

DiA

1H 2021 RESULTS PRESENTATION

15TH SEPTEMBER 2021





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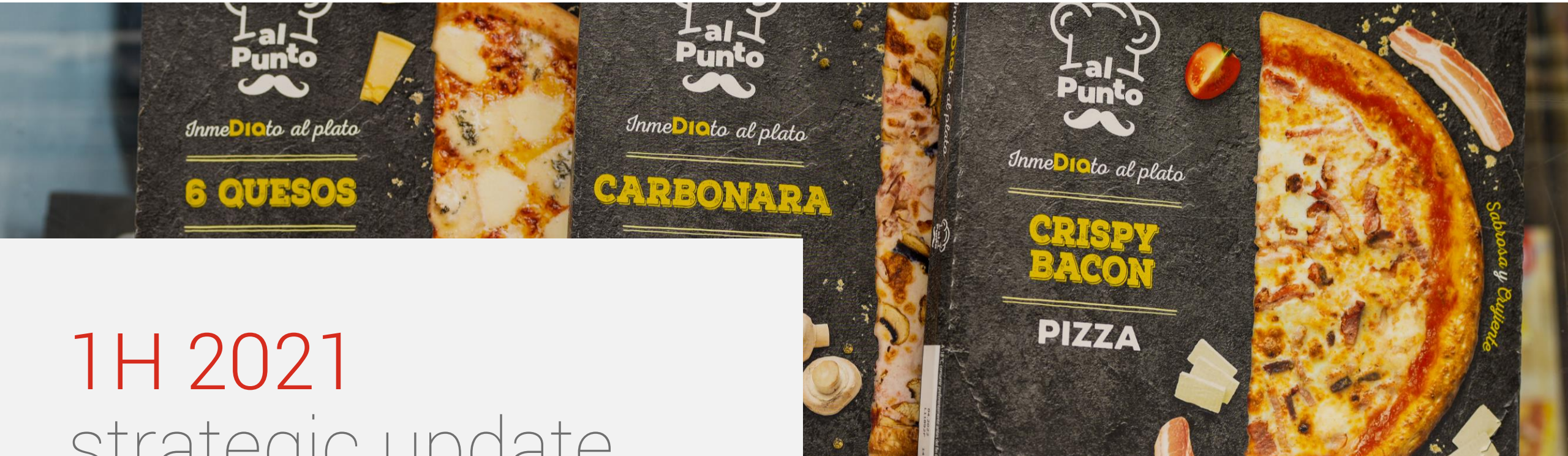
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AGENDA

1. STRATEGIC UPDATE
2. 1H 2021 FINANCIAL REVIEW
3. CLOSING REMARKS



1H 2021
strategic update

COMPLETION OF CAPITALIZATION AND REFINANCING TRANSACTION – KEY TERMS

Full
Subscription

- ✓
 - **Capital increase for a total amount of c. €1,028m in two tranches:**
 - ❑ **L1R converted c.€769m debt** into equity: €200m L1R Super Senior Facility; €293m 2021 Bonds; €7m loan; €269m 2023 Bonds
 - ❑ **Cash tranche of c. €259m** resulted in strong market demand (x1.67) with take-up of €222m from minority shareholders and €36m from L1R
- ✓
 - **c. €902m syndicated facilities** maturity extended to December 2025
- ✓
 - **€50m of additional liquidity lines** provided by syndicated lenders
- ✓
 - **Remaining c. €31m 2023 Bonds** maturity extended to June 2026
- ✓
 - **Extension of maturities** of certain bilateral facilities and credit lines

SUCCESSFUL COMPLETION OF TRANSACTION THANKS TO THE SUPPORT OF...

- **Minority shareholders** that have participated in the amount of €222m resulting in a 22.3% free float
- **Reference shareholder Letterone** for its debt capitalization and continued long term investment horizon
- **Lenders and bondholders** for reaching a global solution in the interest of accelerating the company's business turnaround and growth plan

