Financial Results for 2021

DIA reaches €124 million of Adjusted EBITDA maintaining 2020 levels in an environment of rising electricity and raw materials costs

The execution during year 2021 of strategic priorities has focused on commercial offer improvements, mainly in fresh and private label, deployment of an updated franchise partnership and new store model roll out as the basis of the new proximity concept

Preservation of Adjusted EBITDA, 1.1% higher than in 2020 and despite a reduction of 3.4% in Net Sales, reflects the positive results of ongoing operational management and cost control

Net financial debt down by 68% due to 1.028 billion euros capital increase success and debt refinancing completed in the third quarter 2021

DIA Executive Chairman, Stephan DuCharme, said:

"More than two years ago, DIA Group began a new stage marked by a thorough transformation of its strategy, business model, processes and offering, but, above all, of its way of doing things and understanding relationships as an organisation.

During 2021, at DIA Group we have carried out significant progress in the implementation of our strategic roadmap through a number of initiatives in the four geographical areas, which are producing very satisfactory results. These initiatives range from the commercial and operational areas to the field of franchising and technology in all four geographical areas.

Customers are having the opportunity, after a long time, to rediscover DIA and, with it, a different way of understanding shopping. The sales increases that we are seeing in our new proximity stores, as well as the increase in the weight of fresh and private label products sales, as well as and the improvement in our customer and franchisee satisfaction levels, endorse our progress.

We still have a long way to go, but we are confident that we know the steps we must take to reach our strategic goal, to make Grupo DIA the preferred experience for proximity shopping and a leading operator in the distribution of food in the geographies in which we operate. To do this, we place customers at the heart of everything we do and work to regain their trust and that of all the stakeholders who continue to support us every day."

2021 – KEY FINANCIAL DATA[1] (figures in millions of euros)

	2021	2020	Change (%)
Like-for Like sales growth (%)	-3.6%	7.6%	n/a
Net Sales	6,647.7	6,882.4	-3.4%
Gross Profit	1,488.7	1,498.5	-0.7%
Adjusted EBITDA	124.3	122.9	1.1%
EBIT	(176.0)	(182.1)	3.3%
Net attributable result	(257.3)	(363.8)	29.3%
Total net financial debt	404.1	1,276.3	(872.2)

- The 2020 financial year was marked by extraordinary supply purchases due to Covid-19 related mobility restrictions, which have been normalised in 2021, reducing Like-for-Like sales by 3.6%. The group's net sales reached 6.648 billion euros, with a 5% increase in like-for-like sales compared to 2019 levels, prior to the pandemic.
- Gross Profit (as a percentage of Net Sales) increased during the year, from 21.8% to 22.4% on net sales, supported by the commercial, operational, and logistics improvements implemented.
- Adjusted EBITDA reached 124.3 million euros, representing a margin of 1.9%, after deducting energy cost overruns and one-off operating costs associated with store refurbishments amounting to 56.0 million euros. Isolating these effects, Adjusted EBITDA would have increased to 180.3 million euros, which represents 2.7% of net sales.
- At Net Attributable Result level, net loss was reduced by 29.3%, to 257.3 million euros, supported by a reduction in financial expenses of 60.2% thanks to the active management of foreign currency risk and lower financing costs.
- Net Financial Debt was reduced to 404.1 million euros (1.276 billion euros as of December 2020) after the capital increase of 1.027 billion euros executed in August 2021 which, together with the debt refinancing carried out during the year 2021, has allowed us to ensure a stable capital structure.

- END-

MEDIA

Email: comunicacion@diagroup.com

INVESTOR RELATIONS

Email: investor.relations@diagroup.com

INVESTOR PRESENTATION DETAILS FOR PARTICIPANTS:

Date: March 1st, 2022 at 10:00 a.m. CET

Webcast Link: DIA GROUP - Full Year 2021 Results Presentation

[1] The definition, use and reconciliation of the alternative performance measures used in this note are detailed in the Annual Management Report

OPERATIONAL UPDATE

2021 has been a year of great progress for DIA, where we have advanced substantially in the execution of the strategy to fulfill our purpose of being CLOSER EVERY DAY. To this end, we have worked on the implementation of the main transformation pillars announced in May 2020 and which are showing satisfactory results:

- ✓ Redefining the proximity store concept we all want, with new models already implemented in Spain, Argentina, and Portugal, where we have transformed over 1000 stores. In addition, Brazil has launched a store test, to confirm that the value proposition we are working on complies with our customers' expectations..

