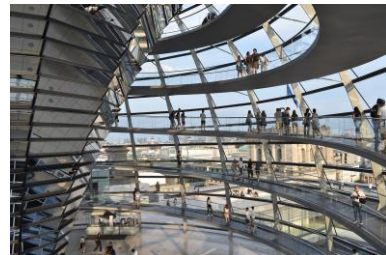


## ICO invests in 7 funds to mobilise more than 1 billion euros in public-private partnerships to boost growth of Spanish companies (December 2022)

AXIS, the venture capital subsidiary of the ICO Group, has resolved the 15<sup>th</sup> call of Fond-ICO Global with the selection of 7 funds in which it will invest 410 million euros. The selected funds will be able to mobilise more than 1 billion euros in financing for Spanish companies.

The amount to be invested by AXIS is distributed as follows: 300 million euros will be invested in funds eligible in the "Expansion Capital" category, 90 million euros in "Venture Capital" funds and 20 million euros in the "Incubation/Technology Transfer" fund.

Fond-ICO Global promotes the development and consolidation of the private venture capital fund ecosystem in Spain from the early stages. It is endowed with 4.5 billion euros, following an extension in July 2020 for an additional 2.5 billion euros for the period 2021-2027. The positive evolution of Fond-ICO Global demonstrates the consolidation of this successful public-private partnership model aimed at boosting the venture capital sector in Spain.



## ICO has been reelected for the 2022/2023 Advisory Council of the Green Bond Principles and Social Bond Principles Executive Committee (January 2023)



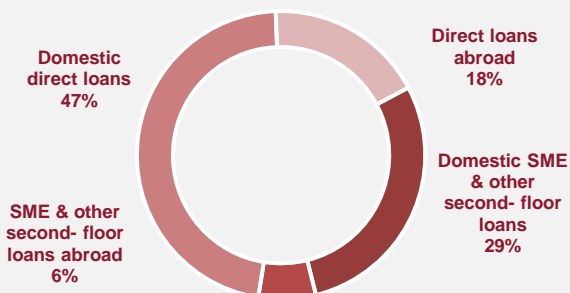
ICMA has released the results of the 2022/2023 Advisory Council of the Green Bond Principles and Social Bond Principles Executive Committee election, and for another year, ICO will be one of the 41 members that will contribute with its experience and knowledge in advising the Executive Committee.

ICO has played an active role in the sustainable finance market since it joined the social bond market in 2015 and started to collaborate with ICMA to boost the social bond market. The institution has always been strongly committed to the development of the social bond market, what has been reflected in the key role that ICO played in the launch of the social bond principles in 2018.

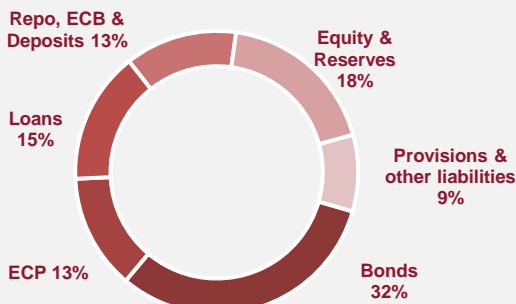
The Advisory Council was set at 2019 and ICO had then the pleasure to become a member of this group, integrated by high level participants from the market. Since that first election, ICO has also been part of the Advisory Council during two further terms. During this 2022/2023, ICO will continue to give the best of itself to further develop the sustainable finance market.

## ICO in figures

Loan Portfolio as at 31/12/2022



Liabilities breakdown as at 31/12/2022



Financial Highlights

	2018	2019	2020	2021	31/12/2022*
<b>Total assets</b> (Mill. EUR)	36,237	31,823	34,386	37,766	29,775
<b>Equity &amp; reserves<sup>1</sup></b> (Mill. EUR)	5,246	5,257	5,202	5,354	5,515
<b>Pre-tax profit</b> (Mill. EUR)	112.91	149.25	97.55	171.70	178.11
<b>Net interest income</b> (Mill. EUR)	-96.54	-28.06	-10.63	104.55	125.73
<b>Gross revenue</b> (Mill. EUR)	55.23	90.53	88.22	181.86	204.58
<b>Profitability ROA</b>	0.28%	0.44%	0.29%	0.49%	0.53%
<b>Tier I Ratio</b>	40.54%	41.11%	37.21%	35.36%	33.62%
<b>Non-Performing Loans</b>					
Direct Loans	6.31%	4.72%	4.16%	3.81%	3.67%
Total loans incl. second floor loans	3.19%	2.43%	2.33%	2.33%	2.31%
Provision coverage ratio	154%	168%	145%	157%	171%
<b>Efficiency</b>					
Ordinary Expenditure/ATA	0.10%	0.12%	0.12%	0.13%	0.14%

(1) Eligible capital for solvency purposes.