REDUCES FINANCIAL INDEBTEDNESS

STRENGTHENS NET EQUITY POSITION

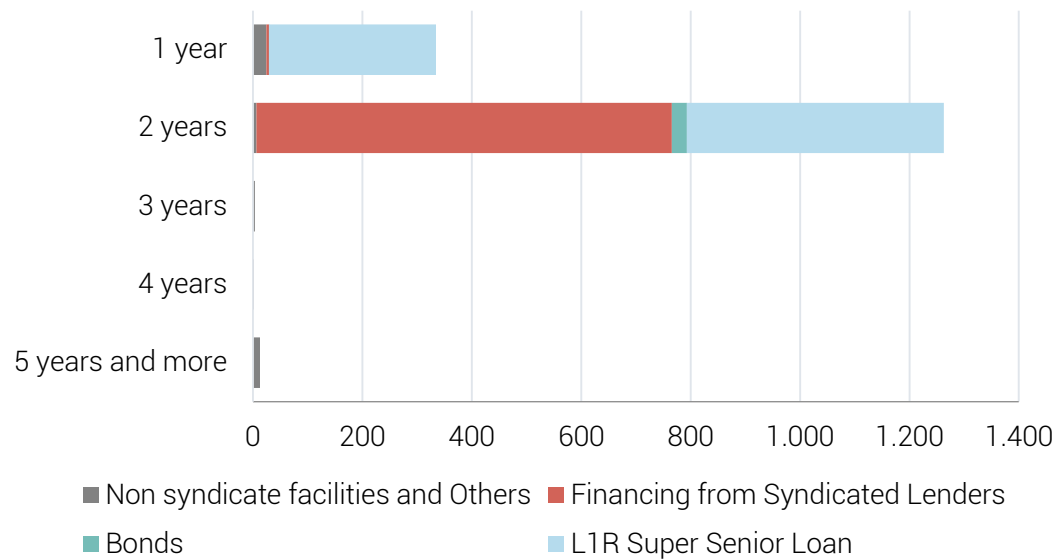
ELIMINATES MID-TERM REFINANCING RISK

ENSURES OPERATIONAL FINANCING

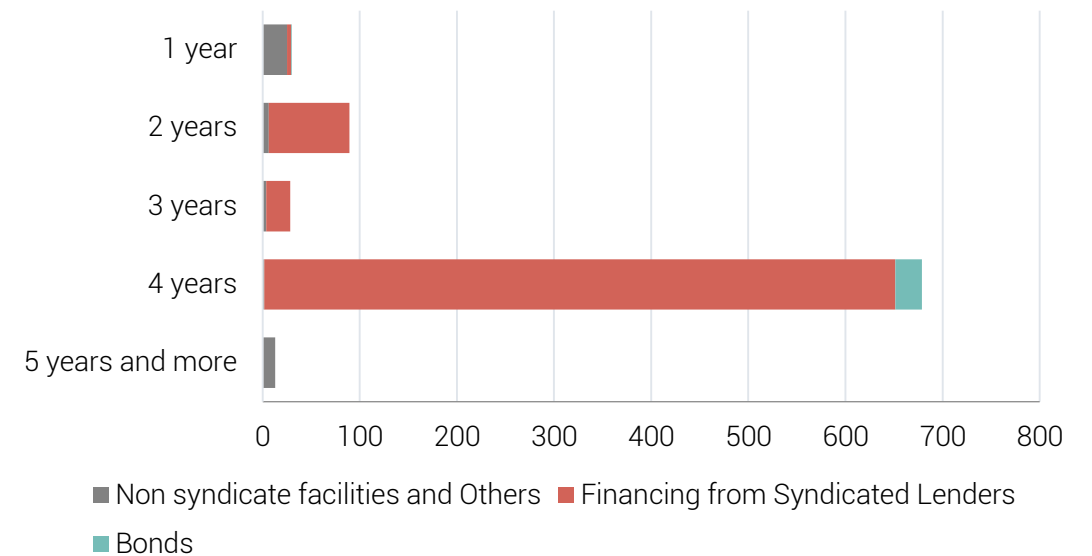
OPTIMAL LONG-TERM CAPITAL STRUCTURE

OPTIMAL LONG TERM CAPITAL STRUCTURE AFTER THE CLOSING OF THE COMPREHENSIVE TRANSACTION

Debt Maturity Profile ⁽¹⁾



Post-Transaction Debt Maturity Profile ⁽¹⁾







- Net financial debt of 1.37bn as of 30/06/2021 -> **Proforma net financial debt post capital increase down to 0.34bn²**
- Debt maturities extended to years 2025/2026

(1) Excluding IFRS16

(2) Calculated as net financial debt as of 30/06/2021 less 1.03bn capital increase amount