- ✓ Developing the ideal assortment through the renewal of private label and fresh produce, launching approximately 2,000 private label references in the last two years, identified as "*superbrands*", raising even more the quality of our products and improving their value perception by our customers.

- ✓ Consolidating the partnership with our franchisees, an example of the value of local entrepreneurship, strengthening the new franchise model and creating spaces to meet with and listen to stakeholders. The new franchise model has been implemented in almost the entire network of stores in Spain and Portugal. In Argentina, the new model has been implemented in 75% of the store network and Brazil has established the new model and is ready for roll-out in 2022.

- ✓ Driving our digital evolution, designing a joint approach between our business units and the technology specialists to drive business growth in coming years. In addition, launching the Product unit has provided us with a key accelerator for technological projects and solutions, such as the eCommerce platform and Express Delivery, among others.

- ✓ Reinforcing our CERCA values ("Close" in Spanish) (Customer, Entrepreneurship, Results, Confidence, and Learning) in order to guide our employees towards the construction of a new culture focused on customers and based on close, transparent and trusting relationships with our collaborators, franchisees, and investors.

- ✓ Launching our 2021-2023 sustainability plan, with the aim of responding to the main current challenges, focusing on having an impact based on our strength: proximity.

- ✓ And, as a key element in consolidating our evolution, this year we have managed to strengthen our capital and debt structure, providing the company with financial stability.

Despite these important advances, we continue to find ourselves in an ever-changing environment, with new market dynamics and a complex economic and social environment. Covid-19 continues to be a reality, not only in terms of health, but also its impact on the mobility of people and goods and that together with other macroeconomic factors affects to the production and cost of raw materials, products, and technological components, as well as on consumption habits and trends. This instability continues to rewrite the rules of the game, as may be the case with the cost of electricity, especially in countries such as Spain and Portugal, and with inflationary cost processes in all of the geographies.

At DIA, we work to adapt to the reality of each market, with the confidence that we have the human talent to carry out our roadmap to make DIA a profitable company in a sustainable and solid way.

STORE NETWORK

SUMMARY OF GROUP STORES	Owned	Franchises	Total
Total stores as of 31 December 2020	3,487	2,682	6,169
New openings	37	46	83
Net transfers from owned stores to franchises	-82	82	0
Closures	-215	-100	-315
Total DIA GROUP stores as of 31 December 2021	**3,227**	**2,710**	**5,937**
SPAIN	**Own**	**Franchises**	**Total**
Total stores as of 31 December 2020	2,441	1,477	3,918
New openings	23	17	40
Net transfers from owned stores to franchises	-172	172	0
Closures	-101	-68	-169
Total DIA SPAIN stores as of 31 December 2021	**2.191**	**1.598**	**3.789**
PORTUGAL	**Own**	**Franchises**	**Total**
Total stores as of 31 December 2020	298	267	565
New openings	11	2	13
Net transfers from owned stores to franchises	-35	35	0
Closures	-72	-7	-79
Total DIA PORTUGAL stores as of 31 December 2021	**202**	**297**	**499**
BRAZIL	**Own**	**Franchises**	**Total**
Total stores as of 31 December 2020	462	317	779
New openings	3	0	3
Net transfers from owned stores to franchises	131	-131	0
Closures	-26	-19	-45
Total DIA BRAZIL stores as of 31 December 2021	**570**	**167**	**737**
ARGENTINA	**Own**	**Franchises**	**Total**
Total stores as of 31 December 2020	286	621	907
New openings	0	27	27
Net transfers from own stores to franchises	-6	6	0
Closures	-16	-6	-22
Total DIA ARGENTINA stores as of 31 December 2021	**264**	**648**	**912**

The Group as a whole has converted a net total of 82 own stores to franchised, driven by the reactivation of outsourcing through the new franchise model in Spain and Portugal. This has translated into 172 and 35 net stores transferred from own to franchises, respectively. Brazil remains inmersed in the process of optimising its franchise network, converting 131 net franchised stores into own during the year, as a prior step to the deployment of the new franchise model. In Argentina, 6 net stores were transferred from owned into franchised.

