Audit Report on Consolidated Financial Statements
issued by an Independent Auditor

INSTITUT CATALÀ DE FINANCES AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended December 31, 2024

(Translation of an original report in Catalan)

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AUDIT REPORT OF CONSOLIDATED ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of an audit report and consolidated financial statements originally issued in Catalan. In the event of discrepancy, the Catalan-language version prevails. (See note 36.)

To the Governing Board of the Institut Català de Finances:

Opinion

We have audited the consolidated annual accounts of the Institut Català de Finances (the Institute) and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, the profit and loss account, the statement of recognised income and expenses, the total statement of changes in equity, the statement of cash flows and the annual report, all of which are consolidated, corresponding to the annual financial year ended on that date.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group as at December 31, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 1.b to the accompanying consolidated financial statements) and, specifically, the accounting principles and criteria contained therein..

Basis of opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of the Group in accordance with the ethical requirements, including those of independence, which are applicable to our audit of the consolidated annual accounts in Spain as required by prevailing audit regulations. In this sense, we have not provided services other than those of the audit of accounts, nor have there been situations or circumstances that, in accordance with the provisions of the aforementioned regulatory regulations, have affected the necessary independence in such a way that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, have been considered to be the most significant risks of material misstatement in our audit of the consolidated financial statements for the current period. These risks have been addressed in the context of our audit of the consolidated financial statements as a whole, and in the formation of our opinion thereon, and we do not provide a separate opinion on these risks.

Estimation of credit risk impairment losses for loans and advances at amortised cost

Description

The Group's portfolio of loans and advances to customers at 31 December 2024 amounted to EUR 2,019,534 thousand, including an associated impairment provision of EUR 249,613 thousand (see note 7 of the accompanying consolidated financial statements). The impairment of loans and advances at amortised cost is a significant and complex estimate.

The relevant accounting principles and criteria applied by the Group to estimate the impairment losses, either individually or collectively, are detailed in note 2.g to the accompanying consolidated financial statements.

The methods used to estimate impairment losses involve the exercise of a high degree of judgement in elements such as the classification of transactions according to their risk, the identification and classification of impaired exposures or those with a significant increase in risk, the sale value of the associated guarantees and, in the case of estimates made on an individual basis, the assessment of the borrowers' likeliness to pay based on the future evolution of their business. For the collective analysis, the Group uses the model for estimating credit risk impairment losses established in Circular 4/2017 by Bank of Spain and subsequent amendments, and a specific calculation methodology for estimating losses for individual exposures.

In addition, the Group is exposed to risks arising from the macroeconomic environment, which generate uncertainties in the recoverability of loans from certain borrowers or portfolios. For this reason, the Group has supplemented the impairment losses due to credit risk calculated as established in Circular 4/2017 of the Bank of Spain and subsequent amendments, with certain additional adjustments of a temporary nature that have been deemed necessary to collect the particular characteristics of borrowers or portfolios that may not be identified in the general process of collective estimation of impairment losses.

Therefore, the estimation of credit risk impairment losses for loans and advances at amortised cost has been considered a most relevant audit issue.

Our response

Our approach to the audit has included the analysis and evaluation of the internal control environment associated with the processes for estimating impairment losses due to credit risk, as well as the performance of substantive procedures, both for provisions estimated individually and collectively.

With regards to the evaluation of the internal control environment, our tests have focused, among others, on:

- Assessing of the adequacy of the policies and procedures established by the Group in accordance with the applicable regulatory requirements, as well as their effective application.
- Reviewing of the procedures established by the Group in the process of granting operations in order to assess their collection based on the ability to pay and other financial information of the creditor.

- Verification of the criteria for classifying exposures ("*staging*") according to their credit risk, taking into account the seniority of the defaults, the conditions of the operation, including refinancing or restructuring, and the controls or monitoring alerts established by the Group.
- Reviewing of the procedures for the periodic monitoring of transactions, mainly those related to the updating of financial information and the periodic review of the files of creditors and the follow-up alerts established by the Group for the identification of assets under special surveillance or impairment.
- Evaluation of the design of the relevant controls established for the management and valuation of associated guarantees in credit operations.

In addition, we have carried out substantive procedures, consisting mainly of:

- With regard to impairment losses determined on an individual basis, we have reviewed a sample of transactions to assess their accounting classification and the assumptions used by the Institute's Management to identify and quantify impairment losses, including the debtor's financial position, forecasts of future cash flows and, when considered, the valuation of the associated guarantees.
- With regard to collectively determined impairment losses, we have reviewed a sample of transactions to assess their segmentation and correct classification, by checking, with the supporting documentation, certain attributes included in the databases, such as the age of non-payments, the existence of refinanced operations or the value of the guarantees.
- We have recalculated the estimate of impairment losses due to credit risk carried out collectively, replicating the impairment model that considers the coverage percentages in accordance with the segmentation and classification of transactions established in Circular 4/2017 of the Bank of Spain and subsequent amendments, and we have assessed the suitability of the identification of additional provisions needs and their calculation process as at 31 December 2024.
- We have assessed whether the accompanying consolidated financial statements contain the information required by the regulatory framework for financial information applicable to the Group.

Valuation of venture capital investments

Description	In accordance with note 6 of the consolidated financial statements of the accompanying consolidated financial statements, the Group maintains investments in venture capital entities amounting to EUR 234,589 thousand at 31 December 2024, which are valued, in accordance with the accounting policies detailed in note 2.b of the consolidated financial statements, at their fair value, the cumulative changes of which are classified as the Group's shareholders' equity. The determination of the fair value of venture capital investments is an estimate based on accounting information on the equity value of investee companies. For all these reasons, we consider that the valuation of investments in venture capital entities is a more relevant aspect of our audit.
Our Response	Our approach to auditing has included the analysis and evaluation of the internal control environment associated with the monitoring processes of investments in venture capital entities, including the analysis and processing of the information obtained by the Institute's Management regarding investments for their valuation.

In addition, we have mainly carried out the following substantive audit procedures:

- Detailed tests aimed at assessing the quality and integrity of the technical accounting and management information of the projects carried out by the venture capital entities in which the Group invests, and in the treatment given to it by the Group's Management.
- Analytical tests to analyse the consistency of the valuation of these investments with the returns obtained by these entities and the general evolution of the markets in which they invest.

Finally, we have assessed whether the accompanying consolidated financial statements contain the information required by the regulatory framework for financial reporting applicable to the Group.

Automated financial information systems

Description	The continuity of the Group's business processes is highly dependent on its technological infrastructure, which is outsourced to a service provider. The rights of access to the different systems are granted to the Group's employees for the purpose of allowing the development and fulfilment of their responsibilities. These access rights are relevant as they are designed to ensure that changes to applications are appropriately authorized, monitored, and implemented, and constitute key controls to mitigate the potential risk of fraud or error as a result of application changes.
Our response	In the context of our audit, with the collaboration of our IT specialists, we have evaluated the general controls of the information systems relevant to the preparation of financial information. Our work has consisted, fundamentally, in testing general controls of access to the systems, management of changes and development of the applications, and their security, as well as the application controls established in the key processes for the financial information. Among other procedures, we have reviewed the independent expert's report on the description of controls, design and operational effectiveness in technological environment (ISAE-3402) corresponding to the financial year 2024, issued by an independent expert, from whom we have obtained confirmation of their training, technical capacity and objectivity.

Other information: Consolidated management report

The other information includes exclusively the consolidated management report for the financial year 2024, the preparation of which is the responsibility of the Institute's directors and is not an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the consolidated management report is to asses and report on the consistency of the management report with the consolidated management report with the consolidated annual accounts, based on the knowledge of the Group obtained during the audit, and to assess and report on whether the content and presentation of the consolidated management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described in the above paragraph, the information contained in the consolidated management report is consistent with that provided in the 2024 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibility of the Institute's directors in relation to the consolidated financial statements

The Institute's directors are responsible for preparing the accompanying consolidated financial statements so that they give a true and fair view of the Group's consolidated assets, consolidated financial position and consolidated results, in accordance with the regulatory framework for financial information applicable to the Group in Spain, which is identified in note 1.b of the attached consolidated financial statements, and the internal control that they consider necessary to enable the preparation of consolidated financial statements that are free of material misstatement, due to fraud or error.

In preparing the consolidated annual accounts, the Institute's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as appropriate matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements due to fraud or error, design and apply audit procedures to respond to these risks and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain knowledge of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Institute's administrators.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We plan and execute the Group's audit to obtain sufficient and adequate evidence in relation to the financial information of the Group's entities or business units as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work carried out for the purposes of the Group's audit. We are solely responsible for our audit opinion.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signed in the original report in Catalan)

Albert Fernández Chafer
(Registered in the Official Register of Auditors under No. 22820)

April 25, 2025

CONSOLIDATED FINANCIAL STATEMENTS ICF GROUP

(Translation from the original Consolidated Financial Statements issued in Catalan. In the event of discrepancy, the Catalan-language version prevails)

INSTITUT CATALÀ DE FINANCES GROUP

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2024 AND 2023 (in thousands of euros)

ASSETS	Note	31/12/2024	31/12/2023*
Cash, deposits in central banks and other demand deposits	5	**128,156**	**58,995**
Financial assets at fair value through other comprehensive income	6	**510,544**	**401,152**
Equity instruments		234,589	197,351
Debt securities		275,955	203,801
Financial assets at amortised cost	7	**2,062,737**	**1,979,815**
Loans and advances		2,062,737	1,979,815
Central banks		-	-
Credit institutions		43,202	30,216
Customers		2,019,534	1,949,599
Derivatives - hedge accounting	8	**13,828**	**16,687**
Changes in the fair value of the hedged items in a portfolio covered against interest rate risk		**(12,491)**	**(15,172)**
Investments in joint ventures and associates	10	**7,373**	**7,482**
Associated entities		7,373	7,482
Tangible assets	11	**67,492**	**68,328**
Property, plant and equipment		10,304	10,504
Investment property		57,188	57,824
Intangible assets	12	**1,971**	**2,065**
Other intangible assets		1,971	2,065
Tax assets	20	**64,491**	**64,105**
Current tax assets		732	5,308
Deferred tax assets		63,759	58,797
Other assets	13	**20,935**	**40,070**
Rest of other assets		20,935	40,070
Non-current assets and disposal groups held for sale	9	**9,482**	**8,535**
TOTAL ASSETS		**2,874,515**	**2,632,063**
MEMORANDUM ACCOUNTS: OFF-BALANCE SHEET ITEMS			
Financial guarantees granted	21	137,893	89,919
Loan commitments granted	21	435,127	307,551

LIABILITIES AND EQUITY	Note	31/12/2024	31/12/2023*
LIABILITIES			
Financial liabilities held for trading		**-**	**-**
Derivatives		-	-
Financial liabilities at amortised cost	14	**1,713,987**	**1,481,891**
Deposits		1,534,062	1,398,123
Credit institutions		1,124,833	1,067,471
Customer funds		409,228	330,652
Debt securities issued		172,757	78,654
Other financial liabilities		7,168	5,113
Derivatives - hedge accounting	8	**-**	**-**
Changes in the fair value of the hedged items in a portfolio covered against interest rate risk		**-**	**-**
Provisions	15	**8,110**	**3,341**
Commitments and guarantees given		7,228	2,459
Other provisions		882	882
Tax liabilities	20	**1,335**	**1,280**
Current tax liabilities		613	596
Deferred tax liabilities		722	684
Other liabilities	16	**102,303**	**115,164**
TOTAL LIABILITIES		**1,825,735**	**1,601,675**
EQUITY			
Own funds	19	**1,004,872**	**997,786**
Capital		693,149	693,149
Paid-up capital		693,149	693,149
Retained earnings		275,938	252,343
Other reserves		2,687	2,762
Reserves from investments in joint ventures and associates		2,687	2,762
Profit/(loss) attributable to equity holders of the parent		33,097	49,531
Accumulated other comprehensive income	18	**43,909**	**32,602**
Items that are not reclassified to profit or loss		45,106	36,945
Changes in fair value of equity instruments through profit/(loss)		45,106	36,945
Items that can be reclassified to profit or loss		(1,197)	(4,343)
Derivative hedging instruments Cash flow hedging		-	-
Changes in fair value of debt instruments		(1,197)	(4,343)
TOTAL EQUITY		**1,048,781**	**1,030,388**
TOTAL LIABILITIES AND EQUITY		**2,874,515**	**2,632,063**

* Presented solely and exclusively for comparative purposes.

Notes 1 to 35 to these financial statements and appendixes I, II and III form an integral part of the consolidated balance sheet at 31 December 2024.

INSTITUT CATALÀ DE FINANCES GROUP

CONSOLIDATED INCOME STATEMENTS FOR THE YEARS ENDED
31 DECEMBER 2024 AND 2023 (in thousands of euros)

	Note	Year 2024	Year 2023*
Interest income	**22**	126,392	104,514
Financial assets at fair value through other comprehensive income		5,215	3,429
Financial assets at amortised cost		121,176	101,085
(Interest expenses)	**23**	(49,144)	(39,566)
A) INTEREST MARGIN		**77,248**	**64,948**
Dividend income	**6**	4,072	752
Commission income	**24**	3,710	4,674
(Commissions expenses)	**25**	(2,010)	(2,685)
Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	**26**	19	-
Gains or (-) losses from assets and liabilities held for trading, net	**8.2**	-	-
Gains or (-) losses from hedge accounting, net	**8**	(233)	213
Exchange rate differences [gains or (-) losses], net		28	(16)
Other operating income	**27**	22,226	20,692
(Other operating expenses)	**28**	(1,892)	(1,710)
B) OPERATING PROFIT, NET		**103,169**	**86,869**
(Administrative expenses)		(15,155)	(13,773)
(Personnel expenses)	**29**	(9,346)	(8,084)
(Other administrative expenses)	**30**	(5,809)	(5,689)
(Amortisation and depreciation)	**31**	(2,211)	(2,412)
(Provisions or (-) reversal of provisions)	**15**	(4,783)	267
(Impairments or (-) or reversals of impairments to financial assets not recognised at fair value through profit or loss)		(35,496)	(4,643)
(Financial assets at fair value through other comprehensive income)	**32**	-	-
(Financial assets at amortised cost)	**32**	(35,496)	(4,643)
C) OPERATING MARGIN		**45,524**	**66,307**
Gains or (-) losses on non-current assets and disposal groups classified as held for sale not eligible as discontinued operations	**33**	(1,158)	1,907
D) GAINS OR (-) LOSSES BEFORE TAX FROM CONTINUING OPERATIONS		**44,366**	**68,214**
Gains or (-) losses on income tax from continuing operations	**20**	(11,269)	(18,683)
E) GAINS OR (-) LOSSES AFTER TAX FROM CONTINUING OPERATIONS		**33,097**	**49,531**
F) PROFIT OR (-) LOSS FOR THE YEAR		**33,097**	**49,531**

* Presented solely and exclusively for comparative purposes.

Notes 1 to 35 in these financial statements and appendixes I, II and III form an integral part of the consolidated income statement for 2024.

INSTITUT CATALÀ DE FINANCES GROUP

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023 (in thousands of euros)

A) Consolidated statements of recognised income and expense for the years ended 31 December 2024 and 2023:

	Year 2024	Year 2023*
Profit or (-) loss for the year	**33,097**	**49,531**
Other comprehensive income	**10,296**	**(8,287)**
Items that will not be reclassified to profit or loss	**7,149**	**(13,886)**
Actuarial gains or (-) losses on defined benefit plans	-	-
Non-current assets and disposal groups held for sale	-	-
Share in other recognised income and expenses of investments in joint ventures and associates	-	-
Fair value changes of equity instruments measured at fair value through other comprehensive income	7,149	(13,886)
Fair value changes of financial liabilities at fair value through profit or loss that is attributable to changes in the credit risk	-	-
Income tax related to items that will not be reclassified	-	-
Items that can be reclassified to profit or loss	**3,146**	**5,598**
Hedge of net investments in foreign operations [effective portion]	-	-
Revaluation gains/(losses) recognised in equity	-	-
Amount transferred to profit or loss	-	-
Other reclassifications	-	-
Foreign currency translation	-	-
Gains or (-) losses on foreign currency translation recognised in equity	-	-
Amount transferred to profit or loss	-	-
Other reclassifications	-	-
Cash flow hedges [effective portion]	-	-
Revaluation gains/(losses) recognised in equity	-	-
Amount transferred to profit or loss	-	-
Amounts transferred to the initial carrying amount of hedged items	-	-
Other reclassifications	-	-
Hedging instruments	-	-
Revaluation gains/(losses) recognised in equity	-	-
Amount transferred to profit or loss	-	-
Other reclassifications	-	-
Debt instruments at fair value through other comprehensive income	4,095	7,278
Revaluation gains/(losses) recognised in equity	4,114	7,278
Amount transferred to profit or loss	(19)	-
Other reclassifications	-	-
Non-current assets and disposal groups held for sale	-	-
Revaluation gains/(losses) recognised in equity	-	-
Amount transferred to profit or loss	-	-
Other reclassifications	-	-
Income tax related to items that can be reclassified to profit or loss	(949)	(1,679)
Total comprehensive income for the year	**43,393**	**41,244**

* Presented solely and exclusively for comparative purposes.

Notes 1 to 35 in these financial statements and appendixes I, II and III form an integral part of the consolidated statement of recognised income and expense for 2024.

B) Consolidated statements of total changes in equity for the years ended 31 December 2024 and 2023:

Statement for the year ended 31 December 2024	Capital	Retained earnings		Joint business reserves	(-) Treasury shares	Profit/(loss) attributable to equity holders of the parent	(-) Interim dividend	Other accumulated comprehensive income	Total
		Voluntary reserves	Capitalisation reserves						
Sources of changes in equity									
Opening balance [31 December 2023]	**693,149**	**248,123**	**4,092**	**2,890**	**-**	**49,531**	**-**	**32,602**	**1,030,388**
Effects of error correction	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-
Adjusted opening balance [31 December 2023]	**693,149**	**248,123**	**4,092**	**2,890**	**-**	**49,531**	**-**	**32,602**	**1,030,388**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**33,097**	**-**	**10,296**	**43,393**
Other changes in equity	**-**	**23,168**	**2,729**	**(2,377)**	**-**	**(49,531)**	**-**	**1,010**	**(25,000)**
Issue of ordinary shares	-	-	-	-	-	-	-	-	-
Issue of preferred shares	-	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	-	-	-	-	-	-	-
Exercise or maturity of other equity instruments issued	-	-	-	-	-	-	-	-	-
Conversion of debt into equity	-	-	-	-	-	-	-	-	-
Capital decrease	-	-	-	-	-	-	-	-	-
Dividends (or shareholder remuneration)	-	-	-	-	-	(25,000)	-	-	(25,000)
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury	-	-	-	-	-	-	-	-	-
shares	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liabilities	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to equity	-	-	-	-	-	-	-	-	-
Transfers between equity items	-	21,802	2,729	-	-	(24,531)	-	-	-
Derecognition of financial assets at fair value through other comprehensive income (Note 6)	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-
Other increases or (-) decreases in equity	-	1,366	-	(2,377)	-	-	-	1,010	-
Closing balance [31 December 2024]	**693,149**	**271,291**	**6,821**	**513**	**-**	**33,119**	**-**	**43,909**	**1,048,781**

Statement for the year ended 31 December 2023	Capital	Retained earnings		Joint business reserves	(-) Treasury shares	Profit/(loss) attributable to equity holders of the parent	(-) Interim dividend	Other accumulated comprehensive income	Total
		Voluntary reserves	Capitalisation reserves						
Sources of changes in equity									
Opening balance [31 December 2022]	**693,149**	**213,215**	**11,839**	**2,758**	**-**	**27,399**	**-**	**40,784**	**989,145**
Effects of error correction	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-
Adjusted opening balance [31 December 2022]	**693,149**	**213,215**	**11,839**	**2,758**	**-**	**27,399**	**-**	**40,784**	**989,145**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**49,531**	**-**	**(8,287)**	**41,244**
Other changes in equity	**-**	**34,908**	**(7,747)**	**132**	**-**	**(27,399)**	**-**	**105**	**-**
Issue of ordinary shares	-	-	-	-	-	-	-	-	-
Issue of preferred shares	-	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	-	-	-	-	-	-	-
Exercise or maturity of other equity instruments issued	-	-	-	-	-	-	-	-	-
Conversion of debt into equity	-	-	-	-	-	-	-	-	-
Capital decrease	-	-	-	-	-	-	-	-	-
Dividends (or shareholder remuneration)	-	-	-	-	-	-	-	-	-
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-
Sale or cancellation of treasury	-	-	-	-	-	-	-	-	-
shares	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from equity to liabilities	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to equity	-	-	-	-	-	-	-	-	-
Transfers between equity items	-	35,145	(7,747)	-	-	(27,399)	-	-	-
Derecognition of financial assets at fair value through other comprehensive income (Note 6)	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-
Other increases or (-) decreases in equity	-	(237)	-	132	-	-	-	105	-
Closing balance [31 December 2023]	**693,149**	**248,123**	**4,092**	**2,890**	**-**	**49,531**	**-**	**32,602**	**1,030,388**

* Presented solely and exclusively for comparative purposes.

Notes 1 to 35 in these financial statements and appendixes I, II and III form an integral part of the consolidated statement of total changes in equity at 31 December 2024.

INSTITUT CATALÀ DE FINANCES GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED
31 DECEMBER 2024 AND 2023

	Year 2024	Year 2023*
A) CASH FLOWS FROM OPERATING ACTIVITIES	**69,726**	**(23,783)**
Profit (loss) for the year	**33,097**	**49,531**
Adjustments to obtain cash flows from operating activities	35,540	(6,450)
Amortisation	2,211	2,412
Other adjustments	33,329	(8,862)
Net increase/decrease in operating assets	(193,253)	(77,744)
Financial assets held for trading	-	-
Financial assets designated at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income	(78,953)	(36,378)
Financial assets at amortised cost	(114,136)	(41,335)
Other operating assets	(164)	31
Net increase/decrease in operating liabilities	213,192	19,737
Financial liabilities held for trading	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Financial liabilities at amortised cost	207,096	20,130
Other operating liabilities	6,096	(393)
Income tax receivable/payable	(18,850)	(8,857)
B) CASH FLOWS FROM INVESTING ACTIVITIES	**(537)**	**3,283**
Payments	(1,299)	(1,328
Tangible assets	(431)	(539)
Intangible assets	(868)	(789)
Investments in subsidiaries, joint ventures and associates	-	-
Other business units	-	-
Non-current assets and liabilities held for sale	-	-
Held-to-maturity investments	-	-
Other payments related to investment activities	-	-
Amounts received	762	4,611
Tangible assets	-	-
Intangible assets	-	-
Investments in subsidiaries, joint ventures and associates	-	-
Other business units	-	-
Non-current assets and liabilities held for sale	762	2,704
Held-to-maturity investments	-	-
Other payments related to investment activities	-	-
C) CASH FLOWS FROM FINANCING ACTIVITIES	**-**	**-**
Payments	-	-
Dividends	-	-
Subordinated liabilities	-	-
Repayment of equity instruments	-	-
Acquisition of equity instruments	-	-
Other payments related to financing activities	-	-
Amounts received	-	-
Subordinated liabilities	-	-
Issue of equity instruments	-	-
Sale of equity instruments	-	-
Other amounts received related to financing activities	-	-
D) EFFECT OF EXCHANGE RATE CHANGES	**(28)**	**(16)**
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**69,161**	**(20,484)**
F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**58,995**	**79,479**
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**128,156**	**58,995**
CASH AND CASH EQUIVALENTS ITEMS AT THE END OF THE PERIOD		
Cash	-	-
Cash equivalents in central banks	-	-
Other financial assets	128,156	58,995
Less: bank overdrafts repayable on demand	-	-

* Presented solely and exclusively for comparative purposes.

Notes 1 to 35 in these financial statements and appendixes I, II and III form an integral part of the consolidated statement of cash flows for 2024.

Institut Català de Finances and companies comprising the Institut Català de Finances Group

Notes to the Consolidated Financial Statements for the year ended 31 December 2024

1. Introduction, basis of presentation of the consolidated financial statements and other disclosures

a) Nature of the Entity and the Group

The Institut Català de Finances (hereinafter the "Institute", the "Entity" or the "ICF") is a public financial institution with its own legal personality subject to private law system, wholly owned by the Generalitat de Catalunya. The regulations governing the Institute are in Legislative Decree 1/2022 of 26 July enacting the recast text of the Law on the Institut Català de Finances.

The Institut Català de Finances has its own assets and funds, and it performs its roles with organisational, financial, capital, operational and management autonomy, fully independent of public administrations.

The Institut Català de Finances is subject to specific regulations for credit institutions and therefore governed only by public basic legislation and the regulations issued by the applicable regulatory bodies of the European Union in view of its special activities and nature. The Institute has to prepare its annual financial statements and recognise its transactions in accordance with the accounting criteria and standards for credit institutions.

On 1 August 2011, pursuant to Law 7/2011 of 27 July on fiscal and financial measures, the ICF carried out the merger by absorption of the Institut Català de Crèdit Agrari (hereinafter the "ICCA"). Its corporate purpose, which was integrated as of the effective date of merger in the ICF's activity, was the financing of investments in productive assets of holders of farms or companies in the agricultural, fishery and agri-food sector. Also, on 20 December 2013, the global transfer of the assets and liabilities of Institut Català de Finances Holding SAU was signed in favour of its sole shareholder, the Institut Català de Finances.

The Institut Català de Finances heads the Institut Català de Finances Group (henceforth the "Group" or the "ICF Group"). At 31 December 2024 and 2023 it comprised the following subsidiaries, wholly owned by the ICF either directly or indirectly:

- Instruments Financers per a Empreses Innovadores, S.L. Societat Unipersonal (henceforth "IFEM") was incorporated by public notarial instrument on 12 December 2008. the company's corporate purpose is managing public programmes agreed with the Generalitat de Catalunya and with the European Union and the Spanish Government in the broadest sense of the term. The company performs its corporate purpose using the investment, financing and guarantee financial instruments it considers appropriate, including holding and managing financial investments in guaranteed companies, venture capital firms and funds and investment in other state-owned or private enterprises, and awarding financing and investment both directly and also indirectly through financial intermediaries.

The ICF agreed on 31 May 2023 to transfer to IFEM the task of implementing the financial instruments in the Catalonia ERDF 2014-2020 Operational Programme together with all the rights and obligations flowing from its position as implementing entity for these instruments, including all Eurocrèdit loan facility agreements.

The transfers were concluded in September by means of a non-monetary contribution to IFEM, which was coupled with a monetary contribution, leading to the relevant capital increase for a total amount of 175,000 thousand euros (156,263 thousand euros relates to the value of the economic rights resulting from the Eurocrèdit loan facility and 18,737 thousand euros to the monetary contribution). The increase in IFEM's capital by the ICF, its sole member, involved the creation of 1,750,000 new equity interests and the amendment of IFEM's bylaws to reflect the new company capital figure after the capital increase which now stands at 225,000 thousand euros.

- Institut Català de Finances Capital SGEIC, S.A. Societat Unipersonal (henceforth "ICF Capital") was incorporated for an indefinite term on 26 February 2011 and is subject to Circular 1/2021 of 25 March of the Spanish National Securities Market Commission (CNMV), which regulates venture capital management companies, and to current legislation regarding this type of company including Law 22/2015 of 12 November and, where this is not applicable, Royal Decree Law 1/2011 of 2 July enacting the recast text of the Capital Companies Law. Its corporate purpose and main activity are the administration and management of venture capital funds and the assets of venture capital companies. It is a single-shareholder company where this single shareholder is the Institut Català de Finances.

- Capital MAB, F.C.R. (henceforth "Capital MAB") is a venture capital fund established on 27 February 2012 after authorisation by the Spanish National Securities Market Commission (CNMV) was granted on 17 February 2012. On 2 March 2012 the CNMV listed the fund in its Venture Capital Fund register under number 134. Initially the Fund was to operate for 10 years, extendable to 12 years. It was extended for 12 years on 27 September 2021. The investment period ended on 31 December 2018.