CLEAR ROADMAP TO ACHIEVE BUSINESS OBJECTIVES

DiA

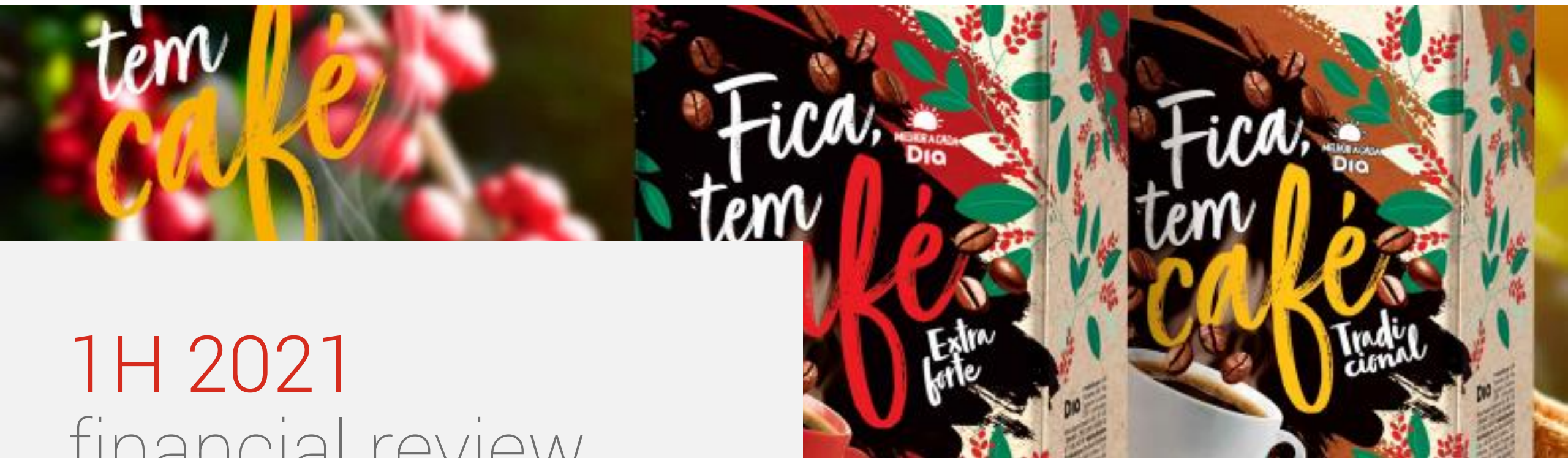
		2020	2021					
COMERCIAL	KEY INITIATIVES	New commercial value proposition	▪ New store concept based on phase 1 learnings and post-COVID-19 needs	▪ Complete testing of new store concept and start roll-out	✓	✓	✓	✓
			▪ Initiate testing	▪ Initiate refurbishment and relocation program	✓	✓	✓	✓
	New private label program	▪ Complete program	▪ Continuous improvement	✓	✓	✓	✓	
			▪ Support new store concept	✓	✓	✓	✓	
	On-line and express delivery program	▪ Further development of the program	▪ Continued roll-out to support new concept	✓	✓	✓	✓	
	Optimized assortment	▪ Complete roll-out	▪ Further improvement of assortment as part of new store concept	✓	✓	✓	✓	
▪ Refreshed store lay-out			✓	✓	✓	✓		
	New loyalty program	▪ Development	▪ Support new store concept	Postponed	✗	✗	✗	✗
FRANCHISE	Franchise model	▪ Complete roll-out	▪ Accelerate move back to franchise stores based on new concept	✓	✓	✓	✓	
OPERATIONS	Operations Excellence program	▪ Further focus on reduction of complexity in operations	▪ Working Capital: inventory reduction and supply-chain improvements	✓	✓	✓	✓	



OPERATING MODEL AND LEADERSHIP

Empowered country leadership with strategic support from the Corporate Center and increased focused on technology and digital





1H 2021
financial review

DIA SLASHES LOSSES BY 44% IN THE FIRST HALF OF THE YEAR

P&L Summary (€ million)	1H 2021	1H 2020	Change (%)
Net Sales	3,193.7	3,515.2	-9.1%
Gross Profit	719.0	761.1	-5.5%
EBITDA	142.7	176.9	-19.3%
Adjusted EBITDA ⁽¹⁾	47.7	59.7	-20.0%
EBIT	(55.7)	(52.0)	-7.1%
Financial results	(34.8)	(131.7)	+73.6%
Net Result	(104.8)	(187.7)	+44.2%

