

INVESTOR **NEWSLETTER**

April 2023 / Vol. 12

SIXTH "GREEN" ISSUE **A YEAR AFTER PLACING 500 MILLION IN GREEN BONDS**

Please find below the twelfth issue of ADIF Alta Velocidad Newsletter, based on our commitment to provide the highlights related to our financial situation as well as our ESG policies.

HIGHLIGHTS AND SUMMARY OF 2022 RESULTS

EBITDA
+€176 million

Adif Alta Velocidad's EBITDA in December 2022 reached €231 million (meaning an increase of 176 million compared with 2021).

Charges
+€172.9 million

Charges in the network managed by Adif Alta Velocidad increased in €172.9 million compared with 2021, which means a total amount of revenues from charges of €563.5 million.

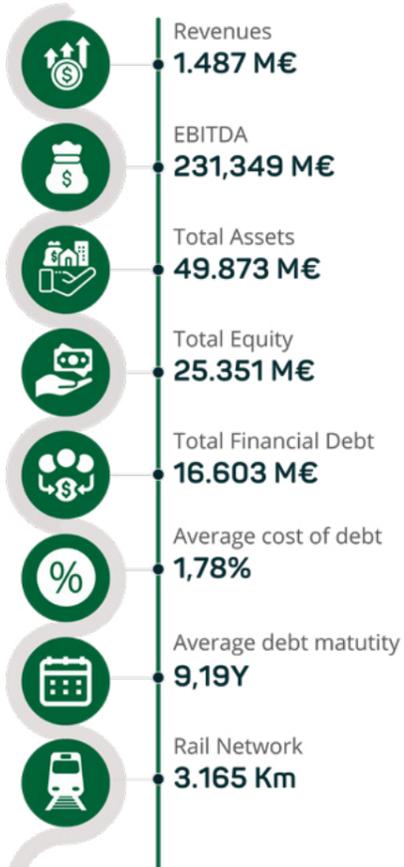
Net finance expense
-€244,4 million

Additionally, and also compared to 2021, net finance expense has decreased to around €(244,4) million.

Investments
€1,654 million

Based on the investment budget for 2022, Adif Alta Velocidad has performed investments amounting to €1,654 million as of 31 December 2022.

KEY FIGURES 2022



BREAKING NEWS

Adif brings Antequera closer to high speed with the commissioning of its new station

The new Antequera Alta Velocidad station has begun to receive and serve the high-speed Antequera-Granada connection. After an investment of 16.7 million Euro, the new station brings the railway service closer to the town centre and promotes mobility between Antequera and the high-speed routes through Andalusia, as well as the connection with other points of the railway network. In the near future, the infrastructure will make it possible for Iberian gauge trains to stop at the station.

The passengers building, with a surface area of more than 1,400 m², is located on the slab that covers the platforms, taking advantage of the structure already built. The station consists of one floor where the lobby, platform accesses, a commercial area and another for different services (ticket sales, toilets, etc.) are located.

The station has two underground platforms, with four high-speed tracks, in standard or international gauge, and another two in Iberian gauge, which are connected to the main concourse in an accessible way, by means of escalators, lifts and fixed stairs.

It highlights the following High-Speed Lines (HSL)

Almería-Murcia	Investment 288 million	Mainly platform works / Sections <i>Pulpí-Almería</i> <i>Vera-Almería</i> <i>Murcia-Lorca</i>
Vitoria-Bilbao-San Sebastián	Investment 225 million	Mainly platform works / Sections <i>Elorrio-Bilbao</i> <i>Mondragón-Vergara</i> <i>Bilbao-San Sebastián</i>
Madrid-Extremadura	Investment 90 million	Mainly platform works / Sections <i>Navalmoral de la Mata - Plasencia</i> <i>Carmonita - Mérida</i> <i>Mérida - Badajoz</i>

Antequera Station 1.400 m² / 16.7 million €



ESG ACTIVIST

Monitoring of the barrier effect caused by the Palencia-León High Speed Railway line on the Iberian wolf population

Barrier effect: Physical separation caused in a habitat by the implementation of a fenced linear infrastructure.

