

Dynamic Note #12: December 2023

Monitoring of Alicante companies

The objective of the **dynamic notes of Alicante: Invest in Alicante** is to evaluate and publicize, in a thematic way, the elements available and the **features that define Alicante** and that may be of interest for the location and investment of **companies, entrepreneurs and highly skilled professionals**.

This informative note analyzes the local agenda and the main strategies developed by different entities, carried out with the aim of developing and encouraging the growth of the entrepreneurial ecosystem and companies in Alicante. In particular, it will be analyzed the particular case of the Digital District and the business network that conforms, being the axis of action and technological attraction, investor and main talent of the transforming process in digital key and innovation that is living the economy of Alicante, with the aim of turning the province, especially the city of Alicante in the main technological and business hub of the Mediterranean. Finally, mention will be made of large companies and multinationals with significant economic activity in the province of Alicante.

In order to achieve the dual objective of attracting and fostering the development of large companies from any sector of activity and from any country of origin to Alicante, as well as providing support to cultivate local talent, it is imperative to highlight the fundamental role played by Distrito Digital and the project's sub-offices planned in the short term in Alcoy, Gandia and Castellón.

Currently, Distrito Digital already houses more than 100 companies in its different locations, with the prospect of expanding this number as new applications are evaluated and approved. This business cluster brings together more than 500 companies in its network, consolidating more than 1,000 highly qualified jobs in the city. This panorama is further enriched by its cosmopolitan character, bringing together companies from all continents, its outstanding technological character by incorporating companies from the main new high-productivity economic sectors based on new disruptive technologies, and by its transversality to collaborate with traditional sectors.

The initiatives of the University of Alicante to develop its Science Park and its productive fabric, the promotion of the Port of Alicante as one of the main industrial centers of the Mediterranean arc, the efforts of Alicante Futura to promote the innovative and entrepreneurial ecosystem of the city, or the work of the Investment Attraction Office of the Local Development Agency of the Alicante City Council (ALIA) are perfect examples of the transformation process and effort being made by the city of Alicante to be able to maintain and develop its own

talent, while being able to attract national and international investors and companies.

This note is complemented by the dynamic Note 12 on the expansion of large companies and multinationals in the province and by the bimonthly report 6 on the global expansion and situation of Alicante.

Local, provincial and regional strategy actions for the attraction and development of multinationals in the Alicante area

Both in the province and in the city of Alicante, different roadmaps are active, focused on expanding and improving Alicante's entrepreneurial-innovative ecosystem, making it increasingly resilient, capable of attracting investment, retaining talent and developing its own companies. In pursuit of this objective, the **transformation of Alicante's economic model is being carried out at different levels and with both public and private participation, seeking to enhance its traditional virtues but in a digital key and the new sectors of the future, updating its international brand, creating new industrial action poles and improving the region's infrastructures.**

The **Alicante Science Park (PCA)** is a great example of this. It is one of the **main innovative ecosystems in the province of Alicante**, promoted by the University of Alicante itself. During the course of this year, it **has inaugurated its building as a business center, housing more than 41 companies** linked to areas such as **biotechnology, health, ICTs or economy**. Its wide range of services is designed to **promote innovation**, including special programs for **business development and startups**, as well as activities focused on **managing and attracting talent** from its related companies. Initiatives to **make visible the products, services and innovative capabilities** of the companies located there. In addition, it provides **access to all services, training plans** aimed at managers and entrepreneurs, as well as university staff. It facilitates **access to public-private financing** through an extensive network of collaborators, including financing entities, consulting firms, business associations, marketing and communication groups, public entities, research institutes, business areas, among others. Among its recent initiatives and success stories is **Calpech**, a startup dedicated to the mass production of iron nanoparticles, recognized as the best sustainable and scalable company by the MIT Enterprise Forum. Likewise, the technology company **Interacso**, with an outstanding track record in software development and prominent clients such as Ikea, Sony, Inditex, Vectalia and Audi, has chosen to locate in the PCA. In addition, the **Fundación Laboral de Construcción de la Comunidad Valenciana** has joined the PCA, contributing to infrastructure innovation.

