Audit Report on the Financial Statements
issued by an Independent Auditor

DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN, S.A.
Financial Statements and Management Report
for the year ended
December 31, 2024

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INDEPENDENT AUDIT REPORT ON THE FINANCIAL STATEMENTS

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Distribuidora Internacional de Alimentación, S.A.:

Audit report on the financial statements

Opinion

We have audited the financial statements of Distribuidora Internacional de Alimentación, S.A. (the "Company"), which comprise the balance sheet at December 31, 2024, the income statement, the statement of changes in equity, the statement of cash flows, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting framework applicable in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and policies contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *"Auditor's Responsibilities for the Audit of the Financial Statements"* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned regulations.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of property, plant and equipment and investments in group companies

Description	As explained in Notes 6, 9, and 10.a) to the accompanying financial statements, at December 31, 2024, the Company recorded property, plant and equipment amounting to 5,649 thousand euros and investments related to equity instruments as well as loans and current accounts granted to group companies amounting to 672,561 thousand euros and 42,431 miles thousand euros, respectively. For purposes of measuring the value of property, plant and equipment, the carrying amount of these non-current assets is assigned to each of the corresponding cash-generating units, which in the case of the Company is determined at store level. Each subsidiary tests for impairment loss on investments in group companies, taking into account both the shares and the remaining loans pending collection from the various companies. Company management assesses, at least at the end of each reporting period, whether there are indications of impairment and writes down these investments whenever there is objective evidence that the carrying amount of property, plant and equipment and investments in group companies is no longer recoverable, recognizing an impairment loss for the amount of the difference between the carrying amount and recoverable amount. In both cases, the recoverable amount is determined taking into account the value in use of cash-generating units, as applicable. Since determining recoverable amount requires Company management to make estimates using significant judgment to establish the assumptions used for these estimates, we determined this to be a key audit matter. Information on the measurement standards applicable to property, plant and equipment and investments in group companies is provided in Notes 4.c) 4.e) and 4.g) viii to the accompanying financial statements.
Our response	Our audit procedures related to this matter included: ▶ Understanding the process designed by Company management to determine whether there are indications of impairment as well as the recoverable amount property, plant and equipment and investments in group companies, and assessing the design and implementation of the relevant controls in place in that process, involving our valuation specialists. ▶ Evaluating management's analysis of indications of impairment and reasonableness of the methodology used and the principal assumptions made to determine the recoverable amount of property, plant and equipment and investments in group companies (in particular, with regard to the assumptions underlying projected cash flows and long-term growth and discount rates), with the involvement of our valuation specialists.

- Contrast of the coherence and reasonableness of the projecting future profit used as the basis for determining the recoverable value of fixed assets and investments in group companies, with the 2025-2029 business plan, sensitized and approved by the Board of Directors.
- Assessing, with the involvement of our valuation specialists, the sensibility of the analyses used to evaluate changes in the main assumptions used.
- Reviewing the disclosures made in the notes to the financial statements, assessing whether they are in conformity with the applicable financial reporting framework.

Other information: Management report

Other information refers exclusively to the 2024 management report, the preparation of which is the responsibility of the company's directors and is not an integral part of the financial statements.

Our opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that the non-financial statement and certain information included in the Corporate Governance Report and the Annual Report on Remuneration of Directors, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the Company obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in a) above has been provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2024 financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit and compliance committee for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position, and results of the Company, in accordance with the financial reporting framework applicable to the Company in Spain, identified in Note 2.a) to the accompanying financial statements, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or where there is no other realistic alternative but to do so.

The audit and compliance committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the financial statement auditing standards prevailing in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the management company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the use by the directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit and compliance committee of the Company regarding, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit and compliance committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit and compliance committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legally stipulated disclosure requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of Distribuidora Internacional de Alimentación, S.A. for the 2024 financial year, consisting of an XHTML file containing the financial statements for the year, which will form part of the annual financial report.

The directors of Distribuidora Internacional de Alimentación S.A. are responsible for submitting the annual financial report for the 2024 financial year in accordance with the format requirements established by Commission Delegated Regulation (EU) 2019/815, of December 17, 2018 (the "ESEF Regulation").). For this reason, the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors have been included in the management report for reference.

Our responsibility consists of examining the digital file prepared by the Company's directors in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the financial statements included in the aforementioned digital file correspond in their entirety to those of the financial statements that we have audited, and whether the financial statements and the aforementioned file have been formatted, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital file examined correspond in their entirety to the audited financial statements, which are presented, in all material respects, in conformity with the ESEF Regulation.

Additional report to the audit and compliance committee

The opinion expressed in this audit report is consistent with the additional report we issued to the Company's audit and compliance committee on February 27, 2025.

Term of engagement

The ordinary general shareholders' meeting held on June 28, 2024 appointed us as auditors for the year ended December 31, 2024.

Previously, we were appointed as auditors by the shareholders for one year and we have been carrying out the audit of the financial statements continuously since the year ended December 31, 2019.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(Signed on the original version in Spanish)

María del Tránsito Rodríguez Alonso
(Registered in the Official Register of
Auditors under No. 20539)

February 27, 2025

Annual Accounts and Management Report at 31 December 2024

2024

Distribuidora Internacional de Alimentación, S.A.

(Together with the Audit Report)

BALANCE SHEET

At 31 December 2024
(Expressed in thousands of euros)

ASSETS	Notes	2024	2023
Intangible assets	5	**247**	**133**
Concessions		59	67
Goodwill		21	29
Computer software		145	10
Other intangible assets		22	27
Property, plant and equipment	6	**5,649**	**8,251**
Land and buildings		3,012	3,646
Technical installations, machinery, equipment, furniture and other property, plant and equipment		2,505	4,304
Fixed assets under construction and advance payments		132	301
Long term investments in group companies and associates	9	**672,561**	**669,702**
Equity instruments		672,561	669,702
Long term investments	10 b)	**3,920**	**4,392**
Equity instruments		36	36
Loans to third parties		—	28
Other financial assets		3,884	4,328
Trade debtors and other receivables		**45,056**	**182**
Accounts receivable and provision of services (exceeding operating cycle)	10 c)	128	182
Non-current tax assets	10 c) and 18	44,928	—
Long term accruals	12	**1**	**1**
Deferred tax assets	18	**6,005**	**6,005**
Total non-current assets		**733,439**	**688,666**
Non-current assets held for sale		**—**	**12,670**
Inventories	11	**1,005**	**1,110**
Goods for resale		1,005	1,110
Raw materials and other supplies		—	—
Trade debtors and other receivables	10 b)	**5,012**	**71,153**
Current accounts receivable for sales and short term provision of services	8 c)	1,520	1,286
Receivables from group companies and associates		1,192	18
Other receivables		140	113
Personnel		30	13
Current tax assets	18	116	67,708
Other receivables from Public Authorities	18	2,014	2,015
Short term investments in group companies and associates	10 a)	**42,431**	**10,925**
Other financial assets		42,431	10,925
Short term investments	10 b)	**1,927**	**2,645**
Derivatives		1,802	2,507
Other financial assets		125	138
Short term accruals	12	**423**	**472**
Cash and cash equivalents	13	**941**	**1,408**
Liquid assets		941	1,408
Total current assets		**51,739**	**100,383**
TOTAL ASSETS		**785,178**	**789,049**

The attached report forms an integral part of the annual accounts for the 2024 financial year.

BALANCE SHEET

At 31 December 2024
(Expressed in thousands of euros)

EQUITY AND LIABILITIES	Notes	2024	2023
Equity	14	**431,965**	**534,202**
Capital		**580,655**	**580,655**
Registered capital		580,655	580,655
Share premium		**1,058,873**	**1,058,873**
Reserves		**515**	**2,831**
Other reserves		515	2,831
(Own shares and equity holdings)		**(582)**	**(3,150)**
(Negative results from previous years)		**(1,106,082)**	**(972,205)**
Result for the year		**(102,838)**	**(133,877)**
Other equity instruments		**1,424**	**1,075**
Total equity		**431,965**	**534,202**
Long term provisions	15	**30,293**	**32,478**
Provisions for long-term employee benefits		1,882	855
Other provisions		28,411	31,623
Long term payables	17 a)	**778**	**31,958**
Bonds and other negotiable securities		—	31,046
Finance lease payables	7	9	19
Other financial liabilities		769	893
Long term debt to group companies and associates,	17 b)	**229,799**	**—**
Deferred tax liabilities	18	**6,022**	**6,028**
Total non-current liabilities		**266,892**	**70,464**
Short term provisions	15	**40**	**61**
Short term payables	17 a)	**35,427**	**6,028**
Bonds and other negotiable securities		32,244	802
Finance lease payables	7	13	200
Derivatives	10 b)	1,802	2,507
Other financial liabilities		1,368	2,519
Short term debt to group companies and associates,	17 b)	**14,803**	**130,668**
Trade creditors and other accounts payable	17 c)	**36,051**	**47,626**
Short term suppliers		284	2,090
Short term suppliers, group companies and associates		8,071	16,158
Other payables		16,203	18,045
Personnel (salaries payable)		2,933	836
Current tax liabilities	18	4,258	—
Other debt to Public entities	18	4,301	10,495
Advances from customers		1	2
Short term accruals		**—**	**—**
Total current liabilities		**86,321**	**184,383**
TOTAL EQUITY AND LIABILITIES		**785,178**	**789,049**

The attached report forms an integral part of the annual accounts for the 2024 financial year.

INCOME STATEMENT

For the financial year ended 31 December 2024
(Expressed in thousands of euros)

	Notes	2024	2023
Net Sales	21 a)	**59,712**	**744,951**
Sales		58,036	720,184
Services rendered		1,676	24,767
Supplies	21 b)	**(46,001)**	**(581,346)**
Consumption of merchandise		(42,367)	(553,654)
Raw materials and other consumables used		(171)	(1,769)
Subcontracted work		(3,463)	(25,975)
Impairment of merchandise, raw materials and other supplies	11, 21 b)	—	52
Other operating income		**17,942**	**24,082**
Non-trading income and other operating income	21 f)	17,933	24,082
Operating grants taken to income		9	—
Personnel expenses	21 c)	**(8,647)**	**(7,589)**
Salaries and wages		(7,487)	(6,402)
Employee benefits expense		(133)	(145)
Provisions		(1,027)	(1,042)
Other operating expenses		**(33,590)**	**(162,001)**
External services	21 d)	(33,653)	(156,607)
Taxes		(708)	(2,565)
Losses, impairment and changes in trade provisions		1,150	1,336
Other current operating expenses		(379)	(4,165)
Amortisation and depreciation	5 and 6	**(2,161)**	**(15,469)**
Impairment and results on disposal of fixed assets	5, 6 and 21 e)	**(294)**	**12,065**
Impairment and losses		(76)	321
Gains/(losses) on disposal and other		(218)	11,744
Results from operating activities		**(13,039)**	**14,693**
Financial income		**1,604**	**9,580**
From marketable securities and fixed asset loans		**1,604**	**9,580**
Group companies and associates	20 b)	—	635
Other		1,604	8,945
Financial expenses		**(10,537)**	**(7,568)**
Group companies and associates	20 b)	(8,205)	(546)
Debt to third parties		(2,326)	(7,016)
Provision adjustments		(6)	(6)
Foreign currency exchange gains/(losses)		**(11)**	**(5)**
Impairment and results on disposal of financial instruments		**(85,111)**	**(161,063)**
Impairment and losses	9	(75,898)	(161,063)
Gains/(losses) on disposal and other	9	(9,213)	—
Financial result		**(94,055)**	**(159,056)**
Result before tax		**(107,094)**	**(144,363)**
Income tax	18	**4,256**	**10,486**
RESULT FOR THE YEAR FROM CONTINUING OPERATIONS		**(102,838)**	**(133,877)**
RESULT FOR THE YEAR		**(102,838)**	**(133,877)**

The attached report forms an integral part of the annual accounts for the 2024 financial year.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024
(Expressed in thousands of euros)

A) Statement of recognised income and expenses

	2024	2023
Result of the income statement	**(102,838)**	**(133,877)**
Income and expense recognised directly in equity		
Cash flow hedges	—	—
Tax effect	—	—
Total income and expense recognised directly in equity	—	—
Amounts transferred to the income statement		
Grants, donations and bequests	—	—
Tax effect	—	—
Total amounts transferred to the income statement	—	—
Total recognised income and expense	(102,838)	(133,877)

The attached report forms an integral part of the annual accounts for the 2024 financial year.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024
(Expressed in thousands of euros)

B) Statement of total changes in equity

	Equity attributable to holders of equity instruments in the Company							
	Registered capital	Share premium	Reserves	Own shares	Prior year's losses	Result for the year	Other own equity instruments	Total
Balance at 31 December 2022	**580,655**	**1,058,873**	**2,831**	**(3,150)**	**(801,390)**	**(170,815)**	**250**	**667,254**
Recognised income and expense	**—**	**—**	**—**	**—**	**—**	**(133,877)**	**—**	**(133,877)**
Transactions with equity holders or owners	**—**	**—**	**—**	**—**	**—**	**—**	**825**	**825**
Issue of share-based payments	—	—	—	—	—	—	825	825
Distribution of profit for the year	**—**	**—**	**—**	**—**	**(170,815)**	**170,815**	**—**	**—**
Balance at 31 December 2023	**580,655**	**1,058,873**	**2,831**	**(3,150)**	**(972,205)**	**(133,877)**	**1,075**	**534,202**
Recognised income and expense	**—**	**—**	**—**	**—**	**—**	**(102,838)**	**—**	**(102,838)**
Transactions with equity holders or owners	**—**	**—**	**(2,316)**	**2,568**	**—**	**—**	**349**	**601**
Issue of share-based payments	—	—	—	—	—	—	705	705
Delivery of own shares	—	—	(2,316)	2,568	—	—	(356)	(104)
Distribution of profit for the year	**—**	**—**	**—**	**—**	**(133,877)**	**133,877**	**—**	**—**
Balance at 31 December 2024	**580,655**	**1,058,873**	**515**	**(582)**	**(1,106,082)**	**(102,838)**	**1,424**	**431,965**

The attached report forms an integral part of the annual accounts for the 2024 financial year.

CASH FLOW STATEMENT

For the financial year ended 31 December 2024
(Expressed in thousands of euros)

	Notes	2024	2023
Cash flows from operating activities			
Result for the year before tax		(107,094)	(144,363)
Result adjustments		**96,974**	**150,809**
Amortisation and depreciation	5 and 6	2,161	15,469
Valuation allowances for impairment		74,824	159,354
Changes in provisions		964	1,894
Gains from derecognition and disposal of fixed assets	21 (e)	218	(11,744)
Gains/losses from derecognition and disposal of financial instruments	9	9,213	—
Financial income		(1,604)	(9,580)
Financial expenses		10,537	7,568
Foreign currency exchange gains/(losses)		11	5
Other income and expenses		650	(12,157)
Changes in operating assets and liabilities		**(18,425)**	**(1,340)**
Inventories		105	2,872
Debtors and other receivables		(1,702)	(311)
Other current assets	12	—	89
Creditors and other accounts payable		(13,274)	(2,932)
Provisions		(3,554)	(1,493)
Other current liabilities		—	(1)
Other non-current assets and liabilities	10 (b) and 12	—	436
Other cash flows from operating activities		**11,888**	**(22,676)**
Interest paid		(9,701)	(6,650)
Interest received		1,601	6,338
Income tax received (paid)		19,988	(22,364)
Cash flows from operating activities		**(16,657)**	**(17,570)**
Cash flows from investing activities			
Payments for investments		**(85,863)**	**(55,310)**
Group companies and associates		(84,016)	(35,160)
Intangible assets	5	(155)	(12)
Property, plant and equipment	6 and 21 (e)	(1,692)	(20,138)
Proceeds from sale of investments		**19,928**	**35,907**
Property, plant and equipment	6	803	16,141
Other financial assets		1,190	3,086
Non-current assets held for sale	1 (b)	17,935	16,680
Cash flows from investing activities		**(65,935)**	**(19,403)**
Cash flows from financing activities			
Proceeds from and payments for financial liability instruments		82,125	31,055
Issue		83,659	33,911
Debts with group companies and associates		83,659	33,911
Redemption and repayment of		(1,534)	(2,856)
Bonds and other negotiable securities		(535)	(770)
Bank borrowings		(96)	(1,275)
Other debts		(903)	(811)
Cash flows from financing activities		**82,125**	**31,055**
Net increase/decrease in cash and cash equivalents		**(467)**	**(5,918)**
Cash and cash equivalents at beginning of year		**1,408**	**7,326**
Cash and cash equivalents at year end		**941**	**1,408**

The attached report forms an integral part of the annual accounts for the 2024 financial year.

NOTES TO THE ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. NATURE, ACTIVITIES AND COMPOSITION OF THE GROUP

Distribuidora Internacional de Alimentación, S.A. (hereinafter, the Company, or Dia) was incorporated in Spain on 24 June 1966 as a public limited company ("sociedad anónima") for an indefinite period of time. Its registered office and tax address is located in Las Rozas, Madrid.

Its principal activity is the retail sale of food products through owned or franchised self-service stores under the Dia brand name. The Company opened its first establishment in Madrid in 1979.

The Company's shares have been admitted for trading on the Continuous Market of the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges since 5 July 2011.

On 28 March 2019, L1R Invest1 Holdings S.à r.l. made a public takeover bid for 100% of the shares forming the Company's capital, as a result of which L1R Invest1 Holdings S.à r.l. acquired shares representing 40.76% of Dia's share capital. Added to the shares that they already held prior to the bid, this brought their total shareholding to 69.76%. The bid was settled on 22 May 2019.

The Company holds stakes in subsidiaries. As a result, the Company is the parent company of a Group of companies (hereinafter the "Group" or the "Dia Group") in accordance with the laws in force. Information regarding stakes in group companies is set out in Note 9 of this report.

The presentation of the consolidated annual accounts is necessary, in accordance with generally accepted accounting principles and standards, to present a true and fair image of the Group's financial situation and results of operations, changes in equity and cash flows.

On 27 February 2025 the Company's Directors drew up the consolidated annual accounts of Distribuidora Internacional de Alimentación, S.A. and subsidiaries for the 2024 financial year, in accordance with the terms of the International Financial Reporting Standards adopted by the European Union (IFRS-EU) and the other provisions of the applicable regulatory financial reporting framework, presenting consolidated losses attributed to the Parent Company amounting to 78,736 thousand euros and negative consolidated equity attributable to the Parent Company amounting to 37,682 thousand euros.

Significant events occurring during 2024

a) Impact of the conflict in Ukraine

The Company does not have any operations or assets in Ukraine, Russia or Belarus and exposure to said markets is not considered material.

In a publication of Other Relevant Information dated 12 August 2023, the Company notified the National Securities Market Commission (CNMV) that within the framework of the new international sanctions imposed by the Office of Foreign Assets Control ("OFAC") in the USA on certain persons, the Company, in accordance with the information received from the Luxembourg company LetterOne Investment Holdings, S.A. ("LIHS") and referring back to previous reports of Other Relevant Information and to the OFAC itself (FAQ 1131 of LetterOne Investment Holdings, S.A) accessible through the following link at https://ofac.treasury.gov/faqs/1131, reiterated that no natural person shareholder of LIHS holds, either individually or jointly with other shareholders, control of LIHS and consequently the Company considers that it is not affected in any way by the aforementioned sanctions, nor for the additional ones published up to the date of preparation of these consolidated annual accounts.. This communication of Other Relevant Information is in complement to others of a similar nature published previously by the Company, dated respectively 28 February 2022, 15 March 2022 and 22 March 2022.

b) Corporate operations

Portugal

On 3 August 2023, the Company notified the CNMV that, together with its indirectly wholly-owned subsidiary Luxembourg Investment Company 322 S.à r.l., it has signed a share sale agreement, under which, among others, 100% of the share capital of Dia Portugal Supermercados, S.A. will be sold to Auchan Portugal, S.A. (purchaser). The conclusion of the operation was subject to the fulfilment or waiver, as regulated by the agreement, of certain Conditions Precedent by 31 May 2024.