One of the most intense environmental effects caused by transport infrastructures is known as the "barrier effect", which consists of the physical separation caused in a habitat by the implementation of a fenced linear infrastructure. This physical separation can lead to genetic isolation, which increases the vulnerability of species.

One of these species affected by this barrier effect is the Iberian wolf, an iconic species of the Iberian fauna, which needs a large vital domain and makes large movements, which can be hindered by the existence of linear infrastructures.

In order to try to monitor this condition, a wolf tracking project is being carried out on the high-speed railway line between Palencia and León using state-of-the-art GPS collars, for which a group of top-level experts in this type of tracking is working. This work is being carried out in continuous coordination with the regional environmental administration, supplying the data obtained on a weekly basis.

Monitoring of radio-tagged wolf specimens in the area of the infrastructure shows that they cross the LAV quite frequently, obtaining passage frequencies every 5.6 days for a peripheral wolf and every 2.4 days for a non-breeding wolf

in a pack. These data show an apparent low barrier effect caused by the infrastructure on the species.

In addition, collected data allows experts to study other parameters of interest, such as the roaming area, the diet of the wolves in the surroundings of the infrastructure, as well as the analysis of the use of space made by the marked specimens, contributing to generate and consolidate the knowledge of this species.

20%
decarbonisation
of rail traffic



ADIF diesel locomotive series 311

Advancing towards decarbonisation of the sector through Hydrogen

Its support to railway manufacturers and operators during the testing phase on the network of this new type of rolling stock is essential for its success.

However, ADIF also wants to apply this type of progress to the diesel locomotives used in logistics terminals to form the different freight compositions.

We would like to inform our investors and stakeholders of an advance made by our R&D department which, although it does not directly affect the operation of Adif Alta Velocidad (only 100% electric vehicles run on its infrastructure), could be a milestone in the decarbonisation of the 20% of current rail traffic that continues to be diesel in Spain.

On some railway lines, electrification is not the most appropriate solution, and this is where hydrogen has begun to play a strategic role: the public entity ADIF is currently supporting different initiatives for the implementation of this new energy vector on the Spanish rail network (for example, through the European project FCH2RAIL, where a new hybrid self-propelled unit is being tested).

This is the objective of Loc2H2, a new R&D&I consortium project financed by the Institute for Energy Diversification and Saving (IDEA, for its acronym in Spanish) within the framework of one of its incentive programmes for the development of hydrogen technology, and associated with the Recovery and Resilience Facility of the European Commission, with a total budget of 7 million euros.

This project also involves, in collaboration with ADIF, companies such as ALSTOM, Ingeniería Viesca, H2B2 and SinerHy, as well as the Aragon Hydrogen Foundation Research Centre, the University of Seville and the Seville Port Authority.

ADIF has contributed one of its 311 series shunting locomotives, currently in disuse, to the project, on which a new hydrogen cell traction module will be developed. The locomotive will subsequently be tested at the Seville port railway terminal so that its viability can be assessed.

The locomotive refuelling operation will be carried out in the port of Seville itself, where there is already a basic hydrogen refuelling infrastructure, which is also generated there by means of a photovoltaic generation plant (green hydrogen).

Adif-Alta Velocidad commitment to long-term partnerships with non-profit organisations

In order to contribute to a truly sustainable development model, we are working to forge alliances with different entities to carry out projects and initiatives that add value to our environment.

Within the framework of the 2030 Strategic Plan (PE 2030), Adif AV has set the goal of improving its environmental, social and corporate governance performance. Thus, through the implementation of our strategic initiatives, we make a tangible contribution to the achievement of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

In this context, one of the tools we have to collaborate with the third sector is the establishment of collaboration protocols with non-profit entities, that crystallise in the form of long-term alliances focused preferably on those strategic aspects that are linked to our activity and that generate a positive impact on society.