The Group has closed 244 stores (169 strategic closures in Spain, 45 in Brazil, 22 in Argentina and 8 in Portugal). In addition, during year 2021 Clarel business in Portugal was closed, representing 71 stores.

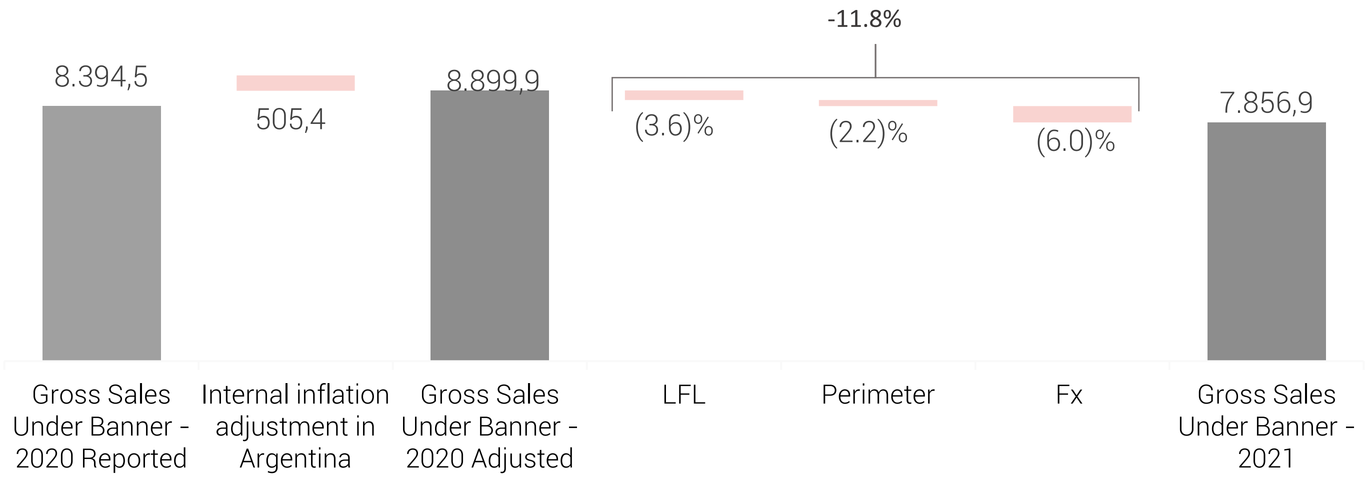
On the other hand, 83 new stores have been opened (55% as franchises and 45% as own stores) distributed in the 4 geographies in which the Group operates (40 in Spain, 27 in Argentina, 13 in Portugal and 3 in Brazil).

At the end of the year, the Group operated a sales area of 2.298 million square meters, 3.0% lower than the sales area operated at the end of 2020.

GROUP FINANCIAL RESULTS –2021

(€ million)	2021	2020	Change (%)
Gross sales under banner	**7,856.9**	**8,899.9**	**-11.7%**
Like-for-Like sales growth (%)	*-3.6%*	*7.6%*	
Net Sales	**6,647.7**	**6,882.4**	**-3.4%**
Cost of goods sold & other income	(5,159.0)	(5,383.9)	-4.2%
Gross profit	**1,488.7**	**1,498.5**	**-0.7%**
Labour costs	(692.4)	(735.6)	-5.9%
Other operating expenses & leases	(430.8)	(391.3)	10.1%
Restructuring and LTIP costs	(66.5)	(69.7)	-4.6%
EBITDA	**299.0**	**301.9**	**-1.0%**
Amortisation & depreciation	(393.0)	(426.5)	-7.9%
Impairment of non-current assets	(59.1)	(26.4)	123.9%
Losses on disposal of fixed assets	(22.9)	(31.1)	-26.4%
EBIT	**(176.0)**	**(182.1)**	**-3.3%**
Net financial expense	(67.5)	(169.8)	-60.2%
EBT	**(243.5)**	**(351.9)**	**-30.8%**
Corporate taxes	(13.9)	(11.9)	16.8%
Consolidated result	**(257.3)**	**(363.8)**	**-29.3%**
Discontinued operations	-	-	n/a
Net attributable result	**(257.3)**	**(363.8)**	**-29.3%**

