Inmobiliaria Colonial, SOCIMI,S.A. (Euros 77.4 million) and Artá Capital Fund III F.C.R. (Euros 8.7 million). The Group also reinvested the dividend received from Atlantic Aviation FBO Inc. amounting to Euros 44 million in the company itself.

Other movements include the recognition under this heading of the ownership interest in the Nuadi, Facundo and Gesdocument subgroups following the loss of control over them (see note 2.3).

The main increases in fair value in 2023 were in the ownership interests in Technoprobe Spa, Atlantic Aviation Holding Corporation and Inmobiliaria Colonial, SOCIMI, S.A. Conversely, the main decrease was in the interest in Befesa Holding, S.à.r.l. In 2022, the main increases were in the ownership interests in Atlantic Aviation Holding Corporation and Nature Topco UK Limited, partially offset by the decrease in value of the interests in Befesa Holding, S.à.r.l. and Global Dominion Access, S.A.

In 2023, the Group did not dispose of any investments held at 31 December 2022. However, it has classified its short-term investment in Inmobiliaria Colonial, SOCIMI, S.A. amounting to Euros 79.8 million under this heading.

In 2022, the additions related mainly to the acquisitions of shares in Technoprobe Spa and Befesa Holding, S.à.r.l. for Euros 115.2 million and Euros 57.5 million, respectively. Other movements included the recognition of the ownership interest in the Preving subgroup as a result of the loss of control over it (see note 2.3).

Also, during the first half of 2022 the Group sold its entire 3.21% equity investment in Indra Sistemas, S.A. Up to the sale date, the change in the fair value of this equity investment amounted to Euros 3.5 million, and the sale generated a gain of Euros 4.8 million, which was recognised under proceeds from disposal of and income from assets at 31 December 2022.

Also, in relation to the other investments held by the Group through Deya Capital IV, SCR, S.A.U. and which are also managed by Artá Capital, SGEIC, S.A.U., in 2023 and 2022 the valuations were carried out by Kroll Advisory, S.L., an independent expert, which issued the related report. One exception is the valuation of InStore Media Group, S.A., which is drawn up by personnel of Artá Capital, SGEIC, S.A.U. in charge of this. At 31 December 2022, the investment in Topco Satlink, S.L., which was acquired in 2022, was valued at its acquisition value, which coincides with its fair value.

The method used by the independent expert to determine the recoverable amount of these investments was based on discounted future cash flows.

Financial projections (sales, EBITDA, investments, etc.) are based on the budgets and business plans of the companies themselves approved by their respective Board of Directors. These projections are not published and are presented to Artá Capital at board meetings. In any case, the reasonableness of the projections prepared by the companies is contrasted with different market comparables and Artá Capital's own opinion based on its past experience. The financial projections have a five-year time frame for all the valuations performed.

Key valuation variables: discount rate (WACC) and perpetual growth rate (g).

- The WACC is calculated using the capital asset pricing model (CAPM) generally accepted by the financial community, and on the basis of market variables obtained through Bloomberg, such as the rate of return on the 10-year bond or levered beta with respect to the benchmark stock market index.
  In addition, various internal estimates are used, such as: the spread between the non-current debt of the Company and the 10-year bond, the tax rate (same as for the cash flows used in the terminal value calculation) or the target capital structure.
- The perpetual growth rate is calculated based on each company and the market in which they operate.

The assumptions used to calculate fair value are as follows:

	Grupo Alvic FR Mobiliario, S..A.	Marsala Activos, S.L.U. (Preving)	InStore Media Group, S.A.	Monbake Grupo Empresarial, S.A.	Grupo Nuadi Components, S.L.	Topco Satlink, S.L.	Grupo Disfasa, S.L. (Facundo)	Gesdocument y Gestion, S.A.U.
Dec-23								
Perpetual growth rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.1%	2.0%	2.0%
Weighted average cost of capital (WACC)	11.3%	11.5%	9.3%	10.0%	11.5%	12.5%	9.8%	12.0%
Dec-22								
Perpetual growth rate	2.0%	2.0%	2.0%	2.0%	n.a.	n.a.	n.a.	n.a.
Weighted average cost of capital (WACC)	11.7%	12.0%	12.6%	10.0%	n.a.	n.a.	n.a.	n.a.

Sensitivity analysis

At 31 December 2023, a change in the assumptions used to calculate the fair value of all the investments held by the Group through Deya Capital IV, SCR, S.A.U. and managed by Artá Capital, SGEIC, S.A.U. would have the following effect on the fair value (in millions of Euros):

2023	
Weighted average cost of capital (WACC)	
+ 0.5%	-14.3
- 0.5%	16.0
+ 1%	-27.1
- 1%	34.0
Perpetual growth rate	
+ 0.5%	11.5
- 0.5%	-10.3
+ 1%	24.5
- 1%	-19.6
EBITDA	
+ 5.0%	13.0
- 5.0%	-13.0
+ 10.0%	26.1
- 10.0%	-26.1

At 31 December 2022, a change in the assumptions used in the fair value calculation would have had the following effect on the fair value of all investments:

2022

Weighted average cost of capital (WACC)	
+ 0.5%	-7.3
- 0.5%	8.1
+ 1%	-13.9
- 1%	17.2
Perpetual growth rate	
+ 0.5%	5.5
- 0.5%	-5.0
+ 1%	11.7
- 1%	-9.5
EBITDA	
+ 5.0%	9.3
- 5.0%	-9.3
+ 10.0%	18.6
- 10.0%	-18.6

For the valuation of the investment in Food Delivery Brands, S.A. at 31 December 2022, the independent expert used the Monte Carlo simulation valuation model, which consists of carrying out numerous simulations of price changes over time, and converting the average of these simulations into the value of the underlying share discounted at the valuation date. The main assumptions used in the valuation at 2022 year-end were a volatility of 40% and an unlevered beta coefficient of 0.77. At 31 December 2023 this investment was fully impaired.

The valuations held by the Group through Alba-KKR Core I., S.C.A. have been performed by the global valuation committee of KKR, supported by Kroll Advisory, which provides assistance in the valuation process. KKR's global valuation committee is the body responsible for coordinating and implementing the process for the valuation of KKR investees worldwide.

Valuations are prepared and furnished, on a quarterly basis, to all investors in the various funds and vehicles invested in the two companies.