- Capital Expansió, F.C.R. (henceforth "Capital Expansió") is a venture capital fund established on 20 July 2012 after the authorisation by the Spanish securities market regulator (CNMV) was granted on 6 July 2012. On 26 July 2012 the CNMV listed the fund in its Venture Capital Fund register under number 136. Initially the Fund was to operate for 10 years, extendable to 12 years. It was extended for 12 years on 27 September 2021. The investment period ended on 31 December 2018.

- ICF Venture Tech II, F.C.R.E. (henceforth "ICF Venture Tech II") is a venture capital fund registered on 28 June 2019 in the administrative registers for European venture capital funds of the Spanish National Securities Market Commission (CNMV) under number 11, which has been established after authorisation granted on 21 June 2019 by the same body. The Fund will operate for 10 years, which may be extended to a maximum of 12 years.

- ICF Capital Expansió II, F.C.R.E. (hereinafter "ICF Capital Expansió II") is a venture capital fund registered on 28 June 2019 in the administrative registers for European venture capital funds of the Spanish National Securities Market Commission (CNMV) under number 11, which has been established after authorisation granted on 21 June 2019 by the same body. The Fund will operate for 10 years, which may be extended to a maximum of 12 years.

- ICF Venture Tech III, F.C.R.E. (henceforth "ICF Venture Tech III") is a venture capital fund registered on 12 July 2024 in the administrative registers for European venture capital funds of the Spanish National Securities Market Commission (CNMV) under number 153, which has been established based on the private agreement signed on 22 May 2024. The Fund will operate for 10 years, which may be extended to a maximum of 12 years.

The registered address is Gran Via de les Corts Catalanes, 635, Barcelona.

These consolidated financial statements of the ICF Group for the year ended 31 December 2024 were prepared by the Supervisory Board on 26 March 2025 and are pending approval by the Government; however, the Supervisory Board understands that they will be approved without changes. The consolidated financial statements of the ICF Group for the year ended 31 December 2023 were approved by the Government on 20 March 2023.

b) Basis of presentation for the consolidated financial statements

Pursuant to applicable regulations, the ICF Group presents the consolidated financial statements for the year ended 31 December 2024 primarily in accordance with the measurement and recognition criteria established in Bank of Spain Circular 4/2017 of 27 November to credit institutions on public and private financial reporting standards and financial statement formats (“Circular 4/2017”) and subsequent amendments thereto, which constitute the development and adaptation to the Spanish credit institution sector of the International Financial Reporting Standards adopted by the European Union ("EU-IFRS") in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of European Parliament of 19 July 2002 on the application of international accounting standards.

The ICF Group's consolidated financial statements for the year ended 31 December 2024 have been prepared taking into account all applicable accounting principles and standards and mandatory accounting policies and measurement bases so as to present fairly, in all material respects, the ICF Group's equity and financial position at 31 December 2024 and the results of its operations and cash flows, all consolidated, for the year then ended in accordance with the aforementioned applicable financial reporting framework and, in particular, with the accounting principles and criteria contained therein.

Note 2 summarises the most significant accounting principles and policies as well as the measurement bases applied in preparing the ICF Group's consolidated financial statements for the year ended 31 December 2024.

The consolidated financial statements have been prepared on the basis of the accounting records kept by the Institut Català de Finances and the other Group companies. Nonetheless, and since the accounting principles and measurement criteria applied in the preparation of the Group's 2024 consolidated financial statements may differ from those used by some of the entities comprising the Group, certain adjustments and reclassifications have been made in the consolidation process in order to standardise these principles and criteria and bring them into line with the accounting standards adopted by the Group.

c) Responsibility for information and estimates

Estimates have been used from time to time in the ICF Group's consolidated financial statements for the year 2024 to quantify certain assets, liabilities, income, expenses and commitments disclosed in them. These estimates basically refer to:

- Impairment losses on certain assets (see Notes 6, 7, 8 and 9).
- The useful life of tangible and intangible assets (see Notes 11 and 12).
- Provisions for litigation (see Note 15).
- The fair value of certain unlisted financial assets (see Note 17).
- The recovery of deferred tax assets (see Note 20).

While these estimates are made based on the best information on the facts disclosed available on 31 December 2024, future events may take place requiring these estimates to be modified (upward or downward) in future years. The effects on the balance sheet and income statement of changes in accounting estimates are recognised prospectively in accordance with Rule 19 of Circular 4/2017.

d) Information comparison

The figures for the 2023 financial year included in the accompanying consolidated financial statements for 2024 are presented solely and exclusively for comparative purposes.

e) Environmental impact

Given the Group's business operations, it does not have any environmental liabilities, expenses, assets, provisions or contingencies which might be significant in relation to its equity, financial position and profit or loss. The notes to the Group's consolidated financial statements therefore do not include specific disclosures on environmental issues.

However, as a public financial institution, the ICF Group's raison d'être is ethical and responsible management. Consequently, it drives financing with a constructive impact on society and the environment while always striving for sustainable development. It has also mainstreamed ESG (environmental, social and good governance) principles across the board in its management model as reflected in its operations, products, work systems and initiatives.

2. Accounting principles and measurement criteria

In the preparation of the Group’s consolidated financial statements for 2024, the following accounting principles and policies and measurement criteria have been applied:

a) Consolidation principles

The consolidated financial statements have been prepared by applying the global integration method to the subsidiaries and the equity method to the associated entities.

Subsidiary entities

Subsidiary entities (also called subsidiaries) are entities over which the Group has the capacity to exercise control. This capacity exists when:

- The Group has the power to govern the activities of the investee;

- The Group has the practical capacity to exercise this power for the purpose of influencing their performance;
- Due to the Group's involvement, it is exposed to or is entitled to variable returns from the investee.
- Any event or circumstance which could have an effect on the assessment of whether control exists or not as well as the analyses described in the related guidelines for applicable regulations, i.e. that a direct or indirect interest of more than 50% of voting rights of the entity being assessed is held.

When events and circumstances indicate that there have been changes in any of the three previous conditions, the Group reassesses its control over the investee.

When acquiring control of a subsidiary, the Group applies the acquisition method set out in the regulatory framework, except when it involves the acquisition of an asset or group of assets.

The financial statements of subsidiaries are fully consolidated, irrespective of their activity, with those of the Institute, which involves aggregating the assets, liabilities and equity, income and expenses of a similar nature disclosed in the individual financial statements A percentage of the carrying amount of direct and indirect holdings in subsidiaries is eliminated equivalent to the proportion of equity of these subsidiaries represented by these holdings. The remaining balances and transactions are eliminated in the consolidation process. For consolidation purposes, the results of subsidiaries are those generated since the acquisition date.

Those companies forming part of the venture capital activity are not considered to be subsidiaries because in accordance with the Regulations on Management of Venture Capital Funds and Companies the ICF has no control over their management, with the only exceptions being Capital MAB F.C.R., Capital Expansió F.C.R., ICF Venture Tech II, F.C.R.E., ICF Capital Expansió II, F.C.R.E. and ICF Venture Tech III, F.C.R.E., with a 100% stake held by the Institute and managed by ICF Capital S.G.E.I.C. S.A.U.

Associated entities

Associated entities (also called associates) are entities over which the ICF directly or indirectly exercises significant influence, and which are not subsidiaries or joint venture entities. Significant influence is evidenced, among others, in the following situations:

a) Representation on the board of directors or equivalent management body of the investee.
b) Participation in the process of establishing policies, including those related to dividends and other distributions.
c) Existence of significant transactions between the Group and the investee.
d) Exchange of senior management staff.
e) Provision of essential technical information.

The analysis to determine whether there is significant influence over an investee will also take into consideration the importance of the investment in the investee, length of service on the investee's governing bodies and the existence of potential convertible voting rights at the date of analysis. In most cases, significant influence is considered to exist when the Group has an interest equal to or greater than 20% of the voting rights of an investee.

Companies which form part of venture capital operations are not considered associates since pursuant to the Management Regulations of Venture Capital Funds and Companies, it does not have significant influence over their management. These investments are recognised under as “Financial assets at fair value through other comprehensive income”.

Associates are accounted for in the consolidated financial statements using the equity method, i.e. for the percentage of their equity equal to the Group's percentage interest after considering dividends received and other equity eliminations. The same percentage of any gains or losses from transactions with associates is eliminated.

Appendix II presents a breakdown of the Group’s subsidiaries and associates together with relevant information about them.

b) Financial instruments

Initial recognition

Financial instruments are initially recognised on the balance sheet when the Group becomes party to the relevant contract in accordance with the terms set out in it. Loans and deposits, the most common type of financial asset and liability, are recognised on the date the amount becomes legally receivable or payable respectively. Financial derivatives are generally recognised on the trade date.

Transactions involving regular-way sale and purchase of financial assets, and which may not be settled net, are recognised on the date when the rewards, risks, rights and duties inherent to ownership of the asset are transferred to the purchaser. Depending on the type of financial asset acquired or sold, this may occur on the trade, settlement or delivery date. Spot currency transactions are recognised on the settlement date; transactions involving equity instruments traded on Spanish secondary securities markets are recognised on the trade date; and those involving debt instruments traded on secondary Spanish markets are recognised on the settlement date

Derecognition of financial instruments

A financial asset is fully or partially derecognised from the balance sheet when the contractual rights to the associated cash flows expire or when the asset is transferred. Transfer of an asset must involve the substantial transfer of the risks and rewards, or, if not, the transfer of control of the asset (see Note 2.f).

A financial liability is fully or partially derecognised when the obligations it generates are extinguished or when it is purchased by the Group.

Fair value and amortised cost

All financial instruments are initially recognised in the balance sheet at fair value, this being the cost of the transaction unless there is evidence to indicate otherwise. Subsequently, on a specific date, the fair value is taken to be the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The most objective and common benchmark for the fair value of a financial instrument is the quoted price in an organised, transparent and deep market ("quoted price" or "market price").

If there is no market price for a specific financial instrument, its fair value is estimated based on that established in recent transactions involving similar instruments and, failing that, on models that have been adequately tested by the international financial community. Consideration must also be given to the specific nature of the asset to be valued and to the different types of risk associated with the instrument.

The fair value of financial derivatives traded on organised, transparent and deep markets recognised as financial assets held for trading is taken as the daily quoted price. If for exceptional reasons it is not possible to obtain a price for a specific date, the instrument will be valued using methods similar to those used to value derivatives that are not traded on organised markets.

The fair value of derivative instruments not traded on organised markets, or which are traded on insufficiently transparent or deep markets, is determined using recognised methods such as the "net present value" (NPV) method or models used to determine the price of options.

Nevertheless, some specific financial assets and financial liabilities are recognised in the balance sheet at amortised cost. This criterion is applied to financial assets included under “Financial assets at amortised cost” and to financial liabilities recognised as “Financial liabilities at amortised cost”.

Amortised cost is the acquisition cost of the financial asset or financial liability, plus or minus principal repayments and the part systematically taken to profit and loss using the effective interest method, of any difference between that initial amount and the maturity amount. In the case of financial assets, amortised cost also includes any reduction for impairment and also the value adjustments due to the impairment experienced.

The effective interest rate is the rate that exactly matches the initial amount of a financial instrument to all its estimated cash flows of all kinds over its remaining life. For fixed-rate financial instruments, the effective interest rate coincides with the contractual interest rate established on the acquisition date, adjusted, where applicable, for initial premiums, discounts and commissions that are similar in nature to interest charges or transaction costs. For variable rate financial instruments, the effective interest rate is the same as that used for all other instruments until the next review of the benchmark interest rate takes place.

As already mentioned above, certain assets and liabilities are recorded in the balance sheet, if applicable, at fair value, such as "Financial assets at fair value through other comprehensive income" and "Derivatives".

A portion of the assets and liabilities recognised under these headings are included in some of the fair-value and cash flow micro-hedges managed by the Group and the carrying amount is therefore adjusted to include its fair value attributable to the hedged risk.

The ICF Group considers that the fair value of assets and liabilities as a result exclusively of movements of the market interest rate will not be significantly different from those recorded in the balance sheet (see Note 3.1).

Regarding the fair value of the assets classified in the balance sheet of "Tangible assets", see Note 11.

Classification and measurement of financial assets and liabilities

The financial instruments not classified under one of the categories detailed below are recognised under one of the following headings in the accompanying balance sheet: “Cash, cash balances in central banks and other demand deposits”, "Derivatives – hedge accounting” and “Investments in subsidiaries, joint ventures and associates”. Additionally, all other financial instruments are classified on the balance sheet according to the following categories:

- **Financial assets at amortised cost:** Financial assets must be classified in this category when they are managed with a business model whose purpose is to maintain financial assets to receive contractual cash flows, and their contractual conditions give rise to cash flows at specified dates which are solely payments of principal and interest on principal outstanding amount**.** This category includes "Loans and advances" and "Debt securities":

    - **Loans and receivables:** This heading includes financing extended to third parties in connection with the ordinary lending activities carried out by the Group, and receivables from goods and services. It also includes unquoted debt securities or debt securities which are traded on markets which are barely active. Financial assets included in this category are initially measured at fair value adjusted by the amount of the commissions and transaction costs that are directly attributable to the acquisition of the financial asset, and which are recognised in the income statement using the effective interest method over the life of the asset. They are subsequently measured at amortised cost as previously described in this Note.

      Assets acquired at a discount are measured at the cash amount paid. The difference between their repayment value and the amount paid is recognised as finance income on the income statement during the remaining term to maturity.

      The interest accrued on these operations, which is calculated using the effective interest rate method, is recognised under “Interest income” in the income statement. The exchange differences for securities denominated in foreign currency other than the euro are recognised as described in Note 2.d. Any impairment losses on these securities are recognised as set out in Note 2.g. Finally, differences arising in the fair value of financial assets included in fair value hedges are recognised as described in Note 2.c.

    - **Debt securities:** This heading consists of debt securities which are traded on an active market with a specified maturity date, and which give rise to payments at fixed or predetermined dates and amounts and for which there is a proven intention and ability to hold them to maturity.

      They are measured at amortised cost using the effective interest method for their determination.

- **Financial assets at fair value through other comprehensive income:** Financial assets are classified in this category when they are managed with a business model whose purpose combines receipt of the contractual cash flows of the financial assets and their sale, and their contractual conditions give rise to cash flows at specified dates which are solely payments of principal and interest on outstanding principal.

  This category includes equity securities owned by the Group corresponding to entities that are not subsidiaries or associates as well as debt instruments not classified as financial assets at amortised cost. The instruments included in this category are initially measured at their fair value, adjusted for the amount of the transaction costs that are directly attributable to the acquisition of the financial asset. After their acquisition, the financial assets included in this category are measured at their fair value.

  Any changes in the fair value of the debt instruments classified in this category are accounted for with a balancing entry under "Equity. Accumulated other comprehensive income. Changes in the fair value of debt instruments measured at fair value through other comprehensive income" until the moment in which the financial asset is derecognised or there is evidence of impairment. At this time, the balance recorded in equity is taken to the income statement under the heading "Impairment of the value or reversal of impairment of the value and gains or losses for changes in cash flows of financial assets not measured at fair value through profit or loss". In relation to debt securities, the measurement is made based on the quote on organised markets, considering that there is evidence of impairment when the market price is less than 60% of the cost value.

Equity interests in unlisted venture capital companies and funds are measured at their fair value, recognising in equity the result of any variations in this fair value except where this entails a decrease in value of less than 10% and associated with management costs of the first years of operation of the vehicles. Once the results are realised, the value adjustments are reclassified against the item "Retained earnings" within the Group's own funds.

Any returns received from venture capital companies and funds corresponding to the accrued dividends are recorded in the "Dividend income" heading in the income statement.

- **Financial liabilities at amortised cost:** Financial liabilities not classified as held for trading are included under this heading. The balances recognised correspond to the standard activities of raising funds carried out by credit institutions, irrespective of the type of transaction or its maturity.

  They are initially measured at fair value adjusted by the amount of transaction costs that are directly attributable to the issue of the financial liability, and which are expensed in the income statement using the effective interest method until maturity. They are subsequently measured at amortised cost as previously described in this Note.

  The interest accrued on these financial liabilities is recognised under “Interest expenses” in the income statement. The exchange differences for liabilities denominated in foreign currency other than the euro are recognised as described in Note 2.d. Any differences arising in the fair value of financial liabilities included in fair value hedges are recognised as described in Note 2.c.

In addition, Circular 4/2017 stipulates the following category for financial instruments: “Assets and liabilities held for trading”. In 2024 and 2023, the Group has not held any assets or liabilities classified in this category corresponding exclusively to derivative instruments which do not comply with the requirements to be considered as accounting hedges.

Reclassifications between portfolios

Only if the Group decides to change its business model for the management of financial assets would it reclassify all the financial assets affected according to the requirements set out in Circular 4/2017. This reclassification would be made prospectively from the date of reclassification. In accordance with the Circular 4/2017 approach, the changes in the business model occur very rarely.

c) Derivative instruments and hedging

The ICF Group uses financial derivatives as a tool to manage financial risks (see Note 3). When these transactions meet certain requirements, they are considered as “hedges”.

When the ICF Group designates a transaction as a hedge, it provides adequate documentation of the transaction in accordance with current regulatory requirements. The hedge accounting documentation includes adequate identification of the hedged position(s) and the hedging instrument(s), the nature of the risk to be hedged, and the criteria or methods used by the ICF Group to assess the effectiveness of the hedge over its entire life, taking into account the risk to be hedged.

The ICF Group only applies hedge accounting for hedges that are considered highly effective. A hedge is regarded as highly effective if, during its expected life, the changes in the fair value or cash flows of the hedged item that are attributable to the risk being hedged in the operation are almost fully offset by changes in the fair value or cash flows, as appropriate, of the hedging instrument(s).

To measure the effectiveness of hedges defined as such, the ICF analyses whether, from the inception to the end of the term defined for the hedge, it can expect, prospectively, that the changes in fair value or cash flows of the hedged item that are attributable to the hedged risk will be almost fully offset by changes in the fair value or cash flows, as the case may be, of the hedging instrument or instruments and that, retrospectively, the hedging meets the conditions established in Rule 31 of Circular 4/2017 that complies with IFRS 9, paragraph 6.4.1, not requiring the results to fluctuate within a range of variation of eighty to one hundred and twenty-five percent with respect to the hedged item.

The hedging transactions performed by the ICF Group are classified as follows:

- Fair value hedges that hedge the exposure to changes in the fair value of financial assets or liabilities or unrecognised firm commitments, or of an identified portion of such assets, liabilities or firm commitments, that is attributable to a particular risk provided that they affect the income statement.
- Cash flow hedges that hedge the exposure to variability in cash flows that is attributable to a particular risk associated with a financial asset or financial liability or a highly probable forecast transaction, provided that it may affect the income statement.

In the specific case of financial instruments designated as hedged items and qualifying for hedge accounting, gains and losses are recognised as follows:

- In fair value hedges, the gain or loss on both the hedging instruments and the hedged items attributable to the type of risk being hedged are recognised directly in profit or loss.
- Cash flow hedges: the Group recognises as income and expenses recognised in equity the gains and losses arising from the measurement at fair value of the hedging instrument which corresponds to the portion that is determined to be an effective hedge. If a hedge of a forecast transaction results in the recognition of a financial asset or liability, the associated gains or losses that were recognised in equity are reclassified to profit or loss in the same period or periods during which the acquired asset or assumed liability affect profit or loss, and in the same income statement heading.

The gains or losses on the ineffective portion of the hedging instruments are recognised directly under “Gains or (-) losses on hedge accounting, net” in the income statement.

The ICF Group discontinues hedge accounting when the hedging instrument expires or is sold, when the hedge no longer meets the criteria for hedge accounting, or the designation as a hedge is revoked.

When, as described in the previous paragraph, a fair value hedge is discontinued, in the case of hedged items carried at amortised cost, the value adjustments made as a result of the hedge accounting described above are recognised in the income statement over the life of the hedged items using the effective interest rate recalculated at the hedge’s discontinuation date.

Derivatives embedded in other financial instruments or contracts are disclosed separately when their risks and characteristics are not closely related to those of the host instrument or contract, provided it is possible to assign a reliable, independent fair value to the embedded derivative.

d) Foreign currency transactions

The ICF Group's functional currency is the euro. Consequently, all balances and transactions denominated in currencies other than the euro are deemed to be denominated in foreign currency. The Group has no significant balances in foreign currency in its financial statements.

e) Recognition of income and expenses

The most significant accounting criteria used by the ICF Group to recognise its income and expenses are summarised below.

a) Income and expenses for interest, dividends and similar items

Income and expenses for interest and similar items are generally recognised on an accrual basis using the effective interest method, independently of when the associated cash or financial flows arise.

Dividends received from other companies are recognised as income when the Group’s right to receive them arises, provided that distribution corresponds to profit generated by the subsidiary since the ICF gained an equity interest in it.

b) Commissions

Commission income and expense are recognised in the income statement using criteria that vary according to their nature.

Financial commissions, such as loan arrangement fees, are part of the effective yield or cost of a financial transaction and are recognised under the same headings as the finance income or costs, i.e. “Interest income” and “Interest expenses”. These commissions, which are prepaid, are recorded as income over the life of the transaction, except to the extent that they offset related direct costs.

Non-financial commissions deriving from the provision of services are recognised under “Commission income” and “Commission expense” over the period in which the service is provided, except for those relating to services provided in a single action which are accrued when they occur.

c) *Non-financial income and expenses*

These are recognised for accounting purposes on an accrual basis.

d) *Deferred collections and payments*

These are recognised for accounting purposes at the amount resulting from discounting the expected cash flows at market rates.

f) Transfers of financial assets

How transfers of financial assets are accounted for depends on the extent to which the risks and rewards associated with the transferred assets are transferred to third parties:

- If the risks and rewards of the transferred assets are transferred to third parties (unconditional sale of financial assets, sale of financial assets under an agreement to repurchase them at their fair value at the date of repurchase, sale of financial assets with a purchased call option or written put option that is deeply out of the money, securitisation of assets in which the transferor does not retain a subordinated debt or grant any credit enhancement to new holders, and other similar cases), the transferred financial asset is derecognised and any right or obligation retained or created in the transfer is recognised simultaneously.

- If the risks and rewards associated with the transferred financial asset are substantially retained (sale of financial assets under an agreement to repurchase them at a fixed price or the sale price plus interest, a securities lending agreement in which the borrower undertakes to return the same or similar assets, securitisation of financial assets in which a subordinated debt or another type of loan enhancement is retained that absorbs substantially all the expected credit losses on the securitised assets, and other similar cases), the transferred financial asset is not derecognised and continues to be measured using the same criteria as those applied before the transfer. However, the following items are recognised without offsetting:

  - An associated financial liability for an amount equal to the consideration received; this liability is subsequently measured at amortised cost.

  - The income from the transferred financial asset that is not derecognised and any expense incurred on the new financial liability.

- If all the risks and rewards associated with the transferred financial assets are neither substantially transferred nor retained (sale of financial assets with a purchased call option or written put option that is not deeply in or out of the money, securitisation of financial assets in which the transferor retains a subordinated debt or other type of credit enhancement for a portion of the transferred asset, and other similar cases) a distinction is made between:

  - If the Group does not retain control of the transferred financial asset, it is derecognised from the balance sheet and any right or obligation retained or created in the transfer is recognised.

  - If the Group retains control of the transferred financial asset, it continues to recognise the asset in the balance sheet for an amount equal to its exposure to changes in value and recognises a financial liability associated with the transferred financial asset. The net amount of the transferred asset and the associated liability is the amortised cost of the rights and obligations retained, if the transferred asset is measured at amortised cost, or the fair value of the rights and obligations retained, if the transferred asset is measured at fair value.

Accordingly, financial assets are only derecognised when the cash flows they generate have been extinguished or when substantially all the inherent risks and rewards have been transferred to third parties.

g) Impairment of financial assets

Debt instruments measured at amortised cost or fair value through other comprehensive income

The impairment model is applicable to debt instruments at amortised cost, debt instruments at fair value through other comprehensive income and to other exposures that entail credit risk, such as loan commitments granted and financial guarantees granted.

The criteria for analysing and classifying transactions in the financial statements according to their credit risk include credit risk due to insolvency and any country risk to which they are exposed. Credit exposures in which there are grounds for their credit risk rating due to insolvency and country risk are classified in the insolvency risk and country risk category unless they are in a worse category for country risk, notwithstanding the fact that impairment losses due to insolvency risk are calculated by country risk when it entails greater requirements.

The impairment losses of the period are charged to the income statement as an expense, reducing the carrying amount of the asset. Any subsequent reversals of previously recognised impairment losses are registered as income in the income statement. In the case of instruments valued at fair value through other comprehensive income, the instrument will subsequently adjust to its fair value with a balancing entry in "Other accumulated comprehensive income" in equity.

Classification of operations based on credit risk due to insolvency
Financial instruments – including off-balance-sheet items – are classified in the following categories, taking into account whether there has been a significant increase in credit risk since the original recognition of the transaction and if there has been a default event:

- Stage 1 – Standard risk: the risk of a default event has not had a material increase from the initial recognition of the transaction. The impairment value correction for this type of instrument is equivalent to the 12-month expected credit losses.

- Stage 2 – Standard risk requiring special surveillance: the risk of a default event has had a material increase from the initial recognition of the transaction. The impairment value correction for this type of instrument is calculated as the expected credit losses throughout the life of the transaction.

- Stage 3 – Non-performing: the transaction has been subject to a default event. The impairment value correction for this type of instrument is calculated as the expected credit losses throughout the life of the transaction.

- Write-off risk – Transactions for which the Group has no reasonable recovery expectations. The impairment value adjustment for this type of instrument is equivalent to it carrying amount and involves the total derecognition of the asset.

In this respect, and for the purpose of classifying a financial instrument in one of the preceding categories, the Group has taken into account the following definitions:

Significant increase in credit risk

For financial instruments classified in Stage 1 - Standard risk, the Group assesses whether the credit losses expected at twelve months are still considered appropriate. In this regard, the Group carries out an assessment of whether there has been a significant increase in credit risk since its initial recognition. If this is the case, the financial instrument is transferred to Stage 2 - Standard risk under special surveillance and its expected loss of credit is recognised throughout its entire life. This evaluation is symmetrical in such a way that the return of the financial instrument to the category Stage 1 - Standard risk is allowed.

In order to carry out this assessment, the Group's credit risk management systems collect both quantitative and qualitative elements which, in combination or by themselves, could lead to the consideration that there has been a significant increase in the credit risk of the financial instrument, such as adverse changes in the debtor's financial situation, reductions in credit rating, unfavourable changes in the sector in which it operates or its regulatory or technological environment that do not show evidence of impairment.

Regardless of the existence of signs of impairment in the credit risk of the exposure, it is considered that there has been a significant increase in credit risk in transactions when any of the following circumstances occur:

- Unpaid instalments past-due 30 days, rebuttable presumption based on reasonable and supported information. The Group has not used a longer period of time for these purposes.

- Refinancing or restructuring that does not show evidence of impairment. Note 3.4.6 describes the classification criteria for restructured or refinanced transactions.

- Special agreement for debt sustainability that does not show evidence of impairment until it applies the standard of care.

- Those held with issuers or holders declared in arrangement with creditors which do not show evidence of impairment.

Notwithstanding the foregoing, for assets in which the counterparty has a low credit risk, the Group applies the option set out in the rule to consider that its credit risk has not increased significantly. This type of counterparty mainly includes central banks and public administrations.

Impaired exposures and objective evidence of impairment

For the purpose of determining the risk of default, the Group applies a definition that is consistent with that used for the internal management of credit risk of financial instruments and takes into account quantitative and qualitative indicators.
The Group considers that there is objective evidence of impairment (OEI) when one or more events with a negative impact on its estimated cash flows have occurred. Observable data relating to the following events constitute evidence that a financial asset is credit-impaired:

- Unpaid instalments past-due 90 days. Likewise, all operations of a borrower are included when the amount of transactions with overdue balances with more than 90 days exceeds 20% of the amounts pending collection.