Components of Gross Sales Growth Under Banner



- Group's Net Sales have been affected by 3.8% reduction in the number of stores at the end of the period, as well as the devaluation of the Brazilian real and the Argentinean peso (9% depreciation in the case of Brazil when comparing the average exchange rate of 2021 and 2020; and 11% in Argentina since in this case, considering this economy as hyperinflationary under the application of IAS29, the closing exchange rate of 2021 and 2020 was the reference taken). Revenues from owned stores represented 64.6% of the Group's Net Sales, compared to 32.9% of franchise stores and 2.5% of online and other activity.
- Group's Like-for-Like Sales reached -3.6%, with a comparison distorted by the extraordinary supply purchases experienced by the Group in 2020 in all markets and reaching a Like-for-Like growth of 7.6% during the 2020 financial year. The increase of Like-for-Like sales compared to pre-pandemic levels in 2019 was 5.0%.
- Gross Profit (as a percentage of Net Sales) increased to 22.4% from 21.8% year-on-year, thanks to commercial and operational improvements, including logistics optimization and reduction of food waste.
- Personnel expenses slightly decreased by 0.3% to 10.4%, as a percentage of Net Sales, partly impacted by the beginning of franchising of own stores, but negatively affected by additional staff needs due to Covid-19.
- Other operating expenses (as a percentage of Net Sales) increased from 5.7% to 6.5%, strongly impacted by the increase in electricity cost. At a Group level, this meant an additional cost of 39.9 million euros (mainly in Spain), as well as expenses related to the process of remodelling stores which have entailed 16.1 million euros cost in the Group compared to 2020.
- EBITDA remained stable at 4.5% of Net Sales (4.4% in 2020) due to the increase in Other Operating Expenses and Restructuring Costs related to the rationalisation of the organisational structure and franchising process launched in the third quarter of 2020.

EBIT to adjusted EBITDA reconciliation	2021	2020	Change
EBIT	**(176.0)**	**(182.1)**	**6.1**
Amortization & depreciation	393.0	426.5	(33.5)
Impairment of non-current assets	59.1	26.4	32.7
Losses on disposal of fixed assets	22.9	31.1	(8.2)
EBITDA	**299.0**	**301.9**	**(2.9)**
Restructuring costs	55.4	58.1	(2.7)
Long-term incentive programme (LTIP)	11.1	11.6	(0.5)
Lease effect (IFRS 16)	(267.1)	(270.1)	3.0
Hyperinflation effect (IAS 29)	26.0	21.3	4.7
Adjusted EBITDA	**124.3**	**122.9**	**1.4**

- Adjusted EBITDA reached 1.9% as a percentage of Net Sales, remaining at levels similar to those of 2020 (1.8% as a percentage of net sales). In absolute terms, Adjusted EBITDA increased by 1.4 million euros, mitigating the 234.7 million euros decrease in Net Sales, reflecting the positive results of improved ongoing operational management and cost control. If we isolate the impact of 39.9 million euros of additional energy costs and the 16.1 million euros of costs related to store remodelling, the Adjusted EBITDA would have reached 180.3 million euros, which would represent 2.7% of the Net Sales of the year and an increase of 46.7% compared to the previous year. This clearly reflects an improvement in the Company's operations.
- Amortisation decreased by 7.9% compared to 2020, due to the strategic closure of stores and warehouses. It has been reduced from 6.2% in 2020 to 5.9% in 2021 as a percentage of Net Sales.
- Net Result stood at -257.3 million euros, representing a loss reduction of 29.3% compared to the end of 2020, thanks to the 60.2% reduction in financial losses, helped by active exchange rate risk management and lower financial expenses following the capitalisation and refinancing operation carried out in September 2021.