Moreover, these valuations are the same as those used by KKR itself in its financial statements, given that it invests part of its own balance sheet in the KKR Core Fund, a direct shareholder in both Atlantic Aviation and ERM. These accounts are audited by Deloitte, which reviews the valuations of the investees as part of the regular audit process. As a US listed entity, KKR is under the supervision of the Securities and Exchange Commission.

The methods used to determine the fair value of each investment were the discounted cash flows method and the market multiple approach.

The following variables are taken into account in the valuation process:

- Operational and financial metrics of the companies themselves.
- Specific trends in the sectors, economies and markets in which the companies operate.
- Specific developments in each of the companies.
- Market valuations of comparable companies.

Upon receipt of KKR's valuation, an internal benchmarking exercise is prepared and sensitivity analyses are performed on (i) the weighted average cost of capital (WACC); (ii) the Enterprise Value / LTM EBITDA exit multiple; and (iii) EBITDA margin, based on the discount rate and exit multiple used by KKR in its valuation.

The key assumptions used to test the fair value at 31 December 2023 and 2022 are shown below:

	Atlantic Aviation Holding Corporation	Nature Topco UK Limited
2023		
Weighted average cost of capital (WACC)	8.9%	10.6%
Enterprise Value/ LTM(1) EBITDA Exit Multiple	15.0x	16.0x
2022		
Weighted average cost of capital (WACC)	9.5%	11.6%
Enterprise Value/ LTM(1) EBITDA Exit Multiple	15.0x	16.0x

(1) LTM means "Last Twelve Months".

At 31 December 2023 and 2022, an aggregate change in the assumptions used for the fair value test would have the following effect on the fair value (in millions of Euros):

2023

Weighted average cost of capital (WACC)

+ 0.5%	-26.5
- 0.5% 27.1	

Enterprise Value/ LTM EBITDA Exit Multiple

+ 0.5%	38.7
- 0.5% -38.7	

EBITDA margin

+ 5.0%	21.9
- 5.0% -21.9	

2022

Weighted average cost of capital (WACC)

+ 0.5%	-23.1
- 0.5% 23.6	

Enterprise Value/ LTM EBITDA Exit Multiple

+ 0.5%	34.1
- 0.5% -34.1	

EBITDA margin

+ 5.0%	19.4
- 5.0% -19.4	

12. Other Non-current Financial Assets and Liabilities

Details of these items at 31 December 2023 and 2022 are as follows:

Other non-current financial assets	2023	2022
Loans to third parties	47.5	30.0
Guarantees deposited with public entities	1.4	1.6
Other financial assets	39.5	40.7
Balance at 31 December	88.4	72.3

Other non-current financial liabilities		
Other financial liabilities	27.4	20.6
Guarantees received from customers	2.7	2.2
Balance at 31 December	30.1	22.8

Loans to third parties comprise the value of long-term receivables from Profand Fishing Holding, S.L. amounting to Euros 30.2 million and from the Bergé Group amounting to Euros 17.3 million.

In June 2023, the Group signed a loan agreement with Profand Fishing Holding, S.L. for Euros 28.6 million for the acquisition of a production asset in the United States. The final repayment date of this loan is May 2030 and it accrues interest at market rates.

In 2021 the Group acquired 23.71% of Profand Fishing Holding, S.L.'s capital. As a result of this transaction, Alba and the other shareholder of Profand Fishing Holding, S.L., formerly the holder of Alba's current ownership interest, entered into a shareholders' agreement (which was amended in the first half of 2023) setting out a number of binding covenants and conditions relating to their rights and obligations, the terms on which Profand would be managed and governed and the arrangement to transfer the shares. In relation to the latter, among other agreements, Alba was granted a put option on all of its shares in Profand Fishing Holding, S.L., such that Alba holds a unilateral put option on this interest vis-à-vis the other shareholder for an amount agreed in advance. This put option will remain in force from 2025 until 28 October 2031. This option was valued at 31 December 2023 and 2022 by an independent expert, Kroll Advisory, S.L., and is recorded under other non-current financial assets in the consolidated balance sheet amounting to Euros 39.1 million (Euros 33.9 million at 31 December 2022), which generated an impact on the consolidated income statement for 2023 of Euros 5.2 million, recognised under change in fair value of financial instruments.

13. Trade and Other Receivables

Details at 31 December 2023 and 2022 are as follows:

	2023	2022
Trade receivables	0.3	23.9
Income tax withholdings and payments on account	13.6	45.1
Accrued dividends receivable	22.3	21.1
Other receivables	3.8	0.2
Prepaid expenses	-	2.7
Balance	40.0	93.0

The difference between the two years reflects the deconsolidation of Nuadi, Facundo and Gesdocument as a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U. (see note 2.3).

14. Other Current Financial Assets and Cash and Cash Equivalents

Financial assets reflect current cash placements (maturity of over 3 months) in the form of:

	2023	2022
Corporate promissory notes and bonds	68.0	267.6
Other financial assets	-	106.4
Balance at 31 December	68.0	374.0

Details of cash and cash equivalents at 31 December 2023 and 2022 are as follows:

	2023	2022
Cash on hand and at banks	85.1	47.9
Highly liquid current investments	252.8	150.4
Balance at 31 December	337.9	198.3

Current investments can be converted to cash within three months and do not pose a risk of a change in value. The amounts in this item accrue interest at a variable rate.

At 31 December 2022, the change in fair value of the financial assets recognised in these categories amounts to an expense of Euros 14.7 million.

15. Equity

At 31 December 2023 the share capital comprised 60,305,186 shares (59,245,174 shares at 31 December 2022), all of the same class and represented by book entries. The par value of each share is Euros 1, they are subscribed and fully paid, and have all been listed on the Spanish Stock Exchange Interconnection System (SIBE).

At their general meeting held on 19 June 2023, the shareholders of Corporación Financiera Alba, S.A. approved a bonus share capital increase at the Company to implement a scrip dividend. On 5 July 2023, the trading period for the allotment rights ended, through which the Company purchased 6,244,550 free allotment rights for Euros 6.0 million. This option was accepted by 10.5% of the holders of these rights. The final number of ordinary shares of Euros 1 par value each that were issued in the capital increase was X,XXX,XXX shares.

1.60.12 As a result of this capital increase, the share capital of Corporación Financiera Alba, S.A. is 60,305,186 shares of Euros 1 par value each. The new Company shares were admitted to trading on the stock exchange on 19 July 2023.