As mentioned last year, **around 150 million euros are being invested in the Port of Alicante until 2026** in different projects with the **aim of its development as one of the main logistics hubs in the Mediterranean**. Among the projects related to it, there is the **New Sports Marina** that is expected to be operational in the summer of 2024, the **expansion of the Digital District** (financed with more than 2 million euros from the Generalitat Valenciana) to **increase the training space for innovation, digital skills, technology and entrepreneurship** where more than 30 new premises are planned, or the **strengthening of the Alicante Port Hub that turns the port terminal into a multimodal node** by being linked to the rail terminal and the Barcelona terminal. As a result of this type of projects, cruise traffic is experiencing **exponential growth**: it is expected to close the year 2023 with 84 calls, which means about 200,000 tourists, 25 more calls and 64% more passengers than in 2022, while it is expected to reach 100 ships and about 220,000 passengers by 2024.

Alicante Futura and the **Investor Attraction Office ALIA** are two **key vectors of the innovative and entrepreneurial ecosystem** of the city, as part of the main **economic intelligence strategy** to turn the city of Alicante into a **business and investment attraction hub**. Among some of its measures, the **LAB Alicante Futura Emprende Entrepreneurship Incubation program** stands out, a space created to host Alicante's entrepreneurial ecosystem, where more than **20 startups and protagonists of the province's business sector** have been welcomed, **projects promoted and supported from the launching pad itself**. **On the other** hand, the Investment Attraction Office has launched strategies such as **Club Smart Meeting** or **Alicante Investment Summit**, with the aim of **bringing together leading investment funds operating locally and regionally**, to facilitate the **promotion of the entrepreneurial and technological ecosystem of the city**, in addition to **strengthening strategic alliances** with the **Association of Mediterranean Business Relations (REM)**, where **more than 500 companies are grouped as ambassadors of the capital** to organizations and companies interested in settling in our region.

Commitment to the Digital District

The **Digital District** maintains its position as a **central element** in the strategy to promote digitization and transformative innovation in the business environment and the productive fabric in Alicante.

As the main bastion of this business update for the **attraction of international and national companies, capital and talent**, the Digital District has once again reaffirmed this year its important role as a **node of action and attractor**: this year it **has inaugurated its fifth building**, after the 3 in the Ciudad de la Luz and the one in the Port; it **has surpassed the figure of 100 companies installed in its Alicante centers**, up from around 90 last year); it **has more than 500 companies and corporations linked to its tech ecosystem**; and it has begun to activate in the short term its **territorial expansion with the aim of establishing sub-headquarters** of the project in **Alcoy**, also in Alicante, as well as in **Gandía** and **Castellón**.

This last building, also in the Port, has cost more than 13 million euros, has around 5,000 square meters and is expected to provide **around 20 new companies and around 600 new highly qualified jobs**, which will be added to the already mentioned 100 companies and **will consolidate the more than 1,000 highly qualified jobs that the Digital District already houses**.

If we already had the **presence of large and prestigious multinationals of different nationalities and sectors of activity**, such as **Accenture** (Ireland - technology), **Canon** (Japan - optics), or national ones such as **Mediapro** (audiovisual) or **Indra** (technology), in addition to the **location of different associations and local administrations** such as the **College of Economists of Alicante**, city councils and technology centers throughout the region, Sanitas, Red Cross or Sabadell itself, **municipalities and technology centers throughout the region, Sanitas, Red Cross or Sabadell** itself, in this new building **have joined the Ellis Foundation**, the largest research center on Artificial Intelligence in the country, led by the Alicante **Nuria Oliver**, the **technology company** specializing in maritime engineering and aerospace Norwegian, **Kongsberg**, or the **TMRW Group** focused on **biotechnology**.

As for the **profile of the companies installed or their main collaboration partners**, the **cross-cutting nature and the prominence of technology and leading sectors or innovation** stand out: nearly **20%** are dedicated to **Digital Marketing**; **15%** to **software development**; **13%** to **Digital Services**; **7%** to the **tourism and travel sector**; **5%** to **digital transformation**; another **5%** to the **e-health sector**; **4%** to **ICTs**; **4%** to **media gaming**; **4%** to **sustainability and renewable energies**; another **4%** to the **esports** sector; and the **remaining 19%** are **different associations or collaborators** that also take advantage of the hub's digital tools. **Of these collaborators: 45%** are **service companies**; **29%** are **associations**; **12%** are **coworkings**; **8%** are **institutions**; and **6%** are **city councils**.