COUNTRY PERFORMANCE OVERVIEW - 2021

Spain	2021	%	2020	%	Variation
Gross sales under banner	5,002.8		5,357.7		-6.6%
Like-for-like sales growth	-5.2%		11.3%		
Net Sales	4,209.8		4,508.8		-6.6%
Adjusted EBITDA	92.6	2.2%	99.6	2.2%	-7.0%

Net Sales were reduced by 6.6%, with 3.3% fewer stores. The performance in 2021 was affected by a comparative base marked by additional stocking purchases during the 2020 lockdowns. Compared to 2019, Like-for-Like sales growth in Spain was 4.9%.

Adjusted EBITDA remained at 2.2% despite the increase in energy costs, as well as operating expenses derived from store remodelling (51.2 million euros), which have been higher than the non-recurring costs of protective material and personnel expenses incurred due to Covid-19 in the first half of 2020, as well as legal provisions recognised in the first half of 2020 and the reduction in rental spending. The increase of energy costs and operating costs related to remodellings have decreased the Adjusted EBITDA margin in Spain by 1.2 percentage points.

Portugal	2021	%	2020	%	Variation
Gross sales under banner	806.1		862.9		-6.6%
Like-for-like sales growth	-4.3%		6.1%		
Net Sales	592.9		630.0		-5.9%
Adjusted EBITDA	11.9	2.0%	17.2	2.7%	-30.8%

Net Sales were affected by 11.7% lower store base and restrictions on opening hours for much of the year. 2021 was also affected by an exceptional comparative base for the year 2020. Compared to the year 2019, Like-for-Like sales growth in Portugal was 2.3%

Adjusted EBITDA decreased by 70 base points affected by the drop in sales volume and higher maintenance and utility expenses.

Brazil	2021	%	2020	%	Variation
Gross sales under banner	886.7		1,045.6		-15.2%
Like-for-like sales growth	0.6%		7.1%		
Net Sales	802.1		929.8		-13.7%
Adjusted EBITDA	(10.6)	-1.3%	(13.8)	-1.5%	-23.2%

Net Sales decreased by 13.7% in year-on-year terms due to the 5.4% decrease in the number of stores after the strategic closure of unprofitable locations and a depreciation of the Brazilian real of 9%. Compared to 2019, Like-for-Like sales growth in Brazil was 7.6%.

Adjusted EBITDA improved by 3.2 million euros and improved in terms of margin, offsetting the negative effects of legacy franchisees issues and the increase in the operating and labor costs.

Argentina	2021	%	2020	%	Variation
Gross sales under banner	1,161.4		1,633.8		-28.9%
Like-for-like sales growth	-0.5%		-1.7%		
Net Sales	1,042.9		813.8		28.2%
Adjusted EBITDA	30.4	2.9%	19.9	2.4%	52.8%

Net Sales increased by 28.2%, marked by exceptional performance driven by the success of the operational and commercial measures implemented and inflation higher than the currency devaluation. Compared to 2019, Like-for-Like sales growth in Argentina was -1.4%.

Adjusted EBITDA increased by 50 base points driven by the cost reduction plan. Adjusted EBITDA margin over net Sales calculated excluding inflation in Argentina would be 3.3%.

BALANCE SHEET

(€ million)	2021	2020
Non-current assets	2,018.2	2,044.6
Inventories	452.0	445.8
Trade & Other receivables	178.0	128.4
Other current assets	61.5	69.3
Cash & cash equivalents	361.1	347.0
Non-current assets held for sale	-	0.4
Total assets	**3,070.8**	**3,035.4**
Total equity	93.6	(697.2)
Non-current borrowings	1,023.2	1,625.8
Current borrowings	272.5	589.0
Trade & Other payables	1,274.8	1,183.4
Provisions & other liabilities	406.7	334.4
Liabilities associated with assets held for sale	-	-
Total equity & liabilities	**3,070.8**	**3,035.4**

As of 31 December 2021, the shareholder's equity balance in the standalone financial statements of the Parent Company (which are those used to calculate the obligation of legal dissolution or capital increase) amounted to 837.8 million euros (negative 41.8 million euros as of December 2020), after the capital increase completed in August 2021.