At their extraordinary meeting held on 29 November 2022, the shareholders of Corporación Financiera Alba, S.A. approved a bonus share capital increase at the Company to implement a scrip dividend. On 15 December 2022, the trading period for the allotment rights ended, through which the Company purchased 12,001,907 free allotment rights for Euros 11.9 million. This option was accepted by 20.6% of the holders of these rights. The final number of ordinary shares of Euros 1 par value each that were issued in the capital increase was 1,005,174 shares. In this respect, the new Company shares were admitted to trading on the stock exchange on 27 December 2022.

At the general meeting of Corporación Financiera Alba, S.A. held on 17 June 2019, the shareholders agreed to delegate the following powers to the Board of Directors:

- Approval of one or more increases in share capital, up to a total amount equal to half of the share capital, i.e. a maximum amount of Euros 29,120,000. The increases approved as a result of this delegation must be made through cash contributions within a maximum of five (5) years from the present day and must include pre-emptive rights. To date this power has not been used.

- Approval of one or more increases in share capital, up to a total amount equal to twenty per cent of the share capital, i.e. for a maximum amount of Euros 11,648,000. The increases approved as a result of this delegation must be made through cash contributions within a maximum of five (5) years from the present day and the Board of Directors has the power to remove the pre-emptive rights, provided the legal requirements in this respect are met. To date this power has not been used.

In no circumstances may the Board of Directors exceed the maximum amounts stipulated in the prevailing Spanish Companies Act.

Details of the direct and indirect interests of at least 3% reported to the Spanish National Securities Market Commission (CNMV) at 31 December 2023 are as follows:

Sharehold er	% ownership
Mr Carlos March Delgado	21.41%
Mr Juan March Delgado	19.69%
Banca March, S.A.	15.04%
Mr Juan March de la Lastra	8.78%
Mr Juan March Juan	5.09%
Ms. Catalina March Juan	4.64%
Ms. Gloria March Delgado	3.73%

Basic earnings per share are calculated by dividing profit for the year attributable to the ordinary shareholders of the Parent by the average number of outstanding shares in that year.

Diluted earnings per share are calculated by dividing profit for the year attributable to the ordinary shareholders of the Parent by the average number of outstanding shares in that year, plus the average number of ordinary shares that would be issued if all the financial instruments convertible into potentially ordinary shares were converted into those shares. Given that there are no financial instruments of this kind, basic earnings per share are the same as diluted earnings per share.

	2023	2022
Profit attributable to ordinary shareholders of the Parent		
	234.0	436.4
Discontinued operations	-	-
Profit attributable to ordinary shareholders of the Parent in respect of basic earnings	234.0	436.4
Interest of the holders of financial instruments convertible into ordinary shares	-	-
Profit attributable to ordinary shareholders of the Parent in respect of diluted earnings	234.0	436.4
Number of ordinary shares for basic earnings per share (*)	60,305,186	59,245,174
Dilution effect	-	-
Number of ordinary shares adjusted for dilution effect (*)	60,305,186	59,245,174
Earnings/(loss) per share (Euros/share)	3.88	7.37

(*) The average number of ordinary shares takes into account the weighted effect of changes in own shares during the year.

There have been no transactions involving ordinary shares between the reporting date and the date on which these consolidated annual accounts were authorised for issue.

Details of movement in non-controlling interests in 2023 are as follows:

	Balance at 1/1/2023	Profit/(loss)	Loss of control	Other	Balanc e at 31/12/2023
Alba Investments, S.à.r.l.	62.9	(3.5)	-	0.7	60.1
Artá Partners, S.A.	0.2	-	(0.2)	-	-
Nuadi subgroup	36.6	0.8	(37.4)	-	-
Facundo subgroup	35.9	0.7	(36.6)	-	-
Gesdocument y Gestión, S.A.	2.8	0.1	(2.9)	-	-
TOTAL	138.4	(1.9)	(77.1)	0.7	60.1

16. Capital Management Policy

Alba manages its capital with a view to ensuring its subsidiaries have sufficient economic resources to carry out their activities. In addition to managing the capital needed to cover the inherent risks of its activity in a rational and objective manner, capital is managed in such a way as to maximise shareholder return via an adequate balance between capital and debt.

Alba's leverage ratio at the 2023 and 2022 year ends was as follows:

	2023	2022
Loans and borrowings	514.5	550.7
Cash and cash equivalents	(337.9)	(198.3)
Total net debt	176.6	352.4
Equity	4,726.0	4,480.7
Equity + net debt	4,902.6	4,833.1
Leverage ratio	3.60%	7.29%

17. Provisions

Movement in this item in 2023 and 2022 is as follows:

	2023	2022
Balance at 1 January	0.4	0.6
Applications and releases	-	(0.2)
Balance at 31 December	0.4	0.4

18. Suppliers and Other Payables

Details at 31 December 2023 and 2022 are as follows:

	2023	2022
Suppliers	14.2	54.4
Public entities, other (note 22)	13.2	8.6
Salaries payable	6.1	10.1
Balance at 31 December	33.5	73.1

The difference between the two years reflects the deconsolidation of Nuadi, Facundo and Gesdocument as a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U. (see note 2.3).

Details of payments for commercial transactions made during the year and outstanding at year end in relation to the maximum legal payment terms established in Law 15/2010, amended by Law 11/2013 and Law 18/2022 are as follows:

Days	2023	2022
Average supplier payment period	19	56
Transactions paid ratio	23	59
Transactions payable ratio	59	45

Millions of Euros		
Total payments made	42.8	91.7
Total payments outstanding	7.1	61.8

	2023	2022
Amount of invoices paid within 60 days	41,743	46,162
Number of invoices paid within 60 days	1,491	16,712
Number of invoices paid within 60 days as % of Total invoices paid	84.67%	56.73%
Amount of invoices paid within 60 days as % of Amount of invoices paid	97.60%	66.38%

19. Loans and Borrowings

Non-current and current:

Details of current loans and borrowings, which mature annually, by maturity are as follows:

Bank	At 31/12/2023 Maturity	At 31/12/2023 Balance drawn down	At 31/12/2022 Maturity	At 31/12/2022 Balanc e drawn down
Current loans and credit facilities (CURRENT)				
Loans and credit facilities	2024	444.5	2023	389.0
		444.5		389.0
Non-current loans and credit facilities (NON-CURRENT)				
Syndicated loans and credit facilities	2025	70.0	2024 to 2028	161.7
	TOTAL	70.0	TOTAL	161.7

Bank borrowings cost from 0.2%–4.6% per annum.