On 30 April 2024, the Company notified the CNMV that, having fulfilled the Conditions Precedent, the Operation took place on that day and, therefore, control was transferred to the Purchaser. The amount received, net of financial debt and considering other adjustments in accordance with the terms of the Agreement, was 18.8 million euros. On 23 September 2024, the Company, jointly with its subsidiary Luxembourg Investment Company 322 S.à r.l., signed the third addendum to the contract with the purchaser, whereby the final price settlement was agreed and 0.8 million euros was returned to the purchaser as a price adjustment.

Brazil

On 14 March 2024, the Company informed the CNMV that as a consequence of the persistent negative results of Dia Brasil Sociedade Limitada ("Dia Brasil"), a wholly owned subsidiary of the Company, approval was given to implement a restructuring process in Dia Brasil that envisaged the strategic closure of 343 underperforming stores and three warehouses as the most urgent measure.

On 21 March 2024, the Parent Company informed the CNMV that, on 20 March 2024, Dia Brasil's application for a 'recuperaçao judicial', a restructuring process under Brazilian law, was approved in order to try to overcome its economic and financial situation.

On 31 May 2024, the Company announced the sale of 100% of the share capital of Dia Brasil to MAM Asset Management (through Lyra II Fundo de Investimento em Participaçoes Multiestratégia, hereinafter "Lyra"). The sale was made at a symbolic price of 100 euros. In addition, with the aim of providing Dia Brasil with additional financial resources for the continuity of its business during the *recuperaçao judicial* it is currently undergoing, and after the commitment made to the Purchaser, the Company contributed 37 million euros in funds for the benefit of Dia Brasil. In addition, the Company cancelled financial debts of Dia Brasil, which were guaranteed, amounting to 30.4 million euros.

On 25 June 2024, the Company announced that the sale of 100% of the share capital of Dia Brasil to Lyra had been completed following fulfilment of the condition precedent, which consisted of the authorisation by the creditors of the Parent Company's syndicated financing for the completion of the Operation. The accounting impacts at 31 December 2024 are detailed in Note 9.

Other operations

On 10 July 2024, the registration of the indirectly owned Argentine company Distribuidora Internacional, Sociedad Anónima (DISA) was cancelled due to liquidation.

On 20 November 2024, the liquidation of the indirectly owned companies Luxembourg Investment Company 322 S.a. r.l. and Luxembourg Investment Company 323 S.a. r.l. was approved in order to simplify the Group's corporate structure.

On 1 November 2023, the Company entered into a subsidiary operation (hereinafter "Hive Down") consisting of contributing net assets amounting to 103,159 thousand euros to its wholly-owned subsidiary "Luxembourg Investment Company 317, S.à.r.l". Annex II details the net assets contributed in the investment of the aforementioned subsidiary (Note 9).

2. BASIS OF PRESENTATION

a) True and fair image

The annual accounts have been drawn up on the basis of the Company's accounting records and they are presented in accordance with the commercial legislation in force, the standards established in the General Accounting Plan and the requirements as regards format established in Commission Delegated Regulation (EU) 2018/815 in order to present a true and fair image of the Company's assets, financial situation and results, as well as the authenticity of the cash flows included in the cash flow statement.

The Company’s Directors believe the annual accounts for the 2024 financial year, drawn up on 27 February 2025, will be approved by the General Shareholders' Meeting without amendment.

b) Comparison of information

For comparative purposes, the annual accounts for 2024 present the figures from the previous financial year and for each item on the balance sheet, income statement, statement of recognised income and expenses, statement of changes in equity, cash flow statement and notes to the annual accounts. In addition to the figures for 2024 those relating to the previous year, that formed part of the annual accounts for 2023 approved by the General Shareholders' Meeting on 28 June 2024 are shown.

c) Functional and presentation currency

The annual accounts are presented in thousands of euros, rounded to the nearest thousand, the euro being the Company's functional and presentation currency.

d) Critical aspects of the valuation and assessment of uncertainty and relevant judgments in the application of accounting policies

Preparing the annual accounts requires the application of relevant accounting estimates and the application of judgements, estimates and hypotheses in the process of applying the Company's accounting policies. In this regard, a summary is set out below of the details of those aspects involving the greatest degree of judgement and complexity, or where hypotheses or estimates are significant.

Relevant accounting estimates and hypotheses

- Assessment of the potential value impairment of investments in group companies and associates classified as equity instruments (Notes 4 g) and 9).
- Assessment of the potential value impairment of non-financial assets subject to amortisation or depreciation: Notes 4 b), c) and e).
- Analysis of possible contingencies or liabilities linked to processes under way: (Notes 4 n) and 15).

The estimates made take account of the risks deriving from climate change. The costs deriving from the Sustainability strategy are incorporated into the Company's budgets and updated financial projections, which are used to analyse the impairment of the group's non-financial assets (Note 4 e)). Nonetheless, given the nature of the Company's assets and the mitigation measures it is taking as part of its Sustainability strategy (Note 19), the risk deriving from climate change is not considered to have any significant impact on the estimates of useful lives of assets or the recoverable amounts of inventories or on the impairment tests of non-financial assets.

Although the Directors' estimates were made on the basis of the best available information at 31 December 2024, it is possible that future events could lead to their having to be changed in subsequent financial years, in which case this would be done prospectively.

Estimates and judgments are assessed annually on the basis of the assumptions outlined in the updated financial projections. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and are considered reasonable.

e) Going concern

The Company's Directors have drawn up these annual accounts at 31 December 2024 in accordance with the going concern principle.

At 31 December 2024, equity was positive at 432 million euros (positive at 534 million euros at 31 December 2023). The working capital, calculated as current assets minus current liabilities, excluding non-current assets held for sale, was a negative 35 million euros at 31 December 2024 (negative 97 million euros at 31 December 2023). The result for the year was a loss of 103 million euros (loss of 134 million euros in 2023) and the net change in cash and cash equivalents was a negative 0.5 million euros in 2024 (negative 6 million euros in 2023).

In addition, on 27 December 2024, the Group refinanced its debt in order to provide itself with a solid, stable long-term financial structure to consolidate its growth strategy. With the funds raised under the new financing, the Group repaid the existing financial indebtedness in full in advance, in addition to financing general corporate and working capital needs and paying the costs associated with the refinancing. The Group believes that the new financing will (i) achieve a capital structure that provides the Group with the necessary flexibility to execute its strategic plan; (ii) strengthen the Group's financial structure by extending debt maturities and improving its liquidity by increasing financing limits, which will provide greater stability and flexibility for the development of its operations; and (iii) improve the terms and conditions of existing financial indebtedness and return to a level of indebtedness in line with the Group's current improvement in financial profitability. With this new financing, the Group's management team will have greater flexibility and freedom to develop its business operations and focus on future growth.

At 31 December 2024, the Group had available liquidity of 482.0 million euros at the consolidated level (319.5 million euros at 31 December 2023), which includes the available balances of the financing obtained and the cash and cash equivalents at that date. Within this context, the Directors consider the Group will continue to operate on a going concern basis.

3. DISTRIBUTION OF RESULTS

The proposal for the allocation of the 2024 losses prepared by the Board of Directors for submission to the Ordinary General Shareholders' Meeting was to take all the losses for the year, totalling 102,837,861.20 euros, to prior-year losses.

4. ACCOUNTING POLICIES

The main recording and appraisal standards used by the Company in preparing its annual accounts were the following:

a) Foreign currency transactions, balances and cash flows

Foreign currencies transactions were converted into euros by applying the spot exchange rate on the dates when they were carried out to the amount in foreign currency.

Monetary assets and liabilities denominated in foreign currencies have been translated into euros at the year-end rate, while non-monetary assets and liabilities at historical cost have been translated at the exchange rates prevailing on the transaction dates.

The positive and negative differences that arise when foreign currency transactions are settled, or when monetary assets and liabilities denominated in foreign currencies are converted, are recognised in the results.

b) Intangible assets

Assets included in intangible fixed assets are booked at their acquisition price or production cost. Intangible fixed assets are presented on the balance sheet at cost value less accumulated depreciation and value adjustments for accumulated impairment.

The costs incurred in carrying out activities that help develop the business value of the Company overall, such as goodwill, brands and similar items generated internally, as well as establishment costs, are recognised in the income statement as they are incurred.

i) Business combinations and goodwill

The Company applies the acquisition method for business combinations. The acquisition date is the date when the Company obtains control of the business acquired.

The cost of the business combination is calculated as the sum of the acquisition date fair values of the transferred assets, incurred or assumed liabilities, equity instruments issued and any consideration contingent on future events or compliance with certain conditions in exchange for control of the business acquired.

The cost of the business combination excludes any disbursement that is not part of the exchange for the business acquired. Acquisition costs are recognised as an expense when they are incurred.

The Company recognises the assets acquired on the acquisition date and the liabilities assumed at their fair value. Any excess of the cost of the business combination over the net amount of assets acquired and liabilities assumed is recognised as goodwill. Any shortfall, after evaluating the consideration given and the identification and measurement of net assets acquired, is recognised in profit and loss.

Goodwill represents the excess, on the acquisition date, of the cost of the business combination over the fair value of the identifiable net assets acquired in the transaction. Goodwill is, as a result, only recognised when it has been acquired for a consideration and corresponds to future economic benefits from assets that cannot be individually identified and recognised separately.

Goodwill is allocated to the cash generating units (CGUs) expected to benefit from the business combination the goodwill arose from.

Goodwill recognised separately is amortised on a straight-line basis over its estimated useful life, being valued at its acquisition price less the accumulated amortisation and, where applicable, the accumulated amount of recognised impairment value adjustments. Useful life is determined separately for each CGU it has been allocated to and is estimated to be 10 years (unless proven otherwise). At least annually, any indications of impairment of the value of the CGUs to which goodwill was allocated are analysed and its possible impairment is ascertained.

Goodwill is measured at cost less accumulated amortisation and any value adjustments for impairment.

ii) IT applications

IT applications purchased and developed by the company, including all applications relating to point-of-sale terminals, warehouses, offices and microcomputing, are recognised at their acquisition or production cost. The costs of maintaining IT applications are recognised under expenses at the time they are incurred.

iii) Subsequent costs

Subsequent costs incurred on intangible fixed assets are recognised as an expense, unless they increase the expected future economic benefits of the assets.

iv) Useful life and amortisation

Amortisation of intangible fixed assets is determined on a straight-line basis by applying the following estimated useful life:

	Estimated years of useful life
Computer software	3
Goodwill	10
Other intangible assets	Term of the contract

The Company reviews the residual value, useful life and amortisation method for intangible fixed assets at the close of each financial year. Changes to the initially established criteria are recognised as changes in estimates.

v) Impairment of fixed assets

The Company assesses and determines the need for value adjustments for impairment and reversals of impairment losses for intangible fixed assets according to the criteria indicated in section (e) of this Note.

c) Property, plant and equipment

i) Initial recognition

Assets included under property, plant and equipment are booked at acquisition or production cost. The production cost is capitalised under the "Work carried out by the company for its assets" heading in the income statement. Property, plant and equipment is presented on the balance sheet at cost value less depreciation and value adjustments for accumulated impairment.

Given that the average execution period for work on warehouses and stores does not exceed 12 months, there are no significant interest and other finance charges that are considered as an increase in fixed assets.

Investments of a permanent nature made in property leased by the Company under an operational lease agreement are classified as property, plant and equipment. Investments are amortised over the shorter of their useful life or term of the lease, taking extensions into account.

Property, plant and equipment incorporated prior to 31 December 1996 is valued at acquisition price plus any updates made in accordance with the provisions of the relevant legal standards.

ii) Depreciation

The depreciation of items of property, plant and equipment is carried out by distributing their depreciable amount on a systematic basis over their useful lives. For this purpose, the depreciable amount is defined as the acquisition cost less its residual value. The Company determines the depreciation cost independently for each component that has a significant cost in relation to the total cost of the asset and a different useful life from that of the remainder of the asset.

Depreciation of items of property, plant and equipment is determined on a straight-line basis by applying the following estimated useful lives:

	Estimated years of useful life
Buildings	40
Installations in leased stores	10 – 20
Technical installations and machinery	3 – 7
Other installations, fixtures and furniture	4 -10
Other material assets	3 – 5

Gains and losses on the sale of property, plant and equipment are calculated by comparing the sales proceeds with the book value and are recognised in profit and loss.

The Company reviews the estimated residual values and the depreciation methods and periods used at the end of each year. Changes to the initially established criteria are recognised as changes in estimates.

iii) Subsequent costs

Following the initial recognition of an asset, costs incurred are capitalised only insofar as they represent an increase in its capacity or productivity or an extension of its useful life, and the book value of replaced items must be derecognised. In this regard, the daily maintenance costs of property, plant and equipment are recognised in profit and loss as they are incurred.

iv) Impairment of assets

The Company assesses and determines the need for value adjustments for impairment and reversals of impairment losses for property, plant and equipment according to the criteria indicated in section (e) of this Note.

d) Non-current assets held for sale

Non-current assets (or disposal groups) whose book value will largely be recovered through a sale transaction are classified as held for sale, instead of being recognised at the value in use. To classify non-current assets or disposal groups as held for sale, they must be available for disposal in their current condition, exclusively subject to the usual terms and conditions for sale transactions, and the transaction must also be deemed to be highly probable.

Non-current assets (or disposal groups) classified as held for sale are not amortised or depreciated, and are recognised at the lesser of their book value and fair value less selling costs or costs of disposal by other means. An impairment loss is recognised for any initial or subsequent reduction in the value of the asset (or disposal group), up to fair value less costs of sale. A gain is recognised for any subsequent increase in fair value less costs of sale of an asset (or disposal group), although this may not exceed the cumulative impairment loss previously recognised. The loss or gain not previously recognised at the date of sale of a non-current asset (or disposal group) is recognised on the date it is derecognised. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets and disposal group assets classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from the other liabilities in the statement of financial position.

e) Impairment of non-financial assets subject to amortisation

The Company follows the principle of assessing whether there are indications of possible value impairment of non-financial assets subject to amortisation or depreciation, in order to check whether the book value of such assets exceeds their recoverable amount, understood as the greater of fair value less selling costs and value in use.

Impairment losses are recognised in the income statement.

The recoverable value is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the CGU it belongs to, with each store being a cash-generating unit.

Based on past experience, the Company considers evidence of impairment to exist when the operating result considering its EBIT (understood as the operating result) of a store that is considered mature (i.e. more than two years old) has been negative for the last two years, as well as those where impairment has been recorded in the past. When indications of impairment exist, the recoverable amount of the assets allocated to each cash-generating unit is estimated, calculated as the greater of fair value less selling costs and value in use. Value in use is determined by discounting future cash flows after estimated taxes to present value, applying a post-tax discount rate which reflects the value of money over time and the specific risks associated with the asset.

Determining this value in use and evaluating whether signs of CGU impairment exist requires the use of judgement and estimates by Management.

To estimate the cash flow projections used to determine value in use, the Company uses the hypotheses set out in the updated financial projections. These projections cover a five-year period. For longer periods, from the fifth year onwards, a perpetual growth rate is applied up until the end of the asset's useful life, including a residual or disposal value for the asset at the end of its useful life, in accordance with the provisions in accounting standards.

When the carrying amount of an asset exceeds its estimated recoverable amount, it is considered to be impaired. In this case the book value is adjusted to the recoverable amount and the impairment loss is recognised in profit and loss. Impairment losses relating to the loss of value of the CGU initially reduce the value of the goodwill assigned to it and subsequently the remaining non-current assets of the CGU in proportion to their book value, subject to a limit for each one of the greatest of their fair value less selling costs, their value in use and zero. Amortisation and depreciation charges for future periods are adjusted to the new book value during the remaining useful life of the asset. Assets are tested for impairment on an individual basis, except in the case of assets that generate cash flows that are not independent of those from other assets (CGUs).

When new events or changes in existing circumstances arise that indicate that an impairment loss recognised in a previous period could have disappeared or reduced, a new estimate is made of the recoverable value of the asset or cash-generating unit. Impairment losses on goodwill cannot be reversed. Previously recognised impairment losses are only reversed if the assumptions used in calculating the recoverable value have changed since the most recent impairment loss was recognised. In this case, the book value of the asset or cash-generating unit is increased to its new recoverable value, to the limit of the net book value this asset or cash-generating unit would have had if the impairment loss had not been recognised in previous periods. The reversal is recognised in the income statement and amortisation or depreciation charges for future periods are adjusted to the new book value.

f) Leases

i) Lessor accounting

The Company has assigned the right to use certain spaces within Dia commercial establishments to its licensees under sublease agreements, as well as establishments leased to Dia Group franchisees and subsidiaries, which are agreements where the risks and benefits inherent to ownership of the assets are not substantially transferred to third parties.

Operating leases

Assets leased to licensees under operating lease agreements are presented in accordance with their nature and subject to the accounting principles set out in section (c) of this Note.

Revenue from operating leases, net of incentives granted, is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis of allocation is more representative because it reflects the time pattern of consumption of the benefits arising from the use of the leased asset more appropriately.

ii) Lessee accounting

The Company has assigned the right to use certain assets under lease agreements.

Lease agreements, which at the outset essentially transfer to the Company all risks and benefits inherent to ownership of the assets, are classified as financial leases, or, if otherwise, as operating leases.

Financial leases

At the start of the lease term, the Company recognises an asset and a liability for whichever is the lower of the fair value of the leased asset and the present value of the minimum lease payments. Initial direct costs are included as an increase in the value of the asset. Minimum payments are divided between the financial charge and the reduction in the debt pending payment.

Financial expenses are allotted to the income statement with the application of the effective interest rate method.

Contingent lease payments are registered as an expense when it is probable that they will be incurred.

The accounting principles applied to assets used by the Company by virtue of its having signed leases classified as financial leases are the same as those set out in section c) of this Note. However, if, at the start of the lease, there is no reasonable certainty that the Company will obtain ownership at the end of the lease, the asset is amortised over its useful life or term, whichever is shorter.

Operating leases

Instalments arising from operating leases, net of incentives granted, is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis of allocation is more representative because it reflects the time pattern of consumption of the benefits arising from the use of the leased asset more appropriately.

Contingent lease payments are registered as an expense when it is probable that they will be incurred.

iii) Sale and leaseback transactions

Asset sale transactions connected to leaseback operations fulfilling the conditions inherent to a financial lease are considered to be financing operations, so the nature of the asset is not modified and no result is recognised.

g) Financial instruments

i) Classification and separation of financial instruments

Financial instruments are, at their initial recognition, classified as a financial asset, a financial liability or an equity instrument, according to the economic substance of the contractual agreement and the definitions of financial asset, financial liability or equity instrument.

The Company classifies financial instruments in accordance with their nature and the Company's intentions at the time of initial recognition.

ii) Offsetting principles

A financial asset and a financial liability are offset only when the Company has the enforceable right to offset the recognised amounts and intends to settle the net amount, or to realise the asset and settle the liability simultaneously.

iii) Financial assets and liabilities at fair value with changes in the income statement

Financial assets and liabilities at fair value with changes in the profit or loss account are initially recognised at fair value. Transaction costs directly attributable to the purchase or issue are recognised as an expense in the income statement as they are incurred.

Following initial recognition, they are recognised at fair value by recording changes in results. The fair value is not reduced by the transaction costs that may be incurred due to its eventual sale or disposal by other means. Interest and dividends accrued are included under the headings according to their nature.

iv) Loans and receivables

Loans and receivables are credits on trade or non-trade transactions with fixed or determinable payments that are not quoted on an active market and are not classified under any other category of financial assets.