- There are reasonable doubts about the total reimbursement of the asset.

- Significant financial difficulties of the issuer or the borrower.

- Breach of contractual clauses, such as non-payment or default events.

- Granting by the lender of concessions or advantages due to economic or contractual reasons owing to financial difficulties of the borrower which otherwise would not have been granted and which show evidence of impairment.

- An increase in the likelihood that the borrower enters bankruptcy or in any other financial reorganisation situation.

- Disappearance of an active market for the financial instrument caused by the financial difficulties of the issuer.

- Purchase or origin of a financial asset with a significant discount that reflects the credit losses suffered.

Methods for estimating expected credit losses through insolvency

Impairment losses on these instruments equate to the negative difference between the current values of their expected future cash flows discounted at the effective interest rate and their respective carrying amounts.

When estimating the future cash flows of the debt instruments the following are taken into account:

- The total amount expected to be obtained during the remaining life of the instrument, including any amounts that may be payable under the guarantees covering it (after deducting the costs necessary for their adjudication and subsequent sale). The impairment loss takes into account the probability of collecting interest which is accrued, expired or not collected.

- The different types of risk to which each instrument is subject.

- The circumstances in which payment could foreseeably occur.

The assessment of possible impairment losses on these assets depends on whether customers are considered individually material or non-material, following a review of the portfolio and the monitoring policy applied by the entity.

Once the thresholds are set, the process is as follows:

- Individualised analysis: for individually significant assets, an analysis is carried out to identify customers with objective evidence of impairment (OEI), dividing them into two groups:

  • Customers with OEI: the loss incurred is calculated as the difference between the present value of the expected future flows (repayment of the principal plus interest) for each customer transaction (discounted using the original effective interest rate) and its carrying amount. Accordingly, both the going concern and the gone concern hypotheses are considered.

  • Customers with no OEI: there is no objective evidence of impairment and no type of provision is required given their acceptable credit situation. These exposures are classified under homogeneous risk groups and are tested collectively for impairment.

- Collective testing: for non-significant exposure with OEI and other cases of exposure, a collective calculation is made for homogeneous risk groups to obtain both the generic coverage associated with a group of transactions and coverage for specific transactions which have similar risk characteristics, allowing them to be classified in homogeneous groups. For these purposes, the ICF uses the risk parameters of Bank of Spain Circular 4/2017 as a reference with the minimum percentages specified, which are based on historical experience of the Spanish market, increased if considered necessary for any group in particular on the basis of their risk characteristics and management's estimate of the amount of expected loss based on our current economic conditions (see Note 3.4).

Equity instruments measured at acquisition cost

Impairment losses on equity instruments measured at acquisition cost are the difference between their carrying amount and the present value of the expected future cash flows discounted at the market rate of return for similar securities.

Impairment losses are recognised in the income statement for the period in which they arise as a direct reduction of the cost of the instrument. These losses may only be subsequently reversed if the related assets are sold.

The estimation and calculation of the impairment losses of shareholdings in subsidiaries, joint venture or associates which, for the purpose of the preparation of these financial statements, are not considered "Equity instruments", are made by the Group in accordance with the criteria set out in Note 2.a above.

h) Financial guarantees and provisions for financial guarantees

"Financial guarantees" are defined as contracts whereby an entity undertakes to make specific payments on behalf of a third party if the latter fails to do so, irrespective of the various legal forms they may have such as guarantees or irrevocable documentary credits issued or confirmed by the Group. These transactions are disclosed in a memorandum account to the balance sheet under “Guarantees granted”.

When the contracts are arranged, they are recognised at fair value (taken to be the present value of the future cash flows) under “Loans and receivables” with a balancing entry in "Financial liabilities at amortised cost". Changes to the value of the contracts are recognised as finance income in the income statement under “Interest income”.

Financial guarantees, regardless of the guarantor, instrumentation or other circumstances, are reviewed periodically so as to determine the credit risk to which they are exposed and, if appropriate, to consider whether a provision is required. The credit risk is determined by application of criteria similar to those established for quantifying impairment losses on debt instruments measured at amortised cost as described in Note 2.h above.

The provisions made for these transactions are recognised under “Provisions – Commitments and guarantees given” on the liabilities side of the balance sheet. These provisions are recognised and reversed with a charge or credit, respectively, to “Provisions or (-) reversal of provisions” in the income statement.

i) Leases

In accounting for lease transactions, a distinction is made between transactions in which the Group acts as the lessee and those in which it acts as the lessor.

The Group as lessee

At the beginning of a contract, the Group assesses whether it is or contains a lease. For contracts where the Group has determined that they are or contain a lease, the Group recognises in the consolidated balance sheet an asset that represents the right to control the use of the underlying asset in the lease for a specified period and, simultaneously, a leasing liability which represents the obligation to make the committed payments for the use of the underlying asset that have not been paid by that date.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (12 months or less) and leases of assets of little value, for which the Group records lease payments as an expense on a straight-line basis over the period of the lease, under “Administrative expenses - Other administrative expenses”.

Recognition and measurement of lease liabilities

At the commencement date of the lease, the Group recognises a liability for the lease of the asset for the present value of the lease payments to be made during the term of the lease and that have not been paid by that date, discounted using the interest rate implicit in the lease, if this can be easily determined. Otherwise, the Group’s incremental borrowing rate will be used.

Lease payments include fixed and variable lease payments that depend on an index or a tariff, and the expected amounts to be paid resulting from the existence of guarantees. Lease payments also include the price for the (reasonably expected) exercise of a purchase option by the Group and penalty payments for the termination of the lease if the contract includes the option of cancelling it. Variable lease payments that are not dependent on an index or fee are recognised as an expense in the period in which the event or condition that triggers the payment takes place, under the heading “Administrative expenses - Other administrative expenses” in the accompanying consolidated income statement.

Lease liabilities are recognised under "Financial liabilities at amortised cost - Other financial liabilities" in the consolidated balance sheet attached and the finance costs associated with the lease liabilities are recognised under "Interest Expenses" in the accompanying consolidated income statement.

Subsequently, the lease liability is measured by increasing its carrying amount to reflect interest calculated by applying the effective interest rate and reducing the carrying amount to reflect payments made for the lease.

Recognition and measurement of assets by right of use

The Group recognises assets for the right to use the underlying asset on the commencement date of the lease (i.e. the date on which the asset is available for use). Right-of-use assets are initially measured at cost, which includes the amount of the lease liabilities recognised, the initial direct costs incurred and the lease payments made at the inception of the lease, and the cost that may be incurred to dismantle or dispose of the underlying asset or return it to the condition required under the terms of the lease. Right-of-use assets are recorded under “Tangible assets - Property, plant and equipment” or “Tangible assets - Investment property” in the accompanying consolidated balance sheet.

Subsequently, the carrying amount of the right-of-use assets is adjusted for the following items:

- Accumulated amortisation. Right-of-use assets are amortised over the shorter of the useful life of the underlying asset and the lease term. Provisions for amortisation are recognised in an offsetting entry under "Amortisation and depreciation" in the accompanying consolidated income statement.
- Any impairment losses are recognised under "Impairment losses or (-) reversal of impairment losses on non-financial assets" in the accompanying consolidated income statement. In assessing impairment, the directors apply the same criteria as those used for the tangible assets described in Note 1.
- Reflect changes in value of lease liabilities.

The Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of the property are classified as operating leases. Rental income is recognised on a straight-line basis in accordance with the terms of the lease and is included under "Other operating income" in the accompanying consolidated income statement based on its operating nature. Costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the lease on the same basis as the rental income. Contingent rent is recognised as income in the period in which it is earned.

j) Personnel expenses

Redundancy payments

Circular 4/2017 of the Bank of Spain and subsequent updates only allow recognition of a provision for redundancy payments planned in the future when the ICF is demonstrably committed to terminating its association with employees before the normal date of retirement or make severance payments as a result of an offer to encourage voluntary termination by employees.

k) Income tax

The income tax expense is recognised in the income statement, except when it results from a transaction recognised directly in equity in which case the income tax is also recognised with a balancing entry in equity.

The income tax expense for the financial year is calculated as the tax payable on the taxable profit for the year, adjusted by the amount of the changes in the year in recognised assets and liabilities due to temporary differences and to tax credits and negative tax bases.

The Group considers that there is a temporary difference when there is a difference between the carrying amount of an asset or liability and its tax base. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. A temporary difference for tax purposes is one that will generate a future obligation for the Group to make a payment to the relevant taxation authorities. A deductible temporary difference is one that will generate a right to a refund or a reduction in future tax charges.

Tax deductions and credits are amounts that, after occurrence or performance of the activity or obtainment of the profit or loss carrying the right to them, are not applied for tax purposes in the tax return until the conditions to do so established in the tax regulations are met but the Group considers it probable that they will be used in future periods, as it expects to have sufficient taxable profits in the future against which to offset them.

All these temporary differences are recognised in the balance sheet as deferred assets or liabilities, separate from current tax assets and liabilities.

Deferred tax assets and liabilities are reviewed at each reporting date in order to ascertain that they are still valid, and appropriate adjustments are made in accordance with the findings of the analyses carried out.

Since 1 January 2006, the Group has been subject to the special provisions on consolidation for tax purposes set out in article 64 et seq. of the recast text of the Law on Income Tax enacted by Royal Legislative Decree 4/2004.

The consolidated tax group at 31 December 2024 is made up of the ICF and its investees Instruments Financers per Empreses Innovadores, S.L. and Institut Català de Finances Capital, S.G.E.I.C. S.A.U. (see Note 20.1).

On 10 July 2021, Law 11/2021 of 9 July on measures to prevent and combat tax fraud was published in the Official State Gazette. Its additional provision three amends the tax framework of the Institut Català de Finances, equating it to that of the Official Credit Institute (ICO). Among other aspects, this amendment entails a change in the tax rate of the Group's parent company and the other entities that form part of the scope of the consolidated tax group as well as a change in the estimation of the deductibility relative to credit risk hedges in accordance with articles 8 and 9 of the Corporate Income Tax Regulation. In accordance with the criterion established by the Directorate General of Taxation in response to a binding consultation made by the Group’s parent company, the first year of application of the regulatory change for the purposes of income tax is 2022 (Note 20).

l) Tangible assets

Tangible assets are classified in the balance sheet under property, plant and equipment, and investments. Tangible assets arising from the adjustment of loans and receivables are classified as "Non-current assets and disposal groups classified as held for sale".

Property, plant and equipment for own use comprise assets owned by the Group for present or future administrative uses or for the production or supply of goods and which are expected to be used for more than one financial year. Investment property corresponds to the net value of land, buildings and other constructions held for the purposes of generating rental income or gains from their sale.

Tangible assets are normally recognised at acquisition cost less accumulated depreciation and any adjustment resulting from a comparison of the net value with the corresponding recoverable amount.

Depreciation is calculated on a straight-line basis on the acquisition cost of the assets less their residual value. An exception is land, which is considered to have an indefinite life and therefore not depreciated.

Depreciation is charged annually to "Amortisation and depreciation" in the income statement and is calculated using the following fixed rates as percentages of the estimated useful life of each asset type.

	Annual depreciation
Buildings for own use and constructions	2%
Furniture	10%
Machinery and electronic equipment	10%
Facilities	10%
IT equipment	25%

At the reporting date the Group assesses whether there is any indication that the net value of its tangible assets exceeds their recoverable amount. If this is the case, the carrying amount of the asset is reduced to its recoverable amount and future depreciation charges are adjusted in proportion to the revised carrying amount and to the new remaining useful life, if this needs to be re-estimated. The reduction in the carrying amount of tangible assets is charged to "Impairment losses or (-) reversal of impairment losses on non-financial assets" in the income statement.

Similarly, if there is an indication of a recovery in the value of an impaired item of tangible assets, the Group recognises the reversal of the impairment loss recognised in prior periods in the aforementioned heading in the income statement and adjusts the future depreciation charges accordingly. Under no circumstances may the reversal of an impairment loss on an asset increase its carrying amount above the carrying amount it would have if no impairment losses had been recognised in previous years.

Once a year, or when circumstances make it advisable, the estimated useful lives of tangible assets are reviewed and any necessary adjustments made to the depreciation to be charged to the income statement in future financial years.

Upkeep and maintenance expenses are charged to "Other general administrative expenses" in the income statement.

Independent experts carry out appraisals on behalf of the Group in order to determine whether there is any impairment in its real estate assets.

m) Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance which are acquired from third parties or have been developed internally. Only intangible assets whose cost can be estimated objectively and from which it is considered probable that future economic benefits will be generated are recognised.

Intangible assets are recognised initially at acquisition or production cost and are subsequently measured at cost less any accumulated amortisation and any impairment losses.

This heading basically refers to amortisable expenses incurred in relation to the development of IT systems. Such assets have a fixed useful life and are amortised over a maximum of five years.

Amortisation is charged annually to “Amortisation and depreciation” in the income statement and any impairment losses and subsequent recoveries to “Impairment losses or (-) reversal of impairment losses on non- financial assets”.

n) Non-current assets and disposal groups held for sale

The Group only has classified as non-current assets held for sale the tangible assets received in settlement of loans which have not been retained for own use or have been classified as investment property available for lease.

Assets received in settlement of debts are recognised at the lower of the carrying amount of financial assets and the asset’s fair value less costs to sell.

If foreclosed assets remain on the balance sheet for a longer time than initially envisaged, the value of the assets is adjusted to recognise any impairment loss caused by difficulties in finding buyers or receiving reasonable offers.

Impairment losses that become evident after capitalisation are recognised under “Impairment losses or (-) reversal of impairment losses of non-financial assets” in the income statement. If their value is subsequently recovered, it is recognised under the same heading in the income statement with the limit of the impairment previously recognised. Assets classified under this category are not depreciated.

o) Provisions and contingencies

Provisions cover present obligations at the reporting date arising from past events which could give rise to a loss for the entities and are considered to be likely to occur; their nature is certain but their amount and/or timing is uncertain.

Contingent liabilities are potential obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events beyond the entities’ control.

The Group’s financial statements include all the material provisions with respect to circumstances in which it is considered that it is more likely than not that the obligation will have to be settled. Provisions are recognised in the balance sheet under liabilities according to the obligations covered, including provisions for taxes and for contingent exposures and commitments. Contingent liabilities are disclosed in the memorandum accounts to the balance sheet.

Allowances to provisions are recognised in the income statement under “Provisions or (-) reversal of provisions”.

At the end of the fiscal year 2023, various legal proceedings and claims were under way by the Institute arising from the normal course of its business. The Institute's legal advisers and directors consider that the outcome of these proceedings and claims will not have a material effect on the financial statements for the years in which they are settled.

p) Deferred ERDF income

The ICF considers funds received under the ERDF operating programme for Catalonia 2014-2020 as deferred income, classified under "Other liabilities" in the accompanying consolidated balance sheet until the conditions for recognition as income for the year have been met in accordance with the criteria explained in Note 16, where they would be classified as "Other operating income" in the accompanying consolidated income statement.

q) Consolidated statement of changes in equity

The statement of changes in equity presented in these financial statements shows the total changes in equity during the year. This information is in turn presented in two statements: the statement of recognised income and expense and the statement of total changes in equity. The main characteristics of the information contained in both parts of the statement are explained below:

Statement of recognised income and expense

This part of the statement of changes in equity presents the income and expenses generated by the ICF as a result of its business activity during the year, and a distinction is made between the income and expenses recognised in the income statement for the year and the other income and expenses recognised, in accordance with current regulations, directly in equity.

Accordingly, the statement presents:

a) Profit (loss) for the year.

b) Net amount of the income and expenses recognised temporarily in equity under “Valuation adjustments”.

c) The net amount of the income and expenses recognised definitively in equity.

d) The income tax incurred by the items indicated in b) and c) above.

e) The total income and expenses recognised, calculated as the sum of the above points.

The changes in income and expenses recognised in equity under “Valuation adjustments” are broken down as follows:

a) Valuation gains (losses): includes the income, net of the expenses incurred in the year, recognised directly in equity. The amounts recognised in this account during the year are included under this heading, even though they are transferred in the same year to the income statement, at the initial value of other assets or liabilities, or are reclassified into another account.

b) Amounts transferred to the income statement: includes the amount of the revaluation gains and losses previously recognised in equity, albeit in the same year, which are recognised in the income statement.

c) Amounts transferred to the opening balance of hedged items: includes the amount of the revaluation gains and losses previously recognised in equity, albeit in the same year, which are recognised in the opening balances of assets or liabilities as a result of cash flow hedges.

d) Other reclassifications: transfers made in the year between valuation adjustment items in accordance with regulations.

Where applicable, the amounts of these items are presented gross and the related tax effect is recognised under “Income tax”.

Statement of total changes in equity

This part of the statement of changes in equity presents the reconciliation of the carrying amount at the beginning and end of the year of all equity items by classifying the movements according to their nature into the following categories:

a) Adjustments due to changes in accounting criteria and correction of errors: changes in equity arising as a result of the retrospective restatement of the balances in the financial statements due to changes in accounting policy or to the correction of errors.

b) Income and expenses recognised during the year: the aggregate total of the aforementioned items recognised in the statement of recognised income and expense.

c) Other changes in equity: the remaining items recognised in equity, including increases and decreases in assigned capital, distribution of profit/allocation of losses, transactions involving own equity instruments, equity instrument-based payments, transfers between equity items and any other increases or decreases in equity.

r) Statement of cash flows

The following items are used in the statements of cash flows:

- Cash flows: inflows and outflows of cash or cash equivalents, which are short-term, highly liquid investments subject to a low risk of changes in value.
- Operating activities: the typical activities of credit institutions and other activities that cannot be classified as investing or financing activities.

- Investing activities: the acquisition, sale or other disposal of long-term assets and other investments not included in cash or cash equivalents.

- Financing activities: activities that result in changes in liabilities that do not form part of operating activities. Issues made by the Group placed on the institutional market are considered to be financing activities.

For the purpose of preparing the statement of cash flows, any short-term investments that are highly liquid and have a low risk of changing in value are considered as cash or cash equivalents. Thus, the Group recognises the following financial assets and liabilities as cash or cash equivalents:

- Cash held by the Group is recognised under “Cash, cash balances in central banks and other demand deposits” on the balance sheet.

- The Group's short-term deposits, registered under "Deposits in credit institutions – Other accounts" on the balance sheet.

s) Going concern principle

When preparing the financial statements, it has been considered that the Group will continue to operate as a going concern in the foreseeable future. Therefore, the application of the accounting standard is not geared towards determining the value of equity for the purpose of global or partial transfer or the resulting amount in the event of liquidation.

t) Accrual basis

These financial statements, except for the statements of cash flows, have been prepared on the basis of the real flow of assets and services irrespective of the date of payment or collection, with the exception of interest relating to lending and other risks without investment with borrowers considered as impaired which is charged to profit or loss when collected.

u) Related party transactions

Related party transactions are accounted in accordance with the measurement rules described above, except for the following transactions:

- The non-monetary contributions of a business to a company in the group are generally measured at the carrying amount of the equity items delivered in the consolidated financial statements at the date the transaction is carried out.
- In mergers and divisions of a business, the acquired elements are generally measured at the amount corresponding to them once the transaction has been completed in the consolidated financial statements. Differences that arise are registered in reserves.

The prices of transactions carried out with related parties are adequately supported and so the ICF's directors consider that there are no risks which may give rise to liabilities.

3. Risk management and capital management

3.1 Market risk

At the close of 2024 and 2023, the Group does not hold any positions in the trading portfolio.

3.2 Liquidity risk

3.2.1 Liquidity risk management purposes, policies and processes

Liquidity risk involves the risk of not having sufficient funds to meet obligations acquired as they fall due together with the risk of being unable to unwind a position as a result of market imperfections.

Liquidity risk policies and procedures are approved by the Supervisory Board, and the ICF’s Assets and Liabilities Committee (ALCO) is responsible for supervising it and defining the procedures for mitigating and controlling it.

The Group's fundamental objective in relation to liquidity risk is to have the necessary instruments and processes in place at all times to enable the Group to keep sufficient levels of liquidity to meet its payment obligations without significantly affecting the Group's results, and to preserve the mechanisms that enable it to meet its payment obligations in any eventuality.

Aside from the daily forecast of what funds are available and needed, medium-term planning to assess these needs is crucial in managing the Group's liquidity risk. This planning takes into account the future evolution of the balance sheet. This enables the Group to make forecasts sufficiently far in advance of any possible cash flow tensions which might arise and ensure instruments are available to counteract them. This analysis is performed under different growth rates, defaulting and other scenarios and enables future payments and collections that are expected to be made in the short to mid-term to be identified and planned.

As a general rule, the Group normally has several sources of funds, including capital increases, borrowing from public and private financial institutions and issuing debt securities.

Monthly review of these actions ensures the Group has sufficient funds to meet all its payment obligations on a timely basis and fulfil its strategic and operating objectives for investment and sustained, stable and moderate growth.

Its ordinary financing policy is based on stable funding, characterised by long-term borrowing from public and private counterparties.

3.2.2 Maturity dates of financial assets and liabilities

As explained in section 3.2.1 above, a key part of the ICF Group's strategy to manage liquidity is to analyse the maturity dates of its financial assets and liabilities. The tables below show financial assets and liabilities at 31 December 2024 and 2023 classified based on the time remaining to maturity at these dates according to their contractual conditions:

<u>At 31 December 2024</u>

	Thousands of euros						
	Demand deposits	**< 1 month**	**1-3 months**	**3-12 months**	**1-5 years**	**> 5 years**	**Total**
Assets							
Cash, deposits in central banks and other demand deposits	128,156	-	-	-	-	-	128,156
Loans and advances	-	31,682	80,113	254,647	981,021	715,273	2,062,737
Deposits with credit institutions	-	4,335	30,362	5,347	2,983	175	43,202
Central banks	-	-	-	-	-	-	-
Customer loans	-	27,347	49,751	249,300	978,038	715,099	2,019,534
Debt securities	-	15,953	34,009	94,163	129,406	2,425	275,955
Total assets	**128,156**	**47,635**	**114,121**	**348,810**	**1,110,427**	**717,698**	**2,466,848**
Liabilities							
Financial liabilities at amortised cost	7,168	36,039	34,669	275,625	723,781	636,705	1,713,987
Deposits with credit institutions	-	4,530	21,859	117,892	487,264	493,288	1,124,833
Customer funds	-	5,428	9,975	50,042	200,365	143,417	409,228
Debt securities issued	-	26,080	2,835	107,692	36,152	-	172,757
Other financial liabilities	7,168	-	-	-	-	-	7,168
Total liabilities	**7,168**	**36,039**	**34,669**	**275,625**	**723,781**	**636,705**	**1,713,987**
Maturity gap	**120,115**	**12,469**	**79,452**	**73,185**	**386,646**	**80,993**	**752,860**
% of total assets	**4%**	**0%**	**3%**	**3%**	**13%**	**3%**	**26%**

At 31 December 2023

	Thousands of euros						
	Demand deposits	< 1 month	1-3 months	3-12 months	1-5 years	> 5 years	Total
Assets							
Cash, deposits in central banks and other demand deposits	58,995	-	-	-	-	-	58,995
Loans and advances	653	50,322	64,158	382,143	887,393	595,146	1,979,815
Deposits with credit institutions	653	10,301	173	15,660	863	2,567	30,216
Central banks	-	-	-	-	-	-	-
Customer loans	-	40,022	63,985	366,483	886,530	592,580	1,949,599
Debt securities	-	9,230	5,148	59,037	127,710	2,676	203,801
Total assets	**59,648**	**59,552**	**69,306**	**441,179**	**1,015,103**	**597,823**	**2,242,611**
Liabilities							
Financial liabilities at amortised cost	-	21,615	34,188	181,446	655,014	505,861	1,398,123
Deposits with credit institutions	-	5,429	24,004	113,396	511,113	413,530	1,067,471
Customer funds	-	16,186	10,185	68,050	143,901	92,331	330,652
Debt securities issued	-	7,228	13,039	34,038	5,228	19,121	78,654
Other financial liabilities	5,113	-	-	-	-	-	5,113
Total liabilities	**5,113**	**28,843**	**47,228**	**215,484**	**660,242**	**524,981**	**1,481,891**
Maturity gap	**54,535**	**30,738**	**22,124**	**225,955**	**355,488**	**73,261**	**762,100**
% of total assets	**2%**	**1%**	**1%**	**9%**	**13%**	**3%**	**29%**

3.3 Interest rate risk in the banking book

3.3.1 Interest risk management purposes, policies and processes

Interest rate risk consists of the risk to which the Group is exposed in relation to its financial instruments, the source of which lies in variations in market interest rates.

Interest rate risk directly affects the Group's activity due to the effect that its variations may have on the income statement. The pegging of financial instruments to market interest rates gives rise to accrued income and expenses indexed to market performance, in such a way that variations in these references could affect, in a non-symmetric manner, other instruments ("interest rate gap"). In the case of variable interest rate arrangements, the risk to which the Group is exposed arises in the periods when interest rates are revised.

The objectives of managing interest rate risk and the policies to do so are approved by the Institute's Supervisory Board. Meanwhile, the ALCO is responsible for defining and overseeing procedures to ensure these objectives are met and policies are implemented.

The Group's objectives regarding this risk are aimed at limiting any deviation in net interest income to ensure any corrections in market interest rate curves do not significantly directly affect its results.

The ALCO implements procedures that ensure the Group complies with interest rate risk control and management policies at all times and takes any corrective measures it sees fit to effectively resolve any deviations that may arise.

Sensitivity measurement and scenario analysis techniques are used in the analysis, measurement and control of interest rate risk assumed by the Group, setting appropriate limits to avoid exposure to risk levels that could significantly affect the Group. These analytical procedures and techniques are reviewed as often as is required to ensure they are working properly.

The Group uses hedges to mitigate individual interest rate risk associated with all significant financial instruments which might expose the Group to equally significant interest rate risk, thereby reducing this type of risk to practically zero.

3.3.2 Interest rate risk sensitivity analysis

Interest rate risk measures the exposure of the Group's net interest income or economic value to potential variations in market interest rates derived from the repricing structure and expiry profile of the balance sheet aggregates.

The information presented in this section on sensitivity to interest rate risk in the income statement and the Group's equity was calculated considering a standard market interest rate disturbance of 200 basis points with the specificities defined in the EBA guide EBA/GL/2015/08.

The indicated analysis has been carried out considering the evolution of the rate curve for the reference tranches used by the ICF and keeping constant the rest of the variables affecting the Group's results and equity. The effect shown below has been calculated considering the existing financial instruments as of 31 December 2024 and 2023, respectively, without taking into account the existence of new investments or financing that may be made as of this moment.

The following tables show, using a static gap, the distribution of maturities and revisions of variable interest rates at 31 December 2024 and 31 December 2023 of the balance sheet aggregates without considering valuation adjustments. For those aggregates without contractual maturity, their sensitivity to interest rates has been analysed along with their expected maturity term.