Alba also has undrawn lines of financing at 31 December 2023 for a total amount of Euros 50.5 million (Euros 116.6 million at 31 December 2022).

An analysis of the maturities of non-current loans and borrowings (including interest) at 31 December 2023 and 2022 (in millions of Euros) is as follows:

2023	2025	TOTAL
	70.0	70.0

2022	2024	2025	2026	2027	2028	2028	TOTAL
	21.2	97.5	3.9	14.3	10.9	13.9	161.7

Loans and borrowings are reconciled to cash flows used in financing activities in the statement of cash flows as follows:

	Loans and borrowings
Balance at 01/01/2022	594.6
Additions to/exits from the consolidated Group	3.3
Cash flows from (used in) financing activities	(47.2)
Balance at 31/12/2022	550.7
Exits from the consolidated Group	(81.2)
Cash flows from (used in) financing activities	45.0
Balance at 31/12/2023	514.5

20. Fair Value Measurement

Details of assets and liabilities and their fair value measurement hierarchy at 31 December 2023 and 2022 are as follows:

	Total	Quoted price in active markets (Level 1)	Significant unobservable inputs (Level 3)
2023			
Assets measured at fair value			
Investment property (note 6)	301.2	-	301.2
Investments at fair value through profit or loss (note 11)	1,831.0	599.3	1,231.7
Assets whose fair value is disclosed			
Investments in associates (note 10)	3,682.3	2,711.9	970.4
Other non-current financial assets (note 12)	88.4	-	88.4
Other non-current receivables (note 2.3)	4.5	-	4.5
Trade and other receivables (note 13)	40.0	-	40.0
Other current financial assets (note 14)	68.0	-	68.0
Liabilities whose fair value is disclosed			
Loans and borrowings (note 19)	(514.5)	-	(514.5)
2022			
Assets measured at fair value			
Investment property (note 6)	317.5	-	317.5
Investments at fair value through profit or loss (note 11)	1,364.2	317.7	1,046.5
Assets whose fair value is disclosed			
Investments in associates (note 10)	3,483.6	2,460.8	1,022.8
Other non-current financial assets (note 12)	72.3	-	72.3
Trade and other receivables (note 13)	93.0	-	93.0
Other current financial assets (note 14)	374.0	106.4	267.6
Liabilities whose fair value is disclosed			
Loans and borrowings (note 19)	(550.7)	-	(550.7)

21. Risk Management Objectives and Policies

The Board of Directors of Corporación Financiera Alba, S.A. has drawn up the following Risk Management and Control Policy:

1.- Types of risk faced by the Company

Risk is inherent in all business activity and is defined as uncertainty concerning the occurrence of an event or action that could adversely affect the Company's ability to maximise its value for stakeholders and to achieve its goals; it also refers to the possibility of threats materialising and opportunities not being taken.

Corporación Financiera Alba engages in two principal activities:

(i) investment in the capital of listed and unlisted companies, and

(ii) investment in buildings leased as office space.

As a result of its activities, the markets and sectors in which it operates and its environment, the Company is exposed to the following categories of risks:

- Strategic risks related to the mission and vision of the Company, achievement of business goals and the creation and preservation of value for shareholders and other stakeholders.

  These include risks related to the corporate governance of the Company, its reputation and responsibility, investment and divestment strategies, and market dynamics.

- Operational risks involving potential direct or indirect economic losses related to external events: uncertainty in the Company's own business activities; or internal events: failures or inadequacies in the processes, systems or resources of the Company.

  These include risks related, mainly, to revenue, investments and divestments and monitoring thereof, the acquisition of goods and services, physical assets, human resources, information technologies, and natural disasters, terrorism and other criminal acts.

- Financial risks resulting, broadly speaking, from any financing operation which the Company must carry out in order to perform its activities, as well as the reliability of financial information reported by the Company.

  These include liquidity and credit risks, market, tax, accounting and reporting risks.

- Regulatory compliance risks arising from a potential failure to comply with laws, regulations, internal standards and codes of conduct, as well as greater exposure to such risks.

  These include legal risks, regulatory risks and risks involving codes of ethics and conduct.

- Technological, environmental and social risks, including risks associated with information technology, cybersecurity and technological obsolescence, climate change and employee health and safety.

2.- Integrated Risk Management System

Aware of the importance and advantages of adequately and efficiently managing its risks, Corporación Financiera Alba has established an Integrated Risk Management System mainly focused on:

- Enabling the identification and proactive and efficient assessment of Company risks, as well as monitoring and continually tracking these risks.

- Integrating, coordinating and directing the various risk management actions performed by the Company.

- Achieving responsible risk acceptance and reinforcing the responsibility of the Company's employees.

- Ensuring that control systems are aligned with the actual risks of the Company.

- Facilitating and streamlining the application of corrective measures.

The Integrated Risk Management System unites three key components:

(i) The continuous risk management process, understood as the activities performed by all individuals in the Company under the supervision of the Audit and Compliance Committee that are focused on identifying potential risk events, managing the risks identified and providing reasonable assurance that the Company will achieve its goals.

(ii) An organisational focus, with clearly defined and communicated roles and responsibilities. Integrated risk management affects all Company personnel; therefore it is vital to establish an organisational focus on risk management tailored to the organisational structure and corporate culture of the Company.

Although the Integrated Risk Management System affects and involves all Company personnel, the main participants are as follows: risk managers, the Risk Control and Management Department, the Audit and Compliance Committee and the Board of Directors.

(iii) A monitoring model, which identifies and provides the timely information needed so that all those involved in the risk management process can make informed decisions concerning the risks.

2.1. The continuous risk management process

By way of a summary, the continuous risk management process involves performing the following activities:

- Identifying and assessing the risks that could affect the Company.

  Determining the main strategic, operational, financial and regulatory compliance risks affecting the Company's strategy and goals, assessing the probability of occurrence and potential impact and prioritising risks based on these factors.

- Setting the level of risk that is considered acceptable.

  Defining key risk indicators (KRIs) for each critical risk and establishing tolerance levels for these risks.

- Identifying controls.

  Specifying existing controls (or those to be implemented) in the Company to mitigate the aforementioned risks.

- Identifying the processes in which these risks and controls arise.