These financial assets are initially measured at fair value, including transaction costs directly attributable to them, and subsequently at amortised cost, accrued interest being recognised at the effective interest rate, taken as the discount rate that reduces the present value of the total estimated cash flows to maturity to the book value of the instrument. Notwithstanding the foregoing, trade receivables maturing within one year are measured, both on initial recognition and subsequently, at face value provided that the effect of not discounting the cash flows to present value is not significant.

v) Investments in group companies

Group companies are those the Company exercises control over, either directly or indirectly through subsidiaries, as provided for in Article 42 of the Commercial Code, or when they are controlled by any means by one or more natural or legal persons acting jointly or under sole management under agreements or statutory clauses.

Control is the power to decide a company’s financial and operating policies in order to obtain profit from its activities and considering, for these purposes, the potential voting rights exercisable or convertible at year-end in the hands of the Company or of third parties.

Investments in group, associate and multi-group companies are initially recognised at cost, which is the fair value of the consideration given. The acquisition costs of investments in group companies acquired prior to 1 January 2010 include the transaction costs incurred.

If an investment ceases to meet the conditions for its classification in this category, it is reclassified at fair value with changes in profit and loss and measured as such with effect from the reclassification date, any difference being recognised in profit and loss or in equity respectively.

vi) Interest and dividends

Interest is recognised by the effective interest rate method.

Dividend income from investments in equity instruments is recognised when the rights to receive it have arisen for the Company. If the dividends distributed arise unequivocally from results generated prior to the acquisition date because amounts greater than the profits generated by the investee since acquisition have been distributed, they reduce the book value of the investment.

vii) Derecognition of financial assets

Financial assets are derecognised when the rights to receive the cash flows related to them have expired or been transferred and the Company has substantially transferred the risks and benefits of ownership.

Derecognising a financial asset in full implies recognition of results based on the difference between the book value and the sum of the consideration received, net of transaction costs, including the assets obtained or liabilities assumed and any loss or gain deferred under income and expenditure recognised in equity.

viii) Value Impairment of financial assets

A financial asset or group of financial assets is impaired, and an impairment loss has occurred, if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset and if such event, or events, causing the loss has an impact on the estimated future cash flows of the asset or group of financial assets that can be reliably estimated.

The Company records the appropriate value adjustments for impairment of loans and receivables and debt instruments when there has been a reduction or delay in the estimated future cash flows due to debtor insolvency.

Value impairment of financial assets valued at amortised cost

The amount of the value impairment loss on financial assets valued at amortised cost is the difference between the book value of the financial asset and the present value of the estimated future cash flows, excluding future credit losses which have not been incurred, discounted at the original effective interest rate of the asset. For variable interest rate financial assets, the effective interest rate on the valuation date in accordance with the contractual conditions is used. For debt instruments classified as investments held to maturity, the Company uses their market value, provided this is sufficiently reliable to be considered representative of the value that could be recovered.

The recognised impairment loss is charged to results and is reversible in later financial years if the reduction can be objectively linked to an event subsequent to recognition. Nonetheless, loss reversal is limited to the amortised cost that the assets would have had if the impairment loss had not been recognised.

Value impairment of investments in group companies and equity instruments valued at cost

The impairment calculation is determined as a result of comparing the book value of the investment with its recoverable value, understood as the greater of value in use and fair value less selling costs.

In this regard, value in use is calculated in accordance with the Company stake in the present value of the estimated cash flows from ordinary activities and the final disposal or estimated flows expected to be received from the distribution of dividends and the final disposal of the investment.

Impairment loss or reversal is recognised in the income statement, except where it must be allotted to equity.

Nonetheless, and in certain cases, unless there is better evidence of the recoverable amount of the investment, the estimation of impairment of this asset class considers the investee company’s equity, adjusted as necessary to such generally accepted Spanish accounting principles and standards as are applicable, corrected for the net unrealised capital gains existing at valuation date.

Value impairment reversals are recognised in subsequent financial years to the extent that there is an increase in the recoverable value up to the limit of the book value that the investment would have had if the impairment had not been recognised.

The value adjustment for impairment of the investment is limited to its value, except where the Company assumed contractual, legal or implicit obligations or made payments on behalf of the companies. In the latter case, a provision is recognised in accordance with the criteria set out in section (n) Provisions.

ix) Financial liabilities

Financial liabilities, including trade and other accounts payable, not classified as held for trading or as financial liabilities at fair value with changes in the income statement, are initially recognised at fair value, less any transaction costs directly attributable to their issue, if appropriate. Following their initial recognition, liabilities classified under this heading are measured at amortised cost using the effective interest rate method.

However, financial liabilities without an established interest rate, which mature, or which are expected to be received, in the short term and for which discounting to present value has no significant effect, are measured at nominal value.

The Company derecognises a financial liability, or part of it, when the obligation specified in the liability if fulfilled, or it is legally relieved of the responsibility contained in the liability, either by legal process or by the creditor.

The exchange of debt instruments between the Company and the counterparty, or substantial modifications to initially recognised liabilities, are booked as a cancellation of the original financial liability and the recognition of a new financial liability, provided the instruments have substantially different conditions. The Group considers the terms to be substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, differs by at least 10 per cent from the discounted present value of the remaining cash flows of the original financial liability.

If the exchange is recognised as a cancellation of the original financial liability, the costs or fees are recognised in profit or loss as part of the result of the exchange. Otherwise, the modified flows are discounted at the original effective interest rate, with any difference from the previous book value recognised in profit or loss. Furthermore, the costs or fees adjust the book value of the financial liabilities and are amortised using the amortised cost method over the remaining life of the amended liability.

The difference between the book value of a financial liability, or part of it, that is cancelled or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss.

Financial debt is classified as a current liability unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the closing date for the report.

The Company recognises exchanges of debt instruments with a lender, provided the instruments have substantially different conditions, as a cancellation of the original financial liability and subsequent recognition of a new financial liability. Similarly, a substantial change in the terms of an existing financial liability, or a portion thereof, is accounted for as a cancellation of the original financial liability and subsequent recognition of a new financial liability. The difference between the book value of the financial liability that has been cancelled and the consideration paid, which includes any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss for the year.

If it is determined that the new terms or amendments of a financial liability do not materially differ from the existing ones, the amendment, therefore, not being material, the existing financial liability is not derecognised. The Group will recalculate the gross book value of the financial liability and recognise a gain or loss due to the change in profit and loss for the year. The gross book value of the financial liability is recalculated as the present value of the renegotiated or amended contractual cash flows discounted at the financial liability's original effective interest rate.

x) Deposits

Deposits received as a result of sublease agreements are valued at their nominal value, since the effect of updating is not significant.

Deposits received as a result of lease agreements are valued in accordance with the criteria set out for financial assets. The difference between the amount received and the fair value is recognised as an advance payment allotted to profit and loss during the term of the lease.

xi) Derivative financial products and hedge accounting

Derivative financial instruments are initially recognised in accordance with the criteria set out above for financial assets and liabilities. Derivative financial instruments that do not meet the hedge accounting criteria set out below are classified and measured as financial assets or liabilities at fair value with changes in profit or loss. They are classified as current or non-current depending on whether they mature in less than or more than 12 months. In addition, derivative instruments that meet all the requirements to be treated as long-term hedging instruments are presented as non-current assets or liabilities, depending on whether they are positive or negative.

The accounting basis for any gain or loss resulting from changes in the fair value of a derivative depends on whether it qualifies for hedge accounting and, if so, the nature of the hedging relationship.

Changes in the fair value of derivatives that qualify and have been allocated to cover cash flows, being highly effective, are recognised in equity. The part considered to be ineffective is allotted directly to the consolidated income statement. When the forecast transaction or firm commitment results in the recognition of a non-financial asset or liability, the accumulated gains and losses in equity are transferred to the consolidated income statement in the same period in which the hedged transaction affects the net result.

At the initial stage, the Group formally designates and documents the hedging relationship between the derivative and the hedged item, as well as the risk management objectives and strategies it pursues when establishing the hedge. This documentation includes identification of the hedging instrument, the hedged item or transaction being hedged and the nature of the hedged risk. It also includes a way of evaluating its effectiveness in offsetting the exposure to changes in the hedged item, whether in its fair value or in the cash flows attributable to the hedged risk. The effectiveness assessment is carried out prospectively and retrospectively, both at the start of the hedging relationship and systematically throughout the period for which it was designated.

The hedge accounting criteria cease to apply when the hedging instrument expires or is disposed of, cancelled or settled, or if the hedging relationship no longer qualifies for hedge accounting, or if the designation is revoked. In such cases, accumulated gains or losses in equity are not allotted to results until such time as the planned or promised operation affects the result. Nevertheless, if the occurrence of the transaction is no longer probable, the accumulated gains and losses in equity are immediately included in the consolidated income statement.

The fair value of the derivatives portfolio reflects estimates based on calculations made based on market-observable data, using specific tools for assessment and management of the derivatives' risks which are used widely by financial institutions.

h) Own equity instruments held by the Company

Acquisition by the Company of equity instruments is presented separately at acquisition cost as a reduction of equity on the balance sheet. No gains or losses on transactions with own equity instruments are recognised in the income statement.

Subsequent amortisation of the instruments entails a capital reduction equivalent to the par value of the shares and the positive or negative difference between the acquisition cost and the nominal amount of the shares is charged or credited to reserves.

Transaction costs relating to own equity instruments, including issue costs connected with a business combination, are recognised as a reduction in reserves, once any tax effect has been taken into account.

Dividends relating to equity instruments are recognised as a reduction in equity at the time when they are approved by the General Meeting.

Agreements obliging the Company to acquire own equity instruments in cash or by receiving a financial asset are recognised as a financial liability at the fair value of the amount redeemable against reserves. Transaction costs are likewise recognised as a reduction in reserves. Subsequently, the financial liability is measured at amortised cost or at fair value on the profit or loss account in line with the redemption conditions. If the Company does not ultimately exercise the agreement, the book value of the financial liability is reclassified to reserves.

i) Inventory

Inventory is initially measured at the acquisition cost.

The acquisition cost includes the amount invoiced by the seller after deducting any discounts, rebates, non-trading income or similar, plus any additional costs incurred to bring the goods to a saleable condition, other costs directly attributable to the acquisition, and indirect taxes not recoverable from the Spanish tax office.

Purchase returns are recognised as a reduction in the book value of returned stock, except where it is not feasible to identify the returned items, in which case they are recognised as a reduction in inventory on a weighted average cost basis.

The cost of inventory is adjusted when the cost exceeds the net realisable value. Net realisable value is understood to be the sale price less the costs of sale.

The previously recognised valuation adjustment is reversed against profit and loss when the circumstances that previously caused the write down no longer exist or when there is clear evidence of an increase in net realisable value due to changed economic circumstances. The reversal of the valuation adjustment is limited to the lower of the cost and the revised net realisable value of the inventories.

j) Cash and cash equivalents

Cash and cash equivalents include cash in hand and on-demand deposits at banks. This item also includes other highly liquid short term investments, provided they are easily convertible into specific cash amounts and subject to an insignificant risk of changes in value. For these purposes, this includes investments maturing within three months after the acquisition date.

The Company sets out the payments and receipts arising from high-rotation financial assets and liabilities for their net amount in the cash flow statement. For these purposes, the rotation period is considered high if the period between the acquisition date and maturity does not exceed six months.

Bank overdrafts drawable on demand and included in the Company's cash management processes are treated as cash and cash equivalents in the cash flow statement. Bank overdrafts are recognised as financial liabilities for bank borrowings on the balance sheet.

k) Trade creditors and other accounts payable

These amounts relate to liabilities for goods and services provided to the Company both invoiced and pending invoicing before the end of the financial year for which payment is pending. Trade creditors and other payables are presented as current liabilities unless payment does not fall due within 12 months from the end date of the reporting period. They are initially recognised at fair value and at year end, based on historical experience, the amount that, for various reasons, is not finally invoiced by third parties is determined, and this amount is recognised as a reduction in supplies for the year. The Group's expense for supplies is reduced as a result of the different kinds of discounts, depending on the commercial terms and conditions agreed with suppliers. Some discounts are fixed while others are variable, subject to the accumulated volume of sales over the contract term or the volume of sales made by the Company at its stores of the relevant items from the supplier.

Discounts given by suppliers via Dia Retail, which makes purchases for the Dia Group in Spain, are recognised as a reduction in the cost of inventories when it is probable that the conditions for discounts to be received will be met. Any unallocated discounts are used to reduce the amount of merchandise and other consumables used in the consolidated income statement. The main discounts applied to suppliers are as follows:

- Volume discounts: these are negotiated with a percentage based on the volume of purchases made from suppliers.
- Advertising income: contributions negotiated with suppliers based on the inclusion of references on shelves, etc.
- Income from loyalty programmes and redemption of coupons: contributions negotiated with suppliers based on the redemption of coupons by customers at stores using the Club Dia card or offers.

Negotiations with suppliers take place yearly and are formally documented. At the close of the financial year, all income recognised relates to agreements entered into with suppliers and services accrued during the year, regardless of the invoice and/or settlement date. The Company recognises discounts obtained from suppliers at each monthly close. For this purpose, it records the charges/invoices issued for these items to the suppliers and the estimate calculated by Sales Management. These monthly estimates are based on the budget to be achieved with each of the suppliers and on the degree of progress in the negotiations.

l) Severance payments

Involuntary redundancy payments are recognised from the moment when there is a formal detailed plan and a valid expectation has arisen among the affected workforce that the employment relationship will cease, whether because the plan has started to be implemented or because its main features have been announced.

m) Employee remuneration

The Company recognises the expected cost of remuneration in the form of paid leave, the rights of which accrue as employees provide the services granting them this entitlement. If leave is not cumulative, the expense is recognised as the leave arises.

The Company recognises the expected cost of profit-sharing or employee incentive schemes when a present, legal or implicit obligation exists as a result of past events and a reliable estimate of the value of the obligation can be made.

n) Provisions

i) General criteria

Provisions are recognised when the Company has an obligation, whether legal, contractual, implicit or tacit, as the result of a past event, when it is likely there will be an outflow of resources that include future economic benefits to cancel the obligation; and the amount of the obligation may be estimated reliably. Provisions are not recognised for future operating losses.

Amounts recognised on the balance sheet correspond to the best estimate at the date of close of the disbursements required to cancel present obligations, once the risks and uncertainties relating to the provisions have been considered and, where significant, the financial effect produced by the discount, provided the disbursements to be made in each period can be reliably determined. The discount rate is determined before taxes, considering the time value of money, as well as the specific risks that were not considered in the future flows related to the provision at each closing date.

The financial effect of provisions is recognised as financial expenses in the income statement.

Provisions do not include the tax effect or gains expected from the disposal or abandonment of assets.

Reimbursement rights which may be demanded of third parties to settle the provision are recognised as a separate asset when there are no doubts that they will effectively be collected. The reimbursement is recognised as income in the income statement in accordance with the nature of the expense, subject to the limit of the amount of the provision.

Short-term provisions record liabilities under onerous contracts relating to the costs for terminating lease agreements for those stores/warehouses where either expected closure or expected negative cash flows have required the total impairment of their assets.

Provisions are reversed against results when it is unlikely that there will be outgoing resources required to settle the obligation.

ii) Tax provisions

The amount of tax provisions corresponds to the estimated amount of tax debts determined in accordance with the general criteria set out above.

Provisions are allotted with a charge to profit tax for the financial year, financial expenses for late-payment interest and other results for the penalty. The effects of changes in the estimate of provisions from previous financial years are recognised under the headings by their nature, unless they involve the correction of an error.

o) Revenues from the sale of goods

Revenues from the sale of goods are recognised at the fair value of the consideration received or receivable for them. Discounts for early payment, bulk orders, or other discounts, and interest added to the nominal amount of credit granted are deducted from the aforementioned revenues.

Nevertheless, the Company includes interest incorporated in trade-related loans maturing in no more than one year that do not have a contractual interest rate, when the effect of not discounting cash flows is not significant.

Discounts granted to customers are recognised at the point when it is probable that the conditions establishing their grant will be fulfilled, as a reduction in revenue through sales.

Advances on account of future sales are valued at the amount received.

Revenues on sales

The Company recognises revenues on sales of goods when:

- All the risks and benefits of ownership of the asset are substantially transferred to the buyer;
- The asset is no longer part of the operating assets of the Company to the extent usually associated with ownership, and effective control is not retained;
- The value of revenues and costs incurred, or to be incurred, may be measured reliably;
- It is probable that the economic benefits associated with the sale will be received; and
- The costs incurred, or to be incurred, with the transaction can be measured reliably.

The Company has customer loyalty programmes that do not entail credits, as they consist of discounts applied when a sale is made and are recognised as a reduction in the corresponding transaction. They do not usually exceed the month in which they are granted. If the discount is applied after the current month, revenue from sales is adjusted in the current month making an estimation based on the historical data for loyalty and its probability of occurrence and the relevant liability is generated. The estimated amount of these discounts is regularised in the following month with the real amount in function of the coupons redeemed. When these customer discounts are granted through franchised stores, they are paid to the franchisee and are, therefore, also recognised as a reduction in the sale amount in the month in which they are applied.

There are certain negotiations of loyalty income within the promotional policy in place with suppliers which, based on the number of units sold and the negotiated discount, are passed on to suppliers and recognised as a reduction in the cost of supplies.

p) Income tax

The profit tax expense or income includes both current and deferred tax.

Current profit tax assets and liabilities are measured at the expected amounts to be paid or collected from the tax authorities, using the regulations and interest rates in force, or approved and awaiting official announcement at the close of the financial year.

Both current and deferred profit tax are recognised in profit or loss, except when a transaction or economic event arises that has been recognised against equity or a business combination in the same or another financial year.

The Company pays tax under the consolidated declaration regime with its subsidiary companies Dia Retail España, S.A.U., Pe-Tra Servicios a la Distribución, S.L.U., Dia Finance S.L.U. and Finandia, S.A.U. (Note 18).

i) Recognition of deferred tax liabilities

The Company recognises deferred tax liabilities in all cases, unless they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and there is no impact at the date of the transaction on either the book result or the tax base.

ii) Recognition of deferred tax assets

The Company recognises deferred tax assets provided it is probable that there will be sufficient future taxable profits to offset them, except in cases where the differences arise from the initial recognition of assets or liabilities in a transaction that is not a business combination and there is no impact at the date of the transaction on either the book result or the tax base.

iii) Measurement

Deferred tax assets and liabilities are measured at the tax rates which will be applicable in the financial years when the assets are expected to be realised and the liabilities settled, using the regulations and interest rates in force, or approved and awaiting official publication, taking into account the tax effects of the form in which the Company expects to realise the assets or settle the liabilities.

For these purposes, the Company has considered deduction for the reversal of temporary measures, set out in transitional provision 37 of the Corporation Tax Act 27/2014, of 27 November, as an adjustment to the tax rate applicable to the deductible temporary difference associated with the non-deductibility of amortisations carried out in the 2013 and 2014 financial years.

Since 2019, following the recommendations published by the European Securities Market Authority (ESMA), the Company derecognised all capitalised negative taxable bases and has recognised deferred tax assets to the extent that there are deferred tax liabilities in the Company or any of the companies in the Tax Consolidation Group.

iv) Offset and classification

The Company only offsets current profit tax assets and liabilities if there is legal right with regard to the tax authorities and intends to either settle the resulting amounts owing on a net basis or realise the assets and settle the amounts owing simultaneously.

Deferred tax assets and liabilities are recognised in the balance sheet as non-current assets or liabilities, regardless of the expected date of realisation or settlement.

q) Transactions with payments based on equity instruments

The Company recognises goods or services received or acquired in a share-based payment transaction at the time the goods are obtained or the services are received. If the goods or services are received in a transaction with share-based payments settled in equity instruments, an increase in equity is recognised, while if they are settled in cash, a liability is recognised, with an offsetting entry in the income statement or on the asset side of the balance sheet.

The Company recognises transactions with share-based payments settled through own equity instruments, including capital increases due to non-monetary contributions, as well as the corresponding equity increase related to them, for the fair value of the goods or services received, unless such fair value cannot be reliably estimated, in which case the value is determined by reference to the fair value of the equity instruments received.