These protocols are general collaboration frameworks that can subsequently be developed through specific agreements to carry out concrete actions and are valid for up to five years, extendable as appropriate. The protocols express a declaration of intentions on the part of both Adif AV and the signatory entity, which materialise in the assignment of communication spaces, joint dissemination of activities, exchange of knowledge and resources or support and assistance in the development of different initiatives, among others.

Currently, Adif AV has signed, among others, the following collaboration protocols in the social sphere



Association for the Prevention, Reintegration and Care of Prostituted Women (APRAMP, by its acronym in Spanish) with the aim of developing activities in the field of gender equality, respect for human rights and the fight against women trafficking.

Spanish Federation of Food Banks (FESBAL), to carry out activities in the field of free food distribution to needy social groups.

Art Center Reina Sofía National Museum, developing activities in the field of culture and contemporary art.

Royal Academy of Engineering (RAI), to promote STEM education among girls and young women so they have a greater presence and visibility in technical careers.

Junior Achievement Foundation, implementing activities in the field of entrepreneurial education, financial training, career guidance and corporate volunteering.

University of Salamanca, carrying out activities in the field of culture and art.



FUNDING POLICY & FUNDING ACTIVITY

BOND FUNDING HIGHLIGHTS

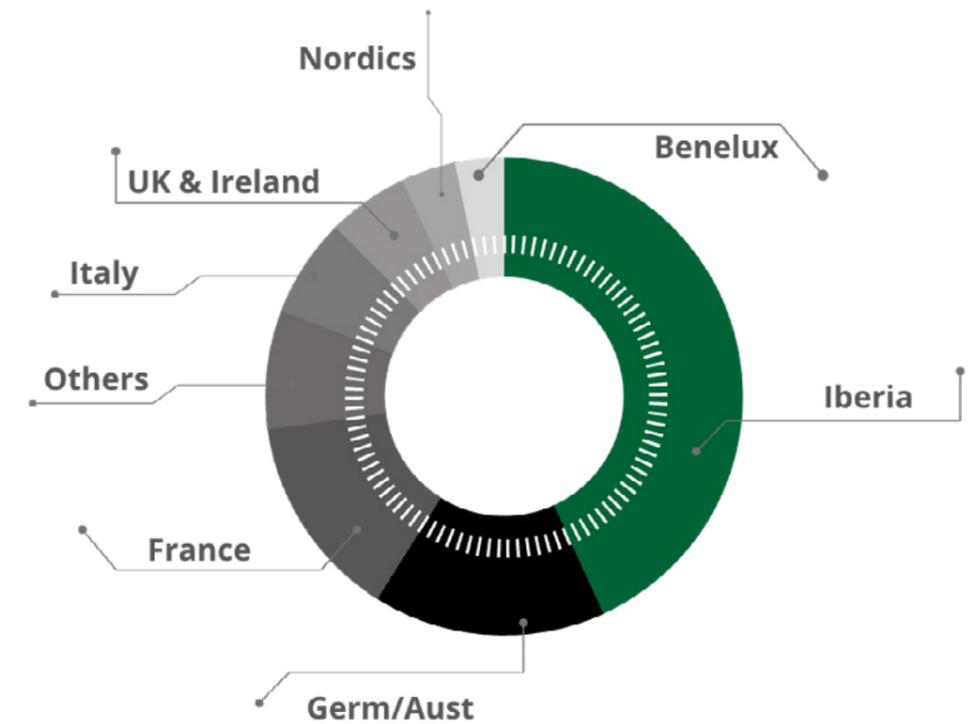
- Frequent bond issuer
- EUR market
- Benchmark transactions
- Focus on the Green market

ADIF ALTA VELOCIDAD RATING

RATING AGENCY	LONG-TERM	SHORT-TERM	OUTLOOK
Moody's	Baa2	P-2	Stable
Fitch	A-	F-1	Stable