Large companies that are located or operate prominently in Alicante

As in the previous year, Alicante successfully consolidated Banco Sabadell's presence as a multinational company in the IBEX 35. Likewise, both the city and the province have companies of great renown or that are performing outstandingly, managing to boost their growth and their appearance among the companies with the highest turnover in the entire province, as we saw in the November newsletter. Some of these examples:

Banco Sabadell

The Banco Sabadell group has achieved a net profit of 1,028 million euros, almost 50% more than in the same period of the previous year (from October 2022 to October 2023), reaching the best result in its history, according to data from the National Securities Market Commission (CNMV). In this way, its banking revenues have reached 4,559 million euros, almost 20% more than in the first three quarters of 2022, also improving the recurring margin by reaching a year-on-year rate of 38.8% (2,328 million euros). As a result, its return on tangible equity (ROTE) reached 11.6% and a CETI of 13.13%, meeting and exceeding the financial targets set in its strategic plan for 2021-2023 (a ROTE of over 6% and a CETI of over 12%).

204 million share buyback program, has begun to establish itself as a bank for companies and private customers in Mexico, and has continued its digital transformation, with 55% of its new customers now coming through its online channels.

Sprinter

The sports retail company from Alicante has remained the company with the highest turnover in the province among those dedicated to traditional sectors, such as Aldi, the Soledad Group or Baleària. It has only been surpassed by the irruption of the technology company Bit2me. Among its strengths and reasons for this growth, continues its commitment to the modernization of its logistics center and the digitization of its supply and sales channels, where they can already meet more than 20,000 daily orders needed to meet the demand of its web sales channel and through apps in the year 2022.

By 2023, the goal of exceeding 210 physical stores throughout Spain has been achieved, far exceeding the 180 of the previous year. To this must be added the almost 500 physical points of sale of JD Sports, with more than 25 stores in Spain and 60 in Europe, a British group that last July bought the parent company of Sprinter, which was in the hands of Balaiko Jirafa and Sonae Holdings.

BitcoinForMe

BitcoinForMe or Bit2Me is a financial technology company specialized in Blockchain and cryptocurrencies. It currently offers more than 20 solutions for buying and selling and management of virtual currencies in a secure way, acting in more than 100 countries and having a transaction volume of more than 1,100 million euros. By 2023, it has become the number one company operating in the province of Alicante with the highest turnover (excluding Banco Sabadell and Mercadona), as shown in Table 8 of the ranking of companies with the highest turnover.

In mid-2023, Bit2Me launched an ICO through its own utility token, B2M, with which it raised €17.5 million, to be added to the €2.5 million from the previous funding round.

FacePhi

FacePhi is a technology company from Alicante, with great national and international impact, which has gone from being a success story to become a major player in its sector. It has become a benchmark in biometrics and ID verification systems. In the last fiscal year, the company from Alicante increased its turnover by 60% and invoiced more than 22 million euros, establishing a favorable EBITDA of 4.31 million.

In addition, it is in the green phase for its IPO in the United States while looking for a collaboration partner, has managed to expand to the United Arab Emirates and Saudi Arabia with the fintech Qashio, signing its first contract in the Middle East, already operating in more than 25 countries and achieved an injection of another 20 million euros from its largest shareholder, Nice&Green.

Nirvel Cosmetics and Lynex View

Two other good examples of companies from Alicante that are growing because they are dedicated to the technology sector or are based on innovation to adapt their business model to the current times are Nirvel Cosmetics and Lynex View.

For its part, Nirvel Cosmetics, a company based in Alcoy and dedicated to cosmetics, has taken its brands to more than 40 countries, creating a technology center within the company to train users in different countries in the use of its products and with the aim of training its employees in Artificial Intelligence.

Lynx View, is a technology consulting firm, integrating software development teams and highly specialized Artificial Intelligence tools, this has led them to be partners of Amazon Web Series (AWS) through its Cloud Computing tools, LynxCloud, and to bill more than 1 million euros.

Sources consulted:

- Digital District
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- Daily information
- Alicanteplaza
- Computing - Leaders