Deliveries of equity instruments in consideration of services provided by Company employees or third parties providing similar services are measured by reference to the fair value of the equity instruments offered.

i) Share-based payments to employees and/or directors settled with the issue of equity instruments

Payments to employees and/or directors settled by issuing equity instruments are recognised using the following criteria:

- If the equity instruments granted vest immediately on the grant date, or because their vesting is contemplated due to plan terms and conditions linked to changes in control, the services received are recognised in profit and loss, with a corresponding increase in equity;

- If the equity instruments granted become vested when the employees complete a specified period of service, the services received are recognised over the vesting period with a credit to equity.

The Company determines the fair value of instruments granted to employees and/or directors on the date of grant.

If the service vesting period is prior to the award date, the Group estimates the fair value of the consideration payable on that date, at which time its fair value will be reviewed and determined.

Market vesting conditions and other non-vesting conditions are taken into account when assessing the fair value of the instrument. Other vesting conditions are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for services received is based on the number of equity instruments that will eventually be vested. Consequently, the Company recognises the amount for services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and revises that estimate if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates.

Once the services received and the corresponding increase in equity have been recognised, no further adjustments are made to equity after the vesting date, notwithstanding the corresponding reclassification to equity.

ii) Tax effect

In accordance with the provisions of current tax legislation, costs settled with the delivery of equity instruments are deductible in the tax period in which delivery takes place, in which case a deductible temporary difference arises as a result of the time difference between the accounting recognition of the expense and its tax deductibility.

r) Classification of assets and liabilities as current or non-current

Assets and liabilities are presented on the Company balance sheet as current or non-current. For these purposes, current assets or liabilities are those that meet the following criteria:

- Assets are classified as current if they are expected to be realised, or intended to be sold or consumed, over the course of the normal Company operating cycle, are held essentially for trading purposes, are expected to be realised within a period of twelve months from the date of close, or take the form of cash or other equivalent liquid assets, except in those cases where they cannot be exchanged or used to cancel out a liability, at least within the twelve months following the date of close.

- Liabilities are classified as current when they are expected to be settled during the Company's normal operating cycle, are maintained basically for negotiation, must be paid within twelve months after closing date or when the Company has no unconditional right to delay the cancellation of liabilities for at least twelve months after closing date.

- Financial liabilities are classified as current if they must be settled within 12 months after closing date, even if the original period was greater than 12 months and there exists a refinance or restructuring agreement for long-term periods concluding after closing date and prior to the preparation of the annual accounts.

s) Environment

The Company carries out operations whose main purpose is to prevent, reduce or repair potential damage caused to environment as a result of its activities.

Expenses arising from environmental activities are recognised as Other operating expenses in the period when they are incurred. The Company recognises environmental provisions if necessary.

Items of property, plant and equipment acquired with a view to their being used lastingly in its business and the main purpose of which is the minimisation of the environmental impact of the Company's operations and the protection and improvement of the environment, including the reduction or elimination of future pollution, are recognised as assets, applying valuation, presentation and disclosure criteria consistent with those referred to in sub-section c) of this Note.

t) Transactions between group companies

Transactions between group companies, except those related to mergers, divisions and non-monetary business contributions, as mentioned in the previous sections, are recognised at the fair value of the consideration received or delivered. The difference between that value and the agreed amount is recognised according to the underlying economic nature of the transaction.

5. INTANGIBLE ASSETS

The composition and movements of the accounts included under Intangible Assets, excluding goodwill, were as follows:

	Thousands of euros			
	Concessions	Computer software	Other intangible assets	Total
Cost				
At 1 January 2024	**200**	**190**	**52**	**442**
Additions	—	154	1	155
At 31 December 2024	**200**	**344**	**53**	**597**
Amortisation				
At 1 January 2024	**(133)**	**(180)**	**(25)**	**(338)**
Amortisation	(8)	(19)	(6)	(33)
At 31 December 2024	**(141)**	**(199)**	**(31)**	**(371)**
Net book value at 31 December 2024	**59**	**145**	**22**	**226**

	Thousands of euros			
	Concessions	Computer software	Other intangible assets	Total
Cost				
At 1 January 2023	**200**	**193**	**1,947**	**2,340**
Additions	—	12	—	12
Derecognitions	—	—	(324)	(324)
Hive Down Transfers (*) (Note 1 b), Annex II)	—	(15)	(1,571)	(1,586)
At 31 December 2023	**200**	**190**	**52**	**442**
Amortisation				
At 1 January 2023	**(125)**	**(190)**	**(1,491)**	**(1,806)**
Amortisation	(8)	(5)	(26)	(39)
Derecognitions	—	—	147	147
Hive Down Transfers (*) (Note 1 b), Annex II)	—	15	1,345	1,360
At 31 December 2023	**(133)**	**(180)**	**(25)**	**(338)**
Value impairment				
At 1 January 2023	**—**	**—**	**(177)**	**(177)**
Derecognitions	—	—	177	177
At 31 December 2023	**—**	**—**	**—**	**—**
Net book value at 31 December 2023	**67**	**10**	**27**	**104**

(*) Subsidiarisation operation included in the old Syndicated Financing Agreement as an obligation for the Dia Group (Notes 1 b) and Annex II). The net transfer of intangible assets in 2023 was 226 thousand euros.

The derecognitions in 2023 under "Other intangible assets" relate to the closure of stores that were fully impaired.

a) Goodwill and value impairment

The composition and movement in goodwill was as follows:

	Thousands of euros	
	2024	2023
Cost		
At 1 January	**80**	**4,078**
Hive Down Transfers (*) (Note 1 b), Annex II)	—	(3,998)
At 31 December	**80**	**80**
Amortisation		
At 1 January	**(51)**	**(2,827)**
Amortisation	(8)	(333)
Hive Down Transfers (*) (Note 1 b), Annex II)	—	3,109
At 31 December	**(59)**	**(51)**
Value impairment		
At 1 January	**—**	**(39)**
Hive Down Transfers (*) (Note 1 b), Annex II)	—	39
At 31 December	**—**	**—**
Net book value at 31 December	**21**	**29**

(*) Subsidiarisation operation included in the old Syndicated Financing Agreement as an obligation for the Dia Group (Notes 1 b) and Annex II). The net transfer of goodwill arising in 2023 was 850 thousand euros.

At the close of the 2024 and 2023 financial years, the Company performed the relevant impairment tests on the various Cash-Generating Units (CGUs) with associated goodwill, after which no impairments were identified (Note 6).

b) Fully amortised assets

The cost of intangible fixed assets fully amortised and still in use at 31 December was as follows:

	Thousands of euros	
	2024	2023
Computer software	175	170
Other intangible assets	3	2
Total	**178**	**172**

6. PROPERTY, PLANT AND EQUIPMENT

The composition and movement in the accounts included under Property, plant and equipment was as follows:

	Thousands of euros					
	Buildings	Technical installations and machinery	Other installations, fixtures and furniture	Fixed assets under construction and advance payments	Other assets	Total
Cost						
At 1 January 2024	**22,724**	**27,571**	**1,736**	**301**	**3,737**	**56,069**
Additions	253	340	22	17	6	638
Derecognitions	(2,559)	(4,111)	(85)	—	(187)	(6,942)
Transfers	—	143	—	(186)	43	—
At 31 December 2024	**20,418**	**23,943**	**1,673**	**132**	**3,599**	**49,765**
Depreciation						
At 1 January 2024	**(18,265)**	**(22,797)**	**(1,577)**	**—**	**(3,595)**	**(46,234)**
Depreciation (*)	(611)	(1,451)	(65)	—	(16)	(2,143)
Derecognitions	2,100	3,192	73	—	125	5,490
Transfers	—	(15)	—	—	—	(15)
At 31 December 2024	**(16,776)**	**(21,071)**	**(1,569)**	**—**	**(3,486)**	**(42,902)**
Value impairment						
At 1 January 2024	**(813)**	**(683)**	**(47)**	**—**	**(41)**	**(1,584)**
Provision	(28)	(64)	—	—	—	(92)
Derecognitions	210	213	8	—	—	431
Reversal	1	15	—	—	—	16
Transfers	—	15	—	—	—	15
At 31 December 2024	**(630)**	**(504)**	**(39)**	**—**	**(41)**	**(1,214)**
Net book value at 31 December 2024	**3,012**	**2,368**	**65**	**132**	**72**	**5,649**

(*) Includes 15 thousand euros corresponding to the incorporation of group company assets.

	Thousands of euros						
	Land	Buildings	Technical installations and machinery	Other installations, fixtures and furniture	Fixed assets under construction and advance payments	Other assets	Total
Cost							
At 1 January 2023	**433**	**150,867**	**229,974**	**9,971**	**1,317**	**10,897**	**403,459**
Additions	—	5,129	7,999	693	34	33	13,888
Derecognitions	—	(7,361)	(19,870)	(1,038)	—	(648)	(28,917)
Transfers	—	(265)	(184)	444	(1,050)	(434)	(1,489)
Hive Down Transfers (*) (Note 2 b))	(433)	(125,646)	(190,348)	(8,334)	—	(6,111)	(330,872)
At 31 December 2023	**—**	**22,724**	**27,571**	**1,736**	**301**	**3,737**	**56,069**
Depreciation							
At 1 January 2023	**—**	**(115,250)**	**(176,467)**	**(7,196)**	**—**	**(9,697)**	**(308,610)**
Depreciation (**)	—	(4,478)	(10,748)	(1,060)	—	(373)	(16,659)
Derecognitions	—	5,657	16,352	915	—	572	23,496
Transfers	—	508	940	(443)	—	474	1,479
Hive Down Transfers (*) (Note 2 b))	—	95,298	147,126	6,207	—	5,429	254,060
At 31 December 2023	**—**	**(18,265)**	**(22,797)**	**(1,577)**	**—**	**(3,595)**	**(46,234)**
Value impairment							
At 1 January 2023	**—**	**(3,275)**	**(4,522)**	**(265)**	**—**	**(87)**	**(8,149)**
Derecognitions	—	405	601	19	—	—	1,025
Reversal	—	76	232	13	—	—	321
Transfers	—	10	(41)	—	—	41	10
Hive Down Transfers (*) (Note 2 b))	—	1,971	3,047	186	—	5	5,209
At 31 December 2023	**—**	**(813)**	**(683)**	**(47)**	**—**	**(41)**	**(1,584)**
Net book value at 31 December 2023	**—**	**3,646**	**4,091**	**112**	**301**	**101**	**8,251**

(*) Subsidiarisation operation included in the old Syndicated Financing Agreement as an obligation for the Dia Group (Notes 1 b) and Annex II).
(**) Includes 1,229 thousand euros corresponding to the incorporation of group company assets.

a) General

The additions of property, plant and equipment essentially relate to the refurbishments carried out for the transformation of the commercial establishments to the new format. The decrease in the amount of additions between 2024 and 2023 is due to the decrease in the number of stores owned by the Company following the transfer of assets to its indirect subsidiary for the Hive Down transaction explained in Notes 1 b) and Annex II.

Assets under finance leases in both financial years are detailed in Note 7.

In the 2023 financial year there was a net transfer of 71,603 thousand euros worth of property, plant and equipment to its subsidiary as part of the Hive Down operation as explained in Notes 1 b) and Annex II.

b) Impairment

As described in Note 4 e), based on past experience, the Company considers indications of impairment to exist when a mature store (i.e., one that has been operating for more than two years) has posted negative results for the past two years and stores where impairment was recorded in the past. Performance is measured by store-level EBIT calculated according to the definition of the alternative performance measurements mentioned in the consolidated management report. In addition, all stores that have individual goodwill allocated to them have been analysed for potential impairment.

Individual assets or groups of assets are tested for impairment by comparing their book value with their recoverable value, defined as the higher of their fair value (less costs of disposal) and their value in use. The value in use is the present value of future cash flows expected to be obtained from the asset. The value in use of each store has been determined using discounted future cash flows that require the use of market participant assumptions. These calculations use cash flow projections based on the updated financial projections covering a five-year period and projected over a period determined by the store's most significant and longest-lasting assets. Cash flows beyond the five-year period are projected over the additional period using the estimated growth rates given below. The growth rate considered from the fifth year onwards should not exceed the average long-term growth rate for the distribution business in which the Company operates.

The updated financial projections used have been prepared taking into account past experience as well as forecasts consistent with those included in sector specific reports. These updated financial projections envisage approved store refurbishments, such that they include capital expenditure to undertake these refurbishments and to achieve an increase in associated sales where appropriate. In particular, this includes the full roll-out of the updated store model in Spain that began in the second half of 2020 and has implemented the refurbishments of stores and the disposal of unprofitable stores. On the other hand, for the purposes of the test, for those stores earmarked for closure or sale and which also generate negative cash flows, the full book value of the non-movable assets and those which are not expected to be recovered through their use in other stores is impaired, since it has not been possible to estimate a sales value for them. Stores to be closed that are not individually identified have been analysed using the same methodology applied to stores not expected to close.

Assumptions used to calculate impairment:

The key assumptions used in the updated financial projections are detailed as follows:

	Spain	
	2024	2023
Sales growth rate (1)	4.6 %	1.7 %
Perpetual growth rate (2)	1.5 %	1.8 %
Discount rate (3)	7.4 %	7.7 %
% Gross profit (4)	19.7 %	22.0 %

(1) Sales growth rate for the years projected.

(2) Weighted average growth rate used to extrapolate cash flows beyond the period after the years projected.

(3) Post-tax discount rate calculated at a date close to the end of the financial year applied to cash flow projections.

(4) Gross profit: calculated mainly by deducting from net sales and other income: (i) goods consumed and other consumables; (ii) impairment of trade receivables; and (iii) personnel costs, other operating expenses and lease expenses related to logistics activities.

Management has determined the values assigned to each of the above key assumptions as follows:

Sales growth rate

The average annual growth rate for the projected period was determined on the basis of Management's expectations of market development, in accordance with the Company's projections, and taking into account plans for store optimisation, converting stores to new formats and changes in macroeconomic indicators (population, food inflation, etc.).

In order to calculate the recoverable value of each store, the Company set up portfolios of stores with similar characteristics, adding them based on the commercial brand and business model in order to apply common variables in terms of growth assumptions in line with the aforementioned updated financial projections.

Perpetual growth rate

The growth rates used to extrapolate flows beyond the initial five-year period have been determined on the basis of the International Monetary Fund's medium and long-term inflation target rates for Spain.

These growth rates are consistent with the forecasts for the industry's expected evolution.

Post-tax discount rate

The discount rates used reflect specific risks relating to business in the country. The discount rates used are post tax, and are calculated by weighting the cost of equity with the cost of debt, using the industry average weighting. The cost of equity is calculated considering the following factors: the country's risk-free rate, the industry's adjusted beta, the market risk differential and the size of the Company.

% Gross profit

The % Gross profit is calculated according to the definition included in the alternative measures of the performance of the Group's consolidated management report.

As a result of the impairment tests performed, an allocation for impairment of 76 thousand euros was recognised in 2024 in relation to property, plant and equipment. This allocation mainly relates to the impairment of two stores.

As a result of the impairment tests performed, a reversal of net impairment of 321 thousand euros was recognised in 2023 in relation to property, plant and equipment. This reversal relates to the impairment of three stores.

Details of the sensitivity of the evaluation of property, plant and equipment to changes in key assumptions are set out below, with the rest of the variables remaining constant:

- A reduction in the average sales growth rate of 100 base points would have led to an additional impairment of 15 thousand euros;
- A decrease of 20 base points in the % gross profit would have led to an additional impairment of 15 thousand euros;
- Or a drop in the perpetual growth rate of 100 base points would have led to an additional impairment of 2 thousand euros.

c) Fully depreciated assets

The cost of fully depreciated property, plant and equipment still in use was as follows:

	Thousands of euros	
	2024	2023
Buildings	11,838	13,660
Technical installations and machinery	17,651	20,276
Other installations, fixtures and furniture	1,495	1,447
Other assets	3,494	3,612
Total	**34,478**	**38,995**

d) Insurance

The Company has various insurance policies to cover the risks its property, plant and equipment items are subject to. The coverage of these policies is considered sufficient.

7. LEASES

a) Financial leases - Lessee

The Company has the following asset classes contracted under finance leases, included under Property, plant and equipment:

	Thousands of euros			
	2024			
	Technical installations and machinery	Other installations, fixtures and furniture	Other assets	Total
Cost	132	—	—	132
Accumulated depreciation	(88)	—	—	(88)
Net book value at 31 December	**44**	**—**	**—**	**44**

	Thousands of euros			
	2023			
	Technical installations and machinery	Other installations, fixtures and furniture	Other assets	Total
Cost	162	5	—	167
Accumulated depreciation	(99)	(5)	—	(104)
Net book value at 31 December	**63**	**—**	**—**	**63**

The amount of the cost indicated in the detail above corresponds in all cases to the fair value of the assets on the date when the financial lease agreements were signed.

The amount of interest expenditure on finance leases during the 2024 and 2023 financial years was 9 and 210 thousand euros, respectively.

The minimum future lease payments under financial lease agreements, together with their present value, are as follows:

	Thousands of euros			
	2024		2023	
	Minimum payments	Present value (Note 17 a))	Minimum payments	Present value (Note 17 a))
Less than one year	17	13	207	200
Two to five years	14	9	29	18
Over five years	—	—	1	1
Total minimum payments and present values	**31**	**22**	**237**	**219**
Less current part	(17)	(13)	(207)	(200)
Total non-current	**14**	**9**	**30**	**19**

The reconciliation between the minimum future payments amount and their present value is as follows:

	Thousands of euros	
	2024	2023
Future minimum payments	31	237
Unaccrued finance expenses	(9)	(18)
Present value	**22**	**219**

During 2024 and 2023 there was no subleasing of property, plant and equipment elements recognised under financial leasing.

b) Operating leases - Lessee

The Company had approximately 294 lease agreements in effect at 31 December 2024 (358 at 31 December 2023). In general terms, the operating leases on stores only establish the payment of a fixed monthly charge which is reviewed annually in line with, and index linked to, the rate of inflation. Operating leases generally do not include clauses establishing variable amounts, such as turnover-based fees, or contingent rent amounts.

No store sale agreement with subsequent leases was signed in the 2024 or 2023 financial years.

At 31 December 2023, the Company has no significant operating property leases in place.

The amount of the operating lease payments recognised in the income statement was as follows (Note 21 d)):

	Thousands of euros	
	2024	2023
Property lease expenses	13,601	45,840
Furniture and equipment expenses	6	315
Total	**13,607**	**46,155**

The decrease in lease expenses recognised in the income statement between 2024 and 2023 is due to the Hive Down operation in effect since 1 November 2023.

The total future minimum payments for non-cancellable operating leases were as follows:

	Thousands of euros	
	2024	2023
Less than one year	3,882	3,710
Two to five years	2,746	3,538
Over five years	232	493
Total minimum property lease payments	**6,860**	**7,741**
Less than one year	4	7
Two to five years	1	4
Total minimum movable goods lease payments	**5**	**11**

Most of the lease contracts for stores signed by the Company contain clauses allowing them to be terminated at any time throughout their useful lives once the mandatory tie-in period has elapsed. To do so, the lessor must be notified of this decision with the agreed period of notice, which is generally under three months. Total lease commitments were lower than the annual lease expense.

c) Operating leases - Lessor

Income from sub-lease instalments for the 2024 financial year received from assignments of use to franchisees, along with the amounts received from the licensees for them to perform their operations, amounted to 79 thousand euros (569 thousand euros in 2023) (Note 21 f)). In general, the term of these contracts is less than one year, which may be tacitly extended, establishing a fixed monthly rent plus a fee depending on the concession's invoicing.

In addition, the Company received 11,539 thousand euros relating to subleases of stores to its subsidiaries, included under Other income in Note 20. b) (12,098 thousand euros in 2023).

