DIA – H1 2021 Financial Results
DIA completes its global capitalization and refinancing process

Thanks to the successful capital increase and debt refinancing in August and September, respectively, net debt is reduced in €1,028 million establishing a sustainable long-term capital structure

Adjusted EBITDA margin stands at 1.5% and losses are cut by a 44% in the six-month period thanks to operational improvements and cost containment

Year-on-year comparison of sales affected by Covid-19 stockpiling in the second quarter of 2020

2021 priorities continue to focus on revamping the commercial offering, rolling-out the updated franchise model, store refurbishments, expanding online service and operational improvements

CLOSING OF COMPREHENSIVE CAPITALIZATION AND REFINANCING TRANSACTION

On 4 August 2021, the Company announced a complete subscription of the €1,028 million capital increase that received a demand of 1.67 times the number of shares offered in the cash tranche of €259 million. The remaining €769 million consisted in the capitalisation into capital of all credits held by the reference shareholder Letterone. The new shares were admitted to trading on 13 August 2021 and resulted in a free float of 22.3%.

On 2 September 2021, all of the conditions precedent necessary for the effectiveness and closing of the comprehensive capitalization and refinancing announced by the Company on March were successfully met, which translates into a reduction in net financial indebtedness of c.75% and the extension of debt maturities up to years 2025 and 2026.

This transaction represents the main financial milestone achieved by the Company in the last two years, sets a solid long term capital structure and provides the Company with additional liquidity to continue with its deep transformation process.

H1 2021 – KEY FINANCIALS[1] (all figures in € million)

	H1 2021	H1 2020	Change (%)
Like-for-like sales growth (%)	-5.0%	8.7%	n/a
Net sales	3,193.7	3,515.2	-9.1%
Gross profit	719.0	761.1	-5.5%
Adjusted EBITDA	47.7	59.7	-20.0%
EBIT	(55.7)	(52.0)	-7.1%
Net attributable result	(104.8)	(187.7)	44.2%
	H1 2021	**2020**	**Change (m)**
Working capital (negative)	582.8	609.2	(26.4) outflow
Total net financial debt	1,370.4	1,276.3	94.1
Proforma total net financial debt post capital increase[2]	342.6	1,276.3	(933.7)

[1] *Definition, utilization and conciliation of the alternative performance measures (APMs) listed in this note are detailed in the Half Year Management Report.*

[2] *Calculated as Total net financial debt as of 30/06/2021 less €1.027,8 million capital increase*

Stephan DuCharme, Executive Chairman comments:

"The completion of DIA Group's global agreement on capital structure and re-financing represents a strategic milestone for the Group and the culmination of an intense process to further improve the group's capital structure in support of an acceleration of the Group's business transformation and growth program.

I would personally like to take this opportunity to thank all our shareholders and creditors for their support in this successful operation. We look forward to continuing to work hand-in-hand with all of the Group's financial partners towards our strategic objective of making DIA Group the preferred proximity shopping experience and a leading food retail operator in the geographies in which we operate.

Based on the foundation of world class leadership, long-term relationships with all stakeholders based on trust and a performance-based culture, DIA Group is systematically implementing its strategic roadmap of May 2020 through a wide-ranging series of commercial, operational, franchise and technology initiatives across our 4 geographies. The strategic roadmap is aimed at placing the customer at the heart of everything we do and delivering sustainable long-term results for all stakeholders."

-END-

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Q2 2021 – SALES PERFORMANCE OVER THE QUARTER

	Net Sales			Like-for-Like Sales Q2	
	Q2 2021	Q2 2020	Change (%)	2021 vs 2020	2020 vs 2019
Spain	1,045.3	1.204,3	-13.2%	-12.3%	20.0%
Portugal	146.3	160,3	-8.7%	-8.1%	9.2%
Brazil	201.9	232,1	-13.0%	1.3%	14.7%
Argentina	228.6	222,5	2.7%	-5.3%	4.0%
Total Group	**1,622.1**	**1,819.2**	**-10.8%**	**-9.2%**	**14.9%**
Total Stores[3] (#)	**5,993**	**6,400**	**-6.4%**		