At 31 December 2024:

In thousands of euros	**IR-Sensitive Balance**		**% of total assets**		**STATIC GAP**		
RENEWAL	**Assets**	**Liabilities**	**Assets**	**Liabilities**	**Simple**	**Cumulative**	**Cum. gap (% TA)**
Up to 1 month	159,071	192,991	5.5%	6.7%	-33,921	-33,921	-1.2%
1 to 3 months	404,480	530,390	14.0%	18.4%	-125,910	-159,830	-5.5%
3 to 6 months	500,341	348,707	17.4%	12.1%	151,634	-8,197	-0.3%
6 to 12 months	830,280	125,106	28.8%	4.3%	705,173	696,977	24.2%
CUMULATIVE 12 months	**1,894,171**	**1,197,195**	**65.7%**	**41.6%**		**696,977**	**24.2%**
1 to 2 years	172,271	69,723	6.0%	2.4%	102,548	799,525	27.8%
2 to 3 years	79,549	42,244	2.8%	1.5%	37,306	836,830	29.0%
3 to 4 years	61,394	43,220	2.1%	1.5%	18,174	855,005	29.7%
4 to 5 years	68,051	41,419	2.4%	1.4%	26,632	881,637	30.6%
5 to 7 years	48,845	70,624	1.7%	2.5%	-21,779	859,857	29.8%
7 to 10 years	46,257	50,460	1.6%	1.8%	-4,204	855,654	29.7%
10 to 15 years	56,108	35,907	1.9%	1.2%	20,201	875,855	30.4%
15 to 20 years	48,879	33,441	1.7%	1.2%	15,438	891,293	30.9%
20 to 25 years	28,379	22,936	1.0%	0.8%	5,443	896,736	31.1%
25 to 30 years	20,150	21,458	0.7%	0.7%	-1,308	895,428	31.1%
TOTAL	**2,524,055**	**1,628,627**	**87.6%**	**56.5%**		**895,428**	**31.1%**

At 31 December 2023:

Thousands of euros RENEWAL	IR-Sensitive Balance		% of total assets		STATIC GAP		
	Assets	Liabilities	Assets	Liabilities	Simple	Cumulative	Cum. gap (% TA)
Up to 1 month	204,306	247,885	7.7%	9.3%	(43,578)	(43,578)	(1.6%)
1 to 3 months	302,931	366,597	11.4%	13.8%	(63,666)	(107,245)	(4.0%)
3 to 6 months	525,670	200,045	19.8%	7.5%	325,625	218,381	8.2%
6 to 12 months	808,322	81,393	30.4%	3.1%	726,929	945,309	35.6%
CUMULATIVE 12 months	**1,841,229**	**895,919**	**69.3%**	**33.7%**		**945,309**	**35.6%**
1 to 2 years	119,862	58,653	4.5%	2.2%	61,209	1,006,518	37.9%
2 to 3 years	82,517	52,853	3.1%	2.0%	29,665	1,036,183	39.0%
3 to 4 years	42,058	39,391	1.6%	1.5%	2,667	1,038,850	39.1%
4 to 5 years	32,331	39,240	1.2%	1.5%	(6,909)	1,031,941	38.9%
5 to 7 years	60,180	71,629	2.3%	2.7%	(11,449)	1,020,492	38.4%
7 to 10 years	38,972	67,017	1.5%	2.5%	(28,046)	992,446	37.4%
10 to 15 years	42,990	24,610	1.6%	0.9%	18,380	1,010,826	38.1%
15 to 20 years	34,538	20,668	1.3%	0.8%	13,869	1,024,695	38.6%
20 to 25 years	15,244	10,271	0.6%	0.4%	4,973	1,029,668	38.8%
25 to 30 years	6,698	9,134	0.3%	0.3%	(2,436)	1,027,232	38.7%
TOTAL	**2,316,619**	**1,289,387**	**87.2%**	**48.5%**		**1,027,232**	**38.7%**

For calculating the impact on net interest income, interest rate projection simulations have been performed with a period of one year and under the assumption of a constant balance structure (conditions defined by Bank of Spain Circular 2/2016).

The impact on net interest income and economic value at a decrease of 200 basis points has been calculated on the base scenario, which uses the implicit rates of the market curve.

31/12/2024 (Thousands of euros)	**Net interest income (1)**	**Impact on equity (2)**
200 basis points decrease in EURIBOR	(1,880)	23,982

31/12/2023 (Thousands of euros)	**Net interest income (1)**	**Impact on equity (2)**
200 basis points decrease	(2,320)	30,015

(1) Sensitivity at 1 year of net interest income of balance sheet aggregates.
(2) Sensitivity of the base economic value of balance sheet aggregates.

3.4 Credit risk

3.4.1 Credit risk management purposes, policies and processes

Credit risk is the risk of incurring a loss due to a customer or other counterparty breaching its contractual payment obligations. This risk is intrinsic to traditional banking products (loans, credit facilities, financial guarantees provided, etc.). Credit risk affects both financial assets that are recognised at amortised cost in the financial statements and also those carried at fair value. The Group applies the same policies and procedures to control credit risk irrespective of the accounting criteria used to recognise financial assets in the financial statements.

The general purposes and policies for awarding credit and the credit limits to mitigate credit risk are approved by the Group's Supervisory Board. The Risk Monitoring and Management Department has also put in place the control procedures required to oversee the credit risk portfolio by type of customer and informs the Monitoring Committee of its performance. Likewise, the Global Risk Management Department performs this supervision at the global level and ensures that the risk policies established in the Group's regulations are appropriately applied and that the risk control methods and procedures are adequate and effectively implemented and reviewed regularly. This department sends any information thereon to General Management to enable it to implement any corrective measures required.

The Group's fundamental aim concerning credit risk is to achieve sustained, stable and moderate growth of credit risk, enabling a balance to be maintained between acceptable levels of risk concentration among creditors, sectors, activity and geographical areas on the one hand, and robust, prudent and moderate levels of solvency, liquidity and credit impairment allowances on the other.

The risk concentration objectives are approved by the Group's Supervisory Board from two perspectives: firstly, by selecting levels of positioning in certain priority sectors based in accordance with the Group's strategic plan; and secondly, limiting the concentration of credit risk for counterparties at an individual level and for groups of companies. The limits of risk concentration are established based on economic sector, and other common economic factors. The objectives for risk concentration limits are basically established using parameters such as equity and the total amount of credit extended.

The maximum credit risk to which the Group is exposed is measured for financial assets at amortised cost at their nominal value plus the balances available to debtors without any conditions applying.

The Group internally classifies financial assets subject to credit risk based on the characteristics of the operation, taking into account the counterparties with which the arrangements have been made and the guarantees provided to secure the operation among other factors.

The Monitoring Committee decides on management, accounting qualification and associated coverage.

The Global Risk Control Department carries out regular controls of the levels of risk concentration, changes in delinquency rates and various alerts that have been set up to track changes in credit risk that are regularly reported to the Global Risk Control Committee which then takes the corrective measures it deems appropriate.

The Joint Audit and Control Committee is also in charge of planning and monitoring internal and external audits, global risk control and regulatory compliance, internal control and anti-money laundering.

3.4.2 Level of credit risk exposure

The following table shows the level of credit risk to which the Group is exposed at 31 December 2024 and 2023 for each class of financial instrument, without deducting any real guarantee or other loan enhancements received to ensure debtors meet their payment obligations:

At 31 December 2024

Types of instruments	Thousands of euros				
	Asset balances (*)				
	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost – Loans and receivables	Derivatives	Memorandum: Off-balance sheet items	Total
Debt instruments	-	-	-	-	-
Deposits with credit institutions	-	43,481	-	-	43,481
Customer loans	-	2,263,573	-	-	2,263,573
Debt securities	276,798	-	-	-	276,798
Total debt instruments	**276,798**	**2,307,055**	**-**	**-**	**2,583,853**
Guarantees granted	-	-	-	-	-
Financial guarantees				137,893	137,893
Other financial guarantees granted	-	-	-	-	-
Total guarantees granted	**-**	**-**	**-**	**137,893**	**137,893**
Other exposures	-	-	-	-	-
Derivatives	-	-	13,828	-	13,828
Contingent commitments granted	-	-	-	435,127	435,127
Total other exposures	**-**	**-**	**13,828**	**435,127**	**448,955**
MAXIMUM LEVEL OF CREDIT RISK EXPOSURE	**276,798**	**2,307,055**	**13,828**	**573,020**	**3,170,700**

At 31 December 2023

Types of instruments	Thousands of euros				
	Asset balances (*)				
	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost – Loans and receivables	Derivatives	Memorandum: Off-balance sheet items	Total
Debt instruments	-	-	-	-	-
Deposits with credit institutions	-	30,054	-	-	30,054
Customer loans	-	2,149,057	-	-	2,149,057
Debt securities	208,744	-	-	-	208,744
Total debt instruments	**208,744**	**2,179,112**	**-**	**-**	**2,387,856**
Guarantees granted	-	-	-	-	-
Financial guarantees	-	-	-	89,919	89,919
Other financial guarantees granted	-	-	-	-	-
Total guarantees granted	-	-	-	**89,919**	**89,919**
Other exposures	-	-	-	-	-
Derivatives	-	-	16,687	-	16,687
Contingent commitments granted	-	-	-	307,551	307,551
Total other exposures	-	-	**16,687**	**307,551**	**324,237**
MAXIMUM LEVEL OF CREDIT RISK EXPOSURE	**208,744**	**2,179,112**	**16,687**	**397,469**	**2,802,012**

* Amounts not including value adjustments.

The following points are of note in relation to the information provided in the previous tables:

- Data on "debt instruments" in the previous tables recognised under assets on the balance sheet are shown at their carrying amount, net of related impairment losses and any other valuation adjustments (deferred interest, loan arrangement commission and similar income pending accrual, etc.).

- Guarantees given are recognised for the maximum amount guaranteed by the Group. In general, it is estimated that the majority of these balances reach maturity without the Group having a real need to finance them. These balances are presented net of provisions established to cover any credit risk associated with them.

- Information on other exposures to credit risks, such as counterparty risk associated with the contracting of derivative financial instruments, is presented at their carrying amount.

3.4.3 Real guarantees received and other loan enhancements

Credit risk approval decisions will be based essentially on the borrower's ability to pay or on the ability to generate or obtain cash to meet, in due time and form, the total of financial obligations assumed based on the income from its business, or usual income source, without relying on guarantors or assets delivered as collateral which should always be considered as a second, and exceptional, recovery method.

In some cases, it is considered necessary to have guarantees, in particular effective guarantees that would allow, where needed, a second source of recovery. In this respect, the Group ensures that the financial assets acquired or contracted by the Group have real guarantees and other credit enhancements additional to the personal guarantee of the debtor as a fundamental instrument in managing and mitigating credit risk.

The Group’s policies for analysing and selecting risk define, based on the characteristics of the transactions (purpose of risk, counterparty, maturity period, etc.), the real guarantees or loan enhancements required in addition to the debtor's real guarantee for such arrangements to be entered into. Real guarantees are measured based on the nature of the real guarantee received.

The breakdown, in thousands of euros, of the amount of credit risk covered by each type of real guarantee, other loan enhancements available and class of financial instrument to the Group at 31 December 2024 and 2023, excluding public administrations, is as follows:

<u>At 31 December 2024:</u>

(Thousands of euros)	Real estate guarantee	Other real guarantees	Guarantees from financial institutions	Guarantees from the public sector	Total
Debt instruments					
Customer loans	510,460	53,831	62,301	13,315	639,907
Total debt instruments	**510,460**	**53,831**	**62,301**	**13,315**	**639,907**
Guarantees granted					
Financial guarantees	3,552	31,718	3,749	33,616	**72,635**
Total guarantees granted	**3,552**	**31,718**	**3,749**	**33,616**	**72,635**
Total hedged amount	**514,012**	**85,549**	**66,050**	**46,931**	**712,542**

At 31 December 2023:

(Thousands of euros)	Real estate guarantee	Other real guarantees	Guarantees from financial institutions	Guarantees from the public sector	Total
Debt instruments					
Customer loans	386,452	45,570	76,569	23,474	532,065
Total debt instruments	**386,452**	**45,570**	**76,569**	**23,474**	**532,065**
Guarantees granted					
Financial guarantees	3,953	24,175	3,902	34,152	66,182
Total guarantees granted	**3,953**	**24,175**	**3,902**	**34,152**	**66,182**
Total hedged amount	**390,405**	**69,745**	**80,471**	**57,626**	**598,247**

Notwithstanding the above table which shows the main guarantees, there is a total of 217,921 thousand euros (288,122 thousand euros in 2023) of risk hedged by public guarantee programmes.

3.4.4 Covid-19 facilities

The financing granted with a government guarantee does not affect the assessment of the significant increase in risk as this is assessed through the credit quality of the instrument and not of the guarantor. However, in the estimates of expected loss, the existence of the guarantor entails a potential reduction in the level of provisions required since, for the part hedged, the loss that would be incurred in the enforcement of a guarantee is taken into account.

3.4.5 Credit quality of non-mature and unimpaired financial assets

3.4.5.1 Classification of credit risk exposure by counterparty

The level of exposure to credit risk classified by counterparty at 31 December 2024 and 2023 for credit risk exposures that are not matured or impaired at these dates is as follows:

At 31 December 2024:

Thousands of euros	Public administrations and rest of public sector	Financial institutions	Other resident sectors	Total
Debt instruments				
Financial assets at amortised cost – Debt securities	60,525	85,016	131,730	277,271
Deposits with credit institutions	-	43,481	-	43,481
Customer loans	299,641	-	1,809,118	2,108,759
Total debt instruments	**360,165**	**128,497**	**1,940,849**	**2,429,512**
Guarantees granted				
Financial guarantees	5,009	-	14,538	19,547
Other guarantees granted	-	-	-	-
Total guarantees granted	**5,009**	**-**	**14,538**	**19,547**
Total	**365,174**	**128,497**	**1,955,387**	**2,449,058**

At 31 December 2023:

Thousands of euros	Public administrations and rest of public sector	Financial institutions	Other resident sectors	Total
Debt instruments				
Financial assets at amortised cost – Debt securities	35,182	77,971	90,563	203,716
Deposits with credit institutions	-	30,054	-	30,054
Customer loans	313,136	-	1,677,790	1,990,926
Total debt instruments	**348,318**	**108,026**	**1,768,353**	**2,224,696**
Guarantees granted				
Financial guarantees	5,009	-	21,986	26,995
Other guarantees granted	-	-	-	-
Total guarantees granted	**5,009**	**-**	**21,986**	**26,995**
Total	**353,327**	**108,026**	**1,790,339**	**2,251,692**

3.4.6 Renegotiated financial assets

Pursuant to Circular 4/2017 and subsequent amendments, a brief summary of the policy for modifying transactions is set out below.

Modifications that involve changes to the repayment schedule are implemented in accordance with the following premises:

- Detailed analysis of the economic and financial situation of the borrower, including the circumstances that have given rise to the need to modify the envisaged repayment schedule.
- In accordance with the business plan reviewed by the Group, the customer must be able to pay the sums included in the new repayment schedule.
- At least 6 months experience with the customer in order to modify the transaction.
- All accrued and unpaid interest payments, both current and in arrears, for the transaction must be up to date.
- Extending time periods will be avoided and instead subsequent payments will be adjusted to allow for accrued repayment of the debt.

Guarantee changes will be studied on a case-by-case basis, although it is envisaged that guarantee changes will be made maintaining the hedge in the approval of the transaction and that any release of guarantees will be associated with a reduction in risk by the same amount.

Likewise, modifications are classified according to the reason for the modification and the economic and financial situation of the borrower. Accordingly, the following are taken into consideration:

- Refinancing transaction: a transaction which, for reasons relating to the borrower's financial difficulties (current or foreseeable) in meeting one or various transactions extended by the Group to the borrower or other companies in its group, or to fully or partially fulfil payment obligations, for the purpose of facilitating payment of the debt by the borrowers because they cannot, or it is foreseen that they will be unable to, comply in time and form with these conditions.
- Refinanced transaction: a transaction which fully or partially has fulfilled payment obligations as a result of a refinancing transaction.
- Restructured transaction: a transaction which for reasons relating to the borrower's financial difficulties (current or foreseeable) modifies the financial conditions in order to facilitate payment of the debt because the borrower cannot, or it is foreseen it will not able to, comply in time and form with these conditions, in the case that the modification is envisaged in the contract. Restructured transactions include those transactions in which there is an acquittance or assets are received to reduce the debt; terms and conditions are modified to increase the maturity period; the repayment schedule is changed to decrease the sum of the instalments in the short term, decrease their frequency or establish or extend the grace period of the principal, interest or both; except when it can be proved that the conditions are modified for

reasons other than financial difficulties of the borrowers and are similar to those applied in the market at the date of modifying these transactions for customers with similar risk profiles.

- Renewal transaction: a transaction concluded to replace another transaction previously granted by the Group without the borrower having or being expected to have financial difficulties in the future.
- Renegotiated transaction: this is where the transaction's financial terms are modified without the borrower having or being expected to have financial difficulties in the future.

The Group classifies restructured, refinanced and refinancing transactions as a standard risk under special monitoring or non-performing risk based on the Bank of Spain guidelines in this regard. As a general rule, refinanced or restructured transactions and new transactions carried out for refinancing are classified as standard risk under special surveillance. However, taking into account the specific characteristics of the transaction they are classified as non-performing risk when they meet the general criteria for classifying such debt instruments, and in particular (i) transactions underpinned by an inadequate business plan, (ii) transactions that include contractual clauses that delay repayment as grace periods over 24 months, and (iii) transactions presenting amounts derecognised from the balance sheet as they are considered unrecoverable that exceed the coverage that would result from applying the percentages established for standard risk under special surveillance.

Refinanced or restructured transactions and new transactions carried out for refinancing remain identified as special surveillance during a trial period until all of the following requirements are met:

- It has been concluded, after a review of the borrower's equity and financial situation, that it is not expected that it may have financial difficulties and that, therefore, it is highly probable that it can fulfil its obligations to the Group within the deadline established and in the pertinent form.
- A minimum term of two years has elapsed since the date of conclusion of the restructuring or refinancing transaction or, if it is later, from the date of reclassification from the category of non-performing risk.
- The borrower has made the accrued principal and interest payments from the date on which the restructuring or refinancing transaction has been concluded or, if it is later, from the date of reclassification from the non-performing category.
- The borrower has no other transactions with amounts overdue for more than 30 days at the end of the trial period.

When all of the above requirements are met, transactions are no longer identified in the financial statements as refinancing, refinanced or restructuring transactions.

During the previous trial period, a new refinancing or restructuring of refinancing, refinanced or restructuring transactions, or the existence of past due amounts on these transactions older than 30 days, involves the reclassification of these operations to the category of non-performing risk for reasons other than late payment, provided that they were classified as non-performing before the start of the trial period.

Refinanced or restructured transactions and the new transactions carried out for refinancing continue to be identified as a non-performing risk until the general criteria for debt instruments are verified and in particular the following requirements:

- A period of one year has elapsed since the date of refinancing or restructuring.
- The borrower has met the accrued payments of principal and interest and reduced the principal renegotiated from the date on which the restructuring or refinancing transaction has been concluded or, if it is later, from its date of reclassification in the non-performing category.
- An amount equivalent to all amounts, principal and interest, which are due at the date of the restructuring or refinancing transaction or which have been derecognised as a result of the restructuring or refinancing or, where more appropriate in view of the characteristics of the transactions, other objective criteria demonstrating the borrower's ability to pay have been verified.
- The borrower does not have another transaction with amounts overdue by more than 90 days at the date of reclassification to the standard risk category under special surveillance of the refinancing, refinanced or restructured transaction.

Below is the carrying amount, classified by financial instrument class, of financial assets as of 31 December 2024 and 31 December 2023, considered refinanced or restructured according to the definitions of Bank of Spain Circular 4/2017 and subsequent amendments:

31/12/2024	TOTAL					Of which: NON-PERFORMING				
	Without real guarantee		With real guarantee		Cumulative impairment losses due to credit risk	Without real guarantee		With real guarantee		Cumulative impairment losses due to credit risk
	Number of transactions	Gross carrying amount	Number of transactions	Gross carrying amount		Number of transactions	Gross carrying amount	Number of transactions	Gross carrying amount	
Public administrations	3	935	-	-	-	-	-	-	-	-
Non-financial companies and individual entrepreneurs (non-financial business activity)	93	51,610	148	127,127	(64,520)	43	20,342	57	64,009	(50,273)
Of which: funding to property construction and development (including land)	6	6,965	12	27,907	(8,392)	1	21	4	881	(759)
Total	**96**	**52,545**	**148**	**127,127**	**(64,520)**	**43**	**20,342**	**57**	**64,009**	**(50,273)**

31/12/2023	TOTAL					Of which: NON-PERFORMING				
	Without real guarantee		With real guarantee		Cumulative impairment losses due to credit risk	Without real guarantee		With real guarantee		Cumulative impairment losses due to credit risk
	Number of transactions	Gross carrying amount	Number of transactions	Gross carrying amount		Number of transactions	Gross carrying amount	Number of transactions	Gross carrying amount	
Public administrations	2	668	-	-	-	-	-	-	-	-
Non-financial companies and individual entrepreneurs (non-financial business activity)	81	40,428	115	127,679	(58,524)	40	18,399	60	65,918	(48,745)
Of which: funding to property construction and development (including land)	2	781	3	945	(994)	1	24	3	945	(767)
Total	**83**	**41,096**	**115**	**127,679**	**(58,524)**	**40**	**18,399**	**60**	**65,918**	**(48,745)**

3.4.7 Assets that have matured and/or are impaired due to credit risk

The breakdown of financial assets estimated on an individual basis to be impaired at 31 December 2024 and 2023, based on the age of the oldest outstanding amount of each transaction, is as follows:

At 31 December 2024:

	Thousands of euros					
	Up to 6 months	**From 6 to 12 months**	**From 12 to 18 months**	**From 18 to 24 months**	**More than 24 months**	**Total**
Debt instruments						
Customer loans	88,929	17,177	11,832	13,335	23,541	154,814
Total debt instruments	88,929	17,177	11,832	13,335	23,541	154,814
Total	**88,929**	**17,177**	**11,832**	**13,335**	**23,541**	**154,814**

At 31 December 2023:

	Thousands of euros					
	Up to 6 months	**From 6 to 12 months**	**From 12 to 18 months**	**From 18 to 24 months**	**More than 24 months**	**Total**
Debt instruments						
Customer loans	94,638	18,253	10,253	14,626	21,516	159,286
Total debt instruments	94,638	18,253	10,253	14,626	21,516	159,286
Total	**94,638**	**18,253**	**10,253**	**14,626**	**21,516**	**159,286**

3.4.8 Financial assets considered as impaired

Below is the breakdown at 31 December 2024 and 2023, classified by class of financial assets, of assets that have been considered as impaired and the impairment losses assigned:

At 31 December 2024:

	Thousands of euros	
	Carrying amount (excluding impairment losses)	**Impairment losses**
Debt instruments		
Customer loans	154,814	(92,624)
Total debt instruments	**154,814**	**(92,624)**

At 31 December 2023:

	Thousands of euros	
	Carrying amount (excluding impairment losses)	**Impairment losses**
Debt instruments		
Customer loans	159,286	(81,104)
Total debt instruments	**159,286**	**(81,104)**

3.4.9 Changes in impairment losses

The changes in credit risk exposures on loans and advances (recognised as financial assets at amortised cost) and in impairment losses recognised in 2024 and 2023 are as follows:

2024	Stages 1 and 2 Not impaired		Stage 3 Impaired		Total
	Individual	Collective	Individual	Collective	
Gross amount					
Balance at 1 January 2024	-	**1,989,771**	**34,664**	**124,622**	**2,149,057**
Balance at 31 December 2024	-	**2,108,759**	**38,622**	**116,192**	**2,263,573**
Impairment					
Balance at 1 January 2024	-	**(125,390)**	**(30,006)**	**(51,078)**	**(206,474)**
Charges/Recoveries	-	(29,024)	(5,776)	(10,751)	**(45,551)**
Transfers between stages	-	(2,656)	-	(2,656)	**-**
Transfer to write-offs	-	-	-	2,412	2,412
Balance at 31 December 2024	-	**(157,070)**	**(35,782)**	**(56,761)**	**(249,613)**

2023	Stages 1 and 2 Not impaired		Stage 3 Impaired		Total
	Individual	Collective	Individual	Collective	
Gross amount					
Balance at 1 January 2023	-	**1,940,513**	**60,387**	**105,452**	**2,106,352**
Balance at 31 December 2023	-	**1,989,771**	**34,664**	**124,622**	**2,149,057**
Impairment					
Balance at 1 January 2023	**-**	**(135,760)**	**(55,554)**	**(39,022)**	**(230,336)**
Charges/Recoveries	**-**	12,694	28,566	(28,037)	**13,223**
Transfers between stages	**-**	(2,324)	(3,018)	5,342	**-**
Transfer to write-offs	-	-	-	10,639	10,639
Balance at 31 December 2023	-	**(125,390)**	**(30,006)**	**(51,078)**	**(206,474)**

At 31 December 2024, hedging for unimpaired transactions includes an amount of 92,150 thousand euros (77,822 thousand euros in 2023) for transactions classified as standard and 64,920 thousand euros (47,567 thousand euros in 2023) for transactions classified as standard under special surveillance.

The calculation of provisions for credit risk impairment, calculated in accordance with the accounting policy described in Note 2, has been supplemented by additional allowances derived from the macroeconomic and geopolitical environment, a situation which generates uncertainty about the evolution of the Group's customers' businesses and, therefore, about the severity of the loss they may generate in the event of default, which the Institute has stressed to assess its potential impact. In view of the foregoing, the Group has supplemented the provisions for credit risk impairment with the additional amounts considered necessary to reflect the particular characteristics of the borrowers, amounting to 77,285 thousand euros and 37,247 thousand euros for stages 1 and 2 respectively (60,126 thousand euros and 25,403 thousand euros at 31 December 2023). The amounts corresponding to debt instruments are recognised under "Impairment of value or (-) reversal of impairment of financial assets not measured at fair value through profit or loss - Loans and receivables". This heading includes other recoveries in 2024, mainly linked to the recovery of asset write-offs, amounting to 9,597 thousand euros (5,053 thousand euros in 2023).

3.4.10 Matured and unimpaired financial assets

The breakdown of financial assets that have matured but are not impaired at 31 December 2024 and 2023, classified by class of financial instrument and the period from maturity, is as follows:

At 31 December 2024:

Thousands of euros	Up to 3 months	More than 3 months	Total
Debt instruments			
Customer loans	2,158	-	2,158
Total debt instruments	**2,158**	**-**	**2,158**

At 31 December 2023:

Thousands of euros	Up to 3 months	More than 3 months	Total
Debt instruments			
Customer loans	1,348	-	1,348
Total debt instruments	**1,348**	**-**	**1,348**

3.4.11 Impaired financial assets derecognised from assets

A summary of changes in 2024 and 2023 in items that have been derecognised in the accompanying balance sheet as their recovery is considered unlikely is provided below. These financial assets are recognised under “Asset write-offs” in the memorandum accounts complementary to the accompanying balance sheets:

Thousands of euros	2024	2023
Opening balance:	**349,648**	**339,929**
Additions:	**2,333**	**14,962**
Charged to non-performing loans and other	2,301	14,917
Recognition of accrued interest	32	45
Recoveries:	**(9,597)**	**(5,053)**
Recovery of principal in cash and/or instruments expired and not received	(9,597)	(5,053)
Derecognition	**(18,205)**	**(189)**
Remission and limitation	(18,205)	(189)
Closing balance	**324,179**	**349,648**

3.4.12 Breakdown of the distribution of loans to customers by activity and geographical area

The distribution of the Group's credit portfolio at 31 December 2024 is as follows:

Thousands of euros	Total	Catalonia	Other
Credit institutions	**1,219**	**1,219**	**-**
Public administrations and rest of public sector	**299,641**	**299,641**	**-**
Other	299,641	299,641	-
Non-financial companies and individual entrepreneurs	**1,963,933**	**1,825,188**	**138,745**
Property construction and development	315,370	300,342	15,028
Other purposes	1,648,563	1,524,846	123,717
Large companies	586,557	494,957	91,600
SMEs and individual entrepreneurs	1,030,654	998,637	32,017
Other purposes	31,352	31,252	100
Less: Impairment adjustments of assets	**(249,613)**	**(249,613)**	**-**
TOTAL	**2,015,180**	**1,876,435**	**138,745**

And the distribution of the credit portfolio at 31 December 2023:

Thousands of euros	Total	Catalonia	Other
Credit institutions	**1,599**	**1,599**	**-**
Public administrations and rest of public sector	**313,136**	**313,136**	**-**
Other	313,136	313,136	-
Non-financial companies and individual entrepreneurs	**1,835,922**	**1,714,261**	**121,661**
Property construction and development	316,082	312,682	3,400
Other purposes	1,519,840	1,401,579	118,261
Large companies	527,432	445,249	82,183
SMEs and individual entrepreneurs	982,640	946,562	36,078
Other purposes	9,768	9,768	-
Less: Impairment adjustments of assets	**(206,474)**	**(206,474)**	**-**
TOTAL	**1,944,182**	**1,675,975**	**121,661**

3.4.13 Breakdown of the distribution of loans to customers by activity and guarantee

In accordance with Circular 6/2015, the distribution of credit risk to customers by activity is set out below.