Key highlights

- **Net Sales** impacted by 6% decrease in the store count, FX effects in Brazil and Argentina and difficult comparison due to 2020 Covid-19 restrictions
- **Gross Profit** up 86 bps as a percentage of Net Sales on positive operational improvements
- **Adjusted EBITDA** positive of 1.5% (1.7% 1H 20) thanks to improved gross margin supported by continued cost discipline
- **Financial Results** improved 74% driven by effective FX risk management
- **Net Result** shows a 44% cut in losses compared to the same period last year on the back of operational and financial improvements

1. See APMs for definition

NET SALES IMPACTED BY STREAMLINED STORES NETWORK, COVID COMPARISON AND CURRENCY EFFECTS

(€ million)	Net Sales			Like-for-Like ⁽¹⁾	
	1H 2021	1H 2020	Change (%)	1H 2021 Vs 1H 2020	1H 2020 Vs 1H 2019
Spain	2,089.7	2,264.2	-7.7%	-7.0%	13.9%
Portugal	296.3	309.2	-4.2%	-5.3%	9.3%
Brazil	381.7	483.6	-21.1%	4.3%	2.7%
Argentina ⁽²⁾	426.0	458.3	-7.1%	-3.9%	-0.9%
Total Group	3,193.7	3,515.2	-9.1%	-5.0%	8.7%
Total Stores ⁽³⁾	5,993	6,400	-6.4%		

- Performance during the first semester in terms of Like-for-Like Sales affected by comparison with period of exceptional stockpiling during the second quarter of 2020 due to mobility restrictions related to Covid-19.

1. See APMs for definition
 2. Net Sales expressed at IAS29
 3. At end of period

NET SALES IMPACTED BY STREAMLINED STORES NETWORK, COVID COMPARISON AND CURRENCY EFFECTS

SPAIN



Net sales fell by 8% with 5% fewer stores. Promising evolution in refurbished stores.

PORTUGAL



Net sales drop by 4% were affected by reduced store opening times and 12% fewer stores due to Clarel business closing.

BRAZIL



Net sales were down 5% in local currency¹ year-on-year, with 14% fewer stores due to legacy franchised store closings. Like-for-Like sales positive over the second quarter despite challenging macroeconomic environment.

1. 17% devaluation of Brazilian Real compared to the same period of 2020.

ARGENTINA



Net sales up 33% in local currency² on the back of improved operating results in a challenging macroeconomic environment.

2. 35% devaluation of Argentinean Peso compared to the same period of 2020.

RESILIENT ADJUSTED EBITDA THANKS TO OPERATIONAL AND COMMERCIAL IMPROVEMENTS

Adjusted EBITDA ⁽¹⁾ (€ million)	1H 2021	1H 2020	Change (%)
Total Group	47.7	59.6	-19.9%
Spain	37.4	52.5	-28.8%
Portugal	5.0	6.0	-16.3%
Brazil	(5.9)	(7.7)	-23.7%
Argentina	11.2	8.8	27.5%

- **Group Adjusted EBITDA** resilient to the drop of sales with a margin of 1.5% as a percentage of sales (vs.1.7% 1H 2020)
- **Spain and Portugal** affected by the reduction in sales volume and higher maintenance and utilities costs
- **Brazil** 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 labor costs
- **Argentina** margin improvement thanks to the cost reduction drive and despite the negative effect of sales volumes