- The second-quarter performance is skewed when compared with the prior period due to the exceptional stockpiling during the period of tightest restrictions in 2020 in all regions, as well as the devaluation of the Argentine peso (-34%) and, to a lesser extent, the Brazilian real (-7%) versus Q2 2020.
- The easing of restrictions leading to an increase in footfall at stores drove up the number of sales receipts by 16.1%, reversing the trend of the last fourth quarters of growth in the average shopping basket which was 21.8% smaller in the second quarter.
- Gross Profit (as a percentage of net sales) rose from 22.1% to 23.1% compared to the same quarter last year before.
- Adjusted EBITDA stood at 2.5% of net sales in the second quarter (Q2 2020: 3.3%).

H1 2021 GROUP OPERATIONAL UPDATE

Key priorities during H1 2021 continued to centre on:

- The **on-going development of DIA's commercial value proposition**, improved product selection with a focus on fresh produce and the development of a new private label combining quality, **value-for-money and more attractive packaging.**
- The **comprehensive roll-out of the updated franchise model** that began in Spain and Portugal in the second half of 2020 and was extremely well received by our franchisees. Some 80% of the franchise network in Spain (excluding Clarel) and 90% in Portugal is now operating under the new model. At 30 June 2021, 269 franchises in Spain continued operating under the traditional franchise model; there are individual action plans for these stores to gradually transition them to the new franchise model. In Portugal, the plan is for the entire franchise network to be operating under the new franchise model by the end of 2021. Work to update the franchise model continues in Argentina and Brazil, which will be completed at the start of the second half of 2021.
- **Store refurbishments** with around 300 and 59 stores in Spain and Portugal, respectively, and 42 stores in Argentina during the first six months of the year, with a positive acceptance from customers.
- Continued **expansion of online and express delivery services** in all four countries to meet new customer purchasing trends accelerated during pandemic restrictions.
- Continued focus on **cost efficiencies and streamlining operations**. This is primarily being achieved through on-going improvements to the Group's operating model across the entire supply chain, as well as more efficient logistics processes.
- Investment in talent and hire individuals who will help develop the digital and technological side of the business.

[3] *At the end of the period.*

STORE NETWORK

SUMMARY OF GROUP STORES	Owned	Franchised	Total
Total stores at 31 December 2020	3,487	2,682	6,169
New openings	22	7	29
Owned to franchised net transfers	51	-51	0
Closures	-160	-45	-205
Total stores at 30 June 2021	**3,400**	**2,593**	**5,993**
Spain	**2,321**	**1,516**	**3,837**
Portugal	**221**	**278**	**499**
Brazil	**576**	**177**	**753**
Argentina	**282**	**622**	**904**

- In Spain, 67 stores (net) changed from owned to franchised over the six-month period, with new entrepreneurs attracted by the new franchise model as part of the Comprehensive enhancement of the DIA concept. 11 stores were opened (9 owned and 2 franchised) and 92 closed during the period (62 owned and 30 franchised).
- In Portugal, 77 stores closed during the half-year, including 71 owned Clarel stores due to closing of operations announced in early 2021, 1 owned DIA store and 5 franchised DIA stores. 11 stores were opened (10 owned and 1 franchised) and net transfers from owned to franchised stores amounted to 15.
- Brazil is dealing with legacy problems with franchisees and is in the process of optimising its store network. This has resulted in the conversion of 131 stores from franchised to owned stores already completed in the first months of the year. 29 stores were closed (20 owned and nine franchised) and 3 owned stores were opened.
- 4 franchised stores were opened and 7 closed (6 owned and 1 franchised) during the period in Argentina. 2 franchised stores were brought into ownership.