<u>At 31 December 2024:</u>

31/12/2023 Thousands of euros	TOTAL	Of which: real estate guarantee	Of which: other real guarantees
Public administrations	**299,641**	**-**	**-**
Non-financial companies and individual entrepreneurs	**1,963,933**	**537,090**	**836,724**
Construction and property development (including land)	315,370	208,490	225,414
Other purposes	1,648,563	328,600	611,310
Large companies	586,557	85,399	165,935
SMEs and individual entrepreneurs	1,030,654	235,302	426,553
Other purposes	31,352	7,899	18,822

TOTAL	**2,263,574**	**537,090**	**836,724**

At 31 December 2023:

31/12/2022 **Thousands of euros**	**TOTAL**	**Of which: real estate guarantee**	**Of which: other real guarantees**
Public administrations	**313,136**	**-**	**-**
Non-financial companies and individual entrepreneurs	**1,835,922**	**397,784**	**833,848**
Construction and property development (including land)	316,082	148,901	243,124
Other purposes	1,519,840	248,883	590,724
Large companies	527,432	63,374	185,458
SMEs and individual entrepreneurs	982,640	185,274	396,834
Other purposes	9,768	235	8,432
TOTAL	**2,149,058**	**397,784**	**833,848**

3.5 Counterparty risk

Counterparty risk is the possibility of incurring losses as a result of the failure of financial institutions to meet their contractual obligations in due time and form in derivative transactions.

The fair value macro-hedge on the customer lending portfolio was not extended in 2024 and 2023. The counterparties to the interest rate hedges at 31 December 2024 and 2023 are two credit institutions, with notional amounts of 106,447 thousand euros and 124,758 thousand euros, respectively.

The distribution of notional amounts by maturity is as follows:

Fair value hedging derivatives:

Derivative type	**Maturity**	**Notional 2024** *(Thousands of euros)*	**Notional 2023** *(Thousands of euros)*
IRS	Up to 3 years	-	12,000
IRS	From 3 to 5 years	20,000	-
IRS	More than 5 years	86,447	112,758
		106,447	**124,758**

The notional value of derivatives is the underlying figure for estimating the results associated with derivatives, although this figure cannot be taken to represent a reasonable measure of the ICF's exposure to the risks associated with these products.

3.6 Operational risk

Operational risk relates to the possibility of incurring losses as a result of inadequacies or errors in processes, systems and people or external events.

In accordance with the Risk Control and Management Model adopted by the ICF Group, which is based on three lines of defence, management and control of operational risk involves the whole Group and is not limited to specific organisational units or areas specialising in risks or control functions.

In this regard, the Group's different areas and companies are responsible, in the first instance, for the daily management of operational risk and are assigned, inter alia, the responsibility for keeping processes, risks and controls in their areas of activity updated. As a second line of defence the Group has set up an internal control coordination function, focusing on analysing the Group's operating processes and maintaining the corporate risk and control map, and another operational risk function, in charge of establishing the specific procedures and methodologies for identifying, assessing and controlling operational risk. In addition, the Group has a Global Risk Management Department which is responsible, inter alia, for calculating the consumption of own resources due to operational risk using the basic indicator method set out by Basel III.

Finally, as an ultimate control measure, the Internal Audit Department carries out an independent review of the Model to ensure compliance with and the effectiveness of corporate policies and reports the results of its activities to the Joint Audit and Control Committee.

3.7 Capital management

The Group has eligible capital of 1,017,517 thousand euros at 31 December 2024 (1,013,529 thousand euros at 31 December 2023) with a solvency ratio of 34.3% (38.5% at 31 December 2023), which is well above the minimum Pillar 1 ratio required by Basel III regulations.

The capital ratios have been calculated in accordance with Royal Decree 84/2015, Law 10/2014 and the applicable European regulations, in particular Regulation (EU) 575/2013, as amended by Regulation (EU) 2019/876 during the financial year.

The breakdown of the ratio is shown below as at 31 December 2024 and 31 December 2023:

Solvency ratio (thousands of euros)	**2024**	**2023**
Common equity tier 1 (CET1)	994,900	993,012
Eligible capital	1,018,851	1,013,529
Total Risk Weighted Assets	2,967,600	2,629,300
CET1 ratio	33.5%	37.8%
Solvency ratio	**34.3%**	**38.5%**

4. Distribution of profit/application of losses for the year of Institut Català de Finances as parent of the ICF Group

The proposed individual distribution of profit/application of losses for 2024 to be put forward for approval by the ICF's Supervisory Board and the approved distribution for 2023, respectively, are as follows:

Thousands of euros	**2024**	**2023**
Basis of allocation:		
Profit and loss	33,097	44,801
Distribution:		
Capitalisation reserves	2,768	2,729
Voluntary reserves	30,329	17,072
Dividends		25,000

5. Cash, deposits in central banks and other demand deposits

The breakdown of the balance of this heading in the accompanying balance sheet at 31 December 2024 and 31 December 2023 is as follows:

Thousands of euros	**2024**	**2023**
Current accounts	128,156	58,995
Total	**128,156**	**58,995**

6. Financial assets at fair value through other comprehensive income

The breakdown of the balance of this heading in the accompanying balance sheet at 31 December 2024 and 31 December 2023, based on the nature of the transactions, is as follows:

Thousands of euros	2024	2023
Venture capital instruments		
Outstanding risk in venture capital entities	193,861	182,938
Valuation adjustments	36,221	13,861
Subtotal venture capital instruments	**230,083**	**196,799**
Other equity investments	40,664	40,688
Valuation adjustments	(36,157)	(40,137)
Subtotal other equity investments	**4,507**	**551**
Total capital instruments	**234,589**	**197,351**
Debt securities		
Debt securities	276,798	208,744
Valuation adjustments	(843)	(4,943)
Total debt securities	**275,955**	**203,801**
Total	**510,544**	**401,152**

The valuation adjustments include:

- For venture capital instruments: changes in fair value.
- For debt securities: changes in fair value, accrued interest and premiums to be accrued.

When venture capital companies are set up, the Group is committed to paying out a fixed amount to ensure these financial vehicles can perform the operations for which they were established. These commitments are always enforceable in accordance with the contracts signed for amounts detailed under "Outstanding disbursements of venture capital entities" in the previous table.

At 31 December 2024, there are outstanding commitments of 119,180 thousand euros (116,378 thousand euros at 31 December 2023).

In 2024, 4,072 thousand euros has been recognised from dividends on venture capital instruments. In 2023, a total of 591 thousand euros was recognised from dividends on venture capital instruments.

Appendix III to these notes to the consolidated financial statements contains details of the Group's main investees that are neither subsidiaries nor associates together with significant information about them.

In 2023, part of the risk position with Pico Anayet, S.L. was converted into shares. This represents 2.28% of the total capital of Inversiones Pico Espadas, S.A.

With regard to debt securities, the breakdown of the balances of this balance sheet heading based on the nature of the transactions is as follows (excluding valuation adjustments):

Thousands of euros	2024	2023
Regional public debt	2,350	7,350
Other public debt	57,670	27,844
Financial institutions	84,649	79,425
Other fixed-income securities	132,129	94,125
Total	**276,798**	**208,744**

The whole balance reflects debt issues at an average effective interest rate of 1.67% for 2024 and 1.34% for 2023.

7. Financial assets at amortised cost

The breakdown of this heading in the accompanying balance sheet by type of financial instrument is as follows:

Thousands of euros	2024	2023
Loans and advances		
Credit institutions	43,202	30,216
Customers	2,019,534	1,949,599
Total	**2,062,737**	**1,979,815**

The main valuation adjustments made to each asset type included under "Loans and advances" are set out below:

Thousands of euros		Valuation adjustments 2024				
	Gross balance	Impairment provisions	Accrued interest	Commissions	Other	Net balance
Credit institutions	43,481		2	(3)	(278)	43,202
Customers	2,263,573	(249,613)	7,096	(2,173)	652	2,019,535
Total	**2,307,055**	**(249,613)**	**7,098**	**(2,176)**	**374**	**2,062,737**

Thousands of euros		Valuation adjustments 2023				
	Gross balance	Impairment provisions	Accrued interest	Commissions	Other	Net balance
Credit institutions	30,054		165	(4)		30,216
Customers	2,149,057	(206,474)	11,347	(5,252)	921	1,949,599
Total	**2,179,112**	**(206,474)**	**11,512**	**(5,256)**	**921**	**1,979,815**

7.1 Credit institutions

The breakdown of this heading by type and form of credit, excluding valuation adjustments, is as follows:

Thousands of euros	2024	2023
Term deposit accounts and other	42,262	28,455
Intermediation loans	1,219	1,599
Total deposits in credit institutions	**43,481**	**30,054**

"Credit institutions - Term deposit accounts and other" mainly comprises balances on deposits with fixed maturity held by the Group in financial institutions.

"Credit institutions - Intermediation loans" mostly corresponds to agreements signed with various financial institutions for loans marketing.

The average effective interest rate accrued during 2024 on the balances of deposits in credit institutions was 3.43%. In 2023 it was 3.77%.

7.2 Customers

The breakdown of the balances under this heading by type and form of loan, borrower's sector and by type of interest rate, excluding valuation adjustments, is as follows:

By type and form of loan:

Thousands of euros	2024	2023
Public administrations and rest of public sector	299,641	313,136
Secured debtors	726,500	510,813
Other fixed-term debtors	1,079,528	1,163,888
Debtors on demand and sundry debtors	3,090	1,934
Non-performing loans	154,814	159,286
Total loans to customers	**2,263,573**	**2,149,057**

By borrower's sector:

Thousands of euros	2024	2023
Public sector	**299,641**	**313,136**
Public administrations and rest of public sector	299,641	313,136
Private sector	**1,963,933**	**1,835,922**
Resident	1,963,933	1,835,922
Total loans to customers	**2,263,573**	**2,149,057**

By type of interest rate:

Thousands of euros	2024	2023
At fixed interest rate	508,721	439,240
At variable interest rate	1,754,852	1,709,817
Total loans to customers	**2,263,573**	**2,149,057**

The average effective interest rate payable on the balances recognised under “Loans to customers” was 5.54% in 2024. In 2023 it was 4.73%.

Changes in the balance of “Non-performing loans” in 2024 and 2023 were as follows:

Thousands of euros	2024	2023
Opening balance:	159,286	165,839
Plus:		
Addition of new assets	26,840	69,739
Less:		
Recoveries	(28,504)	(65,653)
Transfer to asset write-offs	(2,808)	(10,639)
Closing balance:	**154,814**	**159,286**

7.3 Impairment provisions

Note 3.4.9 shows the change in the balance of the provisions that cover impairment losses on the assets that make up the heading "Financial assets at amortised cost" for 2024 and 2023.

7.4. Financial assets derecognised due to impairment

Note 3.4.11 shows the change in 2024 and 2023 of impaired financial assets that are not recognised in the balance sheet as their recovery is considered unlikely, although the ICF Group has continued with actions to recover the amounts owed.

8. Derivatives – hedge accounting

At 31 December 2024 and 2023, the ICF had entered into financial derivative transactions to hedge against interest rate risk with various reputable counterparties in accordance with the risk management policy explained in Note 3.

The breakdown by product type of the fair value of the derivatives designated as hedging derivatives at 31 December 2024 and 31 December 2023 is as follows:

Thousands of euros	31/12/2024		31/12/2023	
	Notional	Fair value	Notional	Fair value
Debit balances:				
Micro-hedges at fair value	20,000	765	32,000	855
Macro-hedges at fair value	86,447	13,063	92,758	15,832
Total	**106,447**	**13,828**	**124,758**	**16,687**

All of the financial derivatives contracted as hedging derivatives relate to interest rate swaps. Note 3.5 details the maturity structure of the derivative instruments.

At 31 December 2024, as a result of the annual review of hedge effectiveness, a loss of 88 thousand euros has been recognised in the income statement for macro-hedges (income of 84 thousand euros in 2023) and a loss of 145 thousand euros in the income statement for micro-hedges (income of 129 thousand euros in 2023).

8.1 Fair value hedging transactions

The following is the breakdown, by type of hedged item, of the balance sheet value and cumulative amount of fair value hedge adjustments at 31 December 2024 and 2023 for outstanding fair value hedges:

Thousands of euros	31/12/2024		31/12/2023	
	Balance sheet value of the hedged item	Cumulative amount of fair value hedge adjustments for the hedged item	Balance sheet value of the hedged item	Cumulative amount of fair value hedge adjustments for the hedged item
Debit balances:				
Fixed rate loan portfolio classified as financial assets at amortised cost	13,063	(12,491)	15,832	(15,172)
Total	**13,063**	**(12,491)**	**15,832**	**(15,172)**
Credit balances:				
Bonds and other marketable debt securities issued at fixed rates classified as financial liabilities at amortised cost	765	(780)	855	(726)
Total	**764**	**(780)**	**855**	**(726)**

9. Non-current assets and disposal groups held for sale

This heading on the balance sheet only contains assets which have been foreclosed in the process of settling non-performing loans and have not been retained for own use or classified as investment property.

Change in foreclosed assets in 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Opening balance:	**8,535**	**11,239**
Plus:	**2,866**	**53**
Additions for the year	2,866	53
Transfers		-
Less:	**(1,919)**	**(2,757)**
Derecognition through sale	(742)	(2,757)
Derecognition through transfers	-	-
Impairment funds for the year (Note 33)	(1,177)	-
Closing balance:	**9,482**	**8,535**

The impairment allowance for 2024 and 2023 has been recorded on the basis of updated individual appraisals by independent experts so that the fair value of these assets does not differ significantly from their carrying amount.

Note 33 details the results generated by the impairment allowance and the sale of this type of asset.

10. Investments

This heading of the accompanying balance sheets shows the equity interest held in the capital of two associates (see Note 2.a). This interest is accounted for using the equity method, taking the best available estimate of its theoretical carrying amount on the date the annual financial statements were prepared.

Details of these companies' capital, reserves and results and the percentage interest held by the Group are provided in Appendix II of the notes to these financial statements. The information is the latest actual or estimated data available on the date these notes to the financial statements were drafted.

Thousands of euros	2024	2023
Avalis de Catalunya S.G.R		
Equity interest	4,657	4,720
Equity method adjustment	2,715	2,762
Arrendadora Ferroviaria, S.A.		-
Equity interest	28	-
Equity method adjustment	(28)	-
Closing balance:	**7,373**	**7,482**

The classification of Arrendadora Ferroviaria, S.A. has been changed in 2024 to associate since 45.85% of the company is now held following the purchase of shares and the departure of one of its partners.

Pursuant to Circular 5/2013, details of the most relevant information in relation to the financial statements of the associates are as follows:

Avalis de Catalunya S.G.R

	2024	2023
Total assets	171,945	163,277
Total liabilities	105,134	95,529
Total equity	66,811	67,748
Profit after income tax	5	-

Arrendadora Ferroviaria, S.A

	2024	2023
Total assets	135,927	-
Total liabilities	136,480	-
Total equity	(553)	-
Profit after income tax	(47)	-

Change in 2024 and 2023 of the reserves consolidated using the equity method is set out in Note 20.2.

11. Tangible assets

The breakdown of the heading “Tangible assets”, the corresponding accumulated depreciation and change during 2024 and 2023 is as follows:

2024 (Thousands of euros)	**Property, plant and equipment for own use**	**Investment property**	**Total**
Cost			
Opening balances	14,974	73,809	88,784
Additions	431	-	431
Reclassifications and derecognitions	(21)	-	(21)
Total cost at 31 December 2024	**15,385**	**73,809**	**89,194**
Cumulative depreciation			
Opening balances	(4,470)	(7,843)	(12,313)
Additions (Note 31)	(575)	(673)	-1,248
Derecognition and transfers	(36)	36	-
Total cum. depreciation at 31 December 2024	**(5,081)**	**(8,480)**	**(13,561)**
Impairment			
Opening balances	-	(8,142)	(8,142)
Total impairment at 31 December 2024	**-**	**(8,142)**	**(8,142)**
TOTAL TANGIBLE ASSETS AT 31 DECEMBER 2024	**10,304**	**57,188**	**67,492**

2023 (Thousands of euros)	Property, plant and equipment for own use	Investment property	Total
Cost			
Opening balances	15,110	74,109	89,219
Additions	539	-	539
Reclassifications and derecognitions	(674)	(300)	(974)
Total cost at 31 December 2023	**14,974**	**73,809**	**88,784**
Cumulative depreciation			
Opening balances	(4,780)	(7,268)	(12,048)
Additions (Note 31)	(459)	(660)	(1,119)
Derecognition and transfers	769	84	854
Total cum. depreciation at 31 December 2023	**(4,470)**	**(7,843)**	**(12,313)**
Impairment			
Opening balances	-	(8,142)	(8,142)
Total impairment at 31 December 2023	**-**	**(8,142)**	**(8,142)**
TOTAL TANGIBLE ASSETS AT 31 DECEMBER 2023	**10,504**	**57,824**	**68,328**

11.1 Tangible assets – Property, plant and equipment for own use

The breakdown by type of the items comprising the balance of "Tangible assets - Property, plant and equipment for own use" in the balance sheet as at 31 December 2024 and 31 December 2023 is as follows:

2024 (Thousands of euros)	Cost	Cumulative depreciation	Net balance
IT equipment and facilities	1,456	(1,093)	363
Furniture and other fixtures	2,962	(918)	2,044
Land and buildings	10,967	(3,070)	7,897
Balances at 31 December 2024	**15,385**	**(5,081)**	**10,304**

2023 (Thousands of euros)	Cost	Cumulative depreciation	Net balance
IT equipment and facilities	1,280	(947)	332
Furniture and other fixtures	2,706	(665)	2,041
Land and buildings	10,987	(2,856)	8,131
Balances at 31 December 2023	**14,974**	**(4,470)**	**10,504**

At 31 December 2024, tangible assets for own use valued at 864 thousand euros (844 thousand euros at 31 December 2023) were fully depreciated. The fair value of all property, plant and equipment at 31 December 2024 and 31 December 2023 does not differ significantly from that recorded under "Tangible assets" in the accompanying balance sheet.

11.2 Tangible assets – Investment property

This heading includes buildings held for leasing and there are no contingent liabilities. At 31 December 2024 and 2023, the ICF had no significant contractual obligations in relation to the future development of the investment property included in the balance sheet at that date and nor were there any relevant restrictions to its realisation other than the current conditions of the real estate market.

Details of the net rental income from these investments are provided in Note 27.

The expenses associated with the investment property that generated income correspond to administration and maintenance expenses which are detailed in Note 28.

12. Intangible assets

Other intangible assets mainly relate to the acquisition of software systems and programs. The changes in this item in the balance sheet in 2024 and 2023 are as follows:

2024	Thousands of euros
Cost	
Balances at 1 January 2024	13,255
Additions	868
Derecognition and transfers	-
Total cost at 31 December 2024	**14,123**
Cumulative amortisation	
Balances at 1 January 2024	(11,190)
Additions (Note 31)	(962)
Derecognition and transfers	-
Total cum. amortisation at 31 December 2024	**(12,152)**
TOTAL INTANGIBLE ASSETS AT 31 DECEMBER 2024	**1,971**

2023	Thousands of euros
Cost	
Balances at 1 January 2023	12,470
Additions	789
Derecognition and transfers	(4)
Total cost at 31 December 2023	**13,255**
Cumulative amortisation	
Balances at 1 January 2023	(10,021)
Additions (Note 31)	(1,293)
Derecognition and transfers	124
Total cum. amortisation at 31 December 2023	**(11,190)**
TOTAL INTANGIBLE ASSETS AT 31 DECEMBER 2023	**2,065**

At 31 December 2024, intangible assets valued at 8,459 thousand euros (7,076 thousand euros at 31 December 2023) were fully amortised.

13. Other assets

The breakdown of the balance of this item in the balance sheet is as follows:

Thousands of euros	2024	2023
Prepayments and accrued income	-	-
Amounts pending collection in the ERDF programme (Note 16)	12,441	34,241
Other items	8,494	5,829
Total	**20,935**	**40,070**

The heading "Other assets - Other items" in 2024 and 2023 mainly includes:

- Approved contributions pending receipt from other public administrations for obligations recognised in certain loan transactions with entities and companies. (Note 34)

- Group receivables.

14. Financial liabilities at amortised cost

The breakdown by type of this heading in the accompanying balance sheet at 31 December 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Deposits with credit institutions	1,124,833	1,067,471
Customer funds	409,228	330,652
Debt securities issued	172,757	78,654
Other financial liabilities	7,168	5,113
Total	**1,713,987**	**1,481,891**

The breakdown of the gross balance and valuation adjustments relating to the sub-headings comprising "Financial liabilities at amortised cost" at 31 December 2024 and 2023 is shown below

Thousands of euros	Valuation adjustments 2024				
	Gross balance	Accrued interest	Derivative micro-hedges	Transaction costs	Net balance
Deposits with credit institutions	1,116,133	8,806	-	(106)	1,124,833
Customer funds	408,435	793	-	-	409,228
Debt securities issued	169,459	2,519	780	-	172,757
Other financial liabilities	7,169	-	-	-	7,169
Total	**1,701,196**	**12,118**	**780**	**(106)**	**1,713,987**

Thousands of euros	Valuation adjustments 2023				
	Gross balance	Accrued interest	Derivative micro-hedges	Transaction costs	Net balance
Deposits with credit institutions	1,058,383	9,215	-	(127)	1,067,471
Customer funds	330,633	20	-	-	330,652
Debt securities issued	77,325	603	726	-	78,654
Other financial liabilities	5,113	-	-	-	5,113
Total	**1,471,454**	**9,838**	**726**	**(127)**	**1,481,891**

14.1 Deposits from credit institutions

The breakdown of the balances under this heading in the accompanying balance sheet by transaction type, excluding valuation adjustments, is as follows:

Thousands of euros	2024	2023
Fixed-term deposits	**1,116,133**	**1,058,383**
Fixed-term accounts	1,116,133	1,058,383
Total	**1,116,133**	**1,058,383**

In 2024, the average effective interest rate on the financial instruments classified under this heading was 3.36% (3.07% in 2023).

The heading contains the bank borrowings drawn down by the Group.

Repayments of bank borrowings by residual maturity at year-end 2024 and 2023 are as follows:

Thousands of euros	2024	2023
Up to 3 months	-	173
From 3 months to 1 year	-	20,000
From 1 to 5 years	258,331	301,857
More than 5 years	857,802	736,353
Total	**1,116,133**	**1,058,383**

At 31 December 2024 there are concluded and undrawn borrowings of 313 million euros. At 31 December 2023 there were concluded and undrawn borrowings of 125 million euros.

14.2 Customer funds

The breakdown of the balance of this item in the accompanying balance sheet at 31 December 2024 and 31 December 2023, excluding valuation adjustments and based on the sector and nature of the transactions, is as follows:

By sectors:

Thousands of euros	2024	2023
Public administrations	399,801	301,336
Other resident sectors	8,634	29,296
Total	**408,435**	**330,633**

By type:

Thousands of euros	2024	2023
Funds received	401,500	324,245
Other – Loans managed	6,936	6,387
Total	**408,435**	**330,633**

The funds received correspond mainly to resources received from various ministries and entities of the Generalitat de Catalunya in the form of cooperation agreements for credit transactions.

The average effective interest rate of the items included under this heading during 2024 was 2.15% (1.16% in 2023).

14.3 Debt securities issued

The composition of the balance of this heading in the accompanying balance sheet at 31 December 2024 and 31 December 2023, considering the principal amount of the issues, is as follows:

31/12/2024	Thousands of euros		
	Maturity	Amount	Interest rate
Eighth issue	-	-	-
Eleventh issue	22/10/2029	20,000	4.55%
Total		**20,000**	

31/12/2023	Thousands of euros		
	Maturity	Amount	Interest rate
Eighth issue	15/06/2024	12,000	4.25%
Eleventh issue	22/10/2029	20,000	4.55%
Total		**32,000**	

At 31 December 2024 and 31 December 2023, redemption of the aforementioned issues according to their residual maturity is as follows:

Thousands of euros	2024	2023
From 3 months to 1 year	-	12,000
From 1 to 5 years	20,000	-
More than 5 years	-	20,000
Total	**20,000**	**32,000**

The heading also includes at 31 December 2024 promissory notes listed on the Barcelona Stock Exchange for a total amount of 149,459 thousand euros (45,325 thousand euros at 31 December 2023). This amount corresponds to 213 transactions (73 transactions at 31 December 2023) with nominal amounts between 100 and 15,000 thousand euros (between 100 and 7,600 thousand euros at 31 December 2023). The weighted average yield on the notes is 3.39% (1.59% at 31 December 2023) and the average residual term is 0.6 years (0.5 years at 31 December 2023).

14.4 Other financial liabilities

The breakdown of the balance of this item in the accompanying balance sheet is as follows:

Thousands of euros	2024	2023
Accrued commissions on financial guarantees	7,169	5,113
Total	**7,169**	**5,113**

15. Provisions

The breakdown of the balance of this item in the accompanying balance sheet at 31 December 2024 and 2023 is as follows:

2024	Thousands of euros			
	31/12/2023	Net provisions	Recoveries	31/12/2024
Provisions for contingent liabilities and commitments	**2,459**	**11,052**	**(6,284)**	**7,228**
Guarantees made	669	2,074	(1,041)	1,702
Loan commitments granted	1,790	8,979	(5,242)	5,526
Other provisions	**882**	**-**	**-**	**882**
Total	**3,341**	**11,052**	**(6,284)**	**8,110**

2023	Thousands of euros			
	31/12/2022	Net provisions	Recoveries	31/12/2023
Provisions for contingent liabilities and commitments	**2,775**	**4,175**	**(4,491)**	**2,459**
Guarantees made	873	1,478	(1,682)	669
Loan commitments granted	1,902	2,697	(2,810)	1,790
Other provisions	**882**	**-**	**-**	**882**
Total	**3,657**	**4,175**	**(4,491)**	**3,341**

The Group's directors do not consider that any additional material liabilities will accrue in addition to those disclosed at 31 December 2024.

16. Other liabilities

The breakdown of this item in the accompanying balance sheet is as follows:

Thousands of euros	2024	2023
Accruals and deferrals	1,641	7,595
Deferred income ERDF programme	98,244	105,362
Trade and other payables	2,418	2,207
Total	**102,303**	**115,164**

Deferred income ERDF programme

Changes in deferred income from the European Regional Development Fund (ERDF) programme during 2024 and 2023 are presented below:

(Thousands of euros)	Start balance	Additions	Transfers to the income statement (Note 27)	End balance
2024				
Deferred income	105,362	10,528	(17,646)	98,244
	105,362	**10,528**	**(17,646)**	**98,244**

(Thousands of euros)	Start balance	Additions	Transfers to the income statement (Note 27)	End balance
2023				
Deferred income	103,169	18,349	(16,156)	105,362
	103,169	**18,349**	**(16,156)**	**105,362**

On 12 February 2015, the ERDF Operational Programme for Catalonia 2014-20 was approved by *Decision No. C (2015) 894 final*. In compliance with Article 124 of Regulation (EU) No. 1303/2013 of the European Parliament and of the Council and Article 10(2)(c) of Royal Decree 256/2012 of 27 January 2012, the Generalitat de Catalunya has been designated as the managing authority for the planned operational programmes in paragraph 1(6) of Spain's Association Agreement 2014-2020, co-financed by the ERDF. Under Article 38(4)(c) of Regulation 1303/2013 of the European Parliament, it was agreed in the previous financial year to transfer the tasks of implementing the financial instruments included in the ERDF Operational Programme of Catalonia 2014-2020 (EC Decision 2015-894) carried out until then by the ICF to its subsidiary Instruments Financers per a Empreses Innovadores, S.L.U. (IFEM), pursuant to the legal authorisation established in the transitional provision of Legislative Decree 1/2022 of 26 July enacting the recast text of the Law on the Institut Català de Finances.