\* 2022: Unaudited figures

Source: ICO

## Funding Policy for 2023

- Expected total funding in 2023:  
EUR 5-6 bn
- EUR benchmark transactions
- Promotion of the sustainability bond market:  
further issuance of Social and Green Bonds
- Short to medium maturities

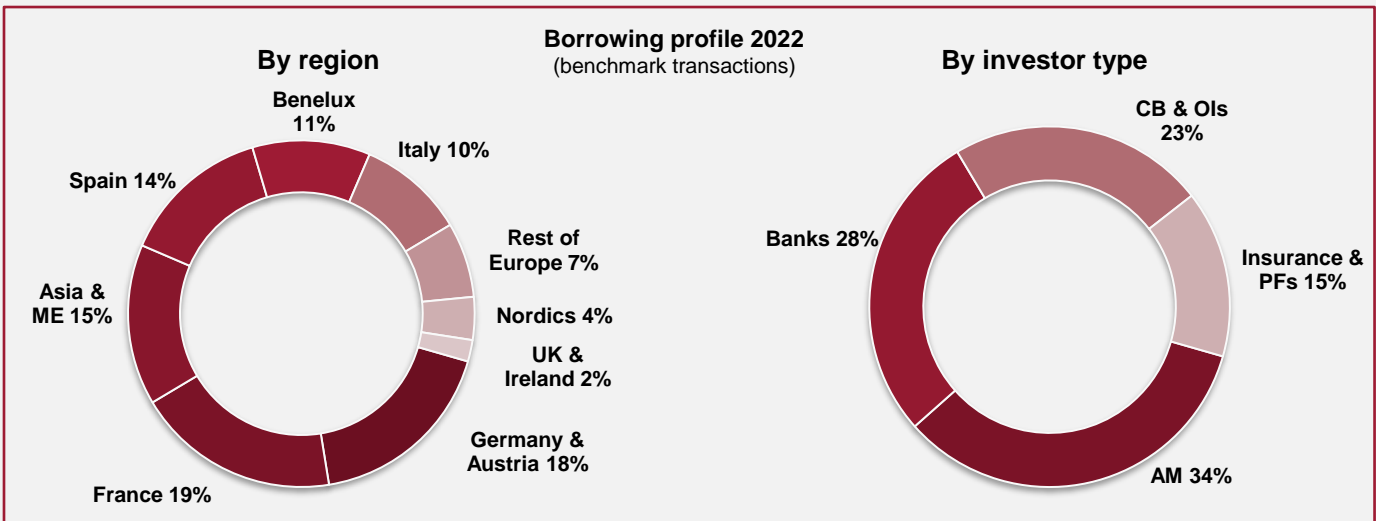
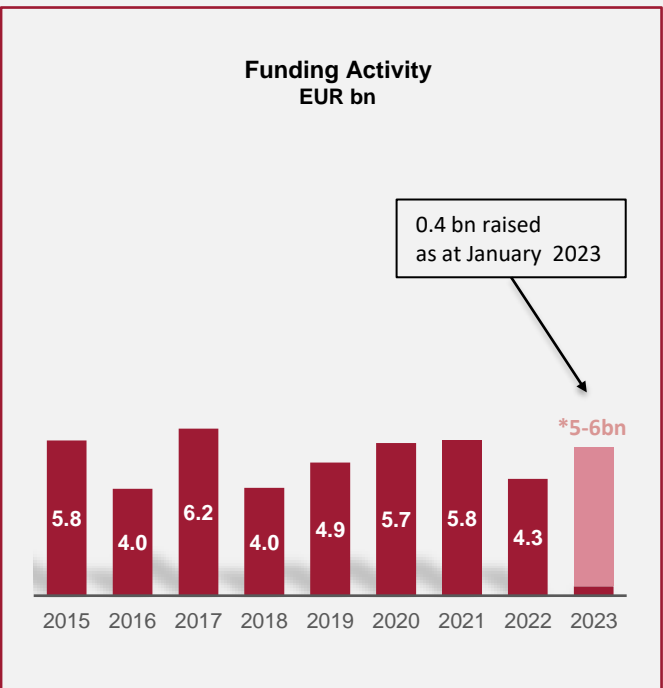
## Funding activity

ICO enjoys the **guarantee** from the Kingdom of Spain which is defined in its bylaws as:

**Explicit**  
**Irrevocable**  
**Unconditional**  
**Direct**

ICO's long term ratings

S&P	A / Stable
DBRS	A / Stable
Fitch	A- / Stable
Moody's	Baa1 / Stable



## Spanish Economy: latest figures and comments

In 2022 as a whole, GDP grew by 5.5%, equaling the growth rate of 2021 and well above the expectations of the Spanish Government (4.4%), the European Commission (4.5%) or the IMF (5.2%). In 2022, the **contribution to growth of domestic demand (2.8 pp) and net exports (2.6 pp) were balanced and positive. Spanish GDP grew by 0.2% QoQ and 2.7% YoY in Q4 2022**, according to the latest data published by the Spanish Statistical Office (INE). In Q4 YoY, both **domestic demand (0.6 pp) and net exports (2.1 pp)** had a **positive contribution** to economic growth.

In 2022, the **labour market kept its upward trend**. According to the INE **Labour Force Survey**, in Q4 2022 the number of employed persons grew by 278,900 (1.4%) compared with Q4 2021. **Employment stood at 20.46 million in Q4 2022** and it represented the maximum number of employment in any fourth quarter since 2007. The unemployment rate stood at 12.9% in Q4, below the rate of 13.3% in Q4 2021.

The Government has approved several sets of measures in order to compensate the effects of inflation, specially for those collectives more vulnerable (among the latest measures, a VAT rebate for basic items). Latest data show a **moderation of the Harmonized Index of Consumer Prices (HICP)**, that fell to 5.5% in December (from 6.7% in November). Spanish HICP is moderating its growth rate at a faster pace than Euro Area HICP (9.2%).

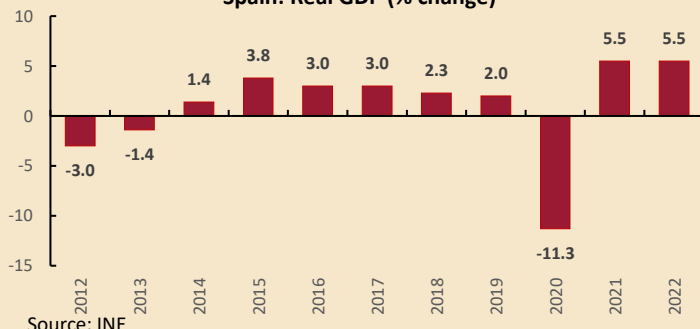
The General State Budget for 2023 has now been approved and includes the use of the Recovery and Resilience Facility to foster activity in parallel to the approval of reforms intended to have a positive effect on a longer run. In this regard, the Spanish Government has published the draft of the **Amendment to the Recovery and Resilience Plan for the complete use of the available funds** including additional investments and reforms. The amendment will help mobilize more than 93bn additional euros split into 7.7 billion euros of additional transfers, 84 billion euros of loans and 2.6 billion euros of the new REpowerEU plan.

The **7.7 billion of the transfers** will be mainly dedicated to bolster the 11 current Strategic **Projects for Economic Recovery and Transformation (PERTES)** and to create a new one focused on industrial decarbonization. The **84 billion of the loans** will be mainly channeled through **12 funds** destined to the productive fabric and to regional projects. Finally, the new REpowerEU plan will accelerate investments in the energy transition field.

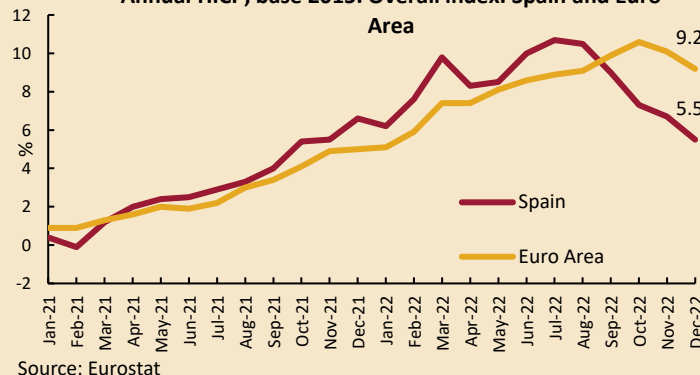
All this will reinforce the economic and social impact as well as the structural transformation that is already taking place in the Spanish economy. The execution of the Recovery Plan, together with the addendum, is expected to increase GDP up to 3 percentage points on average yearly until 2031.

With the presentation of this draft addendum, **Spain continues to lead the implementation of the Recovery Plan** in the European Union, being the first country to have received the first two payments and the third one has been requested.

Spain: Real GDP (% change)



Annual HICP, base 2015. Overall index. Spain and Euro Area



## Contact us

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