  Determining the existing relationship between the Company's key risks – and its controls – and the Company's processes, identifying and analysing the processes that are critical for risk management.

- Assessing controls.

  Assessing the effectiveness of the controls in mitigating the risks identified.

- Designing and implementing action plans in response to the risks.

  Determining action plans to be carried out to lower residual risk to an acceptable risk level, bearing in mind the costs and benefits of such efforts. As a direct result of this reduction in the level of risk, a reassessment and prioritisation of the risks will be necessary and appropriate, as part of a continuous risk management process.

In this regard, Corporación Financiera Alba has prepared the Company's Risk Map, which shows, based on their impact and probability, the key risks in the categories listed above. In order for this map to be effectively used as a management tool that allows the Company to make informed decisions, the map is reviewed and updated periodically to adjust it to the Company's current circumstances.

Likewise, the Company has prepared Risk Indices for the most critical risks, identifying the key risk indicators with their corresponding tolerance levels, the associated controls and, where applicable, the action plans to be implemented. These Indices allow the Company to periodically assess and monitor its risks and to determine the most appropriate response to these risks.

2.2. Organisational model of roles and responsibilities

Although the Integrated Risk Management System affects and involves all Company personnel, the main players are as follows:

(i) Risk managers:

These managers are responsible for monitoring the risks assigned to them and for reporting to the Risk Control and Management Department any relevant information concerning the risks.

(ii) Risk Control and Management Department:

The Risk Control and Management Department is expressly tasked with the following duties:

- Ensuring the smooth running of the risk control and management systems and, specifically, that all the important risks affecting the Company are identified, managed and quantified correctly.
- Actively participating in preparing the risk strategy and important decisions concerning risk management.
- Ensuring that the risk control and management systems adequately mitigate risks, as part of the policy established by the Board of Directors.

(iii) Audit and Compliance Committee:

This body supervises, pursuant to the Regulations of the Company's Board of Directors, the effectiveness of the Company's internal controls and risk management systems, among other aspects.

Likewise, it discusses with the auditor any significant weaknesses in the internal control system detected during the audit.

(iv) Board of Directors:

As indicated previously, the Board of Directors has the power to determine the risk control and management policy, including for tax risks, and is tasked with supervising the internal reporting and internal control systems.

With regard to the risk management processes, it is noteworthy that, in addition to the aforementioned Risk Control and Management Department, Corporación Financiera Alba has Regulatory Compliance processes which are performed by the various operational and support departments, as well as an Internal Audit Service (SAI), defined as an advisory and control body serving the Audit and Compliance Committee, that is independent within the organisation as regards its actions, aimed at assessing the various areas and functional activities of the Company.

The duties of the Internal Audit Service include the analysis and proposal of recommendations to improve the risk management processes. The Internal Audit Service also performs independent assessments of the efficiency and effectiveness of internal controls, although this is always in coordination with the Risk Control and Management Department, in order to avoid duplicating tasks and/or areas existing without adequate coverage.

2.3. Monitoring and Reporting Model

The last component of the Integrated Risk Management System is a monitoring and reporting model capable of providing relevant information, in a timely and appropriate manner, to all players involved in the risk control and management process, both upwards and downwards in the hierarchy.

This cross-departmental monitoring model allows the System to behave dynamically and, above all, to anticipate risks, rendering risk management and control, within the limits set by the Company, possible.

Specifically, the Integrated Risk Management System established by Corporación Financiera Alba is a management, communication, monitoring and support mechanism for all activities related to risk control and management. It is vital for responding to individual risks and risks that are specific to each activity, while it provides the framework needed for coordinated management by the Company.

As mentioned in the Policy, the Group's activities are exposed to various financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk, and cash flow interest rate risk. The Group's Risk Management and Control Policy establishes the basic principles, guidelines and general framework for actions to control and manage the various types of risk (financial and non-financial) faced. The Group does not use derivatives to mitigate certain risks.

Market risk

Given the Group's activities, the exposure to market risk depends on the performance of the investees, whether listed or not.

- Currency risk
  The Group is exposed to currency risk through its investments in foreign currencies.
  At 31 December 2023 and 2022 the Group has direct investments in companies whose currency is not the Euro.
- Price risk
  The Group is exposed to price risk relating to equity instruments designated at fair value through profit or loss. To manage price risk derived from investments in equity instruments the Group diversifies its portfolio.
- Cash flow and fair value interest rate risks
  The Group's interest rate risk arises from non-current borrowings. Borrowings at variable interest rates expose the Group to cash flow interest rate risks. Fixed interest loans expose the Group to fair value interest rate risks.

The Group holds almost 100% of borrowings at variable interest rates.

At 31 December 2023 and 2022 the Group had not arranged any interest rate swaps.

Liquidity risk

The Group applies a prudent policy to cover its liquidity risks, based on having sufficient cash to settle all payments derived from its activity and to assure its objectives are met, underpinned by providing its subsidiaries with sufficient economic resources to carry out their activities.

The Group has a significant amount of cash and cash equivalents, as well as high positive working capital.

Its liquidity management is based on forecasting and analysing cash inflows and outflows.

At 31 December 2023 the Group's cash position amounted to Euros 337.9 million, of which Euros 85.1 million comprised cash in hand and at banks, and Euros 252.8 million reflected current deposits and investments that are readily convertible into cash and not subject to a risk of change in value.

The most significant cash outflows of the Group not related to expenses and investments are distributions of dividends to shareholders.

The Group's exposure to liquidity risk at 31 December 2023 and 2022 is shown in the debt maturity table in note 19.

Credit risk

The Group does not have significant concentrations of credit risk as its principal activity consists of investing in the capital of different companies. Credit risk arises from potential losses derived from customers or counterparties failing to meet, in part or in full, their financial obligations with the Group.

Details of credit risk exposure at 31 December 2023 and 2022, by type of asset and maturity, are as follows (in millions of Euros):

	2023		2022	
	Amount	Maturity	Amount	Maturity
Trade receivables	0.3	2024	23.9	2023
Other non-current financial assets	92.9	2024-2031	72.3	2023-2029
Other payables	26.1	2024	21.3	2023

22. Taxation

Corporación Financiera Alba, S.A., Alba Patrimonio Inmobiliario, S.A.U., Alba Europe, S.à.r.l., Alba Investments, S.à.r.l., and Deyá Capital IV, SCR, S.A.U. file taxes under the tax regime for groups of companies. At 31 December 2022, Artá Capital, SGEIC, S.A.U. and Artá Partners, S.A. were also part of this group. The rest of the Group's subsidiaries file their tax returns in accordance with the tax legislation applicable in each country.