The total amount of future minimum non-cancellable sublease receivables expected to be received is as follows:

	Thousands of euros	
	2024	**2023**
Less than one year	3,357	3,412
Two to five years	1,716	2,241
Over five years	26	156
Total	**5,099**	**5,809**

8. RISK MANAGEMENT AND POLICY

Financial risk management is centralised in the Group's Senior Management, which, through the Group's Finance Management, in close collaboration with the operating units, oversees management and verifies that financial risk-taking activities are regulated by corporate policies and procedures approved by the Board of Directors as well as ensuring financial risks are identified, measured and managed in accordance with these policies.

The Group's Finance Management has established the necessary mechanisms to control the exposure to changes in interest and exchange rates, as well as credit and liquidity risks in accordance with the structure and financial position and the economic variables of the environment, resorting to hedging transactions if necessary.

In particular, the Company's activities are exposed to interest rate and exchange rate risks, as well as credit and liquidity risks.

a) Cash flow interest rate and fair value risks

The Company's interest rate risk arises from interest rate fluctuations that affect the finance cost of long-term borrowings issued at variable rates.

The Group contracts various interest rate hedging transactions to mitigate its exposure, in accordance with its Risk Management Policy. At 31 December 2024, the Dia Group has arranged derivatives with external counterparties to hedge against interest rate risk on long-term financing.

In financial years 2024 and 2023, the Company did not enter into any significant transactions involving long-term debt at variable interest rates.

The Company's policy is to keep financial assets liquid and available for use. These balances are held in financial institutions with high credit ratings.

b) Currency risk

In 2024 and 2023 the Company did not carry out any significant transactions in currencies other than the functional currency and did not carry out hedging operations in either financial year.

The Company has an investment in foreign operations, the net assets of which are exposed to currency risk. Currency risk affecting net assets of the Company's foreign operations in Argentine pesos is primarily managed through borrowings denominated in the respective foreign currency. At 31 December 2024 and 2023, the Company has balances with group companies in Argentina amounting to 426 thousand euros, as described in Note 17 b) (at 31 December there were no balances with group companies in countries located in Argentina).

The Company's exposure to currency risk at 31 December 2024 and 2023 in respect of the balances outstanding in currencies other than the functional currency was immaterial.

c) Credit risk

Credit risk is the risk the Company is exposed to if a client or counterparty of a financial instrument fails to comply with their contractual obligations, and mainly stems from trade receivables and the Company's investments in financial assets.

The Company has no significant concentrations of credit risk. The risk of concentration is minimised with diversification, managing and combining various areas of impact. The Company's main loans are to different types of customers such as franchisees and retail customers. The Company considers that the evolution of macroeconomic conditions would not have significant impacts on estimated credit risk.

The Company has policies to ensure that wholesale sales of products are made to customers with a suitable credit record. Sales to retail customers are made in cash or by credit card. Derivative transactions are only arranged with financial institutions that have a high credit rating in order to mitigate credit risk. The Company has policies in place to limit the total risk with any financial institution.

The Company's credit risk is due to its operations with most of its franchisees and is mitigated by the deposits linked to the 2020 franchise management model mentioned in Note 17 and the guarantees received mentioned in Note 23 b), as indicated below:

Thousands of euros	2024	2023
Non-current trade transactions (Note 10 c))	129	182
Current trade transactions	1,520	1,286
Current guarantees and deposits received	(636)	(662)
Guarantees received (Note 23 b))	(2,300)	(5,832)
Total	**(1,287)**	**(5,026)**

Non-current trade transactions relate to the financing of the initial inventory of the franchisees, which is repaid monthly based on the cash generation profile of the business. This funding of the initial inventory order corresponds to the previous Dia franchise model, which was essentially based on payment for the delivery of goods. Current trade transactions relate to the financing of the supply of goods and to maturities of less than 12 months from the initial financing of the previous model. With the change of franchise management model introduced in 2020, the franchisee pays for the sale of both initial stock and recurring sales and not for the goods invoiced at the time of receipt, i.e. the collection is based on the cash generated at the franchisee's point-of-sale terminal, so the entire debt is recognised as current.

The Company did not sign any non-recourse assignment agreements for supplier trade receivables in 2024 or in 2023.

The Company's exposure to credit risk at 31 December is shown below. The accompanying tables reflect the analysis of financial assets by remaining contractual maturity dates:

Thousands of euros	Maturity	2024
Loans to third parties	2024	—
Guarantees and other deposits	per contract	3,884
Accounts receivable and provision of services	2026-2040	129
Other receivables from Public Authorities	2026	44,927
Non-current financial assets		**48,940**
Accounts receivable and provision of services	2025	1,520
Receivables from group companies and associates	2025	1,192
Other receivables	2025	140
Personnel	2025	30
Current account with group companies	2025	42,431
Interest rate hedging derivatives	2025	1,802
Guarantees and other deposits	2025	125
Current financial assets		**47,240**

Thousands of euros	Maturity	2023
Loans to third parties	2025	28
Guarantees and other deposits	per contract	4,328
Accounts receivable and provision of services	2025-2040	182
Non-current financial assets		**4,538**
Accounts receivable and provision of services	2024	1,286
Receivables from group companies and associates	2024	18
Other receivables	2024	113
Personnel	2024	13
Current account with group companies	2024	10,925
Interest rate hedging derivatives	2024	2,507
Guarantees and other deposits	2024	138
Current financial assets		**15,000**

The returns on these financial assets in 2024 and 2023 totalled 1,604 thousand euros and 6,357 thousand euros, respectively.

At 31 December 2024 and 2023, the Company had an interest rate risk hedging derivative contracted with banks, which, in turn, it had assigned to Dia Retail. In addition, at 31 December 2023, the Company had contracted other interest rate risk derivatives, which it had assigned to Dia Finance. Derivatives have generated financial income for the Company due to the adjustment to fair value vis-à-vis the banks, and financial expenses due to the transfer of the same amount to Dia Retail and Dia Finance. At 31 December 2024, the Company has an asset of 1,802 thousand euros (2,507 thousand euros at 31 December 2023), (Note 10 b) and a liability for the same amount (Note 17 a).

Details of non-current and current trade and other receivables by maturity are as follows:

	Thousands of euros			
Non-current	Total	Up to 2 years	3 - 5 years	> 5 years
31 December 2024	**129**	17	47	65
31 December 2023	**182**	35	70	77

	Thousands of euros					
Current	Total	Not due	Less than 1 month	2-3 months	4-6 months	7-12 months
31 December 2024	**5,012**	4,980	11	21	—	—
31 December 2023	**71,153**	71,074	11	41	14	13

Details of the impairment policy can be found in Note 4 g).

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle its financial liabilities when due.

The Company undertakes prudent management of liquidity risk based on maintaining sufficient cash and negotiable securities, the availability of finance by means of a sufficient sum of agreed credit facilities and enough capacity to liquidate market positions. Given the dynamic nature of its underlying business, the Group's Finance Department aims to be flexible with regard to financing with drawdowns on credit facilities taken out.

Liquidity risk is monitored by the Group's Cash Committee which meets every two weeks to check that the Group's financing requirements are covered by the resources available.

The Company's exposure to liquidity risk at 31 December is shown below. The tables below reflect the summary of financial liabilities by contractual dates for remaining maturities:

Thousands of euros	Maturity	2024
Finance lease payables	2028	9
Other financial liabilities	2026/according to the contract	769
Long term debt to Group companies and associates	2026-2029	229,799
Total non-current financial liabilities		**230,577**
Bonds and other negotiable securities	2025	32,244
Finance lease payables	2025	13
Other financial liabilities	2025	3,170
Debt to group companies	2025	14,803
Suppliers	2025	284
Suppliers, group companies	2025	8,071
Creditors	2025	16,203
Personnel	2025	2,933
Advances from customers	2025	1
Total current financial liabilities		**77,722**

Thousands of euros	Maturity	2023
Bonds and other negotiable securities	2026	31,046
Finance lease payables	2029	19
Other financial liabilities	2025/according to the contract	893
Total non-current financial liabilities		**31,958**
Bonds and other negotiable securities	2024	802
Bank borrowings	2024	94
Finance lease payables	2024	200
Other financial liabilities	2024	4,932
Debt to group companies	2024	130,668
Suppliers	2024	2,090
Suppliers, group companies	2024	16,158
Creditors	2024	18,045
Personnel	2024	836
Advances from customers	2024	2
Total current financial liabilities		**173,827**

The evolution of balances with Group companies is explained in Note 17 b) and c).

Non-current financial liabilities are presented below by contractual maturity dates:

2024:

Thousands of euros	Total	2026	2027-2029	From 2030
Finance lease payables	9	3	6	—
Guarantees and deposits received	298	—	—	298
Other non-current liabilities	471	471	—	—
Debts with group companies and associates	229,799	26,799	203,000	—
Total non-current financial debt	**230,577**	**27,273**	**203,006**	**298**

2023:

Thousands of euros	Total	2025	2026-2028	From 2029
Bonds and other negotiable securities	31,046	—	31,046	—
Finance lease payables	19	18	1	—
Guarantees and deposits received	422	—	—	422
Other non-current liabilities	471	471	—	—
Total non-current financial debt	**31,958**	**489**	**31,047**	**422**

The finance costs accrued on these financial liabilities totalled 2,326 thousand euros and 7,016 thousand euros in 2024 and 2023, respectively.

Finance expenses in 2024 and 2023 include the expenses associated with derivative contracts recognised as current debt.

9. INVESTMENTS IN GROUP COMPANY EQUITY INSTRUMENTS

Detailed information relating to shareholdings in group companies (companies with direct and indirect shareholdings) is presented in Annex I.

The detail of investments in Group companies and their movements during the year was as follows:

	Thousands of euros			
Investment	Balance at 1 January 2024	Additions	Derecognitions	Balance at 31 December 2024
Dia Argentina, S.A.	186,034	3,702	—	189,736
Dia Brasil Sociedade Limitada	704,812	74,855	(779,667)	—
Finandia, S.A.U.	3,500	—	—	3,500
CD Supply Innovation S.L. in liquidation	500	—	—	500
Luxembourg Investment Company 317, S.à.r.l.	479,668	200	—	479,868
Total cost	**1,374,514**	**78,757**	**(779,667)**	**673,604**
Impairment	(704,812)	(75,898)	779,667	(1,043)
Net Book value	**669,702**	**2,859**	**—**	**672,561**

	Thousands of euros				
Investment	Balance at 1 January 2023	Additions	Transfer to non-current assets held for sale	Hive Down Transfers (Note 2 b))	Balance at 31 December 2023
Dia Portugal Supermercados, S.A.	20,942	—	(20,942)	—	—
Dia Argentina, S.A.	179,488	6,546	—	—	186,034
Dia Brasil Sociedade Limitada	665,221	39,591	—	—	704,812
Finandia, S.A.U.	3,500	—	—	—	3,500
CD Supply Innovation S.L. in liquidation	500	—	—	—	500
Luxembourg Investment Company 317, S.à.r.l.	376,161	348	—	103,159	479,668
Total cost	**1,245,812**	**46,485**	**(20,942)**	**103,159**	**1,374,514**
Impairment	(552,021)	(161,063)	8,272	—	(704,812)
Net Book value	**693,791**	**(114,578)**	**(12,670)**	**103,159**	**669,702**

2024 changes

The additions occurring in the 2024 financial year following the contributions made by Dia, amounting to 78,757 thousand euros, occurred in Brazil, Argentina and in the company Luxembourg Investment Company 317, S.à.r.l.

At 31 December 2024, the contributions made for the Brazilian subsidiary amounted to 74,855 thousand euros corresponding to: 7,512 thousand euros for the Company's contribution made in January 2024; 30,343 thousand euros for financial debts guaranteed by the Company and assumed by it; and 37,000 thousand euros for contributions of funds made within the scope of the sale transaction.

Derecognitions in the period are due to the sale of the Brazilian business, which took place during 2024 (Note 1b)).

2023 changes

The additions occurring in the 2023 financial year following the contributions made by Dia, amounting to 46,485 thousand euros, occurred in Brazil, Argentina and Luxembourg Investment Company 317, S.à.r.l.

During the financial year, the sum contributed in Brazil amounted to 39,591 thousand euros and was produced by forgiving the debt with Dia Brasil amounting to 16,930 thousand euros, together with a cash contribution of 22,661 thousand euros.

During the 2023 financial year there were debt waivers at Dia Argentina amounting to 6,891 thousand euros, of which the Company contributed 6,546 thousand euros, equivalent to 95% of its direct stake in the subsidiary.

Dia's holding in Dia Portugal Supermercados, S.A. was transferred to non-current assets held for sale following the decision to sell this business, as mentioned in Note 1 b)).

In addition, a contribution amounting to 103,159 thousand euros was made as a continuation of the Hive Down operation (Notes 1 b) and Annex II).

Value impairment

The amount of value adjustments due to impairment and reversals recognised in the various investees was as follows:

	Thousands of euros			
Investment	Balance at 1 January 2024	Provisions	Derecognitions	Balance at 31 December 2024
Dia Brasil Sociedade Limitada	(704,812)	(74,855)	779,667	—
Finandia, S.A.U.	—	(1,043)	—	(1,043)
Total	**(704,812)**	**(75,898)**	**779,667**	**(1,043)**

	Thousands of euros			
Investment	Balance at 1 January 2023	Provisions	Transfer to non-current assets held for sale	Balance at 31 December 2023
Dia Brasil Sociedade Limitada	(552,021)	(152,791)	—	(704,812)
Dia Portugal Supermercados, S.A.	—	(8,272)	8,272	—
Total	**(552,021)**	**(161,063)**	**8,272**	**(704,812)**

In accordance with the terms of Note 4 g), paragraph viii, the recoverable amount of investments in group companies is determined on the basis of calculations of value in use, or fair value less sales costs if greater. Discounted future cash flows are used to calculate the value, considering the same key variables as indicated in Note 6.b).

The fair value is the price that would be received to sell the investments in group companies in the country assessed for impairment in an orderly transaction between market participants. Fair value is measured using observable data where available (multiples of recent net sales and/or EBITDA transactions, offers received from potential buyers, stock market multiples for comparable companies) or on the basis of analyses performed by internal or external experts.

The key assumptions used in the updated financial projections are detailed as follows:

	Spain (*)		Argentina	
	2024	2023	2024	2023
Sales growth rate (1)	4.6 %	1.7 %	28.0 %	29.1 %
Perpetual growth rate (2)	1.5 %	1.8 %	1.8 %	1.7 %
Discount rate (3)	7.6 %	7.5 %	15.9 %	16.2 %
% Gross profit (4)	19.7 %	22.0 %	19.6 %	18.6 %

(*) Indirect investment, through the company Luxembourg Investment Company 317, S.a.r.l.

(1) Weighted average annual sales growth rate for the periods.
(2) Weighted average growth rate used to extrapolate cash flows beyond the budget period.
(3) Post-tax discount rate applied to cash flow projections.
(4) Gross profit: calculated mainly by deducting from net sales and other income: (i) goods consumed and other consumables; (ii) impairment of trade receivables; and (iii) personnel costs, other operating expenses and lease expenses related to logistics activities.

At 31 December 2024, the Company recognised an impairment of 74,855 thousand euros on the investment in Brazil corresponding to the contribution of funds made by the Company. At 31 December 2023, the estimated recoverable value of this investment is not greater than zero. On this basis, the Company recognised impairment of 152,791 thousand euros in 2023. Neither at 31 December 2023 nor at the date of preparation of the 2023 annual accounts were met the conditions required by NRV 7 valuation rules (Note 4 d)) to reclassify the shareholding in Dia Brasil as a non-current asset held for sale.

In addition, related to the sale of Brazil, the Company incurred 8,961 thousand euros in transaction costs, recorded in the income statement under "Gains/(losses) on disposals and other". In the same line, 252 thousand euros was recorded relating to the sale of Portugal (Note 1.b)).

In addition, an impairment loss of 1,043 thousand euros was recognised on the investment in Finandia, S.A.U. to adjust the book value of this investment to its recoverable value.

On the other hand, at 31 December 2023, the Company recognised impairment of 8,272 thousand euros on its Portuguese subsidiary, which was transferred to non-current assets held for sale following the decision to sell the Portuguese business, as mentioned in Note 1 b) "Corporate transactions".

10. FINANCIAL INVESTMENTS AND TRADE RECEIVABLES

For financial assets recognised at cost or amortised cost, the book value is not significantly different from the fair value.

a) Financial investments in Group companies

The breakdown of financial investments in group companies was as follows:

	Thousands of euros			
	2024		2023	
Group	Non-current	Current	Non-current	Current
Current account with the Group	—	42,431	—	10,925
Total	**—**	**42,431**	**—**	**10,925**

The Company did not have any loans granted to group companies at 31 December 2024 and 2023.

The breakdown of current accounts with group companies is as follows:

	Thousands of euros							
	2024				2023			
	Total	Current account	Tax Credit (VAT)	Tax Credit (corporation tax)	Total	Current account	Tax Credit (VAT)	Tax Credit (corporation tax)
Dia Retail España, S.A.U.	**19,925**	—	2,422	17,503	**7,530**	—	7,530	—
Beauty by Dia, S.A.U.	**—**	—	—	—	**3,197**	—	1,770	1,427
Finandia E.F.C., S.A.	**642**	634	—	8	**3**	—	—	3
Petra Servicios a la Distribución, S.L.U.	**234**	—	—	234	**138**	—	—	138
Dia Finance, S.L.U.	**21,630**	19,797	—	1,833	**57**	—	—	57
Total	**42,431**	**20,431**	**2,422**	**19,578**	**10,925**	**—**	**9,300**	**1,625**

In the financial years of 2024 and 2023, the current accounts with the group accrued an annual nominal interest rate ranging from the 1-month Euribor plus 1.40% for debit balances and 0% for credit balances.

Since the 2020 financial year, following the Hive Down operation, the only balances that the Company holds in financial investments with its Spanish subsidiaries are for VAT refunds and corporation tax. The current account is only managed with Dia Finance, S.L.U. (Note 17 b)).

b) Financial investments

The breakdown of financial investments was as follows:

	Thousands of euros			
	2024		2023	
Unrelated parties	Non-current	Current	Non-current	Current
Equity instruments	36	—	36	—
Loans	—	—	28	—
Interest rate hedging derivatives (Note 8 c) and 17 a))	—	1,802	—	2,507
Other financial assets	3,884	125	4,328	138
Total	**3,920**	**1,927**	**4,392**	**2,645**

Amounts for non-current equity instruments refer to shares held by the Company in the company Ecoembalajes España, S.A. (Ecoembes).

At 31 December 2023, the non-current credit amount included the loans the Company granted to its staff and accrue interest at market rates.

Other non-current financial assets included amounts delivered to lessors by way of deposits and bonds as security for lease agreements entered into with them. These amounts are presented at their nominal value.

Other current financial assets consist of 125 thousand euros of receivables from other companies (119 thousand euros in 2023). In addition, in 2023 it included an amount of 19 thousand euros of deposits given to franchisees).

c) Trade debtors and other receivables

The breakdown of trade and other receivables was as follows:

	Thousands of euros			
	2024		2023	
	Non-current	Current	Non-current	Current
Customers (Note 8 c))	128	4,239	182	11,385
Customers of group companies and associates	—	1,192	—	18
Other payables	—	549	—	2,777
Personnel	—	30	—	13
Tax assets (Note 18)	44,928	116	—	67,708
Other receivables from Public Administrations (Note 18)	—	2,014	—	2,015
Valuation allowances for impairment	—	(3,128)	—	(12,763)
Total	**45,056**	**5,012**	**182**	**71,153**

The customer heading essentially included debts receivable from franchisees and licensees for the sale of goods. The non-current amount of this heading was presented at its current value.

The "Other debtors" heading essentially includes balances with suppliers that have become debtors and are pending collection.

The Company did not sign any non-recourse assignment agreements for supplier trade receivables in 2024 or in 2023.