GROUP FINANCIAL RESULTS – H1 2021

(€ million)	H1 2021	H1 2020	Change (%)
Gross sales under banner	**3,813.0**	**4,293.2**	**-11.2%**
Like-for-like sales growth (%)	-5.0%	8.7%	**-**
Net sales	**3,193.7**	**3,515.2**	**-9.1%**
Cost of goods sold & other income	(2,474.7)	(2,754.1)	-10.1%
Gross profit	**719.0**	**761.1**	**-5.5%**
Labour costs	(353.1)	(381.9)	-7.5%
Other operating expenses & leases	(200.6)	(188.3)	6.5%
Restructuring and LTIP costs	(22.6)	(13.9)	62.6%
EBITDA	**142.7**	**176.9**	**-19.3%**
Amortisation & depreciation	(192.5)	(223.5)	-13.9%
Impairment of non-current assets	(1.8)	(1.1)	63.6%
Write-offs	(4.1)	(4.4)	-6.8%
EBIT	**(55.7)**	**(52.0)**	**-7.1%**
Net financial expense	(34.8)	(131.7)	-73.6%
EBT	**(90.5)**	**(183.7)**	**50.7%**
Corporate taxes	(14.2)	(4.0)	255.0%
Consolidated result	**(104.8)**	**(187.7)**	**44.2%**
Discontinued operations	-	-	-
Net attributable result	**(104.8)**	**(187.7)**	**44.2%**

EBITDA to adjusted EBITDA reconciliation	H1 2021	H1 2020	Change
Operating profit (EBIT)	(55.7)	(52.0)	(3.7)
Amortisation and depreciation	192.5	223.5	(31.0)
Impairment of non-current assets	1.8	1.1	0.7
Gains/(losses) on disposal of non-current assets	4.1	4.4	(0.3)
Gross operating profit (EBITDA)	**142.7**	**176.9**	**(34.2)**
Restructuring costs	16.9	8.0	9.0
Long-term incentive programme (LTIP)	5.7	5.9	(0.2)
Lease effect (IFRS 16)	(130.8)	(140.6)	9.8
Hyperinflation effect (IAS 29)	13.2	9.4	3.8
Adjusted EBITDA	**47.7**	**59.7**	**(12.0)**

- **Group net sales** were affected by 6.4% fewer stores and the devaluation of the Brazilian real and Argentine peso (depreciation of 17% and 35% respectively compared to the average exchange rate for the six-month period compared to the first half of 2020). Revenue from owned stores makes up 65.2% of the Group’s net sales compared to 32.2% in the case of franchised stores and 2.5% from the online business.
- The **like-for-like sales growth rate of the Group** stood at -5.0% affected by the skew caused by the Group’s extraordinary stockpiling in the second quarter of 2020 in all markets due to the restrictions on movement related with Covid-19, reaching 8.7% Like-for-Like in the first half of year 2020.
- **Gross profit (as a percentage of net sales)** increased to 22.5% from 21.7% year-on-year thanks to operational improvements including optimised logistics and a reduction in food waste.
- **Labour costs** remained at similar levels to the same period a year earlier, standing at 11.1% as a percentage of net sales, as the 2019 streamlining measures have continued to offset Covid-19 related staffing requirements.
- **Other operating expenses (as a percentage of net sales)** climbed from 5.4% to 6.3% because of higher supply, maintenance and advertising costs.
- **EBITDA** shrank by 4.5% as a percentage of net sales (5.0% in the first half of 2020) because of higher other operating expenses and restructuring costs due to the streamlining of the organisational structure and store franchising process launched in Q3 2020.
- **Adjusted EBITDA** moved into positive territory equating to 1.5% as a percentage of net sales. This was a similar level to the same period of 2020 (1.7% in H1 2020). In absolute terms, adjusted EBITDA shrank by €12.0 million, offsetting much of the fall in gross profit of €42.0 million. This reflects the positive results of the operational management improvements being rolled out and cost control. This includes additional energy costs of €13.7 million compared to same period 2020, which represents a 41% increase mainly in Spain despite fewer stores and the measures adopted to reduce the impact.
- **Amortisation and depreciation** decreased by 13.9% versus the first half of 2020 explained by strategic store and warehouse closures. These charges fell from 6.4% as a percentage of net sales to 6.0% in the first six months of the year compared to the first half of 2020.
- The **net result** was a loss of €104.8 million – down 44.2% on the same period a year earlier because of lower financial losses driven down through active exchange risk management.