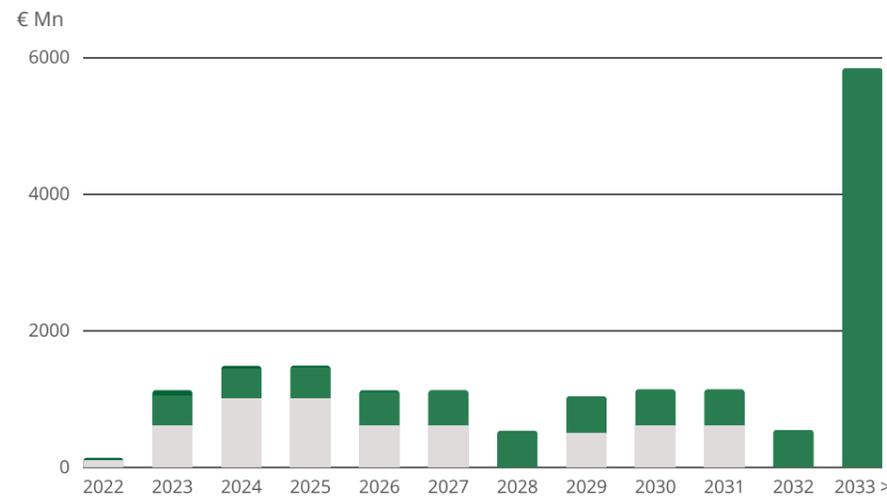


GREEN BOND DISTRIBUTION BY COUNTRY*



* Weighted average distribution by country on primary market transactions.

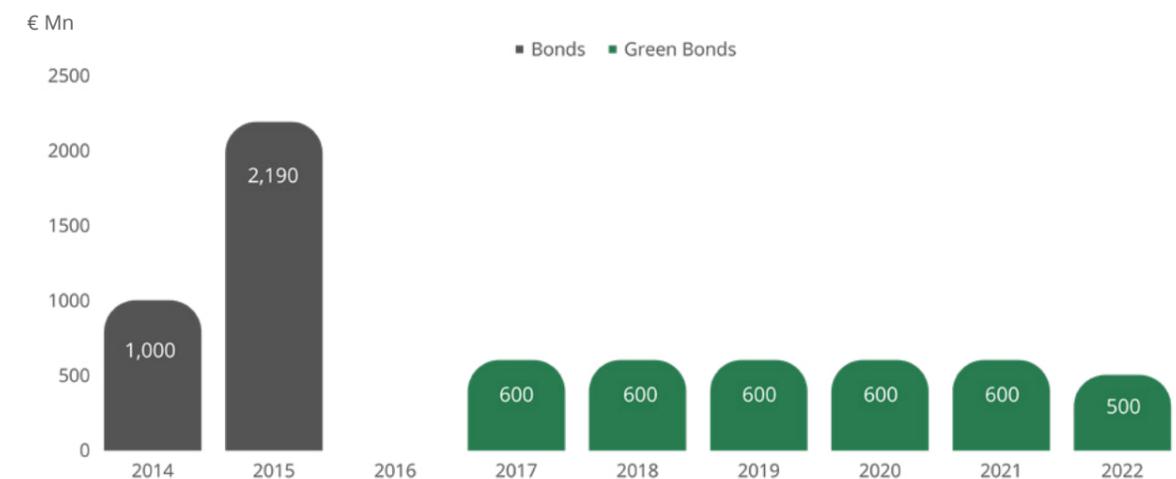
FINANCIAL DEBT MATURITY PROFILE*



■ BANK DEBT
■ EIB
■ BONDS

* As October 2022

BOND ISSUANCE ACTIVITY



SPANISH AND EURO AREA ECONOMY SNAPSHOT

MACROECONOMIC SCENARIO (YoY GROWTH RATES IN PERCENT)