The main components of income tax for the years ended 31 December 2023 and 2022 are as follows:

	2023	2022
Income tax for the year:		
Income tax expense for the year	3.4	0.6
Adjustments to income tax from prior years	2.9	-
Deferred tax:		
Source and reversal of temporary differences	0.8	-
Income tax expense/(income) recognised in the income statement	7.1	0.6
Consolidated statement of comprehensive income	-	-
Deferred tax related to items recognised directly in equity during the year	-	-

A reconciliation of the tax expense to the product of the accounting profit multiplied by the tax rate applicable to Alba for the years ended 31 December 2023 and 2022 is as follows:

	2023	2022
Pre-tax accounting profit from continuing operations	240.9	93.3
Pre-tax profit/(loss) of discontinued operations	-	-
Pre-tax accounting profit	240.9	93.3
Consolidation differences	-	-
Permanent differences (article 21 of LIS)	(262.0)	(146.3)
Temporary differences	37.7	(6.1)
Income tax expense/(income) in the consolidated income statement	7.1	0.6
Income tax attributable to discontinued operations	-	-

The most significant consolidation and permanent differences correspond to the share of the profit or loss for the year of associates, dividends received from associates, and the fair value of unlisted companies and investment property.

Movement in deferred tax assets and liabilities is as follows:

	01/01/2022	Additions/ (derecognitions)	31/12/2022	Additions/ (derecognitions)	31/12/2023
Deferred tax assets					
Retirement plan and other expenses	2.5	(1.6)	0.9	(0.7)	0.2
Total deferred tax assets	2.5		0.9		0.2
Deferred tax liabilities					
Gains on investment property	31.4	(5.2)	26.2	(6.7)	19.5
Other deferred tax liabilities	30.5	(1.1)	29.4	(23.9)	5.5
Total deferred tax liabilities	61.9		55.6		25.0

At 31 December 2023 and 2022 tax loss carryforwards amounting to Euros 16.6 million and Euros 20.0 million, respectively, have not been recognised in the accompanying consolidated balance sheet.

While 2023 and the four preceding years are open to tax inspection, any additional taxes that may arise from such inspections are not expected to be significant.

Details of the balance under "Public entities, other", in note 18 Suppliers and Other Payables, are as follows:

	2023	2022
Payment on account	-	1.0
Corporate income tax	9.4	3.7
Personal income tax withholdings	3.4	0.9
VAT and other	0.4	3.0
Total	13.2	8.6

The Group is taxed at a nominal rate of 25%.

23. Workforce

The average number of employees in each year, by category, is as follows:

	2023			2022		
	Male	Female	Total	Male	Female	Total
Executive board members	-	-	-	-	-	-
Directors	11	2	13	34	7	41
Heads of department	21	11	32	67	19	86
Administrative and other	89	72	161	436	499	935
Total	121	85	205	537	525	1,062

The number of employees at each year end, by category, is as follows:

	2023			2022		
	Male	Female	Total	Male	Female	Total
Executive board members	–	–	–	–	–	–
Directors	5	–	5	32	7	39
Heads of department	10	3	13	58	22	80
Administrative and other	15	19	34	350	356	706
Total	30	22	52	440	385	825

At 31 December 2023 the Company has no employees with a disability rating of 33% or more (13 employees at 31 December 2022).

The difference between the two years reflects the deconsolidation of Nuadi, Facundo and Gesdocument as a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U. (see note 2.3).

24. Segment Reporting

Details of the revenues, profit/loss, assets and liabilities of the business segments for the years ended 31 December 2023 and 2022 are presented below.

The main segments reported by the Group are:

- Property rental: management, rental, and sale-purchase of the Group's investment property.
- Investments in transferable securities: business segment identified by the Group comprising investments in listed and unlisted companies involving significant influence and the generation of gains through investments and subsequent sales.
- Venture capital investments entailing control: business segment defined as the sum of the various activities carried out by the companies over which the Group has control. Specifically, they relate to the activities carried out by companies in which the Group has a direct ownership interest and which belong to vehicles managed by Artá Capital, SGEIC, S.A.U., which exercises control over said vehicle and determines what investments are made, whether there are no restrictions on management and whether they have exposure to variable returns. In 2023, this segment includes only the results contributed by the Nuadi, Facundo and Gesdocument subgroups in the first three months of the year (see note 2.3).

No transactions are carried out between the different segments.

Segment reporting 2023

(In millions of Euros)

	Rental of capital buildings property	Investment	Venture capital Venture entailing control	Income and expenses not allocated to segments	Total Group
Direct income and expenses of the segment					
Revenues	14.7	-	36.0	-	50.7
Supplies	-	-	(16.2)	-	(16.2)
Gains on disposal	-	2.5	-	-	2.5
Share of the profit/(loss) for the year of associates	-	160.8	-	-	160.8
Changes in fair value	(19.4)	125.0	-	-	105.6
Depreciation and amortisation	-	-	(3.4)	(0.8)	(4.2)
Impairment	-	(42.1)	-	-	(42.1)
Personnel expenses	-	-	(9.6)	(15.9)	(25.5)
Other operating expenses	(4.3)	-	(5.5)	(49.3)	(59.1)
Other income/(expenses)	-	-	-	2.4	2.4
Net finance income/(cost)	-	-	(2.1)	66.4	64.3
Profit/(loss) before taxes and non-controlling interests	(9.0)	246.2	(0.8)	2.8	239.2
Income tax					(7.1)
Profit/(loss) from continuing operations					232.1
Profit/(loss) attributable to non-controlling interests					1.9
Consolidated profit/(loss) for the year attributable to the Group					234.0
Assets and Liabilities					
Segment assets	302.6	4,548.9	-	-	4,851.5
Unallocated assets					539.0
Total assets					5,390.5
Segment liabilities	2.7	-	-	-	2.7
Unallocated liabilities					600.8
Total liabilities					603.5

Segment reporting 2022

(In millions of Euros)