GROUP FINANCIAL RESULTS – Q2 2021

(€ million)	Q2 2021	Q2 2020	Change (%)
Gross sales under banner	**1,924.7**	**2,223.7**	**-13.4%**
Like-for-like sales growth (%)	-9.2%	14.9%	-
Net sales	**1,622.1**	**1,819.2**	**-10.8%**
Cost of goods sold & other income	(1,247.7)	(1,416.3)	-11.9%
Gross profit	**374.4**	**402.9**	**-7.1%**
Labour costs	(175.4)	(191.3)	-8.3%
Other operating expenses & leases	(99.8)	(87.0)	14.7%
Restructuring and LTIP costs	(13.0)	(8.4)	54.8%
EBITDA	**86.2**	**116.2**	**-25.8%**
Amortisation & depreciation	(96.3)	(107.9)	-10.8%
Impairment of non-current assets	(1.3)	(1.1)	18.2%
Write-offs	(1.9)	(4.5)	-57.8%
EBIT	**(13.4)**	**2.7**	**n.a.**
Net financial expense	(15.0)	(42.7)	-64.9%
EBT	**(28.4)**	**(40.0)**	**29.0%**
Corporate taxes	(12.9)	(5.1)	152.9%
Consolidated result	**(41.2)**	**(45.1)**	**8.6%**
Discontinued operations	-	-	
Net attributable result	**(41.2)**	**(45.1)**	**8.6%**

EBITDA to adjusted EBITDA reconciliation	Q2 2021	Q2 2020	Change (m)
Gross operating profit (EBITDA)	**86.2**	**116.2**	**(30.0)**
Restructuring and LTIP costs	13.0	8.4	4.8
Lease effect (IFRS 16)	(65.7)	(68.2)	2.5
Hyperinflation effect (IAS 29)	6.8	3.8	3.0
Adjusted EBITDA	**40.3**	**60.2**	**(19.9)**

COUNTRY PERFORMANCE OVERVIEW – H1 2021

Spain	H1 2021	%	H1 2020	%	Change
Gross sales under banner	**2,479.2**		**2,707.1**		**-8.4%**
Like-for-like sales growth	-7.0%		13.9%		
Net sales	**2,089.7**		**2,264.2**		**-7.7%**
Adjusted EBITDA	**37.4**	**1.8%**	**52.5**	**2.3%**	**-28.8%**

- **Net sales** fell by 7.7% with 5.0% fewer stores. The first-half performance is skewed when compared with the prior period due to the exceptional stockpiling during the lockdown in H1 2020.
- **Adjusted EBITDA** decreased by 50 basis points (bp) affected by the reduction in sales volume and stable other operating expenses, that increased in maintenance, utilities and advertising, offset by non-recurrent Covid-19 related protective material and extra personnel costs incurred in first half 2020, as well as the legal provisions recognized in first half 2020 and a reduction in leases.

Portugal	H1 2021	%	H1 2020	%	Change
Gross sales under banner	**400.8**		**430.6**		**-6.9%**
Like-for-like sales growth	-5.3%		9.3%		
Net sales	**296.3**		**309.2**		**-4.2%**
Adjusted EBITDA	**5.0**	**1.7%**	**6.0**	**2.0%**	**-16.3%**

- **Net sales** were affected by reduced store opening times and 12.1% fewer stores than in the same period of 2020. A year-on-year comparison is also difficult because of the exceptional circumstances in H1 2020.
- **Adjusted EBITDA** shrank by 30 bp affected by the reduction in sales volume and higher maintenance and utilities costs.