WORKING CAPITAL

Working Capital	2021	2020	Variation
Stocks (A)	452.0	445.8	6.2
Commercial debtors and other accounts receivable (B)	178.0	128.4	49.6
Commercial creditors and other accounts payable (C)	1,274.8	1,183.4	91.4
Working Capital (A+B-C)	**(644.8)**	**(609.2)**	**(35.5)**

Working capital improved by 35.5 million despite a reduction in net sales of 234.7 million in the period. This improvement was due to better payment terms, which offset the increase in the account of commercial debtors and other accounts receivable derived mainly from the implementation of the new franchise model that seeks a real partnership with local entrepreneurs we work with, contributing to the improvement of their profitability.

As of December 2021, and December 2020, the Group had no non-recourse factoring lines used. The amount of confirming used by the Group stood at €244.0 million on 31 December 2021 (December 2020: €248.1 million).

INVESTMENT (CAPEX)

Investment by country	2021	2020	Variation (%)
Spain	159.7	60.0	166.2%
Portugal	22.1	10.4	112.5%
Argentina	35.5	7.6	367.1%
Brazil	28.4	5.4	425.9%
Total Group	**245.7**	**83.3**	**195.0%**

Investment expenditure (CAPEX) in 2021 increased by 195%, mainly due to the implementation of the store remodelling plan related to the new DIA proximity concept, which at the end of year 2021 included the remodeling of 800 stores in Spain, 112 stores in Portugal and 168 in Argentina, with a Group investment of 142.9 million euros.

SUMMARY OF CASH FLOWS –2021

(€ million)	2021	2020
Net cash from operations before changes in working capital	**346.7**	**371.9**
Changes in working capital	**35,5**	**1.3**
Changes in other receivables and payables	(27.9)	17.3
CASH FLOW FROM OPERATING ACTIVITIES (A)	**354.4**	**390.5**
Capex	(245.7)	(83.3)
Disposals of fixed assets & other	74.1	59.6
CASH FLOW USED IN INVESTING ACTIVITIES (B)	**(171.5)**	**(23.7)**
Capital Increase	257.3	-
Debt drawdowns & repayments	(90.8)	140.5
Interest paid and other financial expenses	(65.3)	(48.3)
Lease finance payments	(272.6)	(284.6)
Other	13.9	28.7
CASH FLOW USED IN FINANCING ACTIVITIES (C)	**(157.4)**	**(163.8)**
Net foreign exchanges differences (D)	(11.4)	(19.6)
CHANGES IN CASH FLOW OVER PERIOD (A+B+C+D)	**14.1**	**183.4**
Cash and Cash equivalents as at beginning of period	**347.0**	**163.6**
Cash and Cash equivalents as at end of period	**361.1**	**347.0**

Cash flow during 2021 was positive, driven by the capital increase operation, which entailed, after discounting all expenses related to it, an injection of 257.3 million euros.