	Rental of capital buildings	Investment property	Venture capital Venture entailing control	Income and expenses not allocated to segments	Total Group
Direct income and expenses of the segment					
Revenues	12.9	-	153.5	-	166.4
Supplies	-	-	(61.9)	-	(61.9)
Gains on disposal	1.8	9.3	36.4	-	47.5
Share of the profit/(loss) for the year of associates	-	231.4	-	-	231.4
Changes in fair value	1.1	191.6	-	(15.1)	177.6
Depreciation and amortisation	-	-	(17.0)	(1.1)	(18.1)
Impairment	-	(3.1)	-	-	(3.1)
Personnel expenses	-	-	(35.5)	(18.1)	(53.6)
Other operating expenses	(6.3)	-	(42.0)	(8.4)	(56.7)
Other income/(expenses)	-	-	-	0.5	0.5
Net finance income/(cost)	-	-	(6.1)	21.3	15.2
Profit/(loss) before taxes and non-controlling interests	9.5	429.2	27.4	(20.9)	445.2
Income tax					(0.6)
Profit/(loss) from continuing operations					444.6
Profit/(loss) attributable to non-controlling interests					(8.2)
Consolidated profit/(loss) for the year attributable to the Group					436.4
Assets and Liabilities					
Segment assets	319.0	3,759.4	264.1	-	4,342.5
Unallocated assets					980.6
Total assets					5,323.1
Segment liabilities	2.2	-	179.0	-	181.2
Unallocated liabilities					522.8
Total liabilities					704.0

Unallocated income and costs comprise overheads and other costs that cannot be allocated as pertaining to any of the three businesses.

Unallocated assets and liabilities mainly reflect other current financial assets and cash and cash equivalents.

Ordinary income relates to revenues from customer contracts. The breakdown of Group revenue by line of business and geographical market for 2023 and 2022 is as follows:

	2023			2022		
	Spain	Rest of the world	Total	Spain	Rest of the world	Total
Rentals	14.7	-	14.7	12.8	-	12.8
Electronic equipment and buoy communication in the fishing sector	-	-	-	12.0	4.1	16.1
Automotive brake accessories	7.6	16.2	23.8	28.6	61.4	90.0
Occupational risk prevention	-	-	-	25.3	-	25.3
Food	7.8	-	7.8	14.9	-	14.9
Consulting services	3.7	-	3.7	7.3	-	7.3
Other	0.7	-	0.7	-	-	-
TOTAL	34.5	16.2	50.7	100.9	65.5	166.4

At 31 December 2023, the above table includes only the revenues contributed by the Nuadi, Facundo and Gesdocument subgroups in the first three months of the year (see notes 2.3 and 4 (q)).

25. Other Income and Expenses

Details of the various items included under this heading in 2023 and 2022 are shown below.

a) Personnel expenses

	2023	2022
Salaries and wages	20.8	46.6
Social security payable by the Company	3.9	5.7
Alternative pension plan schemes	0.8	1.3
Balance at 31 December	25.5	53.6

b) Finance income

	2023	2022
Interest, dividends and other	77.5	21.5
Balance at 31 December	77.5	21.5

c) **Change in fair value of financial instruments**

At the 2023 and 2022 year ends this item reflects the change in fair value of investments at fair value through profit or loss (see note 11) and other financial assets recognised at fair value (see notes 12 and 14).

26. Related Parties

Details of the transactions carried out in 2023 and 2022 are as follows:

DESCRIPTION OF THE TRANSACTION	AMOUNT 2023	AMOUNT 2022	RELATED PARTY
WITH SIGNIFICANT SHAREHOLDERS OF THE COMPANY			
Services	-	0.8	Banca March, S.A.
Dividends	0.7	5.9	Banca March, S.A.
WITH OTHER RELATED PARTIES			
Dividends and other distributions	14.2	12.6	CIE Automotive, S.A.
	1.6	22.8	Rioja Luxembourg, S.à.r.l.
	29.4	38.5	Acerinox, S.A.
	12.7	12.7	Ebro Foods, S.A.
	12.9	12.2	Viscofan, S.A.
Collaboration agreements	0.3	0.3	Fundación Juan March

27. Remuneration of the Board of Directors and Senior Management

The Company and its subsidiaries have recorded the following remuneration accrued by the members of the Board of Directors and Senior Management of Corporación Financiera Alba, S.A. (in thousands of Euros):

At 31 December 2023 and 2022 the Board of Directors comprised 10 members.

No loans were extended to members of the Board of Directors or Senior Management in 2023 or 2022.

2023	No. of people	Salaries and other	Alba board meetings	Alternative pension plan schemes and insurance
External proprietary directors	3	1,621	1,827	-
External independent directors	6	-	862	-
Other external directors	1	1,621	147	-
Senior management	5	5,385	-	752
TOTAL		8,627	2,836	752

2022	No. of people	Salaries and other	Alba board meetings	Alternative pension plan schemes and insurance
External proprietary directors	3	915	1,450	-
External independent directors	6	-	835	-
Other external directors	1	915	145	-
Senior management	7	5,227	-	678
TOTAL		7,057	2,430	678

As a result of the sale of Artá Partners (see note 2.3) the two members who were considered senior management of Alba but performed their duties in Artá no longer form part of the company, with senior management now comprising five members.

Details of the remuneration accrued by each Board Member in 2023 and 2022 (in thousands of Euros) are as follows:

2023	Fixed remuneration	Variable	Alba Group board meetings	Total remuneration
De Colmenares Brunet, Ignacio	-	-	130	130
Girón Dávila, Mª Eugenia	-	-	155	155
Guibert Ucin, María Luisa	-	-	125	125
March de la Lastra, Juan	-	973	580	1,553
March Delgado, Carlos	-	-	667	667
March Juan, Juan	-	648	580	1,228
Martínez-Conde Gutiérrez-Barquín, Santos	-	1,621	147	1,768
Pickholz, Claudia	-	-	155	155
Plaza Arregui, Ana María	-	-	147	147
Pradera Jáuregui, Antón	-	-	150	150
TOTAL BOARD	-	3,242	2,836	6,078

2022	Fixed remuneratio n	Variable	Alba Group board meetings	Total remuneration
De Colmenares Brunet, Ignacio	-	-	130	130
Girón Dávila, Mª Eugenia	-	-	150	150
Guibert Ucin, María Luisa	-	-	130	130
March de la Lastra, Juan	-	549	455	1,004
March Delgado, Carlos	-	-	540	540
March Juan, Juan	-	366	455	821
Martínez-Conde Gutiérrez-Barquín, Santos	-	915	145	1,060
Pickholz, Claudia	-	-	140	140
Plaza Arregui, Ana María	-	-	135	135
Pradera Jáuregui, Antón	-	-	150	150
TOTAL BOARD	-	1,830	2,430	4,260

In 2023 and 2022 no remuneration was paid to individuals representing Alba on boards or committees of companies in which Alba acts as a director company. In 2023 and 2022, Euros 170 thousand was paid in respect of public liability insurance premiums on behalf of the directors.