Brazil	H1 2021	%	H1 2020	%	Change
Gross sales under banner	**425.8**		**545.1**		**-21.9%**
Like-for-like sales growth	4.3%		2.7%		
Net sales	**381.7**		**483.6**		**-21.1%**
Adjusted EBITDA	**(5.9)**	**-1.5%**	**(7.7)**	**-1.6%**	**-23.7%**

- **Net sales** were down 21.1% year-on-year, with 14.2% fewer stores following the strategic closure of underperforming outlets and a 17% depreciation of the Brazilian real. Like-for-like sales remained flat over the quarter.
- **Adjusted EBITDA** improved by €1.8 million and remained stable in terms of margin as the business was able to offset the negative effects of resolving legacy franchisee issues and increased opex and labour costs.

Argentina	H1 2021	%	H1 2020	%	Change
Gross sales under banner	**507.2**		**610.3**		**-16.9%**
Like-for-like sales growth	-3.9%		-0.9%		
Net sales	**426.0**		**458.3**		**-7.1%**
Adjusted EBITDA	**11.2**	**2.6%**	**8.8**	**1.8%**	**27.5%**

- **Net sales** were down 7.1% affected by a 35% depreciation of the Argentine peso in a challenging macroeconomic and consumption environment.
- **Adjusted EBITDA** increased 80 bp thanks to the cost reduction drive and despite the negative effect of sales volumes. The relationship between the adjusted EBITDA margin and net sales stripping out the effect of inflation in Argentina is not materially different from the reported figures.

CASH FLOW SUMMARY – H1 2021

(€ million)	Q2 2021	H1 2021	H1 2020
Net cash from operations before changes in working capital	**96.1**	**165.4**	**207.0**
Changes in working capital	**(35.4)**	**(26.4)**	**37.0**
Changes in other receivables and payables	31.2	(6.5)	10.2
CASH FLOW FROM OPERATING ACTIVITIES (A)	**91.9**	**132.5**	**254.2**
Capex	(29.4)	(63.0)	(43.9)
Disposals of fixed assets & other	(1.8)	8.6	18.0
CASH FLOW USED IN INVESTING ACTIVITIES (B)	**(31.2)**	**(54.4)**	**(25.9)**
Debt drawdowns & repayments	23.4	(23.3)	197.5
Interest paid and other financial expenses	(9.8)	(22.5)	(24.0)
Lease finance payments	(62.7)	(133.9)	(145.2)
Other	4.4	8.4	12.1
CASH FLOW USED IN FINANCING ACTIVITIES (C)	**(44.7)**	**(171.4)**	**40.4**
Net foreign exchanges differences (D)	**(5.1)**	**(8.1)**	**(12.3)**
CHANGES IN CASH FLOW OVER PERIOD (A+B+C+D)	**10.9**	**(101.4)**	**256.4**
Cash and cash equivalents as at beginning of period	**234.7**	**347.0**	**163.6**
Cash and cash equivalents as at end of period	**245.6**	**245.6**	**420.0**

- **Working capital** was reduced to a negative €582.8 million (31 December 2020: €609.2 million) because of an increase in receivables deriving from the injections of liquidity for franchisees and a drop in sales.
- **Reverse factoring** totalled €249.7 million at 30 June 2021 (December 2020; €248.1 million).
- **Capex** was up 176.3% due to the gradual return to investing in store refurbishments.
- **Available liquidity** fell to €303.3 million (December 2020: €397.2 million), €245.6 million of which comprises cash and cash equivalents and €57.7 million, undrawn bank finance and reverse factoring facilities.
- **Total net financial debt** rose €94.1 million at the end of 2020 to €1,370.4 million driven by a reduction in positive cash flow from operations, increased capex and, to a lesser degree, a decrease in working capital.