At 31 December 2023, Current tax assets included 43,490 thousand euros (35,345 thousand euros for tax and 8,145 thousand euros for late-payment interest) in respect of the collection rights arising from the declaration of unconstitutionality of Royal Decree 3/2016 in January 2024 and the Group's appeal in Spain before the Spanish High Court for Corporation Tax for 2016 and 2017. During the 2024 financial year, late payment interest has been re-presented and increased by 1,438 thousand euros. In addition, the total receivable amounting to 44,928 thousand euros has been reclassified to Non-current tax assets as the appeal is not expected to be resolved in less than one year.

In general, debts receivable from customers older than six months are impaired, unless there is a record of non- payment or lack of a commercial relationship, in which case the balance is impaired beforehand.

As described in Note 4, these items are impaired when their collection is deemed to be doubtful. At 31 December 2024, the amount impaired in accordance with this criterion was 2,720 thousand euros for customers and 408 thousand euros for other debtors (10,099 and 2,664 thousand euros respectively in the 2023 financial year).

The movement in the adjustment accounts for impairment losses as a result of the credit risk associated with financial assets measured at amortised cost is as follows:

	Thousands of euros	
	2024	2023
Current		
At 1 January	**(12,763)**	**(15,172)**
Provisions	(63)	(425)
Applications	7,042	10
Reversals	2,656	2,153
Hive Down Transfers	—	671
At 31 December	**(3,128)**	**(12,763)**

11. INVENTORIES

The detail of the inventory heading is as follows:

	Thousands of euros	
	2024	2023
Goods for resale	1,016	1,121
Other supplies	—	—
Advances to suppliers	—	—
Valuation allowances for impairment	(11)	(11)
Total	**1,005**	**1,110**

At 31 December 2024 there were no restrictions of any kind on the availability of inventory.

The Company has insurance policies in place to guarantee the recoverability of the net book value of inventory in the event of incidents that might affect usage or sale.

12. ACCRUALS AND DEFERRALS

The breakdown of accruals and deferrals is as follows:

	Thousands of euros			
	2024		2023	
	Non-current	Current	Non-current	Current
Prepayments on guarantees and loans	1	—	1	—
Other prepayments	—	423	—	472
Total	**1**	**423**	**1**	**472**

13. CASH AND CASH EQUIVALENTS

The balances under the heading "Cash and cash equivalents" at 31 December 2024 totalled 941 thousand euros (1,408 thousand euros at 31 December 2023).

Current account balances earn interest at the market rates for that type of account.

The Company has granted a pledge over certain bank accounts. However, there are no restrictions on the availability of such bank accounts to the extent that the guarantee is not effective.

14. EQUITY

a) Capital

The share capital of Dia at 31 December 2024 and 2023 was 580,655,340.79 euros, represented by 58,065,534,079 shares with a par value of 0.01 euros each, fully subscribed and paid up. The shares are freely transferable.

On 27 December 2024, the Extraordinary General Shareholders' Meeting approved the Dia contrasplit, whereby (i) all the shares into which the Company's share capital is divided are grouped and cancelled in order to exchange them for newly issued shares in the proportion of one (1) new share for every one thousand (1,000) old shares, increasing the unit par value of the shares from 0.01 euros to 10.00 euros, and (ii) prior to the execution of the contrasplit, reduce the Company's share capital by 0.79 euros through the redemption of seventy-nine (79) treasury shares, each with a par value of 0.01 euros (the "technical capital reduction"). The capital reduction and contrasplit agreement was executed by Dia's Board of Directors on 8 January 2025. Following the capital reduction and immediately prior to the contrasplit, the share capital is set at 580,655,340 euros, divided into 58,065,534,000 ordinary shares, each with a par value of 0.01 euros. The stock exchange effective date was 5 February, when the pre-existing shares were technically delisted and the new shares were simultaneously admitted to trading on the Madrid, Barcelona, Bilbao and Valencia stock exchanges, as well as their inclusion in the Stock Exchange Interconnection System (Continuous Market), with 4 February 2025 being the last day on which the old shares were traded on the stock exchanges. Additionally, on February 7, 2025, the Company repurchased 6,636 excess shares from minority shareholders (in new shares) for a total amount of 117,457.20 euros, proceeding to a capital reduction by amortization for the same amount and simultaneously creating an unavailable reserve charged to the Company's free reserves for an amount equal to the nominal value of the shares redeemed in the technical capital reduction and in the capital reduction by amortization (Note 25).

As a consequence of the contrasplit, Article 5 of the Company's Articles of Association relating to share capital will be amended, and Dia's share capital will be set at 580,655,340 euros, divided into 58,065,534 shares with a par value of 10.00 euros each.

The Company's shares are listed on the Spanish stock markets. According to public information filed with the CNMV, the members of the Board of Directors control, at the date of formulation, approximately 0.0432% of the Company's share capital.

The most significant shareholding reflected in the public information registered with the National Securities Market Commission at the date these annual accounts were prepared corresponds to the 77.704% indirect shareholding of LetterOne Investment Holdings, S.A. (the direct shareholding at the same percentage is held by L1R Invest1 Holding S.à.r.l.).

b) Share premium

Dia's share premium at 31 December 2024 and 2023 amounted to 1,058,872,572.94 euros, corresponding to 6,055,522,466 shares with an issue premium of 0.09 euros and 51,387,555,100 shares with an issue premium of 0.01 euros.

c) Reserves

The breakdown of the change in reserves is as follows:

	Thousands of euros			
	Other non-distributable reserves	Voluntary reserves	Total	Negative results from previous years
At 1 January 2024	**1,867**	**964**	**2,831**	**(972,205)**
Negative results 2023	—	—	—	(133,877)
Delivery of own shares	—	(2,316)	(2,316)	—
At 31 December 2024	**1,867**	**(1,352)**	**515**	**(1,106,082)**

	Thousands of euros			
	Other non-distributable reserves	Voluntary reserves	Total	Negative results from previous years
At 1 January 2023	**1,867**	**964**	**2,831**	**(801,390)**
Negative results 2022	—	—	—	(170,815)
At 31 December 2023	**1,867**	**964**	**2,831**	**(972,205)**

The proposal for the distribution of the Company's result for 2024 prepared by the Board of Directors for submission to the Ordinary Annual General Shareholders' Meeting is to transfer the losses for the full amount of 102,837,861.20 euros to prior year's losses.

The application of losses of the Company for 2023 approved by the Ordinary General Shareholders' Meeting on 28 June 2024 was to allocate the losses of the 2023 financial year amounting to 133,876,976.07 euros to prior year's losses.

i) Legal reserve

The legal reserve was allotted in compliance with article 274 of the Spanish Capital Companies Act, which requires that companies transfer 10% of profits for the year to a legal reserve until this reserve reaches an amount equal to at least 20% of the share capital.

The legal reserve is not distributable to shareholders and if it is used to offset losses, in the event that no other reserves are available, the reserve must be replenished with future profits.

At 31 December 2024 and 2023, the Company had not allocated any amount to this reserve, as it had been fully offset, for an amount of 13,021 thousand euros, to compensate for losses, as agreed by the Extraordinary General Shareholders' Meeting of 22 October 2019.

ii) Other non-distributable reserves

At 31 December 2024 and 2023, the balance of this reserve was 1,867 thousand euros following the transfer of 13,303 thousand euros to unrestricted voluntary reserves approved by the Ordinary Annual General Shareholders' Meeting of 31 May 2021. This reserve, amounting to 15,170 thousand euros at 31 December 2020, was non-distributable and arose as a result of the entry into force of Royal Decree 602/2016, which eliminated the notion of intangible assets with indefinite useful lives, establishing that, from 1 January 2016, these would be subject to amortisation. At 31 December 2016, after the publication of this Royal Decree, this reserve, which up to that date had been for goodwill, was transferred to voluntary reserves, although remaining non-distributable for as long as the net book value of goodwill exceeded the amount of the reserve, after which it might be deemed to be freely distributable. At 31 December 2024 the book value of the Company's goodwill was 21 thousand euros, so this reserve can be considered available to the extent that it exceeds this amount.

iii) Voluntary reserves

These reserves are freely available, and at 31 December 2024 and 2023 they presented an amount of -1,352 thousand euros.

d) Own shares

The movement in own shares is as follows:

	Number of shares	Average price	Total in euros
At 31 December 2022	**23,699,636**	**0.1329**	**3,149,788.91**
At 31 December 2023	**23,699,636**	**0.1329**	**3,149,788.91**
Delivery of shares to Board members	(19,323,660)		(2,568,201.89)
At 31 December 2024	**4,375,976**	**0.1329**	**581,587.02**

During financial year 2024, 19,323,660 shares valued at 2,568 thousand euros in own shares, net of withholdings, were distributed to directors as remuneration, the market value of which was 356 thousand euros (Notes 16 and 20 c)). The difference between the net value of the shares delivered, due to the import of 2,316 thousand euros (Note 16), and their value in own shares has been recorded by decreasing reserves.

The number of treasury shares in the Company at 31 December 2024 and 2023 amounts to 4,375,976 and 23,699,636 shares, respectively, with a rounded average purchase price of 0.1329 euros/share representing a total amount at 31 December 2024 of 581,587.02 euros and 3,149,788.91 euros at 31 December 2023.

e) Other equity instruments

At 31 December 2024, "Other own equity instruments" includes the reserve of 560 thousand euros for deferred remuneration in shares for non-proprietary directors (550 thousand euros at 31 December 2023). At 31 December 2024, this heading also includes the reserve corresponding to the Long Term Incentives Plan 2023-2027 for an amount of 864 thousand euros (525 thousand euros at 31 December 2023) (Notes 16 and 20).

15. LONG- AND SHORT-TERM PROVISIONS

The breakdown of non-current provisions is as follows:

	Thousands of euros					
	Provisions for long-term employee benefits	Tax provisions	Social security provisions	Legal provisions	Other provisions	Total
At 1 January 2024	**855**	**22,640**	**100**	**7,929**	**954**	**32,478**
Provisions	1,027	647	—	164	7	1,845
Applications	—	—	—	(3,554)	—	(3,554)
Reversals	—	—		(476)	—	(476)
At 31 December 2024	**1,882**	**23,287**	**100**	**4,063**	**961**	**30,293**

	Thousands of euros					
	Provisions for long-term employee benefits	Tax provisions	Social security provisions	Legal provisions	Other provisions	Total
At 1 January 2023	**—**	**21,851**	**123**	**7,433**	**948**	**30,355**
Provisions	855	789	—	1,050	6	2,700
Applications	—	—	—	(378)	—	(378)
Reversals	—	—	(23)	(176)	—	(199)
At 31 December 2023	**855**	**22,640**	**100**	**7,929**	**954**	**32,478**

At 31 December 2024, as at the end of the previous year, the Company's main provisions are of a tax, social and legal nature. During 2024, a total of 1,845 thousand euros (2,700 thousand euros in 2023) has been provided for, which is mostly related to litigation for which a probable outflow of resources is expected. The allocations in 2024 mostly relate to the Long-Term Incentive Plans as detailed in Note 16. The application of legal provisions for 2024 included payments made during the year amounting to 3,554 thousand euros in respect of litigation for which provisions had been made.

In short-term provisions at 31 December 2024, the Company recorded an amount of 40 thousand euros for onerous store contracts (61 thousand euros for onerous store contracts at 31 December 2023).

Civil proceedings brought by minority shareholders

On 12 June 2020, the Company was notified of the filing of a civil lawsuit for damages by an individual minority shareholder, whereby the shareholder was claiming 110,605 euros in damages suffered, alleging a breach by the Parent Company of the obligation to reflect a true and fair view of its equity in the 2016 and 2017 annual accounts, and the decrease in the value of shares as part of the restatement of the Company's annual accounts in 2018. The Company responded to the lawsuit in a timely and appropriate manner. On 25 June 2021, the first session of the trial proceedings was held, and ended on 19 July 2021. On 30 September 2021, a judgment was handed down from the court of first instance dismissing the claim. On 9 November 2021, the Company received notice of the appeal against the first instance judgment. On 7 January 2022, the Company proceeded to file its opposition to the appeal.

The judgment of second instance dismissed the claimant's appeal and confirmed the judgment of first instance. On 8 February 2024, the claimant lodged an appeal in Cassation against the judgment of second instance, requesting the Supreme Court set aside the judgment handed down by the Provincial Court. On 15 February 2024, the Provincial Court allowed the appeal and summoned the parties to appear before the Supreme Court within 30 days. Dia appeared before the Supreme Court and argued the grounds on which it considers that the action should be dismissed as inadmissible.

There is no provision in respect of this litigation in these annual accounts, as no likely outflow of resources is estimated.

16. LONG-TERM INCENTIVE PLANS AND SHARE-BASED PAYMENT TRANSACTIONS

Long-term Incentives Plan (LTI 2023-2025)

On 26 October 2022 the Board of Directors approved a Long Term Incentives Plan for 2023-2025 (LTI 2023-25), adapted to the Group's strategy and with the aim of motivating and recompensing key management for their commitment to the Dia project, and attract and commit to the talent needed to achieve the sustainability of the business in the medium term. As a consequence of this LTI 2023-2025 a long-term provision of 10,463 thousand euros has been set aside at 31 December 2024, of which 1,027 thousand euros has been allocated to the Company.

Long-term Incentives Share Plan (LTI 2023-2027)

On 23 May 2023, the Board of Directors approved a new Long Term Incentives Plan for 2023-2027 (LTI 2023-2027) orchestrated in shares aimed at a restricted number of key management, with the intention of motivating the creation of value with an increase in the Parent Company's share value.

The 2023-2027 long-term value creation incentive plan consists of an allocation of an "Estimated Monetary Target Award" that will serve as the basis for determining the number of Dia shares to be delivered to the beneficiaries if the minimum target market capitalisation for Dia set out in the plan is met. Once this minimum target is met, the final number of shares to be delivered will be calculated by applying a percentage to the shares initially determined according to the degree of achievement of the targets.

To obtain the valuation, simulations were carried out using Monte Carlo techniques of a large number of scenarios for the evolution of the Dia's share price that determines the company's market capitalisation on the date on which the target was set. These simulations were carried out on the basis of an evolution in the Black-Scholes Log Normal scenario, taking into account an estimate of the volatility of the share, as well as the wholesale market interest rates for the leeway of the process. The variance reduction by antithetic variables technique is applied to improve the accuracy of the simulations.

At 31 December 2024, an expense of 339 thousand euros was recorded against Equity Instruments for the 2023-2027 LTI (525 thousand euros in 2023).

Long-term Incentives Share Plan (LTI 2025-2029)

On 11 December 2024, the Board of Directors of the Parent Company agreed to implement a long-term incentive plan linked to the creation of value in Dia during the period 2025-2029 (hereinafter the "Plan"). The Plan is aimed at certain strategic professionals of Dia and the companies that make up the Group, with the purpose of fostering the creation of long-term value.

The Plan is implemented by granting beneficiaries the right to receive an incentive payable in Dia ordinary shares, the delivery of which is subject, among other things, to the fulfilment of certain targets linked to the Plan and to the beneficiary remaining in the Group for a certain period of time. Two measurement periods are foreseen, being an initial period from 1 January 2025 to 31 December 2027, and a second period from 1 January 2028 to 31 December 2029. At the end of each measurement period, the level of performance will be assessed, the gross amount of the incentive corresponding to each period will be determined, if applicable, and the number of shares to be delivered to the beneficiaries will be calculated.

Coinciding with the aforementioned periods, beneficiaries will undertake to keep the shares actually delivered until 31 December 2029 (those corresponding to the first measurement period) and until 31 December 2031 (those corresponding to the second measurement period).

The conditions for beneficiaries to be eligible for the incentive are: (i) the minimum threshold of performance set for the targets being reached at the end of each Measurement period. Failure to reach this minimum threshold will result in the loss of the right to receive the shares arising from the settlement of the incentive on each delivery date. If this threshold is not reached in relation to the first measurement period, the possibility of obtaining 100% of the second measurement period's share of the incentive will be maintained. (ii) The beneficiary having an uninterrupted active employment relationship with the Group from the date they became a beneficiary until the end of each measurement period.

Beneficiaries will lose their status as beneficiaries and, consequently, their expectation of entitlement to receive any incentive amount, should they leave the Group prior to the end of each measurement period, unless certain special cases do not materialise.

The Plan provides, among others, for malus and clawback clauses in the event of certain events specified in the Plan occurring, as well as an adjustment clause should any event that could affect the determination of the achievement of the Plan's targets or its settlement arise.

Given that at 31 December 2024 the Plan had not yet been communicated to the employees concerned and, therefore, they had not accepted the Plan, the Company has not recorded any accounting impact related to this plan, with the granting date being after 2024.

In order to avoid the overlap of benefits between different incentive programs, certain conditions of the ILP 2023-2027 plan were adjusted for those beneficiaries who were already part of it.

Share-based remuneration for Non-proprietary directors

In applying the remuneration policy approved at the 30 August 2019 Extraordinary General Meeting and the remuneration policy approved at the 7 June 2022 General Shareholders' Meeting, deferred remuneration in shares established for non-proprietary directors amounting to 366 thousand euros (300 thousand euros in the 2023 financial year) accrued in 2024. Likewise, there has been a delivery of treasury shares valued at 2,568 thousand euros (Note 14 d)), net of withholdings, the market value of which was 356 thousand euros (Note 20 c)), which has been recorded in Other equity instruments, and which has generated a difference in reserves of 2,316 thousand euros (Statement of Changes in Equity).

All Board decisions were taken at the proposal of the Appointments and Remuneration Committee.

17. FINANCIAL DEBTS AND TRADE CREDITORS

a) Debts

The breakdown of debts is as follows:

	2024		2023	
At 31 December 2023	Long term	Short term	Long term	Short term
Bonds and other negotiable securities	—	31,205	31,046	—
Interest debt	—	1,039	—	802
Bonds and other negotiable securities	—	32,244	31,046	802
Finance lease payables (Note 7 a))	9	13	19	200
Derivative financial instrument liabilities (Note 10 b))	—	1,802	—	2,507
Suppliers of fixed assets	471	635	471	1,710
Guarantees and deposits received	298	733	422	809
Other financial liabilities	769	3,170	893	5,026
Total debt	**778**	**35,427**	**31,958**	**6,028**

For debts measured at cost or amortised cost, the book value does not differ significantly from the fair value, except for non-current bonds, the fair value of which, at their listed price at 31 December 2024, was 29,670 thousand euros (26,622 thousand euros at 31 December 2023).

Bonds and other negotiable securities

The details of the bond issues outstanding at 31 December 2024 and which remained listed on the Irish Stock Exchange under a Euro Medium Term Note debt issue programme were as follows:

Issuer	Issue date	Amount (thousands of euros)	PIK-amount	Coupon	PIK	Maturity date
Dia, S.A.	07.04.2017	30,800	405	3.00%	0,5%-1,5%	30.06.2026

On 6 April 2024, the Parent Company paid the interest corresponding to the sixth coupon of the 2017 Euro Medium Term Notes amounting to 931 thousand euros as well as the capitalisation of the interest corresponding to the PIK margin of 0.50% accrued from 6 April 2023 to 1 April 2024 and the PIK margin of 1.5% accrued from 1 April 2024 to 6 April 2024 amounting to 159 thousand euros.

After the refinancing process carried out in December 2024, the Company notified the Paying Agent on 6 January 2025 of the decision to exercise that option early on all the bonds issued (ISIN S1589970968). The effective redemption date was 5 February 2025 and the total redemption amount was 32,378 thousand euros. This amount consists of 30,800 thousand euros corresponding to the principal amount and 1,578 thousand euros in accrued interest accrued (Note 25). This redemption was carried out in compliance with the refinancing agreement that established the obligation to exercise the early redemption option on the bond before 28 February 2025.

Bank borrowings

Syndicated Financing and other credit facilities

At 31 December 2024, the Company has no financing facilities.