There were no changes in the Board of Directors in 2023 and 2022.

At the general meetings held in 2023, 2022 and 2021, the shareholders of Alba approved a multi-year variable remuneration scheme linked to Alba's net asset value for executive board members (as appropriate), directors representing Alba on the boards of subsidiaries, investees or related parties, and certain Company personnel selected by the Board of Directors, in order to foster more direct engagement in the process of creating value for the Company's shareholders.

The basic features of the scheme are as follows:

Approval	19/06/2023	20/06/2022	21/06/2021
Maturity	30/06/2026	30/06/2025	30/06/2024
Units assigned	179,070	164,050	204,500
Initial net asset value	94.38	89.37	80.42
Cap between initial and final net asset value	50%	50%	50%

The Company has assigned units to the beneficiaries which, upon maturity, will entitle them to receive remuneration equal to the result of multiplying these units by the difference between the "initial" and "final" net asset value of the shares of Corporación Financiera Alba, S.A. This calculation will be performed excluding own shares and without taking into account taxes resulting from the theoretical settlement.

There is also an annual variable remuneration component based on a number of parameters that enable an assessment of performance and the degree of fulfilment, as well as deferral of half of the accrued remuneration, which will be payable, together with the revaluation and dividends, in no less than five years as of the accrual date and no later than eight years after that date, whichever the beneficiary chooses.

Pursuant to the provisions of articles 227, 228, 229 and 231 of the Spanish Companies Act ("LSC"), as per the wording of Law 31/2014 of 3 December 2014, which amended the LSC in order to improve corporate governance, the Directors of Alba have informed Alba that, during the years ended 31 December 2023 and 2022 they had no conflicts of interest with Alba and, to the best of their knowledge and based on the information which they have been able to obtain with the utmost due diligence, nor did any parties related to them.

28. Audit Fees

In 2023, KPMG Auditores, S.L., the auditor of the Group's annual accounts, accrued fees totalling Euros 121.7 thousand, of which Euros 80.2 thousand were for audit services and Euros 41.5 thousand for assurance services on the Non-financial Information Statement, the limited review of the half-yearly consolidated financial statements, the agreed-upon procedures report on the ICOFR description, and translations of annual accounts previously authorised for issue by the Board of Directors and for which an audit opinion had already been issued.

29. Statement of Cash Flows

This statement has been prepared in accordance with International Accounting Standard 7.

The statement comprises three types of cash flow:

- Net cash flows from operating activities: operating cash flows of all the businesses managed by the Group.

- Net cash flows from investing activities: cash flows related to non-current investments in assets and the acquisition and disposal of equity instruments issued by other entities.

- Net cash flows from financing activities: cash flows used to purchase own shares, cash inflows from the use of external sources of financing, cash outflows as a result of the repayment of external financing, and dividend distributions.

30. Assets and Liabilities Held for Sale

At 31 December 2023 the Group does not own any non-current assets and liabilities held for sale.

At 31 December 2022, the Group classified all the assets and liabilities of Artá Capital, SGEIC, S.A.U. and Artá Partners, S.A. as non-current assets and liabilities held for sale. Although the sale took place in the first quarter of 2023, the decision was taken earlier. The disposal group consisted of assets of Euros 3.6 million (of which Euros 2.9 million was in cash and Euros 0.7 million in trade and other receivables) and liabilities of Euros 1.4 million (entirely composed of trade and other payables). In 2022 the Group did not recognise any impairment losses due to the carrying amounts being lower than fair value less costs to sell.

31. Events After the Reporting Period

No significant events have occurred after 31 December 2023.

CERTIFICATION OF THE ACCOUNTS

Mr Javier Fernández Alonso and Mr Carlos Ortega-Arias Paz, Managing Directors, and Mr Félix Montes Falagán, CFO, of Corporación Financiera Alba, S.A. certify that the consolidated annual accounts for the year ended 31 December 2023, which are presented to the Company's Board of Directors for authorisation, are complete and give a true and fair view of the consolidated equity and consolidated financial position of the Group at 31 December 2023, and of the consolidated results of its operations and changes in consolidated equity and consolidated cash flows of the Group for the year then ended, and that they include the financial statements of all consolidated investees, in accordance with applicable mercantile and accounting legislation.

Javier Fernández Alonso
Managing Director

Carlos Ortega-Arias Paz
Managing Director

Félix Montes Falagán
CFO

AUTHORISATION OF THE ACCOUNTS

The Board of Directors approved the authorisation for issue of these annual accounts at its meeting held on 18 March 2024. The accounts will be subject to verification by the auditor and subsequent approval by the shareholders at their general meeting. They comprise 91 pages, excluding this page, all of which have been signed by the Secretary to the Board.

DECLARATION OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

The members of the Board of Directors of Corporación Financiera Alba, S.A. hereby confirm that, to the best of their knowledge, the individual and consolidated annual accounts for 2023, which were authorised for issue on 18 March 2024 and were prepared in accordance with the applicable accounting standards, give a true and fair view of the consolidated equity and consolidated financial position of Corporación Financiera Alba, S.A. at 31 December 2023, and of the consolidated results of its operations and changes in consolidated equity and consolidated cash flows of Corporación Financiera Alba, S.A. and the companies included in the consolidated Group as a whole for the year then ended, and that the individual and consolidated directors' reports include a fair analysis of the business performance and results, as well as of the position of Corporación Financiera Alba, S.A. and the companies included in the consolidated Group as a whole, together with a description of the main risks and uncertainties faced.

Carlos March Delgado Chairman	Juan March de la Lastra 1st Vice-chairman
Juan March Juan 2nd Vice-chairman	Ignacio de Colmenares Brunet Board member
María Luisa Guibert Ucin Board member	María Eugenia Girón Dávila Board member
Claudia Pickholz Board member	Santos Martínez-Conde Gutierrez-Barquín Board member
Antón Pradera Jaúregui Board member	Ana María Plaza Arregui Board member
José Ramón del Caño Palop Non-board member secretary	