WORKING CAPITAL

Working capital	H1 2021	2020	Change
Non-recourse factoring	-	-	-
Inventories (A)	434.6	445.8	(11.2)
Trade & other receivables (B)	156.5	128.4	28.1
Trade & other payables (C)	1,173.9	1,183.4	(9.5)
Working capital	**(582.8)**	**(609.2)**	**26.4**

Working capital defined as (A+B-C)

CAPITAL EXPENDITURE

Capex per country	H1 2021	H1 2020	Change (%)
Spain	58.6	22.6	159.2%
Portugal	10.2	1.5	577.1%
Argentina	7.3	3.5	108.2%
Brazil	10.7	3.8	182.4%
Total, Group	**86.8**	**31.4**	**176.3%**

BALANCE SHEET

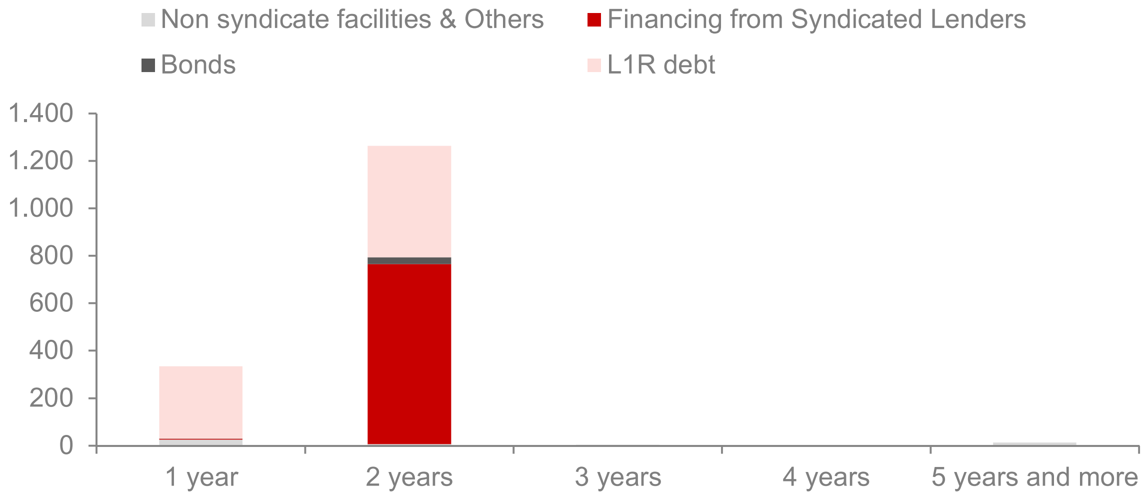
(€ million)	H1 2021	2020
Non-current assets	2,049.2	2,044.6
Inventories	434.6	445.8
Trade & other receivables	156.5	128.4
Other current assets	73.6	69.3
Cash & cash equivalents	245.6	347.0
Non-current assets held for sale	0.1	0.4
Total assets	**2,959.6**	**3,035.4**
Total equity	(785.2)	(697.2)
Non-current borrowings	1,662.6	1,625.8
Current borrowings	536.5	589.0
Trade & other payables	1,173.9	1,183.4
Provisions & other liabilities	371.7	334.4
Liabilities associated with assets held for sale	-	-
Total equity & liabilities	**2,959.6**	**3,035.4**

- At 30 June 2021, the shareholders' equity balance in the individual financial statements of the Parent Company (which are those used for the purpose of computing the legal dissolution or capital increase obligation) amounted to a negative €49.9 million (negative €41.8 million as at December 2020).

NET FINANCIAL DEBT

Net debt reconciliation	H1 2021	2020	Change
Non-current borrowings	1,662.6	1,625.8	36.8
Current borrowings	536.5	589.0	(52.5)
Cash & cash equivalents	(245.6)	(347.0)	101.4
TOTAL NET DEBT	**1,953.5**	**1,867.8**	**85.7**
Lease effect (debt) (IFRS 16)	(583.1)	(591.5)	8.4
NET FINANCIAL DEBT	**1,370.4**	**1,276.3**	**94.1**

- **Gross debt maturity profile as at 30 June 2021 (exc. IFRS 16):** €1,616.0 million
  - **Non-syndicated finance & other facilities:** €25.0 million (July 2021-June 2022), €6.4 million (July 2022-June 2023), €18.3 million (July 2023 onwards).
  - **Debt owed to majority shareholder (L1R):** 2021 bond repayable and other costs of €305.2 million (July 2021-June 2022), Super Senior Facility of €200.9 million (July 2022), 2023 bond repayable of €269.2 (April 2023).
  - **Bonds and debentures:** €27.4 million (April 2023).
  - **Financing from syndicated lenders:** €4.4 million (July 2021-June 2022) and €759.2 million (July 2022-June 2023).