	2017	2018	2019	2020	2021	2022	Q1	2023	2024	2025
Private consumption expenditure	3.0	1.7	1.0	-12.0	4.6	4.1	3.0	2.7	1.2	1.3
General Government consumption expenditure	1.0	2.3	2.0	3.3	3.1	2.0	0.8	2.2	2.1	0.4
Gross Fixed Capital Formation	6.8	6.3	4.5	-9.5	4.3	9.3	6.8	7.5	3.3	2.9
National Demand (Contribution to GDP Growth)	3.1	2.9	1.6	-8.6	5.2	4.6	3.3	3.6	1.8	1.4
Exports of goods and services	5.5	1.7	2.5	-20.1	14.7	7.8	20.8	6.2	6.3	4.4
Imports of goods and services	6.8	3.9	1.2	-15.2	13.9	9.1	12.1	6.5	4.7	3.4
External demand (Contribution to GDP Growth)	-0.2	-0.6	0.5	-2.2	0.4	-0.3	3.1	-0.1	0.6	0.4
Gross Domestic Product	3.0	2.3	2.1	-10.8	5.1	4.3	6.4	3.5	2.4	1.8

OTHER VARIABLES

	2017	2018	2019	2020	2021	2022	Q1	2023	2024	2025
Unemployment rate (in % of Active Population)	17.2	15.3	14.1	15.5	14.8	12.8	13.6	11.7	10.6	9.6
Full-time Equiv. Employment (YoY Growth)	2.9	2.2	2.6	-7.6	6.6	3.0	5.3	1.7	1.8	1.5
Net lending (+) / borrowing (-) with RoW (% of GDP)	3.0	2.4	2.4	1.2	1.9	1.0	--	1.3	1.7	1.8
Private Consumption deflator (YoY Growth)	1.5	1.4	1.0	0.0	1.9	6.1	6.0	2.2	1.6	1.6
Headline Balance General Gov't (in % of GDP)*	-3.1	-2.6	-3.1	-10.3	-6.9	-5.0	--	-3.9	-3.3	-2.9
USD / € exchange rate	1.1	1.2	1.1	1.1	1.2	1.1	1.1	1.1	1.1	1.10
Euro Area GDP growth (YoY growth)	2.8	1.8	1.6	-6.5	5.4	3.7	5.0	2.8	1.6	--
Oil prices (Brent, USD / barrel)	54.3	70.9	64.8	41.5	71.1	99.1	103.5	92.3	86.2	80.0

Sources: Ministerio de Asuntos Económicos y Transformación Digital and Ministerio de Hacienda.
Shaded areas are realisations. In white, forecasts contained in the Stability Programme Update 2022-2025 (April 2022) and Macroeconomic Forecasts (October 2022).

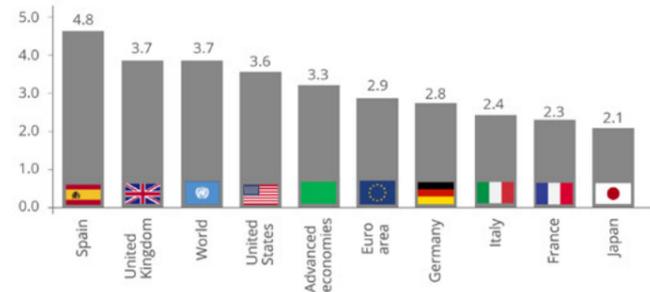
OUTSTANDING BONDS

ISIN	ISSUE DATE	SECURITY	RATINGS	COUPON (%)	MATURITY	TENOR (Years)	OUTSTANDING (€ Mln)
ES0200002014	22/09/2015	ADIFAL 1.875 09/22/22	Baa2/A -	1.875	22/09/2022	2.3	1,190
ES0200002022	05/07/2017	ADIFAL 0.800 07/05/23	Baa2/A -	0.800	05/07/2023	3.1	600
XS1072141861	27/05/2014	ADIFAL 3.500 05/27/24	Baa2/A -	3.500	27/05/2024	4.0	1,000
ES0200002006	28/01/2015	ADIFAL 1.875 01/28/25	Baa2/A -	1.875	28/01/2025	4.7	1,000
ES0200002030	04/05/2018	ADIFAL 1.250 05/04/26	Baa2/A -	1.250	04/05/2026	5.9	600
ES0200002048	25/04/2019	ADIFAL 0.950 04/30/27	Baa2/A -	0.950	30/04/2027	6.9	600
ES0200002055	12/02/2020	ADIFAL 0.550 04/30/30	Baa2/A -	0.550	30/04/2030	9.9	600
ES0200002063	08/10/2021	ADIFAL 0.550 10/31/31	Baa2/A -	0.550	31/10/2031	9.9	600
ES0200002071	17/10/2022	ADIFAL 3.500 07/30/29	Baa2/A -	3.500	30/07/2029	6.8	500