The detail of the financing facilities at 31 December 2023 is as follows:

At 31 December 2023	Limit	Drawn down	Conf/Fact	Amount available
Credit lines - syndicated financing	**2,000**	**—**	**—**	**2,000**
Loans	2,000	—	—	2,000
Total syndicated financing	**2,000**	**—**	**—**	**2,000**

On 11 December 2024, the Dia Group entered into a new syndicated financing agreement with various Financial Creditors for a maximum total amount of 885,000 thousand euros ("New Syndicated Financing"). The main objective of this operation is to provide the Dia Group with a solid and stable long-term financial structure that will allow it to consolidate its growth plans for the coming years.

The New Syndicated Financing will be used to repay the existing financial debt of the Dia Group in full, including debt under the syndicated financing agreements entered into in 2018, debt under the bonds issued by the Company in 2017 and debt under a bilateral financing facility. In addition, the proceeds of the New Financing will be used to finance the general corporate and working capital needs of the Dia Group, as well as to pay the costs associated with the refinancing itself.

The borrowers under the New Syndicated Financing are the companies Dia Retail and Dia Finance.

Bank loans

The Company did not amortise or draw down any bank loans in the 2024 financial year.

Other financial liabilities

This heading – in the line Guarantees and deposits received – records the deposits required from franchisees which have been transferred to the management of the 2020 franchise model, according to which collection is made in accordance with the cash generated at the franchisee's point of sale terminal. The amounts collected in this regard were 636 thousand euros at 31 December 2024 (662 thousand euros at 31 December 2023).

Contractual schedule of maturities

The detail by maturity is as follows:

2024	Limit/ Granted	Amount available	Drawn down	Year 1	Year 2	Year 3	Year 4	Other
Bonds and other negotiable securities	31,205	—	31,205	31,205	—	—	—	—
Finance lease payables	22	—	22	13	3	3	3	—
Indebtedness position	**31,227**	**—**	**31,227**	**31,218**	**3**	**3**	**3**	**—**
Interest debt	1,039	—	1,039	1,039	—	—	—	—
Derivative financial instruments liabilities	1,802	—	1,802	1,802	—	—	—	—
Suppliers of fixed assets	1,106	—	1,106	635	471	—	—	—
Guarantees and deposits received	1,031	—	1,031	733	—	—	—	298
Total adjusted debt	**36,205**	**—**	**36,205**	**35,427**	**474**	**3**	**3**	**298**

2023	Limit/ Granted	Amount available	Drawn down	Year 1	Year 2	Year 3	Year 4	Other
Bonds and other negotiable securities	31,046	—	31,046	—	—	—	31,046	—
Bank borrowings (credit lines)	2,000	2,000	—	—	—	—	—	—
Finance lease payables	219	—	219	200	18	1	—	—
Indebtedness position	**33,265**	**2,000**	**31,265**	**200**	**18**	**1**	**31,046**	**—**
Interest debt	802	—	802	802	—	—	—	—
Derivative financial instruments liabilities	2,507	—	2,507	2,507	—	—	—	—
Suppliers of fixed assets	2,181	—	2,181	1,710	—	471	—	—
Guarantees and deposits received	1,231	—	1,231	809	—	—	—	422
Total adjusted debt	**39,986**	**2,000**	**37,986**	**6,028**	**18**	**472**	**31,046**	**422**

b) Debts with group companies and associates

The breakdown of debts to Group companies and associates is as follows:

	Thousands of euros		
	Non-current	Current	Current
Grupo	2024		2023
Payables	229,799	14,803	130,668
Total	**229,799**	**14,803**	**130,668**

Non-current payables to group and associated companies include a loan signed by the Company with Dia Retail on 24 December 2024, amounting to 203,000 thousand euros. This loan arose as part of the corporate simplification adopted by the Dia Group, whereby Dia Finance assigned its creditor position vis-à-vis the Company to Dia Retail, and it was decided to formalise this loan as long-term. The maximum term of this loan is five years from the date taken out. The applicable margin is 6.16%. In addition, non-current debts to group companies and associates include 26,799 thousand euros for the debt the Company has with Dia Retail related to the credit recognised for the 2016 and 2017 Corporation Tax refund amounting to 44,928 thousand euros, included in the line "Non-current tax assets" (Note 18). At 31 December 2024, the related amount has been reclassified to non-current tax assets, as the appeal is not expected to be resolved in less than one year.

The details of current debts with Group companies at 31 December is set out below:

	Thousands of euros			
	2024		2023	
	Current Account	Tax Debit (Corporation tax)	Current Account	Tax Debit (Corporation tax)
Dia Retail España, S.A.U.	455	6,072	—	29,776
Beauty by Dia S.A.U.	—	—	—	355
Finandia, S.A.U.	1,470	49	825	31
Dia Argentina	426	—	—	—
Dia Finance, S.L.U.	—	5,724	97,450	1,624
CD Supply Innovation, S.L. in liquidation	607	—	607	—
Total	**2,958**	**11,845**	**98,882**	**31,786**

In the financial years of 2024 and 2023, the current accounts with the group accrued an annual nominal interest rate ranging from the 1-month Euribor plus 1.40% for debit balances and 0% for credit balances.

The tax debt balance with Dia Retail España, S.A.U. and Dia Finance S.L.U. relates mainly to the intra-group liability associated with the balance receivable from the Public Administration (Notes 18 and 25).

c) Trade Creditors and Other Accounts Payable

The breakdown of trade creditors and other accounts payable is as follows:

	Thousands of euros	
	2024	2023
Short term suppliers	284	2,090
Short term suppliers with group companies and associates,	8,071	16,158
Other payables	16,203	18,045
Personnel (salaries payable)	2,933	836
Current tax liabilities	4,258	—
Other debts to Public Administrations (Note 18)	4,301	10,495
Advances from customers	1	2
Total	**36,051**	**47,626**

The book values of trade and other payables are considered to be consistent with their fair values, due to their short- term nature.

Suppliers and Payables essentially consist of short term payables to suppliers of merchandise and services, whether represented by accepted money orders and promissory notes, or not.

Suppliers with group companies and associates at 31 December 2024 and 2023 mainly includes the debt with Dia Retail España, S.A.U., which is mainly generated by the re-invoicing of goods and services.

The balances included in "Trade creditors and other accounts payable" do not accrue interest.

The Company had no confirming facilities at year-ends 2024 and 2023.

The information required by the Third Additional Provision of Spanish Law 15/2010 of 5 July as amended by the Resolution of 29 January 2016 of the Spanish Institute of Accounting and Auditing and by Spanish Law 18/2022 of 28 September on the creation and growth of companies, regarding the information to be included in the notes to the annual accounts in relation to the average period of payment to suppliers in the commercial transactions of the Company:

	2024	2023
	Days	Days
Average payment period to suppliers	47	54
Ratio of transactions paid	45	55
Ratio of transactions pending payment	57	33
	Amount (thousands of euros)	Amount (thousands of euros)
Total payments made	85,447	823,321
Total payments pending	12,244	21,026

The amount of payments made during the 2024 financial year in a period shorter than the maximum permitted is 76,834 thousand of euros (90% of the total), corresponding to 15 thousand invoices (72% of the total).

The amount of payments made during financial year 2023 in a period shorter than the maximum permitted is 803,921 thousand euros (98% of the total), corresponding to 45 thousand invoices (64% of the total).

The average payment period is calculated taking confirming facilities with suppliers into account.

18. TAX SITUATION

Balances with Public Authorities

The breakdown of balances with public authorities is as follows:

	Miles de euros			
	2024		2023	
	Non-current	Current	Non-current	Current
Assets				
Deferred tax assets	6,005	—	6,005	—
Tax assets	44,928	116	—	67,708
Other receivables from Public Authorities	—	2,014	—	2,015
Total	**50,933**	**2,130**	**6,005**	**69,723**
		(Nota 10 c))		**(Nota 10 c))**
Liabilities				
Deferred tax liabilities	6,022	—	6,028	—
Current tax liabilities	—	4,258	—	—
Value added tax and similar taxes	—	3,973	—	10,183
Social Security	—	15	—	10
Withholdings	—	313	—	302
Total	**6,022**	**8,559**	**6,028**	**10,495**
		(Nota 17 c))		**(Nota 17 c))**

As a result of the unconstitutionality of Royal Decree 3/2016, the Company estimates a refund of corporation tax for 2016 and 2017 amounting to 44,928 thousand euros at values at 31 December 2024.

Financial years pending examination and inspection proceedings

According to the legislation in force, taxes may not be considered to have been definitively settled until the tax returns filed have been inspected by the tax authorities or the four year statute of limitation period has expired.

In accordance with the administrative criteria, the financial years open to inspection at 31 December 2024 and 2023, for the main taxes to which the Company is subject, were as follows:

	Periods	
Tax	2024	2023
Corporation tax	2016-2023	2016-2022
Value Added tax	2019-2024	2019-2023
Personal Income tax	2019-2024	2019-2023

On 5 July 2023 the Company received notification from the Tax Agency of the start of inspections of Corporation Tax for 2018, 2019 and 2020, of VAT from June 2019 to December 2020 and of withholdings from June 2019 to December 2020. At present we are continuing to attend to the requests for documentation from the tax inspectors.

Subsequent to the closing of these accounts, on 29 January 2025 the Company received notification from the Tax Agency of the extension of partial tax audits for 2016 and 2017.

As a result, among other factors, of differences in interpretations of the applicable tax legislation, additional liabilities may arise as a result of an inspection. In any event, the Company Directors believe these liabilities, if they were to arise, would have no significant impact on the annual accounts.

As a result of inspection proceedings from previous financial years, on the date of closure of these accounts, the Company had 2 lawsuits in administrative litigation proceedings regarding Corporation Tax which are not provisioned, as the risk has been classified as possible, for the following periods and updated amounts: 2011 to 2012, 1,177 thousand euros, and 2013 to 2014, 2,083 thousand euros.

Income tax

At 31 December 2024, the Company declared under the tax consolidation scheme that it is the parent company of tax group 487/12.

The Group's subsidiaries in 2024 were Dia Retail España, S.A.U., Petra Servicios a la Distribución, S.L.U., Dia Finance S.L.U. and Finandia S.A.U. and in 2023 they were the same plus Beauty By Dia S.A.U., and Grupo el Árbol Distribución y Supermercados, S.A.U.

All the companies in the tax group jointly determine their tax payment as a single taxable entity for Corporation Tax, subsequently distributing the individual tax charge corresponding to each entity.

The reconciliation between the net amount of revenue and expenditure for the financial year and the Company's tax base (tax result) in the financial year of 2024 is as follows:

	Thousands of euros						
	Income Statement			Income and expenses recognised directly in equity			
2024	Increases	Decreases	Net	Increases	Decreases	Net	Total
Balance of Income and expenses for the year	**—**	**(102,838)**	**(102,838)**	**—**	**—**	**—**	**(102,838)**
Corporation tax	—	(4,256)	(4,256)		—	—	(4,256)
Result before tax	**—**	**(107,094)**	**(107,094)**	**—**	**—**	**—**	**(107,094)**
Permanent differences							
Individual company	85,285	—	85,285	—	—	—	85,285
Temporary differences:							
Individual company							
originating during the year	1,627	—	1,627	—	—	—	1,627
originating in previous years	25	(1,363)	(1,338)	—	—	—	(1,338)
Prior tax base	**86,937**	**(108,457)**	**(21,520)**	**—**	**—**	**—**	**(21,520)**
DA 19 CTA	10,760		10,760	—	—	—	10,760
Tax base (Taxable income)	**97,697**	**(108,457)**	**(10,760)**	**—**	**—**	**—**	**(10,760)**

The positive permanent adjustment of 85,285 thousand euros made in the settlement of Corporation Tax corresponds to expenses that are not deductible in accordance with the Corporation Tax Act (Law 27/2014 of 27 November), mainly resulting form the losses arising from the sale of the Dia Brasil portfolio for 83,815 thousand euros, the losses on the Dia Portugal portfolio for 252 thousand euros and the impairment of the Finandia shareholding for 1,043 thousand euros.

The temporary differences increasing the tax base in 2024 essentially relate to the reversal of the free amortisation performed in 2011 and 2012 on the basis of Royal Decree (RD) 13/2010 of 3 December, the application of different criteria in the amortisation of goodwill and non-deductible provisions relating to employee remuneration plans.

The temporary differences that reduce the tax base in 2024 relate to the reversal of different accounting provisions that were not tax deductible and the reversal of the impairment that was non-deductible arising from fixed assets.

The reconciliation between the net amount of revenue and expenditure for the financial year and the Company's tax base (tax result) in the financial year of 2023 is as follows:

	Thousands of euros						
	Income Statement			Income and expenses recognised directly in equity			
2023	Increases	Decreases	Net	Increases	Decreases	Net	Total
Balance of Income and expenses for the year	**—**	**(133,878)**	**(133,878)**	**—**	**—**	**—**	**(133,878)**
Corporation tax	—	(10,486)	(10,486)		—	—	(10,486)
Result before tax	**—**	**(144,364)**	**(144,364)**	**—**	**—**	**—**	**(144,364)**
Permanent differences							
Individual company	161,117	—	161,117	—	—	—	161,117
Temporary differences:							
Individual company							
originating during the year	3,732	—	3,732	—	—	—	3,732
originating in previous years	89	(3,260)	(3,171)	—	—	—	(3,171)
Tax base (Taxable income)	**164,938**	**(147,624)**	**17,314**	**—**	**—**	**—**	**17,314**

The positive permanent adjustment of 161,117 thousand euros made in the settlement of Corporation Tax corresponds to expenses that are not deductible in accordance with Article 15 section k) of Law 27/2014 of 27 November on Corporation Tax, mainly the impairment of the portfolio of Dia Brasil for 152,791 thousand euros and that of Dia Portugal for 8,272 thousand euros.

The temporary differences increasing the tax base in 2023 essentially relate to the reversal of the free amortisation performed in 2011 and 2012 on the basis of Royal Decree (RD) 13/2010 of 3 December, the application of different criteria in the amortisation of goodwill and non-deductible provisions relating to employee remuneration plans.

The temporary differences that reduce the tax base in 2023 relate to the reversal of different accounting provisions that were not tax deductible and the reversal of the impairment that was non-deductible arising from fixed assets.

The reconciliation between the Corporation Tax Base and the amount payable/repayable is as follows:

	Thousands of euros	
	2024	2023
Tax base (taxable income)	**(10,760)**	**17,314**
Gross Tax payable (25%)	(2,690)	4,328
Deductions	(2,207)	(857)
Tax payable	**(4,897)**	**3,471**
Withholdings and payments on account	(3,865)	(23,305)
Withholdings from Tax Group Companies	(1,248)	(908)
Net tax payable, Tax Group Companies	14,268	(3,471)
Tax payable (+) recoverable (-) by the Company	**4,258**	**(24,213)**

At the date of presenting these accounts, the tax authorities had already returned 24,097 thousand euros of the 24,213 thousand euros forecast at the close of the 2023 financial year.

The relationship between profit tax expense and results before taxes is detailed below:

	Thousands of euros			Thousands of euros		
	2024			2023		
	Income Statement	Equity	Total	Income Statement	Equity	Total
Balance of income and expenses for the year before tax	**107,094**	**—**	**107,094**	**(144,364)**	**—**	**(144,364)**
Tax at 25%	—	—	—	—	—	—
Corporation tax expenses in current year	(4,897)	—	(4,897)	3,471	—	3,471
Other adjustments	640	—	640	(13,958)	—	(13,958)
Profit tax expenses/(income) from continuing operations	**(4,257)**	**—**	**(4,257)**	**(10,487)**	**—**	**(10,487)**

The 13,958 thousand euros of other adjustments in 2023 includes the asset generated in the Spanish tax office debtor due to the unconstitutionality of Royal Decree Law 3/2016.

The detail of accumulated temporary differences at 31 December, in thousands of euros, was as follows:

	2024	2023
Recognised negative taxable bases	6,005	6,005
Recognised negative taxable bases	**6,005**	**6,005**
Differences in depreciation	268	270
Impairment	145	208
Deductions	102	2,124
Others	6,211	3,399
Unrecognised temporary differences and deductions	**6,726**	**6,001**
Unrecognised negative tax bases	89,744	89,744
Unrecognised negative tax bases	**89,744**	**89,744**

	2024	2023
Differences in depreciation	17	23
Tax impairment Argentina	6,005	6,005
Recognised deferred tax liabilities	**6,022**	**6,028**

Note that the Company currently has an appeal before the National High Court over the unconstitutionality of Royal Decree 3/2016 in regard to the three provisions recently declared unconstitutional by the Constitutional Court and in regard to the non-deductibility of tax losses arising from the transfer of shareholdings for financial years 2016, 2017 and 2018. If the unconstitutionality of the latter provision is also recognised, the Company will recognise an additional negative tax base of 100,133 thousand euros in 2018 for the sale of Dia Shanghai and Dia Consulting. Likewise, in 2024 it could recognise tax-deductible losses on the sale of the shareholding in Dia Portugal amounting to 8,272 thousand euros and losses of 704,812 thousand euros on the sale of DIA Brasil, which would generate negative tax bases in 2024.

Law 16/2013, establishing certain taxation measures, repealed Article 12.3 of Royal Legislative Decree 4/2004, approving the consolidated text of the Corporation Tax Act, allowing for the deduction of impairment losses from the securities representing the stake in entity capital from the tax base At the same time, a transitional regime was established with the obligations to integrate the impairment losses generated prior to the new regulation into the tax base. In this regard, Royal Decree-Law 3/2016 amended the aforementioned transitional regime and introduced a minimum reversal amount for losses which must be integrated annually.

In 2020, the Parent Company completed the reversal of the impairment loss of Dia Argentina following the regulations established by Royal Decree Law 3/2016. However, the declaration of the Royal Decree Law as unconstitutional, in terms of integrating losses, and the consequent recognition of a tax refund asset arising from the 2016 and 2017 financial years, requires a deferred tax liability amounting to 6,005 thousand euros be recognised, the base of which amounts to 24,021 thousand euros.

The right of the public authority to examine or investigate negative tax bases offset or pending offsetting, double taxation deductions and deductions to incentivise the performance of certain activities applied or pending application lapses 10 years after the date when the period established for filing the return or self-assessment corresponding to the taxation period during which the right to offsetting or application was generated has expired. On expiry of that period, the Company must accredit the negative tax bases or deductions by means of filing a settlement or self-assessment and accounting records, with accreditation of their deposit during the period with the Companies Register.

The negative tax bases at year end are as follows:

		2024	2023
Year of origin		Pending application (thousands of euros)	Pending application (thousands of euros)
2014	Tax Group 0487/12	345,693	345,693
2020	Tax Group 0487/12	30,609	30,609
2021	Tax Group 0487/12	6,699	6,699
	Total	**383,001**	**383,001**

During the 2011 financial year, Dia freely amortised the new elements of property, plant and equipment and real estate investments acquired during that financial year, applying the additional provision 11 of the consolidated text of the Corporation Tax Act, in accordance with the terms of the text established by Royal Decree-Law 6/2010, of 9 April, and Royal Decree-Law 13/2010, of 3 December.

During the 2012 financial year, Dia freely amortised the new elements of the property, plant and equipment and real estate investments acquired up until 31 March of that financial year, applying the additional provision 11 of the consolidated text of the Corporation Tax Act, in accordance with the terms of the text established by Royal Decree-Law 6/2010, of 9 April, Royal Decree-Law 13/2010, of 3 December, and the sole derogation provision of Royal Decree-Law 12/2012, of 30 March.

As part of the Hive Down operation performed in 2020, in 2023 assets and liabilities of the Spanish business of Dia were contributed to the equity of Dia Retail España, S.A.U. amounting to 103,159 thousand euros, under the tax neutrality regime and recognised by the acquiring party for the same amount (Notes 1 b) and 2 b)).

Investment	At 1 January 2023	Additions	Derecognitions	Transfers	At 31 December 2023
Luxembourg Investment Company 317, S.à.r.l.	376,161	348	—	103,159	479,668
Net tax Value	**376,161**	**348**	**—**	**103,159**	**479,668**
Impairment	—	—	—	—	—
Net Book value	**376,161**	**348**	**—**	**103,159**	**479,668**

In 2023, the contribution of assets and liabilities from Dia to its subsidiary, for the sum of 103,159 thousand euros led to the recognition of an increase in investments and equity for the same amount in all intermediate companies between the two companies.