(*) Not including lease payments (IFRS 16).

- On 10 August 2020, DEA Finance S.à r.l. ("DEA Finance") – a company ultimately controlled by Letterone Holdings S.A. and the sole lender under the €200-million L1R Super Senior Facility – launched an offer addressed to the eligible holders of the 2021 and 2023 bonds to purchase a significant portion of the bonds. As a result of the transaction settled in September, the offerer held as at 30 September 2020 an aggregate principal amount of 97.53% of the 2021 bonds and 89.73% of the 2023 bonds.

- On 30 November 2020, the Parent Company announced an agreement with its majority shareholder L1R Invest1 Holdings S.á.r.l. ("L1R"), DEA Finance and its syndicated lenders to carry out a Comprehensive recapitalisation and refinancing operation (the "Transaction") to establish a stable long-term capital and financing structure.

- On 24 March 2021, as a result of certain subsequent negotiations between DIA, L1R, DEA Finance and its syndicated lenders, DIA reached a new agreement with all its syndicated lenders providing a pathway for a Comprehensive recapitalisation and refinancing operation (the "Comprehensive Transaction"). Implementation of this operation guarantees a stable long-term capital and financing structure for the DIA Group and allows the management team to fully focus on executing the business plan.

- The Comprehensive Transaction includes the following key elements:

    - A capital increase of up to €1,028 million at DIA in two tranches (the "Capital Increase"):
        i. A first tranche of debt capitalisation by the majority shareholder L1R of around €769 million, including: the €200-million L1R Super Senior Facility; a €7-million loan; €293 million in 2021 bonds expiring on 28 April 2021 and approximately €269 million in 2023 bonds, both originally held by DEA Finance; and
        ii. A second tranche of cash contributions, reserved in the first instance for the other shareholders of around €259 million.

      The Capital Increase was approved by shareholders at the General Meeting on 31 May 2021 when the debts to be capitalised were still not liquid, past due and callable on demand.
    - An amendment and recasting of the existing €902-million syndicated finance agreement to extend the maturity date of certain facilities to 31 December 2025 and change other terms and conditions.
    - An amendment of the terms and conditions of the remaining 2023 bonds of €31 million to extend the maturity date from 6 April 2023 to 30 June 2026 and increase the interest rate to 3.5% per annum;

- An extension of the maturity dates of certain bilateral facilities and credit lines entered into with certain syndicated lenders ("Bilateral Facilities").
- The operation was subject to a number of conditions precedent which have to be fulfilled no later than the following dates: (i) 30 July 2021 or (ii) 29 October 2021 if the prospectus for the proposed share issue is not approved by the Spanish National Securities Market Commission (CNMV) on or before 15 June 2021.

AVAILABLE LIQUIDITY

Available liquidity	H1 2021	2020	Change
Cash and cash equivalents	245.6	347.0	(101.4)
Undrawn bank finance	55.0	50.0	5.0
Unused reverse factoring facilities	2.7	0.2	2.5
TOTAL LIQUIDITY	**303.3**	**397.2**	**(93.9)**

CHANGE IN CURRENCY RATES

Change in currency rates	Argentine peso / euro	Brazilian real / euro
H1 2020 average	0.014	0.187
H1 2021 average	0.009	0.154
2021 variation	**-35.4%**	**-17.4%**

Bloomberg average currency rates (a negative change in exchange rates implies depreciation versus the euro).