The operational programme consists of two investment cycles, with the first cycle due to end on 31 December 2024, and is divided into two distinct facilities:

- ICF Eurocrèdit: the total investment foreseen under this programme is 184 million euros, which is initially gradually provided by the ICF. The ICF receives funds corresponding to 50% of the eligible amount of the financing transactions. In the second cycle, 50% of the funds returned from the first cycle will need to be reinvested.

- ICF Eurocrèdit Covid-19 liquidity. A facility of up to a maximum of 70 million euros, which is gradually provided by the ICF. The ICF receives funds corresponding to 100% of the eligible amount of the financing transactions. In the second cycle, 100% of the funds returned from the first cycle will need to be reinvested in recipients in the same sector.

The ICF has established a certification system to accredit the level of compliance with the conditions of the programme, at which point the amounts to be received become non-refundable. Given the conditions of the funding programme and the accreditation system, the amounts received are recognised in the income statement simultaneously with the evolution of the operational programme portfolio.

Up to 31 December 2024, it has been agreed to pay the ICF 161,950 thousand euros (151,024 thousand euros at 31 December 2023) of which 11,032 thousand euros (Note 13) is pending collection at 31 December 2024 (35,266 thousand euros at 31 December 2023).

Trade and other payables

In 2024 and 2023, the main entries are as follows:

- Invoices receivable from various suppliers.

- In 2024, 1,263 thousand euros is also recognised in respect of the cost of guaranteeing the Covid-19 liquidity facilities pending payment to the Generalitat de Catalunya (2,400 thousand euros in 2023) (Note 34).

17. Fair value of financial assets and liabilities

The fair value of a financial asset or liability at a specific date is taken to be the amount for which it can be exchanged or settled, respectively, on that date between two independent and expert parties who act willingly and prudently on an arm's length basis.

The fair values of financial instruments reflected in the financial statements are classified using the following fair value levels:

- Level I: fair values are obtained from quoted prices (unadjusted) in active markets for the same instrument.

- Level II: fair values are obtained from quoted prices in active markets for similar instruments, recent transaction prices or expected cash flows or other measurement techniques in which all significant inputs are based on directly or indirectly observable market data.

- Level III: fair values are obtained using measurement techniques in which a certain significant input is not based on observable market data.

The main measurement techniques, assumptions or inputs used to estimate the fair value of financial instruments classified in Level III according to the type of instrument are shown below. The measurement criteria remain the same as those in 2023.

Level III financial instruments	**Measurement techniques**	**Main assumptions**	**Main inputs used**
Equity instruments available for sale	Comparing the accounting information with the equity value of the investees, taking as equity value the one shown in the financial statements to be prepared supplied by the respective management companies. Other commonly accepted methods such as measurement based on discounted cash flows can additionally be used.	- Calculation based on the financial information of the instruments available at the date of preparation of the financial statements. - Impairment exists if the fair value is below 60% of the investment value - Variations below 10% are not significant due to the volatility of the instruments	Financial information of the investees

The main financial instruments recognised at fair value on the accompanying balance sheet at 31 December 2024 and 2023, detailing the measurement technique used to estimate their fair value, are as follows:

	2024		
	Level 1	**Level 2**	**Level 3**
Assets:			
Financial assets at fair value through other comprehensive income (Note 6)	275,955	-	234,589
Derivative hedging instruments (Note 8)	-	13,828	-
Total assets	275,955	13,828	234,589

	2023		
	Level 1	**Level 2**	**Level 3**
Assets:			
Financial assets at fair value through other comprehensive income (Note 6)	203,801		197,351
Derivative hedging instruments (Note 8)	-	16,687	-
Total assets	**203,801**	**16,687**	**197,351**

Any variation in one or more variables and other reasonably possible alternative assumptions would not entail any significant change in the fair value of Level 3 instruments over the whole financial instruments portfolio.

As indicated in Note 2.b, the fair value of financial assets and liabilities measured at amortised cost does not significantly differ from their carrying amount. These assets and liabilities are classified as Level 3.

During 2024 and 2023, changes in the fair value of Level 2 and Level 3 financial instruments are solely due to the maturity of existing transactions, the arrangement of new transactions and changes in fair value classified in equity (in the case of available-for-sale financial assets and cash flow hedging derivatives) and profit or loss (in the case of fair value hedging derivatives). No transfers from one level to another occurred.

18. Accumulated other comprehensive income

This heading of the accompanying balance sheet includes the following:

- The net amount of the tax effect of the differences between the market value and acquisition cost (net gains/losses) of assets classified as financial assets at fair value through other comprehensive income which, as disclosed in Note 2.g, has to be included in the Group's equity.
- The net tax effect of the variations in cash flow hedges, in accordance with what is disclosed in Note 2.c.

The total amount of the adjustments for change in value, net of tax effect, recognised in equity is as follows:

Thousands of euros	2024	2023
Financial assets at fair value through other comprehensive income	43,909	32,602
Equity instruments	45,106	36,945
Debt instruments	(1,197)	(4,343)
Cash flow hedging	-	-
Total	**43,909**	**32,602**

19. Own funds

19.1 Paid-up capital

The change in the capital heading in 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Opening balance	693,149	693,149
Total	**693,149**	**693,149**

19.2 Reserves

The change in this heading during 2024 and 2023 is as follows:

Heading	Parent reserves	Subsidiaries reserves	Reserves in equity method	Profit /(loss) for the year	Total
Balance at 31.12.2022	**232,977**	**(7,923)**	**2,758**	**27,399**	**255,211**
Distribution of profit/allocation of losses	27,401	(2)	-	(27,399)	-
Other changes	(237)	-	132	-	(105)
Profit or loss for 2023	-	-	-	49,531	49,531
Balance at 31.12.2023	**260,140**	**(7,925)**	**2,890**	**49,531**	**304,637**
Distribution of profit/allocation of losses	44,801	4,730	-	(49,531)	-
Other changes	(23,634)	-	(2,377)		(26,011)
Profit or loss for 2024	-	-	-	33,097	33,097

Balance at 31.12.2024	**281,307**	**(3,195)**	**513**	**33,097**	**311,722**

With the sole exception of the parent company's capitalisation reserves, amounting to 6,821 thousand euros in 2024 (4,092 thousand euros in 2023) which comply with the deadlines established in Law 27/2014 of 27 November on Corporate Income Tax, all reserves at 31 December 2024 and 2023 are freely distributable.

20. Taxation

20.1 Tax consolidation

The ICF Group has filed consolidated corporate income tax returns since 2006.

The composition of the Group filing consolidated corporate income tax returns in 2024 is as follows:

Parent	Institut Català de Finances
Subsidiaries	Institut Català de Finances Capital, SGEIC, S.A.U. Instruments Financers per a Empreses Innovadores S.L.U.

20.2 Financial years subject to tax inspection

At 31 December 2024, the Group is open to inspection for all taxes to which it is liable for the last four financial years. It is not estimated that there are any significant tax liabilities other than those included in these financial statements.

20.3 Reconciliation of accounting profit and taxable income and tax rate calculation

The reconciliation between 2024 and 2023 accounting profit and taxable income and the calculation of the income tax expense/(recoverable income tax), as described in Note 2.k, is as follows:

Thousands of euros	2024	2023 (*)
Accounting profit or loss before tax	**44,366**	**68,214**
Consolidation adjustments	498	(2,458)
Profit of companies not included in the tax group	427	4,873
Other consolidation adjustments	70	(7,331)
Permanent differences	(4,273)	(818)
Temporary differences	23,434	(3,090)
Increases	40,753	11,636
Decreases	(17,319)	(14,726)
Capitalisation reserve	(3,061)	(2,741)
Prior consolidated tax base	**60,962**	**59,106**
Application of negative tax bases	-	(28,863)
Consolidated tax base	**60,962**	**30,243**
Tax at prevailing rate	18,289	9,073
Deductions and credits	(7)	(6)
Withholdings and payments on account	(18,981)	(8,989)
Income tax expense (recoverable tax)	**(700)**	**78**

(*) Estimate included in the 2023 financial statements which is not the settlement for the financial year.

Details of the income tax expense related to profit tax and profit for 2024 and 2023 are as follows:

Thousands of euros	2024	2023
Accounting profit or loss before tax	**44,366**	**68,214**
Tax at current tax rate	**13,310**	**20,464**
Tax effect of non-deductible expenses	(1,282)	(245)
Consolidation adjustments	149	(738)
Deductions and credits applied	(7)	(6)
Capitalisation reserve	(918)	(822)
Restatement of the tax rate	-	-
Adjustments	18	30
Income tax expense (recoverable tax)	**11,269**	**18,683**

The reconciliation of current income tax and the income tax expense (recoverable income tax) for 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Taxable income due to tax rate	18,289	17,732
Deductions and credits	(7)	(6)
Current income tax for the year	**18,263**	**17,726**
Change in temporary differences	(7,030)	927
Adjustments	18	30
Income tax expense (recoverable tax)	**11,269**	**18,683**

20.4 Deferred taxes

The differences, wherever applicable, between the amount of income tax recognised and that payable corresponds to current and deferred taxes arising due to temporary differences, and are recognised under “Tax assets” and “Tax liabilities”. These differences are mainly due to non-tax deductible provisions for standard risk and special surveillance (see Note 3.4.9.). The breakdown of prepaid and deferred tax balances at 31 December 2024 and 31 December 2023 is as follows:

Thousands of euros	2024	2023
Opening balance of deferred tax assets	**58,797**	**69,392**
Provisions for hedges on non-deductible credit risk	11,598	1,718
Provisions for hedges on credit risk that become deductible	(467)	(4,113)
Equity adjustments	(6,612)	496
Limitation of amortisation	(37)	(37)
Application of negative tax bases	-	(8,659)
Other tax assets	480	-
Restatement of the tax rate	-	-
Closing balance of deferred tax assets	**63,759**	**58,797**

Thousands of euros	2024	2023
Opening balance of deferred tax liabilities	**684**	**869**
FIAS changes in value	38	(185)
Closing balance of deferred tax liabilities	**722**	**684**

The Entity expects to recover the tax assets as a whole within at most 10 years.

20.5 Current taxes

The balances relating to current tax assets at 31 December 2024 and 2023, amounting to 19,031 and 5,308 thousand euros, respectively, relate mainly to payments on account made by the tax group during the year.

The breakdown of current tax liabilities at 31 December 2024 and 2023 is as follows:

(Thousands of euros)	2024	2023
Withholding debt	177	171
Social security debt	372	167
Taxation authority, IT credit	(20)	78
Taxation authority, VAT credit	84	180
Total	**613**	**596**

21. Other relevant information

a) Financial guarantees granted

Guarantees granted are defined as those amounts which the Group would be obliged to pay on behalf of a third party in the event of that party failing to meet its payment obligations, in accordance with commitments assumed during normal business activity.

The majority of such amounts will reach maturity without giving rise to any obligation to pay on the part of the Group, and therefore the total balance of these commitments cannot be considered part of the Group's real financing or liquidity needs.

Revenues earned on guarantee instruments are recognised under "Commission income" and "Interest income" (in the amount corresponding to the adjustment to the value of the commissions) in the income statement for the financial year and are calculated by applying the rate established in the contract to the nominal amount of the guarantee.

The provisions recognised to cover these guarantees, calculated using similar criteria to those used to calculate impairment losses and valued at amortised cost, are recognised under "Provisions" in the balance sheet (see Note 16).

The breakdown of the heading "Financial guarantees granted" included in the memorandum accounts to the balance sheets at 31 December 2024 and 31 December 2023 is as follows:

Thousands of euros	2024	2023
Guarantees and other sureties provided	137,893	89,919
Total	**137,893**	**89,919**

b) Loan commitments granted

The balance under this heading includes any irrevocable commitments that could lead to the recognition of financial assets.

The breakdown of the heading "Loan commitments granted" included in the memorandum accounts to the balance sheets at 31 December 2024 and 31 December 2023 is as follows:

Thousands of euros	2024	2023
Available to third parties	383,602	307,551
Credit institutions	-	14
Public sector	24,150	18,945
Other resident sectors	410,977	288,591
Total	**435,127**	**307,551**

22 Interest income

This heading in the accompanying income statement includes interest accrued during the year as the implicit or explicit yield on financial assets, obtained by applying the effective interest rate (mainly for loans provided by the ICF Group).

The breakdown of the origin of interest and similar payments accrued in favour of the ICF Group in 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Deposits with credit institutions	4,036	3,232
Customer loans	118,306	98,407
Public administrations	15,436	14,008
Other resident sectors	102,870	84,399
Debt securities	4,024	2,832
Other interest	27	43
Total	**126,392**	**104,514**

23. Interest expenses

This heading in the accompanying income statement includes interest accrued during the year as the implicit or explicit interest generated on financial liabilities, obtained by applying the effective interest rate, and also adjustments due to accounting hedges.

The breakdown of this heading in the income statements for 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Deposits with credit institutions	(36,475)	(32,921)
Customer funds	(7,930)	(4,081)
Marketable debt securities	(4,739)	(2,564)
Total	**(49,144)**	**(39,566)**

24. Commission income

The amount of commission income accrued at 31 December 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Commissions for financial guarantees granted	3,596	4,416
Management of agreed facilities (Note 34)	114	258
Total	**3,710**	**4,674**

25. Commission expenses

The amount of commission expense accrued at 31 December 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Corrections for asset and liabilities transactions	(747)	(532)
Cost of guarantee transactions (Note 3.4.4 and Note 34)	(1,263)	(2,153)
Total	**(2,010)**	**(2,685)**

26. Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net

The breakdown of this heading is as follows:

Thousands of euros	2024	2023
Financial income derived from the sale of debt securities classified at fair value through other comprehensive income	19	-
Total	**19**	**-**

27. Other operating income

The breakdown of this heading in the accompanying income statements for 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Operating income from investment property (Note 11.2)	4,534	4,322
Income from ERDF operational programme (Note 16)	17,646	16,156
Other items	46	214
Total	**22,226**	**20,692**

The balance of "Operating income from investment property" relates mainly to the income that the Group has received in the lease of the offices of the buildings classified by the Group under the heading of investment property.

28. Other operating expenses

The breakdown of this heading in the accompanying income statements for 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Operating expenses from investment property (Note 11.2)	(1,311)	(1,247)
Other items	(581)	(463)
Total	**(1,892)**	**(1,710)**

29. Personnel expenses

The breakdown of this heading in the accompanying income statements for 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Wages and salaries	(7,458)	(6,423)
Social Security	(1,889)	(1,660)
Total	**(9,347)**	**(8,084)**

Personnel expenses include the remuneration of the key personnel of the entity defined by the Appointments and Remuneration Committee (13 people) for the amount of 1,093 thousand euros in 2023 (13 people and 1,014 thousand euros in 2023). In addition, there are 198 thousand euros of provisions for variable remuneration (184 thousand euros in 2023) whose settlement is subject to the evaluation of the Appointment and Remuneration Committee. Key personnel are considered those who carry out functions that, due to their level of responsibility and ability to take risks, impact on the company's risk profile; it also includes all staff whose total remuneration is in the same salary range as senior managers and employees who take on risks, and whose professional activities significantly affect the entity's risk profile. In particular, the following members are considered as key personnel of the ICF:

- **Chief Executive Officer**
- **Directors:** Corporate Director of Audit, Compliance and Legal Affairs, Risk Director, Director of Venture Capital Investments, Director of Administration, Finance and Markets, Director of Risk Monitoring and Management, Sales Director, Director of Human Resources and Organisation, Technology Director, Financial Director, Director of Administration and Capital Markets, Director of Internal Audit and Control and Director of Products, Brand and Sustainability.

At 31 December 2024 and 2023, the distribution the ICF Group's workforce by classification and sex is as follows:

	31 December 2024			31 December 2023		
	Men	Women	Total	Men	Women	Total
Chief Executive Officer	-	1	1	-	1	1
Directors Management Committee	5	3	8	5	3	8
Unit Directors / Managers	15	14	29	11	11	22
Technical / Administrative	48	48	96	41	51	92
Total	**68**	**66**	**134**	**57**	**66**	**123**

The distribution the ICF Group's average workforce by professional category and sex during 2024 and 2023 is as follows:

	31 December 2024			31 December 2023		
	Men	Women	Total	Men	Women	Total
Chief Executive Officer	-	1	1	-	1	1
Directors Management Committee	5	3	8	5	3	8
Unit Directors / Managers	15	15	30	11	11	22
Technical / Administrative	46	45	91	36	52	88
Total	**66**	**64**	**130**	**52**	**67**	**119**

The ICF Group complies with Law 13/1982, which requires companies with more than 50 employees to either employ 2% or more employees with a disability equal to or greater than 33%, or to adopt the alternative measures set out in Royal Decree 27/2000.

In 2024 and 2023, the ICF Group has two employees with a disability equal to or greater than 33%.

30. Other administrative expenses

The breakdown of this heading in the accompanying income statement is as follows:

Thousands of euros	2024	2023
Properties, facilities and material	(406)	(269)
Information technology	(2,397)	(2,610)
Advertising and publicity	(667)	(573)
Technical reports	(548)	(683)
Security and cash-in-transit services	(119)	(89)
Insurance premiums	(197)	(188)
Governance and control bodies	(151)	(134)
Outsourced administrative services	(79)	(103)
Contributions and taxes	(217)	(254)
Other expenses	(1,026)	(787)
Total	**(5,809)**	**(5,689)**

The fees and expenses of Ernst & Young S.L. are included in the balance of "Other general administrative expenses" as an annual audit amounting to 91 thousand euros (excluding VAT) in 2024 and 2023. In 2024 and 2023, the external auditor has also accrued a total of 13 thousand euros for reviewing the information on the Financial Reporting Control System included in the Annual Corporate Governance Report and for reviewing the ICF Group's Pillar III Disclosure Report, mainly for other accounting verification services which correspond to agreed procedure reports.

The heading "Governance and control bodies" includes 121 thousand euros (131 thousand euros in 2023) corresponding to the compensation received for attendance at the governing bodies of the Institut Català de Finances, the ICF Group's parent company. Law 3/2015 of 11 March on fiscal, financial and administrative measures suspended the receipt of attendance allowances for the senior officials of the Generalitat as a result of going to meetings of governing bodies from its date of entry into force on 14 March 2016. Independent directors who are members of the Supervisory Board, the Executive Committee and the control committees (Joint Audit and Control Committee and Appointments and Remuneration Committee) received specific annual remuneration due to their status as independent directors in accordance with the Remuneration Policy approved by the Supervisory Board on 18 June 2015 in line with the proposal of the Appointments and Remuneration Committee. Further detail of these remunerations for 2024 is shown in Appendix I.

There has been no transaction with any member of the governing bodies for items other than those detailed.

Information on payment deferrals to suppliers.

At 31 December 2024 and 31 December 2023, the Group has no invoices pending payment to suppliers with a deferral exceeding the established statutory period.

Information on the average payment period is as follows:

	2024	2023
	Days	**Days**
Average payment period for suppliers	7.32	8.41
Ratio of paid transactions	7.32	8.41
Ratio of outstanding transactions	-	-

31. Amortisation and depreciation

The breakdown of this heading in the income statement for the years ended 31 December 2024 and 31 December 2023 is as follows:

Thousands of euros	2024	2023
Tangible assets (see Note 11):		
For own use	(575)	(459)
Investment property	(673)	(660)
Intangible assets (see Note 12)	(964)	(1,293)
Total	**(2,211)**	**(2,412)**

32. Impairments or (-) or reversals of impairments to financial assets not recognised at fair value through profit or loss

The breakdown of this heading in the accompanying income statements for 2024 and 2023 is as follows:

Thousands of euros	2024	2023
Impairments or (-) or reversals of impairments to financial assets not recognised at fair value through profit or loss:		
Allocations to provisions	(60,548)	(46,201)
Recoveries	15,454	36,505
Recoveries of written-off assets and other	9,597	5,053
Total	**(35,496)**	**(4,643)**

33. Gains or (-) losses on non-current assets and disposal groups classified as held for sale not eligible as discontinued operations

The breakdown of the balance of this heading is as follows:

Thousands of euros	2024	2023
Impairment of foreclosed assets (Note 9)	(1,177)	53
Gains on the sale of foreclosed assets	20	1,854
Total	**(1,158)**	**1,907**

34. Related parties

The breakdown of the balances and transactions for 2024 and 2023 with the ICF Group's related parties, not disclosed in any other note, is as follows:

	Assets / (Liabilities) balances			
	Sole member		Associates	
	2024	2023	2024	2023
Debt securities (Note 6 and Note 14.3)	2,350	7,350	(6,179)	(13,500)
Customer loans	7,446	10,165	72,213	70,382
Other assets (rental of spaces)	-	12		
Management of facilities under agreement	264	132		
Transaction guarantee expense	(1,263)	(2,022)		
Customer funds (Note 14.2)	(408,435)	(330,633)		

	Income / (expenses)			
	Sole member		Associates	
	2024	2023	2024	2023
Debt securities (Note 6 and Note 14.3)	209	246	(740)	(198)
Customer loans	598	573	2,190	4,990
Other assets (rental of spaces)	145	377	250	247
Management of facilities under agreement	114	258		
Transaction guarantee expense	(1,263)	(2,153)		
Customer funds (Note 14.2)	-	(654)		

The amounts indicated in the heading "Debt securities" correspond to the acquisition on the secondary market of fixed-income securities which have accrued market interest and, on the liabilities side, to promissory notes issued by the ICF.

Likewise, "Customer funds" correspond to balances deposited by the sole owner, either for interest rate discounts or as collateral as help to borrowers for some facilities. These aids have been granted in a framework of free competition and complying with the state aid regulations.

34. Additional information obligations

a) Nature and activity of the organisation

I. Identification as an entity of the Generalitat de Catalunya and the ministry to which it is attached

- The Institut Català de Finances, the parent company of the Group, is a public law entity with its own legal personality subject to private legal system, wholly owned by the Generalitat de Catalunya.

- The relationship between the Group's parent entity and the Generalitat de Catalunya is through the Departament d’Economia i Finances.

II. Specific regulations

See Notes 1 and 2 to these financial statements.

III. Governing bodies

- Pursuant to the law of the parent company, the governing bodies are the Supervisory Board and the CEO.
  The Supervisory Board is made up of the chair, the CEO and a number of members between five and nine. There is a majority of independent members in compliance with public credit institution regulations. The CEO is appointed by the Generalitat de Catalunya at the proposal of the head of the economy and finance department.

- The composition of this board of directors at the date of preparation of the statements is as follows:

Member name	**Post**
Juli Fernández Iruela	Chair
Vanessa Servera i Planas	CEO
Eva Giménez i Corrons	Proprietary
Jaume Baró Torres	Proprietary
Francesc Trillas Jané	Proprietary
Joan B. Casas Onteniente	Independent
José Luis Peydró	Independent
Xavier Puig Pla	Independent
Pilar Soldevila García	Independent
Carme Hortalà i Vallvé	Independent
Pere Cots Juvé	Independent

b) <u>Measurement rules</u>

See Note 2 to these financial statements.

c) <u>Inclusion in the Generalitat de Catalunya's budget</u>

The Group's parent entity is included in the Generalitat de Catalunya's budget under the Economy and Finance Sector with number 6330. However, it does not contribute any debt or deficit to the budget pursuant to the classification shown in section d) below.

d) <u>Entity classified as Administration of the Generalitat de Catalunya in ESA terms</u>

The Group's parent entity has been classified in ESA terms as Other public financial intermediaries (1.2.2.2.8) since 14/01/1985.

e) <u>Information on administrative contracts performed</u>

The aggregate amounts of the Group's administrative contracts for the year by award procedure, which are published in the public procurement platform profile, are detailed below:

Contract type	Open procedure	Negotiated procedure	Below-threshold procedure
Works	-	-	52,728.91
Services	5,167,923.54	-	336,958.53
Supply	437,218.75	-	123,324.59
Mixed	371,801.85	404,106.66	-
General total	**5,976,944.14**	**404,106.66**	**513,012.02**

f) Information on cooperation agreements concluded.

See Note 16 to these financial statements.

g) Information on transfers received and grants awarded and received.

See Notes 14.2 and 16 to these financial statements.

h) Information on assets received and assigned and assets intended for general use.

See Notes 9 and 11 to these financial statements.

35. Events after the reporting period

No significant events have occurred subsequent to year-end 2024 that have not been disclosed in the notes above.

36. Note added to English translation

These consolidated financial statements have been translated from the consolidated financial statements originally prepared in Catalan. In case of discrepancy, the Catalan language version will prevail.

APPENDIX I – ALLOWANCES AND REMUNERATION OF THE MEMBERS OF THE GOVERNING BODIES OF THE INSTITUT CATALÀ DE FINANCES DURING 2024 (NOTE 31)

The composition of the governing bodies and delegated committees at 31/12/2024 was as follows:

	Supervisory Board	Executive Committee	Control Committees
Independent	Peydró Alcalde, José Luis Casas Onteniente, Joan B. Puig Pla, Xavier Soldevila García, Pilar Hortalà Vallvé, Carme	Peydró Alcalde, José Luis Puig Pla, Xavier Hortalà Vallvé, Carme	<u>Joint Audit and Control</u> Peydró Alcalde, José Luís Casas Onteniente, Joan B. <u>Appointments and Remuneration</u> Soldevila García, Pilar Hortalà Vallvé, Carme
Proprietary	Fernández Iruela, Juli Baró Torres, Jaume Giménez Corrons, Eva Trillas Jané, Francesc	Fernández Iruela, Juli	-
Executive	Servera Planas, Vanessa	Servera Planas, Vanessa	-

On 04/02/2025, Mr Pere Cots Juvé was appointed as a member of the Supervisory Board.

The breakdown of the remuneration received by the non-executive members of the Supervisory Board and delegated committees at 31 December 2024 is as follows:

Euros	Remuneration of Supervisory Board	Remuneration of Delegated Committees	Total
CASAS ONTENIENTE, JUAN B	14,064.96	9,375.16	**23,440.12**
PEYDRÓ ALCALDE, JOSÉ LUÍS	14,064.96	18,750.32	**32,815.28**
PUIG PLA, XAVIER	14,064.96	9,375.16	**23,440.12**
SOLDEVILA GARCIA, PILAR	14,064.96	5,740.36	**19,805.32**
HORTALÀ VALLVÉ, CARME	10,548.72	11,336.64	**21,885.36**
ABELLA MARTIN, RAFAEL	14,064.96	15,115.52	**29,180.48**
TOTAL	**80,873.51**	**69,693.16**	**150,566.67**

In December, Mr Rafael Abella Martín left his post due to the expiry of his term.