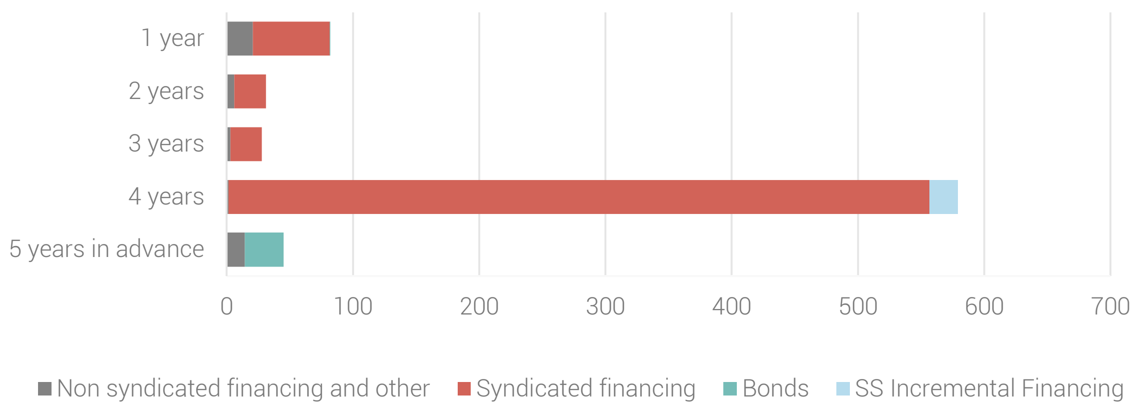
NET FINANCIAL DEBT

Net debt reconciliation	2021	2020	Variation
Non-current borrowings	1,023.2	1,625.8	(602.6)
Current borrowings	272.5	589.0	(316.5)
Cash and cash equivalents	(361.1)	(347.0)	(14.1)
Total Net Debt	**934.6**	**1,867.8**	**(933.2)**
Effect of leases (debt) (IFRS 16)	(530.4)	(591.5)	61.1
Net Financial Debt	**404.1**	**1,276.3**	**(872.2)**

Total Net Financial Debt decreased drastically by 872.2 million euros in 2020 to 404.1 million euros, resulting from the capital increase operation, a positive cash flow from operations, an increasing CAPEX and, to a lesser extent, a reduction in working capital.

Maturity profile of gross debt disposed to as of 31 December, 2021 (excl. IFRS16): 765.2 million euros

	2022	2023	2024	2025	2026 onward	Total
Non syndicated facilities & other	20.8	6.0	2.9	1.5	14.3	**45.4**
Financing from Syndicated Lenders	60.8	25.0	25.0	555.1	-	**665.9**
Bonds	0.5	-	-	-	30.8	**31.3**
SS Incremental Financing	-	-	-	22.6	-	**22.6**
Total	**82.0**	**31.0**	**27.9**	**579.2**	**45.1**	**765.2**



(*) Lease payments not included (IFRS16).

On 24 March 2021, as a result of negotiations held between DIA, L1R, DEA Finance and their Syndicated Creditors, DIA reached an agreement with all its Syndicated Creditors (the "Lock-Up Agreement") that would provide an avenue for a global capitalization and refinancing operation (the "Global Transaction") whose implementation guarantees a stable long-term capital and financial structure for DIA Group, enabling the management team to focus entirely on the execution of the business plan.

The Global Transaction included the following main elements (mutually conditional):

(i) Capital increase in DIA amounting to 1.027 billion euros, in two tranches, and which was completed on 6 August 2021:

(a) A tranche of credit capitalisation for a total amount of 769.2 million euros, to be subscribed by L1R through compensation of credits corresponding to the following financial debt of DIA Group (these credits were acquired in April 2021 by L1R from DEA Finance prior to its capitalisation), at the nominal value of said debt:

- 200 million euros that DIA Finance, S.L. ("DIA Finance") owed to DEA Finance as principal under the super senior term loan facility (the "SS Facility") (this debt was transferred from DIA Finance, S.L. to DIA in April 2021).
- €292.6 million owed by DIA to DEA Finance as principal under the bonds issued by DIA for an aggregate principal amount of 300 million euros, with a coupon of 1,000% and maturing on 28 April 28 2021 (the "2021 Bonds") and which before maturity were transferred from DEA Finance to L1R for subsequent capitalisation. The remaining amount of 2021 Bonds not owned by DEA Finance were repaid by DIA on their maturity date of 28 April 2021;
- 7.4 million euros of debt under a loan granted by L1R in April 2021 to DIA to finance (or refinance) DIA's payment of the principal of the 2021 Bonds to holders of 2021 Bonds other than DEA Finance (or L1R) on 28 April 2021 (referred to in paragraph (x) above); and
- €269.2 million owed by DIA to DEA Finance as principal under the bonds issued by DIA for an aggregate principal amount of 300 million euros, with a coupon of 0.875% and maturing on 6 April 2023 (the "2023 Bonds") and which were transferred by DEA Finance to L1R in April 2021; and

(b) a cash tranche amounting to up to 258.6 million euros, reserved in the first instance for all shareholders other than L1R, so that they could exercise their pre-emptive subscription rights and subscribe for new shares until they maintained their percentage of participation in the share capital prior to the capital increase at the same issue price as the new shares to be issued in the credit capitalisation tranche. The funds raised in the cash tranche would be available to DIA for general corporate purposes, including accelerating its business transformation plan. The cash tranche would be subject to the subscription rounds, and proration rules in case of over-subscription, common in this type of operation, and would not be insured in case of incomplete subscription.