EVENTS AFTER PERIOD-END

Capital increase

On 4 August 2021, the Parent Company announced the completion of the Capital Increase which culminated in all the new shares being subscribed for €1,027,751,102. The placement of the second tranche of the Capital Increase was 1.67 times oversubscribed.

On 6 August 2021 when the debts being capitalised became liquid, past-due and callable on demand, the Capital Increase was executed by public deed and on 9 August 2021 it was duly placed on record in the Madrid Companies Register. As a result the Company issued 51,387,555,100 new shares of €0.01 par value and €0.01 share premium.

As a result of the Capital Increase, the Parent Company's share capital now amounts to €580,655,340.79, represented by 58,065,534,079 shares of €0.01 par value each. The new shares were admitted to trading on 13 August 2021.

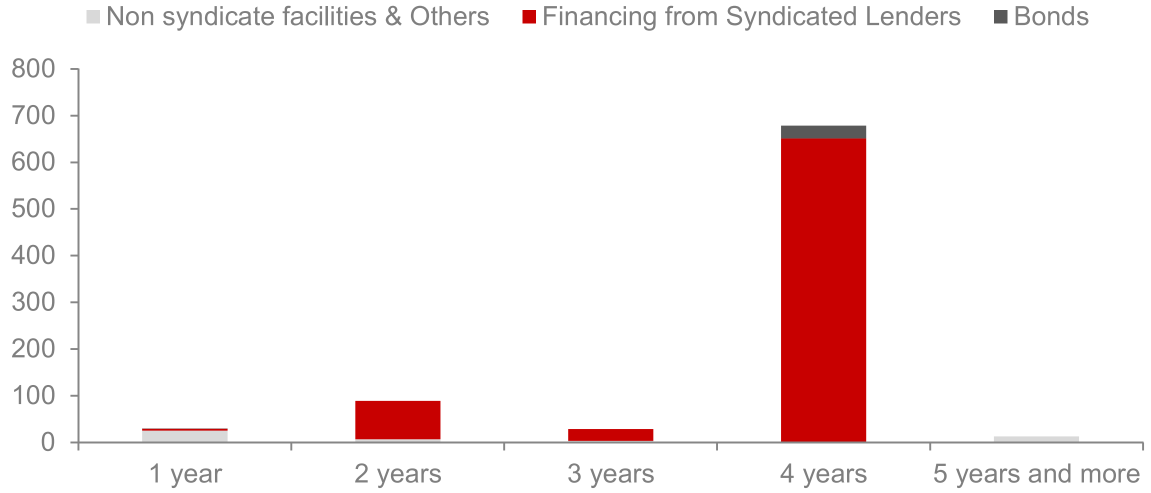
L1R has subscribed a total of 40,122,542,579 new shares, representing 78.08% of the total Capital Increase for a cash sum of €802,450,851.58. Therefore, the interest held by L1R in the Company increased from the 74.82% held prior to the Capital Increase to 77.70% thereafter.

Completion of the Comprehensive Transaction

On 2 September 2021, all of the Conditions Precedent necessary for the effectiveness of the Comprehensive Transaction have been successfully satisfied, formalizing the last milestones of the transaction including the extension of maturity of the syndicated facilities from March 2023 to December 2025, the commitment from lenders to negotiate in good faith the extension of bilateral facilities, and the extension of €30.8 million bond from April 2023 to June 2026.

Additional information is included in Note 21 of the Condensed Consolidated Financial Statements for the six month period ending in 30 June 2021 or in the information published by the company as Other Relevant Information on 2 September 202, register number 11479.

The **proforma debt maturity profile** having completed the Transaction is provided below for informational purposes:



DEFINITION OF ALTERNATIVE PERFORMANCE MEASURES (APMS)

The definition, utilization and conciliation of the Alternative Performance Measures used by the Group are detailed in the Directors´Report for the six month period ended in 30 June 2021:

- Gross sales under banner
- Like-for-Like sales growth
- Gross profit
- Adjusted EBITDA
- Capex
- Net financial debt
- Available liquidity
- Trade working capital

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