APPENDIX II - SUBSIDIARIES AND ASSOCIATES IN THE INSTITUT CATALÀ DE FINANCES GROUP AT 31 DECEMBER 2024

Investment	Address	Activity	Auditors	Percentage of capital held:	Figures in thousands of euros at 31/12/2024							
					Capital	Share premium	Technical provisions	Reserves/ Prior years' profit (loss)	Profit/(loss) for the last year	Valuation adjustments	Interim dividend	Total own funds
Subsidiaries												
Instruments Financers per a Empreses Innovadores, S.L.	Gran Via de les Corts Catalanes, 635 Barcelona	Holding and management of financial and equity stakes on behalf of the Generalitat de Catalunya in funds of any type, in companies and guarantee funds, companies and venture capital funds.	EY	100%	225,000			4,134	1,270	553		230,404
Institut Català de Finances Capital SGEIC, S.A.	Gran Via de les Corts Catalanes, 635 Barcelona	Administration and management of venture capital funds and the assets of venture capital companies.	EY	100%	300			169	6			475
Capital Expansió, F.C.R.	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and industrial companies.	EY	100%	9,521			(8,219)	(183)			1,118
Capital MAB, F.C.R..	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and industrial companies.	EY	100%	1,705			(281)	44	139		1,468
ICF Capital Expansió II, F.C.R.E.	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and industrial companies.	EY	100%	26,940			(1,634)	(252)	1,899		25,055
ICF Venture Tech II, F.C.R.E.	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and/or innovation companies.	EY	100%	13,707			(1,892)	47	1,272		11,861
ICF Venture Tech III, F.C.R.E.	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and/or innovation companies.	EY	100%	4,148				(101)			4,047
Associates												
Avalis de Catalunya S.G.R.	Gran Via de les Corts Catalanes 129-131, Barcelona	Mutual guarantee company	EY	10.42%	19,000	-	48,319	(513)	5	-	-	66,811
Arrendadora Ferroviaria	Gran Via de les Corts Catalanes, 635 Barcelona	Leasing trains	Deloitte Auditores, SL	45.85%	60			(566)	(47)			(553)

(1) There are two companies of the ICF Group that hold a stake in Avalis; the ICF and Instruments Financers per a Empreses Innovadores S.L.

APPENDIX II - SUBSIDIARIES AND ASSOCIATES IN THE INSTITUT CATALÀ DE FINANCES GROUP AT 31 DECEMBER 2023

Investment	Address	Activity	Auditors	Percentage of capital held:	Figures in thousands of euros at 31/12/2023							
					Capital	Share premium	Technical provisions	Reserves/ Prior years' profit (loss)	Profit/(loss) for the last year	Valuation adjustments	Interim dividend	Total own funds
Subsidiaries												
Instruments Financers per a Empreses Innovadores, S.L.	Gran Via de les Corts Catalanes, 635 Barcelona	Holding and management of financial and equity stakes on behalf of the Generalitat de Catalunya in funds of any type, in companies and guarantee funds, companies and venture capital funds.	EY	100%	225,000			1,914	2,220	331		229,465
Institut Català de Finances Capital SGEIC, S.A.	Gran Via de les Corts Catalanes, 635 Barcelona	Administration and management of venture capital funds and the assets of venture capital companies.	EY	100%	300			661	82			1,042
Capital Expansió, F.C.R.	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and industrial companies.	EY	100%	9,321			(5,867)	(2,353)			1,102
Capital MAB, F.C.R..	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and industrial companies.	EY	100%	1,955			-	(174)	250		1,924
ICF Capital Expansió II, F.C.R.E.	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and industrial companies.	EY	100%	18,445			(1,386)	(248)	1,109		17,921
ICF Venture Tech II, F.C.R.E.	Gran Via de les Corts Catalanes, 635 Barcelona	Venture capital for technology and/or innovation companies.	EY	100%	12,922			235	(2,127)	1,134		12,164
Associates												
Avalis de Catalunya S.G.R.	Gran Via de les Corts Catalanes 129-131, Barcelona	Mutual guarantee company	KPMG	11.05%	19,000	-	48,313	207	(698)	-	-	67,748

(1) There are two companies of the ICF Group that hold a stake in Avalis; the ICF and Instruments Financers per a Empreses Innovadores S.L.

APPENDIX III - INSTITUT CATALÀ DE FINANCES GROUP INVESTEES – 31 DECEMBER 2024

Company name	Address	Activity	Auditors	%	Figures in thousands of euros		
					Capital	Changes in value	Net value of share
4FOUNDERS CAPITAL II, FCRE	Av. Diagonal, 405 bis, Planta 7A, L'Eixample, 08008 Barcelona	Venture capital	Joint Venture - PWC	6.85%	1,913	36	1,948
ABAC SV FUND II, FCR	C/ de Lleó XIII, 24, Barcelona	Venture capital for companies with growth projects	KPMG	4.54%	4,870	1,176	6,046
Adara Ventures III, S.C.A, SICAR	15, Boulevard F.W. Raiffeisen, Luxembourg	Venture capital	Deloitte	5.06%	2,800	469	3,269
AFB FUND II	4 rue Thénard 75005 Paris	Venture capital	Deloitte	3.21%	1,002	-	1,002
ALDEA TECH FUND I-A, FCR	Avinguda Diagonal, 640, Barcelona	Venture capital	KPMG Auditores SL	10.08%	3,620	240	3,861
Alma Mundi Fund II, FCRE	Pº Eduardo Dato 18 - 28010 Madrid	Venture capital	BDO Auditores	3.00%	1,456	234	1,690
Alta Life Science Spain I, FCR	Paseo de la Castellana, 91 Madrid	Venture capital	PricewaterhouseCoopers Auditores, S.L	6.31%	3,668	109	3,777
AMERIGO INNVIERTE SPAIN VENTURES, F.C.R.	Diagonal 401, Barcelona	Venture capital for technology projects	BDO Auditores	3.72%	37	116	153
AURICA GROWTH FUND IV, FCR	Diagonal 407, Barcelona	Venture capital	Grant Thornton	11.49%	6,623	2,159	8,783
AURICA III, FCR	Diagonal 407, Barcelona	Venture capital	Grant Thornton	15.71%	-	15,794	15,794
Bonsai Partners Fund I, FCR	Zurbano 76, Madrid	Venture capital	BDO Auditores	4.96%	2,114	2,586	4,700
Bonsai Partners Fund II, FCR	Zurbano 76, Madrid	Venture capital	BDO Auditores	2.65%	1,460	-345	1,115
CAIXA CAPITAL BIOMED S.C.R., S.A.	Diagonal 621, Barcelona	Venture capital for health sciences and biotechnology	Vir Audit, SLP	4.55%	487	-391	96
CAIXA CAPITAL TIC S.C.R., S.A.	Diagonal 621, Barcelona	Venture capital for technology companies	Vir Audit, SLP	9.68%	158	153	310
CAIXA INNVIERTE BIOMED II FCR	Diagonal 621, Barcelona	Venture capital for health sciences and biotechnology	Vir Audit, SLP	5.71%	1,455	-659	796
Caixa Innvierte Industria S.C.R.	Diagonal 621, Barcelona	Venture capital for technology and industrial companies.	Vir Audit, SLP	8.57%	785	-52	-
CATHAY INNOVATION GLOBAL FUND III, FPCI	52 Rue d'Anjou – 2nd floor 75008 Paris	Venture capital	KPMG	1.31%	3,080	123	3,203
CRB Digital Health III, FCRE	Almagro 1 - 28010 Madrid	Venture capital	Grant Thornton	12.46%	473	-	473
Elaia Delta Fund	Rue de Ponthieu 54, Paris	Venture capital for technology projects	Pricewaterhouse	2.36%	2,038	1,431	3,469
Encomenda Seed I B FCRE SA	Pau Vila, 1, 2ª, Sector 1A, Edif. Palau de Mar, Barcelona	Venture capital	Grant Thornton	10.70%	828	1,030	1,858
ENION I ENERGY FUND, FCRE	Jordi Girona, 29, Barcelona	Venture capital for energy transition projects	Vir Audit, SLP	16.95%	1,627	133	1,760
FINAVES IV, SA	Avenida Diagonal, 453, Barcelona	Venture capital	GNL Russell Bedford Auditors	12.86%	265	124	389
FONDO AXON INNOVATION GROWTH IV	Sagasta, 18, Madrid	Venture capital	EY	3.38%	1,235	1,359	2,594
Fons Mediterrània Capital FCR de Regimen Simplific	Diputació 246, Barcelona	Venture capital	KPMG	24.00%	5,212	-	5,212
Fund Underwriting - FEI	-	Venture capital	-	6.25%	733	1,010	1,743
HEALTHEQUITY, SCR	Passeig de Gràcia, 54, Barcelona	Venture capital for the health sector	Deloitte	35.66%	3,192	665	3,858
Idinvest Digital Fund II	Avenue des Champs Elysées 117, Paris	Venture capital for companies in the digital sector	Aplitec	2.59%	765	1,072	1,837
Idinvest Digital Fund III	Avenue des Champs Elysées 117, Paris	Venture capital for companies in the digital sector	KMPG	1.43%	3,801	357	4,159
Inclimo Climate Tech Fund I, FCRE	Diagonal 452, Barcelona	Venture capital	BDO	11.26%	660	-	660
Inveready Biotech III, SCR, SA	Calle Serrano, 50, Madrid	Venture capital	BDO Auditores	5.32%	1,181	728	1,910
INVEREADY FIRST CAPITAL III PARALLEL FCR	Calle Zuatzu, 7, San Sebastián	Venture capital for technology companies	BDO Auditores	3.37%	1,041	42	1,083
INVEREADY FIRST CAPITAL III SCR SA	Calle Zuatzu, 7, San Sebastián	Venture capital for technology companies	BDO Auditores	16.75%	3,032	122	3,154
INVEREADY VENTURE FINANCE, SCR	Calle Zuatzu, 7, San Sebastián	Venture capital for technological projects	BDO Auditores	8.90%	-	-	-
Invivo III Ventures, F.C.R.E	Passeig de Gràcia, 54, Barcelona	Venture capital for the health sector	-	13.29%	322	-	322
Invivo Ventures, F.C.R.	Passeig de Gràcia, 54, Barcelona	Venture capital for the health sector	EY	10.63%	3,671	135	3,807
K Fund II, FCRE	Rafael Calvo, 40, Madrid	Venture capital	KPMG	3.72%	1,975	-137	1,838
K FUND, FCRE	Rafael Calvo, 40, Madrid	Venture capital	KPMG	4.03%	1,498	2,590	4,088

Kibo Ventures Fund III, FCRE	Calle Zurbano 34, Madrid	Venture capital for technology projects	BDO Auditores	2.50%	2,355	-170	2,185
Miura Expansion Fund I	Josep Llovera, 4 - 08021 BCN	Venture capital	Deloitte	11.67%	3,628	-	3,628
Nauta SideCar Tech I, FCR	Diagonal, 593, Barcelona	Venture capital for technology projects	EY	10.50%	625	-7	618
NAUTA TECH INVEST II S.C.R. S.A.	Diagonal, 593, Barcelona	Venture capital for technology, media and telecommunications	EY	7.40%	-25	50	25
NAUTA TECH INVEST III S.C.R. S.A.	Diagonal, 593, Barcelona	Venture capital for technology, media and telecommunications	EY	5.72%	-	1,304	1,304
Nauta Tech Invest IV, FCR	Diagonal 593, Barcelona	Venture capital for technology projects	EY	14.06%	7,601	4,303	11,904
Nauta Tech Invest V FCR + SCR	Diagonal, 593, Barcelona	Venture capital for technology projects	EY	9.26%	12,000	-1,650	10,350
NINA CAPITAL FUND I, FCRE	Tuset, 20, Barcelona	Venture capital for the health sector	BDO Auditores	5.56%	930	96	1,028
SABADELL ASABYS HEALTH INNOVATION INVESTMENTS II, FCR SA	Passeig de Gràcia, 53, Barcelona	Venture capital for the biomedical sector	KPMG	6.19%	2,000	-	2,000
Sabadell Asabys Health Innovation Investments, SCR	Passeig de Gràcia, 53, Barcelona	Venture capital for the biomedical sector	KPMG	5.79%	3,806	355	4,161
Samaipata II, Capital, FCR	C/ Salustiano Olozaga, 5, Esc izda. Planta 3ª - 28001 Madrid	Venture capital for the technology sector	Deloitte	2.35%	1,700	335	2,035
SC CLIMATE IMPACT FUND III, FCRE	AVDA DIAGONAL 640 5º F - 08017 BARCELONA (BARCELONA)	Venture capital	Ernst & Young	6.02%	5,920	19	5,939
SC Efficiency & Environment Fund II	Diagonal 640, Barcelona	Venture capital for energy efficiency projects	EY	8.87%	5,847	2,805	8,652
SC Growth Fund II Plus, FCRE	Diagonal 640, Barcelona	Venture capital	EY	11.54%	11,204	2,534	13,738
SC Net Zero Ventures, FCRE	Diagonal 640, Barcelona	Venture capital	EY	5.71%	690	-	690
Seaya Ventures III Fondo de Capital Riesgo, FCRE	Calle de Alcalá, 54, Madrid	Venture capital for technology projects	Deloitte	3.03%	3,229	746	3,975
Sino-French (Innovation) Fund II, FPCI	52 rue d'Anjou – 75008 Paris	Venture capital	KPMG	0.77%	4,199	1,328	5,527
SLP IMPACT CROISSANCE IV	Pépinière, 22, Paris	Venture capital	Deloitte	1.99%	2,187	-223	1,964
Suma Capital Growth Fund I, SCR	Diagonal 640, Barcelona	Venture capital for companies with growth projects	EY	30.30%	1,157	9,418	10,575
Ysios Biofund III FCRE	Avda. de la Libertad 25, San Sebastian	Venture capital for health sciences and biotechnology	KPMG	6.94%	10,087	-1,837	8,250
YSIOS BIOFUND, F.C.R.	Avda. de la Libertad 25, San Sebastian	Venture capital for health sciences and biotechnology	KPMG	4.33%	143	170	313
INVEREADY FIRST CAPITAL, SA	Calle Orfila 10 BAJO IZQUIERDA. 28010, Madrid (Madrid). Spain	Venture capital	PricewaterhouseCoopers Auditores, S.L	31.58%	610	(510)	100
VENTURCAP II, SCR	Calle Doctor Ferran 3 5 P 1. 08034, Barcelona (Barcelona). Spain	Venture capital	BDO Auditores	33.33%	377	345	617
CAIXA INVIERTE START, FCR	Av. Diagonal, 621, TORRE II - 08028 BCN	Venture capital	VIR AUDIT, S.L.P.	9.48%	1,016	(889)	222
Fons FITA, FCRE	RAMBLA DE CATALUNYA, 78, 3º 1ª - 08008 BARCELONA (BARCELONA)	Fons d'inversió en Tecnologia Avançada	ETL & AOB Auditores, S.L.	42.14%	1,475	-	1,475
TOTAL							**202,029**

In addition, at 31 December 2024, the Group has other direct investments in venture capital and value adjustments amounting to 32,560 thousand euros.

Figures relating to the equity of these companies have been obtained from their financial statements at 31 December 2024 available at the date these financial statements were authorised for issue.

APPENDIX III - INSTITUT CATALÀ DE FINANCES GROUP INVESTEES – 31 DECEMBER 2023

Company name	Address	Activity	Auditors	%	Figures in thousands of euros		
					Capital	Changes in value	Net value of share
Catalana d'Iniciatives, S.C.R. SA	Rambla Catalunya, 86 08008 Barcelona	Venture capital	-	24.30%	15,459	(15,459)	-
Spinnaker Invest, S.C.R., SA	Diputació 246, 08007 Barcelona	Venture capital	KPMG	24.60%	4,160	(4,160)	-
Ingenia Capital S.A.	Paseo Bonanova, 47 08017 Barcelona	Venture capital	-	33.40%	917	(917)	-
INVEREADY FIRST CAPITAL, SA	Calle Orfila 10 BAJO IZQUIERDA. 28010, Madrid (Madrid). Spain	Venture capital	PricewaterhouseCoopers Auditores, S.L	31.58%	610	(510)	100
VENTURCAP II, SCR	Calle Doctor Ferran 3 5 P 1. 08034, Barcelona (Barcelona). Spain	Venture capital	BDO Auditores	33.33%	809	365	1,174
CAIXA INVIERTE START, FCR	Av. Diagonal, 621, TORRE II - 08028 BCN	Venture capital	VIR AUDIT, S.L.P.	9.48%	1,016	(889)	127
4FOUNDERS CAPITAL II, FCRE	Passeig Joan de Borbó, 99-101, Barcelona	Venture capital	Joint Venture - PWC	6.85%	1,188	-	1,188
Adara Ventures III, S.C.A, SICAR	15, Boulevard F.W. Raiffeisen, Luxembourg	Venture capital	Deloitte	5.06%	2,400	459	2,859
AFB FUND II	4 rue Thénard 75005 Paris	Venture capital	Deloitte	3.21%	579	-	579
ALDEA TECH FUND I-A, FCR	Avinguda Diagonal, 640, Barcelona	Venture capital	KPMG Auditores SL	10.80%	3,048	339	3,387
Alma Mundi Fund II, FCRE	Plaza Santa Bárbara 2, Madrid	Venture capital	BDO Auditores	3.00%	1,500	285	1,785
Alta Life Science Spain I, FCR	Paseo de la Castellana, 91 Madrid	Venture capital	PricewaterhouseCoopers Auditores, S.L	6.31%	3,268	49	3,317
AMERIGO INNVIERTE SPAIN VENTURES, F.C.R.	Diagonal 401, Barcelona	Venture capital for technology projects	BDO Auditores	3.72%	37	457	494
AURICA GROWTH FUND IV, FCR	Diagonal 407, Barcelona	Venture capital	Pricewaterhouse	7.43%	5,469	864	6,333
AURICA III, FCR	Diagonal 407, Barcelona	Venture capital	Pricewaterhouse	15.71%	(1,655)	13,007	11,352
Bonsai Partners Fund I, FCR	Zurbano 76, Madrid	Venture capital	BDO Auditores	4.96%	2,003	2,520	4,523
Bonsai Partners Fund II, FCR	Zurbano 76, Madrid	Venture capital	BDO Auditores	2.44%	800	-	800
CAIXA CAPITAL BIOMED S.C.R., S.A.	Diagonal 621, Barcelona	Venture capital for health sciences and biotechnology	Vir Audit, SLP	4.55%	487	(399)	88
CAIXA CAPITAL TIC S.C.R., S.A.	Diagonal 621, Barcelona	Venture capital for technology companies	Vir Audit, SLP	9.68%	189	281	470
CAIXA INNVIERTE BIOMED II FCR	Diagonal 621, Barcelona	Venture capital for health sciences and biotechnology	Vir Audit, SLP	5.71%	1,455	(587)	869
Caixa Innvierte Industria S.C.R.	Diagonal 621, Barcelona	Venture capital for technology and industrial companies.	Vir Audit, SLP	8.57%	1,026	(429)	597
CATHAY INNOVATION GLOBAL FUND III, FPCI	52 Rue d'Anjou – 2nd floor 75008 Paris	Venture capital	KPMG	1.53%	1,520	-	1,520
Elaia Delta Fund	Rue de Ponthieu 54, Paris	Venture capital for technology projects	PricewaterhouseCoopers Auditores, S.L	2.36%	1,955	992	2,947
Encomenda Seed I B FCRE SA	Pau Vila, 1, 2ª, Sector 1A, Edif. Palau de Mar, Barcelona	Venture capital	Grant Thornton	10.70%	1,395	993	2,387
ENION I ENERGY FUND, FCRE	Jordi Girona, 29, Barcelona	Venture capital for energy transition projects	Vir Audit, SLP	16.95%	1,209	-	1,209
FINAVES IV, SA	Avenida Diagonal, 453, Barcelona	Venture capital	GNL Russell Bedford Auditors	12.86%	265	15	279
FONDO AXON INNOVATION GROWTH IV	Sagasta, 18, Madrid	Venture capital	EY	3.38%	1,155	677	1,832
Fons Mediterrània Capital FCR de Regimen Simplific	Diputació 246, Barcelona	Venture capital	KPMG	24.00%	7,286	-	7,286
Fund Underwriting - FEI	-	Venture capital	-	6.25%	990	988	1,979
HEALTHEQUITY, SCR	Passeig de Gràcia, 54, Barcelona	Venture capital for the health sector	Deloitte	35.66%	3,330	588	3,918
Idinvest Digital Fund II	Avenue des Champs Elysées 117, Paris	Venture capital for companies in the digital sector	Aplitec	2.59%	1,559	3,238	4,797
Idinvest Digital Fund III	Avenue des Champs Elysées 117, Paris	Venture capital for companies in the digital sector	KMPG	1.43%	3,606	865	4,472

Inveready Biotech II, SCR SA	Calle Zuatzu, 7, San Sebastián	Venture capital for life sciences and biotechnology projects	BDO Auditores	5.84%	353	1,112	1,464
Inveready Biotech III, SCR, SA	Calle Serrano, 50, Madrid	Venture capital	BDO Auditores	5.32%	1,164	358	1,521
INVEREADY FIRST CAPITAL III PARALLEL FCR	Calle Zuatzu, 7, San Sebastián	Venture capital for technology companies	BDO Auditores	3.37%	949	32	981
INVEREADY FIRST CAPITAL III SCR SA	Calle Zuatzu, 7, San Sebastián	Venture capital for technology companies	BDO Auditores	16.75%	2,764	92	2,856
INVEREADY VENTURE FINANCE, SCR	Calle Zuatzu, 7, San Sebastián	Venture capital for technological projects	BDO Auditores	8.90%	-	5	5
Invivo Ventures, F.C.R.	Passeig de Gràcia, 54, Barcelona	Venture capital for the health sector	EY	10.63%	3,222	-	3,222
K Fund II, FCRE	Rafael Calvo, 40, Madrid	Venture capital	KPMG	3.72%	1,975	(9)	1,966
K FUND, FCRE	Rafael Calvo, 40, Madrid	Venture capital	KPMG	4.03%	1,498	2,389	3,887
Kibo Ventures Fund III, FCRE	Calle Zurbano 34, Madrid	Venture capital for technology projects	BDO Auditores	2.50%	1,815	-	1,815
Miura Expansion Fund I	Josep Llovera, 4 - 08021 BCN	Venture capital	Deloitte	11.46%	2,528	-	2,528
Nauta SideCar Tech I, FCR	Diagonal, 593, Barcelona	Venture capital for technology projects	EY	10.50%	625	45	670
NAUTA TECH INVEST II S.C.R. S.A.	Diagonal, 593, Barcelona	Venture capital for technology, media and telecommunications	-	7.40%	-	5	5
NAUTA TECH INVEST III S.C.R. S.A.	Diagonal, 593, Barcelona	Venture capital for technology, media and telecommunications	EY	5.72%	-	1,378	1,378
Nauta Tech Invest IV, FCR	Diagonal 593, Barcelona	Venture capital for technology projects	EY	14.06%	7,889	4,262	12,151
Nauta Tech Invest V FCR + SCR	Diagonal, 593, Barcelona	Venture capital for technology projects	EY	9.26%	10,500	(1,699)	8,801
NINA CAPITAL FUND I, FCRE	Tuset, 20, Barcelona	Venture capital for the health sector	BDO Auditores	5.56%	850	108	958
Sabadell Asabys Health Innovation Investments, SCR	Passeig de Gràcia, 53, Barcelona	Venture capital for the biomedical sector	KPMG	5.79%	3,306	563	3,869
Samaipata II, Capital, FCR	Gran Vía, 4, Madrid	Venture capital for the technology sector	Deloitte	2.35%	1,250	374	1,624
SC CLIMATE IMPACT FUND III, FCRE	AVDA DIAGONAL 640 5º F - 08017 BARCELONA (BARCELONA)	Venture capital	Ernst & Young	3.56%	2,296	19	2,315
SC Efficiency & Environment Fund II	Diagonal 640, Barcelona	Venture capital for energy efficiency projects	EY	8.87%	5,678	2,835	8,513
SC Growth Fund II Plus, FCRE	Diagonal 640, Barcelona	Venture capital	EY	11.54%	8,408	2,219	10,627
Seaya Ventures III Fondo de Capital Riesgo, FCRE	Calle de Alcalá, 54, Madrid	Venture capital for technology projects	Deloitte	3.03%	2,354	599	2,953
Sino-French (Innovation) Fund II, FPCI	52 rue d'Anjou – 75008 Paris	Venture capital	KPMG	0.77%	4,114	1,359	5,472
SLP IMPACT CROISSANCE IV	Pépinière, 22, Paris	Venture capital	Deloitte	1.99%	1,869	(169)	1,700
Suma Capital Growth Fund I, SCR	Diagonal 640, Barcelona	Venture capital for companies with growth projects	EY	30.30%	2,187	10,413	12,600
Ysios Biofund III FCRE	Avda. de la Libertad 25, San Sebastian	Venture capital for health sciences and biotechnology	KPMG	6.94%	6,941	(1,902)	5,039
YSIOS BIOFUND, F.C.R.	Avda. de la Libertad 25, San Sebastian	Venture capital for health sciences and biotechnology	KPMG	4.33%	143	171	314
Invivo III Ventures, F.C.R.E	Passeig de Gràcia, 54, Barcelona	Venture capital for the health sector	-	n/a	-	-	-
ABAC SV FUND II, FCR	C/ de Lleó XIII, 24, Barcelona	Venture capital for companies with growth projects	-	4.54%	3,679	374	4,053
SABADELL ASABYS HEALTH INNOVATION INVESTMENTS II, FCR SA	Passeig de Gràcia, 53, Barcelona	Venture capital for the biomedical sector	-	10.75%	1,000	-	1,000
TOTAL							**176,956**

In addition, at 31 December 2023 the Group had other direct investments in venture capital and value adjustments amounting to 20,394 thousand euros.

Figures relating to the equity of these companies were obtained from their financial statements at 31 December 2023 available at the date these financial statements were authorised for issue.

DIRECTOR’S REPORT OF THE ICF GROUP

CONTENTS

1. ICF Group

1.1 Structure

The Institut Català de Finances (hereinafter the ICF) is a financial institution under public law with its own legal personality subject to private law which is wholly owned by the Generalitat de Catalunya. The regulation governing the ICF is Legislative Decree 1/2022 of 26 July enacting the second recast text of the Law on the Institut Català de Finances.

The ICF is the parent entity of the ICF Group and accounts for almost all of its assets and liabilities. The rest of the Group's scope as of 31 December 2024 consists of:

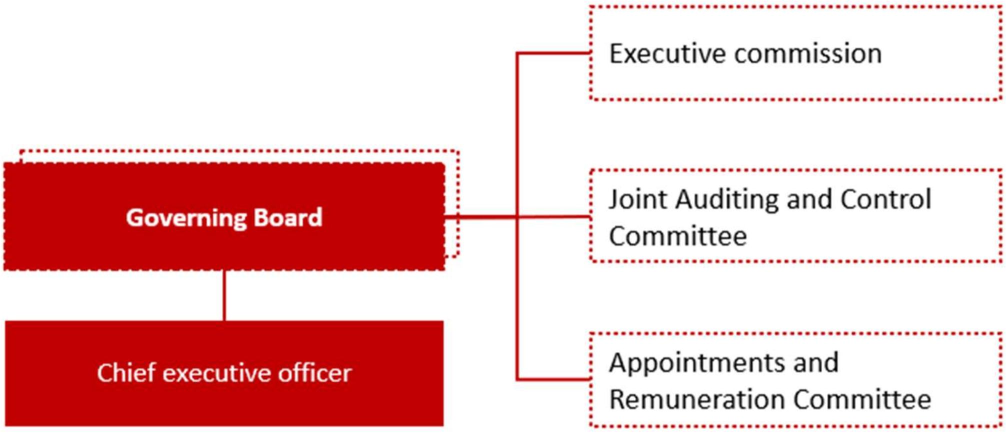
- **IFEM (Instruments Financers per a Empreses Innovadores, SLU):** a company focused on the management of public programmes agreed with both the Generalitat de Catalunya and the European Union through lines of loans for investment and working capital, venture capital, guarantees and microcredits. Wholly owned by the ICF.

- **ICF Capital SGEIC, SAU:** its main objective is to promote, advise and manage venture capital funds or companies which invest in Catalan businesses. Wholly owned by the ICF. ICF Capital directly manages five investment vehicles which are wholly owned by ICF and therefore also part of the accounting consolidation scope:
  - **Capital MAB F.C.R.**
  - **Capital Expansió F.C.R.**
  - **Capital Expansió II, F.C.R.E.**
  - **Venture Tech II, F.C.R.E.**
  - **Venture Tech III, F.C.R.E** (new fund set up in 2024)

- The following are also part of the Group as associates:
  - **Avalis de Catalunya, SGR:** a mixed capital (public-private) mutual guarantee company promoted by the Generalitat de Catalunya in 2003 to facilitate access to credit for SMEs and self-employed persons operating in Catalonia and to improve their conditions of financing through the provision of guarantees to banks. 10.42% owned by the ICF Group at 31 December 2024 through the Institut Català de Finances and IFEM.
  - **Arrendadora Ferroviaria, S.A.**: special purpose company established in 2004 for the acquisition, ownership and lease of 50 trains to provide service on the Barcelona metropolitan railway network. Classified this year as an associate since 45.85% of the company is now held following the purchase of shares and the departure of one of its partners.