(ii) the amendment and recasting of the existing syndicated financing agreement for a total amount of 973.2 million euros (the "SFA") to (a) extend the maturity date of Facilities A-F (totalling 902.4 million euros) (the "Senior Facilities") from 31 March 2023 to 31 December 2025, and (b) modify other terms and conditions of the SFA (as detailed in note 13.1 to the Financial Statements).

(iii) the modification of the terms and conditions of the 2023 Bonds amounting to 30.8 million euros to (a) extend their maturity date from 6 April 2023 to 30 June 2026 and (b) increase the coupon from the date of modification to 3.5% per annum (3% cash and 0.50% PIK), plus an interest increase of 1% PIK in certain circumstances where applicable under the SFA (the "2023 Bond Amendment"). On 20 April 2021, the parent company announced that the meeting of bondholders of the 2023 Bonds held that same day had approved the Modification of the 2023 Bonds and that it would enter into force upon the fulfilment or waiver of the remaining conditions to which the effectiveness of the Global Operation and other conditions customary in this type of modifications were subject; and

(iv) the extension of the maturity dates of certain bilateral lines and credit lines subscribed between several companies of the DIA Group with some of the Syndicated Creditors or entities of their respective groups (the "Bilateral Lines").

The effectiveness of the Global Transaction (and, therefore, of the main elements (i) to (iv) above) was subject to the fulfilment or waiver of certain suspensive conditions on or before the deadlines indicated therein and that were considered fulfilled as detailed in note 13.1 of the Financial Statements, resulting in the execution of the Global Operation, on 2 September 2021.

The capitalisation of DIA Group in an amount of up to 1.027 billion euros, together with the release of a financial liability of 769.2 million euros corresponding to the cancellation of the principal amount under the SS Facility, the 2021 Bonds and the 2023 Bonds, together with the extension of the maturity dates of Senior Facilities, the remaining 2023 Bonds and bilateral lines, as well as the injection of additional liquidity of up to 258.6 million euros from the cash tranche of the capital increase, makes it possible to recover and significantly strengthen DIA's net worth (which was in a negative equity situation as of 30 June 2021), substantially reduce the financial indebtedness of DIA Group, eliminate refinancing risk in the medium term, significantly reduce the DIA Group's interest burden, provide additional liquidity to ensure operational financing needs are met, enhance and accelerate DIA's ability to access financial debt markets on normalised terms, and provide a stable long-term capital structure for DIA. .

AVAILABLE LIQUIDITY

Available liquidity	2021	2020	Variation
Cash and cash equivalents	361.1	347.0	14.1
Available lines of credit	154.3	50.2	104.1
Total Liquidity	**515.4**	**397.2**	**118.2**

Available Liquidity amounted to 515.4 million euros (December 2020: 397.2 million euros), of which 361.1 million euros correspond to cash and cash equivalents and 154.3 million euros to undrawn bank financing and confirming lines.

EXCHANGE RATE CHANGE

Exchange rate change	2021	2020	Variation
Argentinean Peso / Euro (annual closing rate)	0.009	0.010	-11.3%
Brazilian Real / Euro (average rate of the period)	0.157	0.172	-8.8%

Bloomberg average exchange rates (a negative change in rates implies a depreciation against the Euro).

EVENTS AFTER CLOSING THE PERIOD

On 28 January 2022, the parent company made a cash contribution of 25.7 million euros to DIA Brazil.

ALTERNATIVE PERFORMANCE MEASURES (APM)

Alternative performance measures used by the Group and whose definition, use and reconciliation are detailed in the Management Report for the first half of 2021 are the following:

- Gross sales under banner
- Like-for-Like sales growth
- Gross Profit
- Adjusted EBITDA
- Capex
- Net financial debt
- Available liquidity
- Working capital (commercial)

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