1. See APMs for definition

BALANCE SHEET – PREVIOUS TO CAPITAL INCREASE AND DEBT REFINANCING TRANSACTIONS CLOSED IN AUGUST AND SEPTEMBER

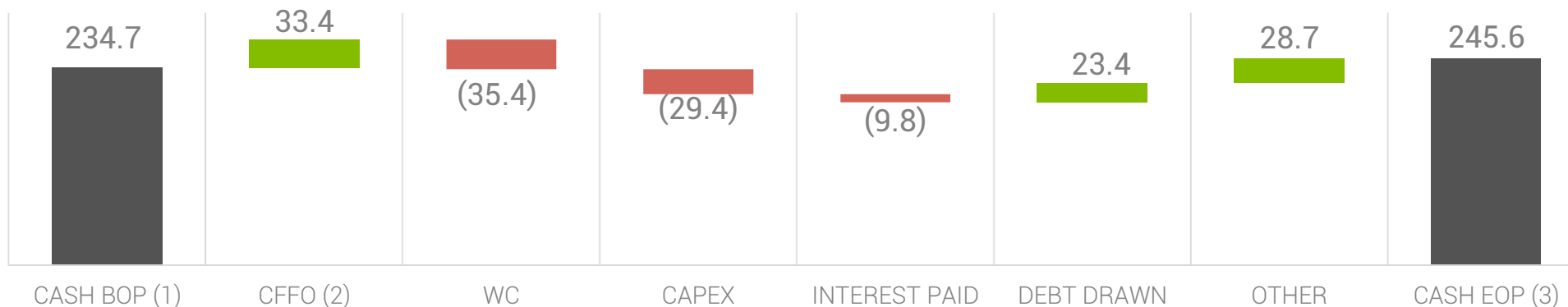
(€ million)	1H 2021	2020
Non-current assets	2,049.2	2,044.6
Inventories	434.6	445.8
Trade & Other receivables	156.5	128.4
Other current assets	73.6	69.3
Cash & Cash equivalents	245.6	347.0
Non-current assets held for sale	0.1	0.4
Total Assets	2,959.6	3,035.4
Total equity	(785.2)	(697.2)
Non-current borrowings	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
Total Equity & Liabilities	2,959.6	3,035.4

KEY HIGHLIGHTS

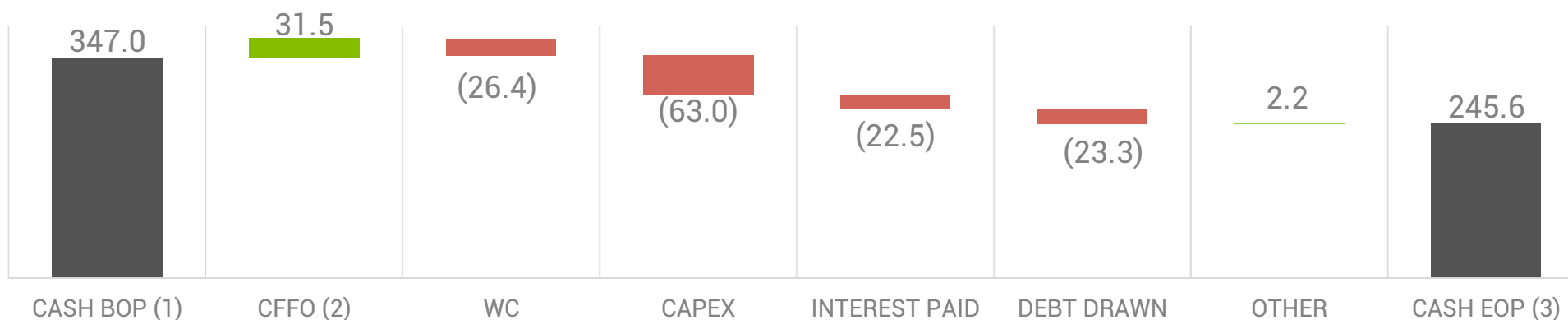
- **Trade Working Capital** down 26m to (583)m because of an increase in receivables deriving from the new franchise model and a drop in sales
- **Shareholder's equity balance of Parent Company** of negative 49.9m (negative 41.8m as of December 2020)
- **The successful closing of the recapitalization and refinancing transaction** strengthens DiA's Balance Sheet, distancing it from the legal cause of dissolution and establishing a sustainable long-term capital structure
- **Proforma net shareholders' equity** of Parent Company post capital increase of 978m.

POSITIVE CASH FLOW FROM OPERATIONS

2Q 2021 Cash Flow Evolution (€ million)



1H 2021 Cash Flow Evolution (€ million)



1. Beginning of Period

2. CFFO calculated as "Net Cash from Operations before changes in Working Capital" less "Payment of Financial Leases"

3. End of Period

DIA

Closing Remarks



CLOSING REMARKS

Cada **DÍA**  más **cerca**

Capitalization and refinancing **transaction completed** thanks to the support of all shareholders and lenders, significantly reducing company indebtedness and establishing an optimal capital structure. Looking forward to continuing to work hand-in-hand with all.

2021 Priorities focused on continued evolution of customer centric modern proximity retailer, supported by the strengthened franchise model, refurbished stores and innovative online and express delivery solutions, showing Adjusted EBITDA improvement.

Clear strategic roadmap driving DIA's purpose – to become closer to our Customers, Franchisees, Suppliers and Employees.



DÍA

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