1.2 Corporate governance

At 31 December 2024, the governing structure of the ICF is as follows:



Governing bodies

The **Supervisory Board** is the highest governing body of the entity and makes essential strategic decisions regarding its activity.

The ICF Law specifies its roles, including submitting the entity's budgets, financial statements and proposed distribution of profit/allocation of losses to the Generalitat de Catalunya for its approval. It can also make decisions regarding the ICF's organisation, functioning and legal relationships and be informed of the initiatives of the other bodies of the ICF.

Under the ICF Law, the Board can set up committees to which it may delegate certain powers. Thus the **Executive Committee** is responsible for approving and amending credit transactions and for taking investment decisions in venture capital and equity instruments by delegation of the Supervisory Board.

In the specific area of governance and in accordance with Law 10/2014 of 26 June 2014 on the organisation, supervision and solvency of credit institutions, the ICF has delegated specific powers to the Appointments and Remuneration Committee and the Joint Audit and Control Committee, which report directly to the entity's highest governing body. Both committees are by their own decision formed exclusively of independent individuals appointed by the Supervisory Board.

The **Appointments and Remuneration Committee** is responsible for analysing, validating and making proposals to the Supervisory Board on aspects related to appointments and remuneration of members of the entity's governing bodies and key personnel.

The **Joint Audit and Control Committee** is tasked with planning and monitoring internal and external audits, globally controlling risk, compliance, internal control and anti-money laundering.

Chief Executive Officer

The Generalitat de Catalunya appoints the Chief Executive Officer at the proposal of the head of the economy and finance ministry, subject to prior evaluation by the Appointments and Remuneration Committee. This person is responsible for the ordinary and extraordinary representation of the ICF in all areas and circumstances.

At 31 December 2024, the ICF's CEO is Ms Vanessa Servera i Planas.

Governing bodies of ICF subsidiaries: ICF Capital and IFEM

The ICF's two subsidiaries (ICF Capital and IFEM) have their own governing boards which are their highest governing body and responsible for the administration and management of the company.

2. ENVIRONMENT

Macroeconomic environment

The world economy has maintained moderate growth in 2024 against a background of lower price increases which has made it possible to loosen monetary policies resulting in a fall in financing costs. Global economic growth is expected to close 2024 at 3.3%, led mainly by the United States and the recovery of Japan's vibrancy as China slows down slightly and Europe is still close to stagnating mainly owing to the persistence of high energy costs and sluggish productivity. However, world trade has stayed buoyant, albeit subject to uncertainties about the effects of tariff policies.

As for the Catalan economy, preliminary figures point to 3.6% growth in 2024, up from 2.6% in 2023, slightly above the Spanish economy as a whole (3.2%) and significantly outstripping the euro area (0.9%). The services sector performed well, driven by tourism, hospitality and business services, while industry grew less and construction gained from better financial and investment conditions. Meanwhile, consumer spending is picking up on the back of job creation and wage recovery. Catalan GDP growth has now outpaced the euro area's for four years in a row.

Catalan inflation closed 2024 with price rises coming to 2.9% compared to 3.0% in the previous year. Core inflation ended 2024 with 2.7% growth, one of the lowest rates in the last three years.

Looking ahead to 2025, economic growth is expected to be fairly stable against a backdrop of significant global uncertainties. The latest forecasts for Catalonia estimate 2.2% growth in 2025, similar to the Spanish economy as a whole and higher than in the euro area.

Financial system

The banking industry continued to perform robustly in 2024 supported by the strong growth in net interest income, albeit there was a slowdown in the final months of the year as a result of the drop in interest rates. This growth is accompanied by rising commissions and the positive evolution of the result of financial transactions.

Banking sector operations have also been impacted by monetary policy easing. Lending to the private sector stayed stable compared with a fall of 3.6% in the previous year, driven particularly by the consumer segment.

The sector closed the year with a slight reduction in doubtful assets and an NPL ratio of 3.3% compared with 3.5% at the end of the previous year. However, regulators are asking financial institutions to be particularly cautious in their capital and provisioning policies to be able to react quickly in the event of the materialisation of potential risks for financial stability.

On the liabilities side, there was a significant upward trend in term deposits and investment funds to the detriment of demand deposits.

For the year as a whole, the banks' capital and liquidity ratios are generally robust and they continue to maintain a comfortable margin over the requirements.

Lastly, during 2024 the regulators have maintained their previous work streams, especially legislative developments in prudential terms which include the Capital Requirements Directive (CRD VI) and the Capital Requirements Regulation (CRRIII) targeting capital adequacy and financial stability. At the national level, the Bank of Spain has also revised the framework for setting the countercyclical capital buffer (CCyB).

Finally, in sustainability and environmental, social and governance (ESG) issues, the corporate sustainability due diligence (CSDDD) and energy performance of buildings (EPBD) directives have been adopted. The Regulation on instant credit transfers in euro has also been published in the Official Journal of the European Union (OJEU).

3. PERFORMANCE

3.1 Lending business

The ICF has financed 1,658 companies for an amount of 811.2 million euros in 2024 through 2,043 loan and/or guarantee transactions. Furthermore, 103 transactions worth 68.5 million euros have been restructured this year, thus amending the conditions of the loans to tailor them to the companies' payment capacity.

In addition to the general ICF Crèdit facility, through which 242 transactions were financed for 257.1 million euros, activity in the year included:

- The two ICF Social Housing facilities, which offer loans with preferential conditions to promote and finance the construction or purchase of housing for social rentals. Through these facilities, 196 transactions have been financed for 201 million euros.

- The ICF Agriculture facility, which includes the Agroliquidity product providing fixed-rate loans to the agricultural industry featuring a discount from the Ministry of Climate Action, Food and Rural Agenda to cope with rising raw material and fuel prices coupled with the consequences of climate change such as frost and hail. 1,289 transactions had been concluded under this facility worth 87.5 million euros.

With regard to the territorial distribution of the institution's credit business, Barcelona and its area of influence account for the bulk of lending at more than 50% of the total, reflecting their share of gross domestic product. Girona province and the Ponent area are the next regions with the highest volume of investment.

In terms of sector distribution, industry, social housing, retail and tourism have been the main recipients of ICF Group funding in 2024. The ICF has continued to actively work to support a wide range of sectors including social rental housing coupled with projects which help towards the transformation, innovation and sustainability of the economy. Indeed, 53% of operations have been in social and/or environmental projects.

By type of company, 97% of the recipients of financing have been self-employed individuals and small and medium-sized enterprises, while lending to large companies and the public sector has stood at 1% and 2%, respectively.

Overall, the volume of funding granted by the ICF in 2024 has helped to maintain and/or create more than 39,000 jobs.

3.2 Venture capital business

One of the ICF's strategic objectives is to support setting up, consolidating and growing innovative managers and projects through its venture capital operations. In this area, it works mainly through investment in venture capital funds. The entity's participation is based on collaboration and complementarity with the specialised private sector, identifying market gaps and acting as a driving force to multiply the resources from other investors that are allocated to each fund.

In 2024, new commitments have been made to external funds in the seed, development and growth segments coming to 17.6 million euros together. Furthermore, venture capital funds managed by the Group made investments totalling 12.5 million euros.

This venture capital investment potential is accompanied by financing through two facilities run by IFEM. Firstly, IFEM Innovation, a co-investment facility (business angels, venture builders, accelerators and other instruments) for early-stage innovative companies, and secondly IFEM Proof of Concept, a facility operated under an agreement with the Ministry of Research and AGAUR for financing proofs of concept in businesses which are the outcome of research. In 2024, the Group has invested 4.2 million euros in 21 Catalan start-ups through these two facilities.

A further development is the establishment in 2024 of the Advanced Technologies Investment Fund (FITA), which is scheduled to start investing in 2025.

4. FINANCIAL INFORMATION

4.1. Balance sheet performance

The good pace of activity has made it possible to end 2024 with portfolio and total assets levels above those of the previous year. The Group maintained a solid cash position which together with undrawn borrowings ensures it is able to meet its future challenges.

On the liabilities side, capitalisation and solvency levels remain well above the industry average and the minimums set by credit institution regulators with own funds increasing due to the distribution to reserves of part of the profit for 2023 and the generation of profits in 2024:

Solvency ratio	
2024	**Minimum required by the regulator**
34.3%	10.5%

The stability of non-performing loans coupled with an increase in the total portfolio has brought the non-performing loan ratio down to 6.7% (-0.4 pp) in line with the industry trend. The NPL coverage ratio remained well above that of the sector at 158.6%, 29% higher than the previous year and in line with the bank's long-standing policy of prudence in credit risk coverage

Average payment period for external suppliers

Information on the average payment period is shown in the note on other administrative expenses in the accompanying notes to the financial statements.

Acquisition and disposal of treasury shares

The ICF Group has not made acquisitions or disposals of treasury shares during the year.

4.2 Income statement

There are two main trends in 2024. Firstly, a significant improvement in net interest income as a result of interest rate reviews and dividends received. Secondly, stronger credit risk hedges, especially those relating to the normal risk portfolio, which are made from a prudent portfolio management perspective to address potential risks or uncertainties which may arise in the coming years.

The efficiency ratio was 17%, significantly below the sector's average and lower than last year because of the increase in gross income.

4.3 Information on credit ratings

At 31 December 2024, the ICF's rating was BBB according to Fitch Ratings and DBRS.

Notwithstanding the ICF's high solvency, liquidity and coverage ratios and its management autonomy, since it is a public entity the rating agencies' methodology limits the highest rating it can achieve to the Catalan Government's.

5. RISKS AND UNCERTAINTIES

Note 3 to the accompanying financial statements provides details of the ICF Group's risk management.

Risk control and management systems

The ICF Group's Risk Management System is comprehensive and uses the three lines of defence model following the European Banking Authority's guidelines (EBA/GL/2021/05). This organisational framework separates internal control functions from the business lines they control, thus segregating roles and resources. This distinction is translated into the three lines of defence model which establishes:

- First line: this includes business units and committees which are the chief guarantors of the control environment for their own activities.
- Second line: this includes risk monitoring and control units and committees which are responsible for designing and upholding the Group's risk model and verifying that it is correctly implemented in all areas.
- Third line: this is made up of Internal Audit which conducts an independent review to ensure compliance with and the effectiveness of corporate policies and also oversight of the actions of the first and second lines of defence.

The ICF Group establishes the general lines of the risk management system through its corporate risk map which includes both financial and non-financial risks that have a significant impact on the Group. This map quantifies each of the risks through the control systems and procedures in place, which make it possible to monitor and mitigate the various risks by reinforcing the control environment, reporting them in aggregate in 14 corporate risks to the Joint Audit and Control Committee and the Supervisory Board for their control and oversight.

The ICF Group also has in place a risk appetite framework (RAF) which sets out the entity's risk management policies, procedures, roles and responsibilities. The RAF includes a risk appetite statement (RAS) identifying the ICF Group's main financial risks which are assigned a series of metrics and thresholds to quantify, manage and control them.

Credit risk

Credit risk control, monitoring and management is based on maintaining stable and moderate levels that enable a balance to be struck in the performance of the business while at the same time ensuring solid and prudent credit hedging. The main credit risk indicators at the end of 2024 show an NPL ratio of 6.7% and an NPL coverage ratio of 158.6%, the latter being much higher than the sector average, in line with the principle of prudence.

Concentration risk is controlled, monitored and managed in accordance with the prudential limits set out in Article 395 of European Regulation 575/2013 and its amendment in EU Regulation 2019/876.

Counterparty risk

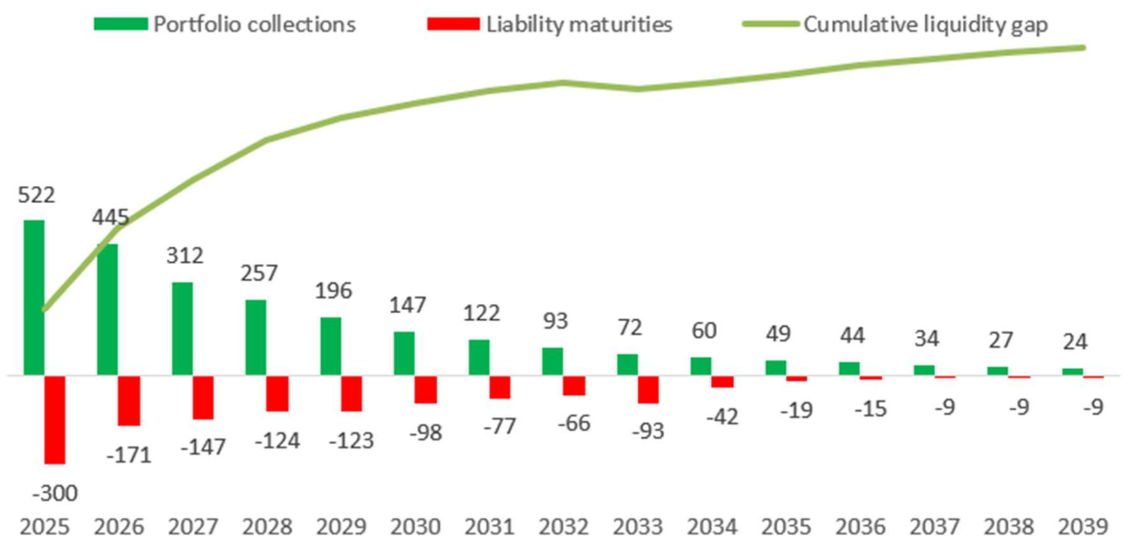
The ICF Group, in compliance with Article 286 of Regulation (EU) No 575/2013, has drawn up a counterparty risk management policy which is included in the ICF's Financial Risk Policy. As of December 2024, the ICF Group's counterparty risk comes from its exposure to interest rate hedging derivatives, which it uses solely as a financial risk management tool.

The ICF Group follows EU Regulation No 648/2012 (EMIR), amended by EU Regulation No 2019/834 (EMIR-Refit) and subsequently by Regulation (EU) No 2024/2987 (known as EMIR 3), relating to increasing transparency and reducing the risks of over-the-counter derivatives. This regulation specifies reporting obligations for entities which trade in derivatives.

Liquidity risk

At 31 December 2024, the ICF Group's total cash position is 444 million euros, of which 276 million euros is in fixed income investments, 128 million euros in current accounts and 40 million euros in deposits.

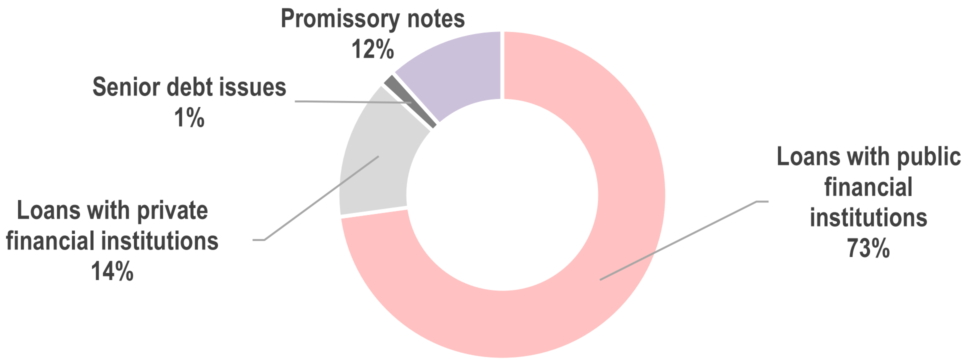
Note 3.2 to the accompanying financial statements for 2024 provides details of the liquidity management policies as well as information on the maturity dates and main uses and potential sources of liquidity at the reporting date. In this regard it should be noted that due to its balance sheet structure, the ICF Group has a cumulative liquidity gap that has always been positive over a period of 15 years as shown in the following chart:



In millions of euros

Financing

At year-end 2024, the ICF Group presented financing of 1,286 million euros, with an average residual maturity of 8.6 years. The main sources of financing are in the capital market through loans, debt issues and promissory notes. 73% of the financing corresponds to loans with the public banking sector, mainly the European Investment Bank (EIB), the Instituto de Crédito Oficial (ICO) and the Council of Europe Development Bank (CEB). The breakdown of financing by product type is shown below:



Liquidity metrics at the regulatory level

The ICF Group calculates, analyses and monitors the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) metrics following the guidelines of Regulation No 575/2013 and its amendment in Regulation No 2019/876 which set minimum regulatory compliance requirements. At year-end 2024, the ICF Group complies with the regulatory limits set for the LCR and NSFR metrics:

	31/12/2024	Regulatory limit
LCR	509%	100%
NSFR	126%	100%

Market risk

At the end of 2024, the ICF Group does not hold any positions in the trading portfolio. As regards the fixed income portfolio available for sale and maturity, it is entirely in euros and therefore does not incur any currency risk. Note 3.1 to the accompanying financial statements shows more details of the ICF's market risk.

Interest rate risk in the banking book

Interest rate risk in the banking book directly affects the ICF Group's activity due to the effect that its fluctuations may have on the income statement and economic value. The ICF Group tracks this risk by controlling and monitoring various metrics including the following:

- **Repricing gap**. This measures net interest income sensitivity to changes in the yield curve caused by different maturity schedules or repricing of lending and funding transactions which are sensitive to interest rate movements.

- **Net interest income (NII) sensitivity**. This measures the impact on net interest income of changes in the yield curve. It is evaluated by comparing the 1-year net interest margin according to the base scenario corresponding to the implicit market rate scenario with the net interest margin obtained in a stress scenario, designed using disruptions in the market yield curve. Its result is expressed as the ratio of these two magnitudes. Net interest income sensitivity is a metric based on dynamic scenarios, in other words, simulations of future balance sheet behaviour.

- **Economic value (EV) sensitivity**. It measures the impact on the present value of balance sheet assets and liabilities of changes in the yield curve. This impact is evaluated by comparing the economic value calculated in the base scenario, which includes implicit market curves, with the result of the EV calculated for a stressed scenario, designed using disruptions in the market yield curve. The result is expressed in relation to the economic value of interest rate sensitive balance sheet items.

Net interest income and economic value sensitivity

The ICF Group has defined various scenarios to calculate the impact on net interest income and economic value. The main scenarios used are detailed below.

- **Regulatory scenario**. This scenario is defined in the EBA/GL/2022/14 guidelines and applies an instantaneous parallel shift of -200 bp at all points on the yield curve.

- **Parallel scenario (+/-100 bp)**. This scenario applies an instantaneous parallel shift of +/-100 bp at all points on the yield curve.

Below are the results of the changes in economic value and net interest income in the two scenarios specified above.

Scenario	Change in Economic Value	Change in Net Interest Income
Regulatory scenario (+/-200 bp)	-1.6% / +2.4%	+3.8% / -3.4%
Parallel scenario (+/-100 bp)	-0.9% / +0.9%	+1.9% / -1.8%

Table. Economic value and net interest income sensitivity to scenarios of instant and parallel shifts in the yield curve.

The ICF Group also includes other scenarios to assess the impact of net interest income and economic value sensitivity metrics following Article 98(5) of Directive 2019/878 (CRD V). These are six scenarios defined in the EBA/GL/2022/14 guidelines and which add to the analysis of the impact of the yield curve from a supervisory perspective. The details can be found in the ICF Group's Pillar III Disclosure Report.

Repricing gap

The static repricing gap (assets minus liabilities) in millions of euros at the end of 2024 is set out below. The chart shows the discrete structure, at monthly intervals up to 1 year, and its cumulative structure.

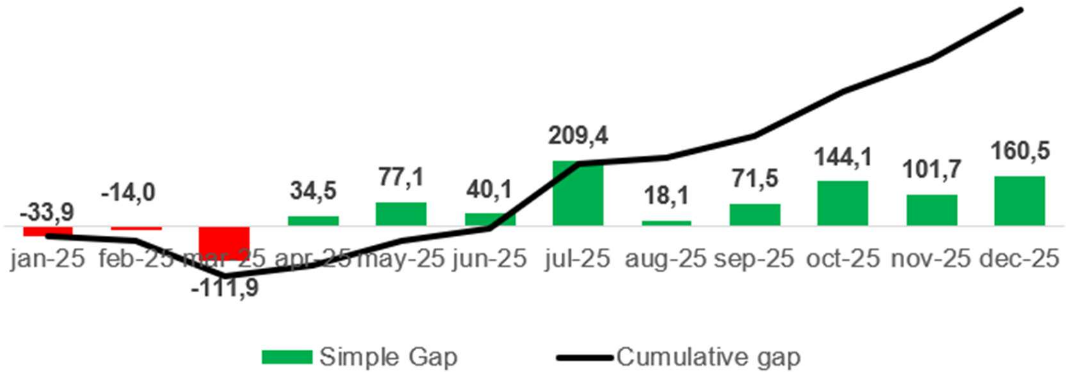


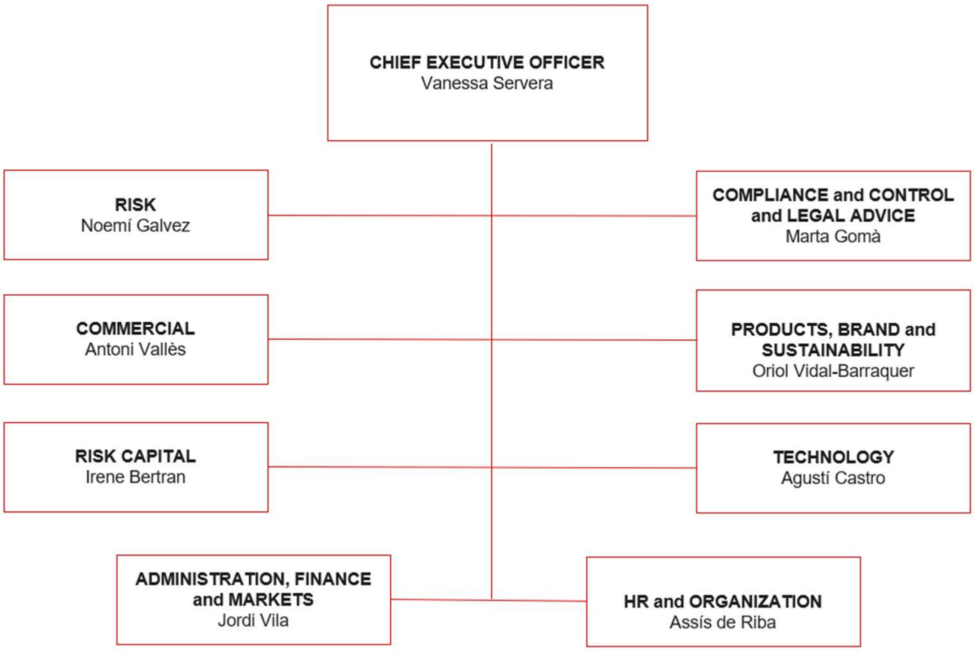
Figure. 12-month repricing gap (figures in millions of euro)

Operational risk

Operational risk is related to the losses that may be caused by errors linked to internal processes or human errors in the entity's daily operations. The consolidation of the ICF group in the management and risk control model based on the three lines of defence as described above makes it possible to reduce and manage this risk in the different areas. Note 3.6 to the accompanying financial statements provides details of purposes, policies and processes in the ICF's operational risk management.

6. INFORMATION ON HUMAN RESOURCES

Functional organisation chart



Staff

At 31 December 2024, the ICF Group has a headcount of 134 workers (49% female and 51% male), with an average age of 42 years.

The Group's human capital is made up of highly qualified personnel. The majority of the Group's workforce, 94.8%, is made up of university graduates.

Human resources development

The ICF Group fosters and facilitates the training and development of its team of professionals to enhance and promote internal talent. In this regard, the ICF Group promotes development through a wide range of in-house and external training programmes as well as encouraging and bearing the cost of certifications for each area.

In 2024, 56 training actions have been delivered involving a total of 1,056 hours of training targeted especially on providing knowledge related to each person's duties while also driving the development of people management skills since people are the company's main asset. This has included training for young talent, cross-cutting training for the entire organisation and training related to the Mortgage Law.

Corporate social responsibility

The ICF Group takes part in the Financial Education in Schools in Catalonia (EFEC) programme sponsored by the Generalitat de Catalunya in partnership with the Institute of Financial Studies (IEF), enabling ICF professionals to volunteer during working hours to teach economic concepts to students in Year 4 of Lower

Secondary Education. This year 15 workshops have been held led by 11 ICF professionals. An additional training action with the IEF has also been undertaken.

7. R+D+i ACTIVITIES

During 2024, the ICF has focused its efforts on two areas; firstly, better channelling of customer demand, and secondly improved handling of responses to security incidents. Both initiatives are part of the priorities identified in the strategic plan, namely delivering ever more accessible customer service and equipping the entity with resources to enhance information security management.

Other improvements have also been made to the bank's procedures and operations such as bringing in AI technology for reading documents and sharing BI reports.

8. ENVIRONMENTAL IMPACT

Given the ICF's business operations, it does not have any environmental liabilities, expenses, assets, provisions or contingencies which might be significant in relation to its equity, financial position and profit or loss. The notes to the ICF Group's financial statements therefore do not include specific disclosures on environmental issues.

However, as a public financial institution the ICF supports small and medium-sized enterprises in their green and innovative projects with the aim of contributing to the development of a more sustainable economy. We have two major sustainability challenges for the coming years: mentoring the corporate community in the transition towards a sustainable business model and building ESG (environmental, social and good governance) principles into management models across the board to continue stepping up the ICF's constructive impact in all three areas.

To help achieve these goals, this year we have continued to work on streamlining the process of mapping out and embedding ESG principles into our business model coupled with calculating our carbon footprint, thus learning more about the climate impact of our operations.

9. OUTLOOK FOR 2025

Company financing activity

Lending business

The ICF Group maintains its objective of promoting business growth, entrepreneurship and innovation by financing strategic and sustainable projects for the Catalan economy and also driving the expansion of the public rental housing stock as a leader in its financing. It thus seeks to add to the range of private financing options to back enterprises and organisations in their development and growth while contributing value to society as a whole.

Here the ICF Group has planned an operating budget of 1,255 million euros in lending activity which is the largest amount of direct business in its history. Some 600 million euros of this figure is to be allocated to financing social housing.

It will also continue to commit to facilities which meet the changing needs of the Catalan economy, especially enhancing standout and strategic facilities in partnership with the Generalitat de Catalunya, while also channelling European funds.

These levels of activity will be achieved within the framework of the requirements of banking regulations, emphasising credit, concentration, liquidity and solvency risk management.

Venture capital business

In venture capital, the goal of fostering Catalonia's leadership as an innovation hub by supporting entrepreneurship and business creation and growth through direct investment and investment in external funds remains unchanged.

Attracting resources

The current cash position and available borrowing secures needs for 2025. Nonetheless, the Group's mission is to be active in the market to achieve the best sources of funding that give long-term financing at the best cost.

Financial statements

With regard to the evolution of the balance sheet, in 2025 portfolio and asset volumes appropriate to the entity's risk profile are expected to be maintained while retaining high levels of capitalisation, liquidity and hedging significantly above the minimums set by regulators and the industry average, thus enabling the ICF Group to address future challenges from a robust financial position.

The commitment, effort and spirit of continuous improvement of ICF professionals have enabled us to achieve the objectives established for 2024, and we are convinced that they will enable us to accomplish the important challenges that we set ourselves annually.

10. EVENTS AFTER THE REPORTING PERIOD

No material subsequent events have come to light between the reporting date and the date of preparation of the financial statements.

Barcelona, 26 March 2025