ECONOMIC SENTIMENT

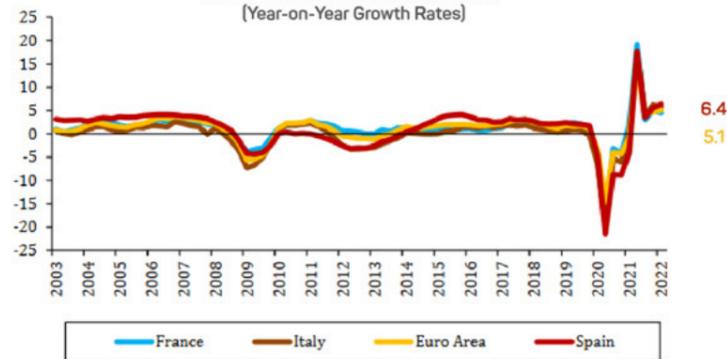


IMF Growth Forecasts for 2022
(Year-on-Year Growth Rates)



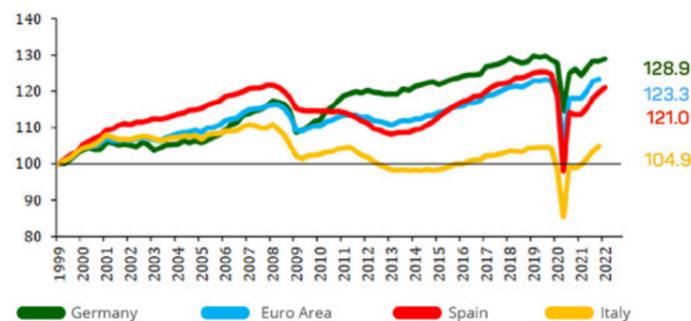
Source: IMF, WEO Update April 2022.

GDP Growth in the Euro Area
(Year-on-Year Growth Rates)



Source: Instituto Nacional de Estadística.

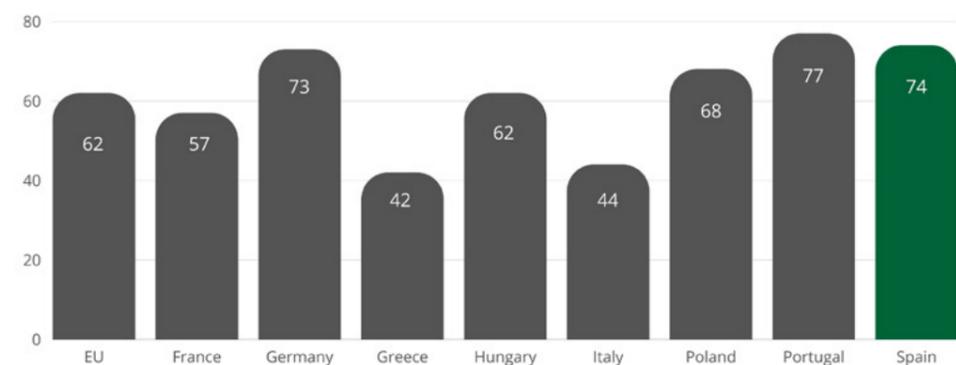
Per capita Real GDP Volume
(Index 1999=100)



Source: EUROSTAT.

Membership of the UE

% of population that thinks that membership of the UE is a good thing



Source: EUROSTAT, Eurobarometer Autumn 2021



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Investors can find further information on our investors' portal.
For any queries you may have, please contact us by mail at
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DISCLAIMER