Pillar 2 Directive

Within the framework of the rules relating to Pillar 2 of the OECD, the European Union adopted Directive EU2022/2523 on 15 December 2022, according to which large multinationals with a global turnover of over 750 million euros will be subject to a minimum taxation on profits.

On 21 December, Law 7/2024 was published in Spain, which, inter alia, establishes a Supplementary Tax applicable from the 2024 financial year to ensure that multinational groups and large domestic groups comply with an overall minimum level of taxation of 15% in each of the jurisdictions in which they operate ("Pillar 2 Law").

With the information at year-end 2024, the Company has performed the routine profit test: profit before tax (Country by Country) in a jurisdiction equal to or less than the substance-based income exclusion (reduction for cost of workers (10% in 2024) and value of tangible assets (8% in 2024) that the Group employs in the jurisdiction). Compliance with this test allows the Company to avoid paying the supplementary tax without having to carry out the calculations required to determine it.

By having a pre-tax loss in both Spain and Argentina, the Company can consider the routine profit test fulfilled and conclude that supplementary tax should not be paid in 2024.

On the other hand, the Company applies the exception to recognise and disclose information on deferred tax assets and liabilities related to this tax, as provided for in the amendments to IAS 12 issued in May 2023.

19. ENVIRONMENTAL INFORMATION

Identifying and assessing climate-related risks and business opportunities play a key role in the sustainable development of the Group. Appropriate monitoring of these aspects provides the organisation with additional information on these potential risks, as well as a clearer view of social movements and transformations, and the expectations of its stakeholders.

In preparing the consolidated annual accounts, the Group considered the potential impacts of climate change, especially in reviewing the useful lives of property, plant and equipment and in carrying out impairment tests.

At year end, the Dia Group has no environmental liabilities, expenses, assets, provisions or contingencies that could be significant in relation to the Group's equity, financial position and results.

Climate change has been evaluated in the estimates and judgements made in preparing the consolidated financial statements (Note 2.8 to the consolidated annual accounts) and is not considered to have a significant impact on them.

For further information, refer to Section 6. of the Consolidated Non-Financial and Sustainability Statement for 2024 included in the consolidated management report.

20. RELATED PARTY TRANSACTIONS AND BALANCES

a) Balances with related parties

The breakdown of receivables and payables with group companies and their main features are set out in Notes 10 a), 17 b) and c).

b) Company transactions with related parties

The amounts of Company transactions with its subsidiary companies are set out below:

	Thousands of euros	
Transactions with subsidiary companies	2024	2023
Sales (Note 21 a))	171	1,834
Services rendered	(98)	(1,399)
Other income (Note 21 f))	16,376	20,625
Financial income	—	635
TOTAL INCOME	**16,449**	**21,695**
Consumption of merchandise	43,964	549,046
Raw materials and other consumables used	149	1,322
Subcontracted work	1,770	22,976
External services	4,569	68,098
Financial expenses	8,205	546
TOTAL EXPENSES	**58,657**	**641,988**
Buildings	19	113
Machinery, installations, furniture and other fixed assets	10	403
Fixed assets in progress	—	7
TOTAL NET BOOK VALUE OF ASSETS ACQUIRED	**29**	**523**
Buildings	(132)	(335)
Machinery, installations and furniture	(601)	(1,005)
Other material assets	(61)	(42)
TOTAL NET BOOK VALUE OF ASSETS SOLD	**(794)**	**(1,382)**

c) Information relating to Directors and Senior Management

The aggregate remuneration accrued by the Company's Directors and Senior Management is as follows:

Thousands of euros			
2024		2023	
Directors	Senior Management	Directors	Senior Management
1,136	7,049	750	4,987

The Directors of the Company in the year accrued remuneration (included in the above detail) amounting to 1,136 thousand euros (750 thousand euros in 2023) in their capacity as board members.

Article 38.5 of the Articles of Association requires the disclosure of the total individual remuneration earned by each of the members of the board of directors of the Company in 2024 and 2023. Details are as follows:

2024			thousands of euros	thousands of euros
Board members	From	To	Financial instruments	Fixed pay
Mr José Wahnon Levy	01/01/2024	31/12/2024	83	120
Sergio Antonio Ferreira Dias	01/01/2024	31/12/2024	54	120
Marcelo Maia	01/01/2024	31/12/2024	—	120
Vicente Trius Oliva	01/01/2024	31/12/2024	—	120
Ms Luisa Delgado	01/01/2024	31/12/2024	122	150
Ms Gloria Hernández	01/01/2024	31/12/2024	97	150
Mr Benjamin J. Babcock	01/01/2024	31/12/2024	—	—
Mr Alberto Gavazzi	19/01/2024	31/12/2024	—	—
Total			**356**	**780**

2023			thousands of euros	thousands of euros
Board members	From	To	Financial instruments	Fixed pay
Mr José Wahnon Levy	01/01/2023	31/12/2023	—	124
Mr Stephan DuCharme	01/01/2023	22/09/2023	—	—
Sergio Antonio Ferreira Dias	01/01/2023	31/12/2023	—	90
Marcelo Maia	01/01/2023	31/12/2023	—	120
Vicente Trius Oliva	01/01/2023	31/12/2023	—	120
Ms Luisa Delgado	01/01/2023	31/12/2023	—	150
Ms Gloria Hernández	01/01/2023	31/12/2023	—	146
Mr Benjamin J. Babcock	25/05/2023	31/12/2023	—	—
Total			**—**	**750**

In addition, as a result of the applicable remuneration policy, there is deferred remuneration in shares for non-proprietary directors, the accrual of which for the shares initially allocated has been estimated at 366 thousand euros at 31 December 2024 (300 thousand euros in 2023) (Notes 16 and 21). In 2024, shares net of withholdings amounting to 252 thousand euros (356 thousand euros gross) were delivered to Mr José Wahnon Levy, Ms Gloria Hernández García, Ms Luisa Desplazes de Andrade Delgado and Mr Sergio Antonio Ferreira Dias. This last amount of 356 thousand euros was incorporated as remuneration in financial instruments in the 1,136 thousand euros overall remuneration accruing to the Directors in 2024 in their capacity as board members.

Neither the members of the board of directors nor senior management carried out any transactions other than ordinary business or any matters under terms other than market conditions with the Company or Group companies during the 2024 and 2023 financial years.

The Civil Liability insurance premiums paid in respect of directors and senior management personnel totalled 305.5 thousand euros in 2024 (2023: 298.5 thousand euros).

Conflicts of interest situations of Directors

During the reporting period, the Company entered into a consultancy agreement with Mr Sergio Antonio Ferreira Dias, a member of the Board of Directors. The decision to hire Mr Dias was based on his extensive experience in the retail sector and his in-depth knowledge of the Brazilian market. In addition, senior and technical support and a dedicated commitment to analysing Dia Brasil's activities and performance was considered relevant.

Under this agreement, Mr Dias provided advisory services related to the Company's investment in Dia Brasil, focusing on monitoring the business, formulating improvement proposals and overseeing their implementation. This agreement constitutes a related party transaction due to Mr Dias' dual role as a member of the Board of Directors and advisor to the Company. The agreement, which had an initial duration of three months and established an hourly rate, with a limit of 144 hours per month, reached a total amount of 57.6 thousand euros.

This transaction was carried out in compliance with the Group's policies and the applicable regulations on conflict of interest situations, having been approved by the Board of Directors following a report from the Audit and Compliance Committee and the Appointments and Remuneration Committee, which considered the transaction to be fair and reasonable from the Company's point of view.

It is important to note that, with the exception of this situation, the other Directors of the Parent Company and persons related to them had no conflicts of interest requiring disclosure in accordance with Article 229 of the Revised Spanish Companies Act.

21. INCOME AND EXPENSES

a) Net Sales

Sales

The breakdown of sales by type is as follows:

	Thousands of euros	
	2024	2023
Sales in own stores	23,985	311,665
Sales to group companies (Note 20 b))	171	1,834
Sales in franchise stores	26,803	388,758
On line sales	7,077	17,927
Total	**58,036**	**720,184**

The change compared to 31 December 2023 is mainly due to the Hive Down transaction (Note 1.b)), whereby the majority of Dia's stores were transferred to its indirect subsidiary, Dia Retail.

Services rendered

This heading essentially includes the amounts corresponding to the rights licensed by Dia and ancillary technical and commercial assistance services provided to its franchisees. In addition, in both financial years, this heading includes the amount invoiced within the context of the 2020 franchise model, as a percentage of the final sale of the franchisee by way of assignment of commercial use and monthly exploitation.

b) Supplies

The breakdown of consumption of merchandise, raw materials and other supplies is as follows:

	Thousands of euros	
	2024	2023
Consumption of merchandise		
Purchases	43,753	569,591
Purchase discounts, non-trade income and returns	(1,490)	(18,735)
Change in inventory	104	2,798
Total	**42,367**	**553,654**
Other consumables used		
Purchases	171	1,766
Change in inventory	—	3
Total	**171**	**1,769**
Subcontracted work	3,463	25,975
Impairment of merchandise and other supplies	—	(52)
Total	**46,001**	**581,346**

The change compared to 31 December 2023 is mainly due to the Hive Down transaction (Note 1.b)), whereby the majority of Dia's stores were transferred to its indirect subsidiary, Dia Retail.

c) Personnel expenses

The detail of personnel expenses is as follows:

	Thousands of euros	
	2024	2023
Salaries and wages	6,963	5,670
Severance payments	524	732
Social Security payable by the Company	108	113
Other social expenses	25	32
Provisions	1,027	1,042
Total	**8,647**	**7,589**

d) External services

	Thousands of euros	
	2024	2023
Leases (Note 7.b))	13,607	46,155
Maintenance and security	3,008	10,249
Fees	10,533	52,238
Advertising	24	5,757
Utilities	1,317	11,902
Intercompany reinvoicing expenses	1,291	21,938
Travel expenses	1,414	1,387
Other sundry expenses	2,459	6,981
Total	**33,653**	**156,607**

The change compared to 31 December 2023 is mainly due to the Hive Down transaction (Note 1.b)), whereby the majority of Dia's stores were transferred to its indirect subsidiary, Dia Retail.

e) Result for impairment and fixed asset disposals

The breakdown of gains and losses for impairment and fixed asset disposal is as follows:

	Thousands of euros	
	2024	2023
Impairment of property, plant and equipment (Note 6)	76	(321)
Gains/(losses) on disposals and others (Note 6)	218	(11,744)
Impairment and gains/(losses) on disposal of fixed assets	**294**	**(12,065)**

At 31 December 2023, Gains/(losses) on disposals and others mainly included the results from the sale of the large format stores business to Alcampo.

f) Non-trading income and other operating income

The detail of non-trading income and other operating income is as follows:

	Miles de euros	
	2024	2023
Lease income (Note 7.c))	79	569
Franchise Income	29	700
Information services to suppliers	4	27
Other income	1,445	2,161
Other income from subsidiaries (Note 20 b))	16,376	20,625
Total	**17,933**	**24,082**

Other income with subsidiaries corresponds almost entirely to the amounts invoiced by the Company to its subsidiaries in Spain for rent and electricity.

22. FEES FOR AUDITS AND OTHER SERVICES PROVIDED BY THE AUDITOR

The firm of auditors for the Company's annual accounts, Ernst & Young, S.L., accrued fees for professional services during the financial years ended 31 December 2024 and 2023, respectively, as detailed below:

	2024
Thousands of euros	Ernst & Young, S.L.
Audit services	252
Other services relating to audit	438
Other services	15
Total	**705**

	2023
Thousands of euros	Ernst & Young, S.L.
Audit services	263
Other services relating to audit	321
Total	**584**

23. COMMITMENTS AND CONTINGENCIES

Commitments pledged and received by the Company but not recognised on the balance sheet relate to contractual obligations that have not yet been executed. There are two types of commitments, relating to cash and expansion operations. In addition, the Company had lease agreements that also represent future commitments undertaken and received.

Off balance sheet commitments linked to treasury transactions consist of:

- available credit facilities and revolving syndicated loans unused at the closing date;
- banking commitments received.

In the case of expansion operations, the commitments given to undertake these operations are included.

Finally, commitments relating to the rental agreements for movable and immovable assets are included in Note 7 b) “Operating leases - Lessee”.

Itemised details of commitments, in thousands of euros, are as follows:

a) Pledges

In thousands of euros - 31 December 2024	in 1 year	in 2 years	3 to 5 years	+5 años	Total
Guarantees	3,683	4,337	9,771	4,550	22,341
Commercial contract commitments	18	—	—	—	18
Total	**3,701**	**4,337**	**9,771**	**4,550**	**22,359**

In thousands of euros - 31 December 2023	in 1 year	in 2 years	3 to 5 years	+5 años	Total
Guarantees	368	3,604	2,309	5,799	12,080
Purchase options	—	—	550	—	550
Commercial contract commitments	758	—	—	—	758
Total	**1,126**	**3,604**	**2,859**	**5,799**	**13,388**

The Company is the guarantor of drawdowns on credit facilities made by its Spanish subsidiaries. At 31 December 2024 there were no such provisions (40,548 thousand euros at 31 December 2023).

Cash and bank guarantees mainly include those that secure commitments relating to store and warehouse leases.

Options to purchase include one on a store.

Sales contract commitments include commitments acquired with franchises regarding compliance with certain contributions and payment obligations in the event of non-compliance by the franchisee with financing operations with third parties.

In addition, the Company granted a guarantee regarding certain obligations with the subsidiary in Portugal, a guarantee by Société Générale for a maximum amount of 30,990 thousand euros, expiring on 29 March 2024.

b) Receipts

In thousands of euros - 31 December 2024	in 1 year	in 2 years	3 to 5 years	+5 años	Total
Commitments linked to commercial contracts (Note 8 d))	435	61	101	1,703	2,300
Operations / property / expansion	**435**	**61**	**101**	**1,703**	**2,300**
Total	**435**	**61**	**101**	**1,703**	**2,300**

In thousands of euros - 31 December 2023	in 1 year	in 2 years	3 to 5 years	+5 años	Total
Unused credit facilities (Note 17 a))	2,000	—	—	—	2,000
Liquid assets	**2,000**	**—**	**—**	**—**	**2,000**
Commitments linked to commercial contracts (Note 8 d))	2,099	407	428	2,898	5,832
Operations / property / expansion	**2,099**	**407**	**428**	**2,898**	**5,832**
Total	**4,099**	**407**	**428**	**2,898**	**7,832**

Guarantees received for commercial contracts relate to guarantees received ensuring commercial agreements with franchisees.

24. INFORMATION ON EMPLOYEES

Following the Hive Down operation of 2020, the employees were transferred to subsidiary Dia Retail España S.A.U. in such a way that only certain Senior Management members remain employed by the Company.

The average number of full-time equivalent personnel, distributed by professional category, is as follows:

	2024	2023
Directors	6	6

The breakdown by sex of the Company's employees and directors at the end of the financial year is as follows:

	2024		2023	
	Women	Men	Women	Men
Board members (not employees)	2	6	2	5
Directors (Senior management)	2	4	1	5
Other Directors	—	1	—	—
Total	**4**	**11**	**3**	**10**

There were no persons employed by the Company over the 2024 or 2023 financial years with a disability of 33% or more (or equivalent local classification).

There were six senior management executives at 31 December 2024 and 2023. There were no executives on the Board of Directors at 31 December 2024 or 2023.

25. SUBSEQUENT EVENTS

On 27 December 2024, the Extraordinary General Shareholders' Meeting approved the Dia contrasplit, whereby (i) all the shares into which the Company's share capital is divided are grouped and cancelled in order to exchange them for newly issued shares in the proportion of one (1) new share for every one thousand (1,000) old shares, increasing the unit par value of the shares from 0.01 euros to 10.00 euros, and (ii) prior to the execution of the contrasplit, reduce the Company's share capital by 0.79 euros through the redemption of seventy-nine (79) treasury shares, each with a par value of 0.01 euros (the "technical capital reduction"). The capital reduction and contrasplit agreement was executed by Dia's Board of Directors on 8 January 2025, while its stock market effective date was 5 February 2025. Following the capital reduction and immediately prior to the contrasplit, the share capital is set at 580,655,340 euros, divided into 58,065,534,000 ordinary shares, each with a par value of 0.01 euros. Additionally, on February 7, 2025, the Company repurchased 6,636 excess shares from minority shareholders (in new shares) for a total amount of 117,457.20 euros, proceeding to a capital reduction by amortization for the same amount and simultaneously creating an unavailable reserve charged to the Company's free reserves for an amount equal to the nominal value of the shares redeemed in the technical capital reduction and in the capital reduction by amortization (Note 14).

On 14 November 2024, Lyra II Fundo de Investimento em Participaçoes Multiestratégia (vendor) and Arila Fundo de Investimento Financeiro Multimercado (purchaser) signed a purchase agreement for 100% of the shares of Dia Brasil. According to the agreement, the Dia Group had to grant the necessary waivers for the service contracts between Dia Retail and Dia Brasil to remain in force despite the change of control in the Brazilian company. The agreed compensation for the Group was 10 million Brazilian reais. On 21 January 2025, the Company received 1,589 thousand euros from Lyra, as all conditions precedent of the purchase agreement had been fulfilled.

After the refinancing process carried out in December 2024, the Company notified the Paying Agent on 6 January 2025 of the decision to exercise the option to redeem all of the bonds issued early.
The effective redemption date was 5 February 2025 and the total redemption amount was 32,378 thousand euros. This amount is made up of 30,800 thousand euros corresponding to the principal amount of the notes and 1,578 thousand euros in accumulated accrued interest (Note 17 a)).

ANNEX I. Details of investments in Group companies

Information relating to Group Companies for the year ended 31 December 2024

(Expressed in thousands of euros)

				% of shareholding and vote									
Name	Registered address	Activity	Auditor	Direct interest	Indirect interest	Indirect holding company	Total	Capital	Reserves	Result for the year from continuing operations	Total own funds	Net book value of investment	Dividends received in 2024
Dia Portugal Supermercados, S.A. and subsidiary (*) (Dia Portugal)	Lisbon	Wholesale and retail sale of food products and the subsidiary sale of toiletries and perfume products.	N/A	—	—	Luxembourg Investment Company 322, S.à.r.l. (**)	100		—	(2,060)		—	—
Dia Argentina, S.A. and subsidiary (Dia Argentina)	Buenos Aires	Wholesale and retail distribution of food products.	EY	95	5	PE-TRA, Servicios a la Distribución, S.L.U.	100	197,882	(7,304)	(35,707)	154,871	189,736	—
Finandia, S.A.U. (Finandia)	Madrid	Lending and credit operations, including consumer loans, mortgages and financing of commercial transactions, as well as issuing and managing credit and debit cards.	N/A	100	—	—	100	3,500	(970)	(74)	2,456	2,457	—
Dia Retail España, S.A.U. (Dia Retail)	Madrid	Distribution of food products and toiletries though supermarkets and the subsidiary, sub-lease of premises primarily to its sole shareholder.	EY	—	100	Luxembourg Investment Company 320, S.à.r.l.	100	36,169	124,044	86,423	246,636	—	—
PE-TRA, Servicios a la Distribución, S.L.U.	Madrid	Subletting of premises, mainly to Dia Retail España, S.A.	EY	—	100	Dia Retail España, S.A.U.	100	8,527	5,557	(47)	14,037	—	—
Dia World Trade, S.A.U.	Geneva	Provision of services to companies of the Dia Group.	N/A	—	100	Dia Retail España, S.A.U.	100	84	535	5	624	—	—
CD Supply Innovation S.L. in liquidation	Madrid	Management of financial and provisioning services for own brand.	N/A	50	—	—	50	1,000	277	(294)	983	500	—
Luxembourg Investment Company 317, S.à.r.l.	Luxembourg	Share holding company	EY	100	—	—	100	12	479,591	(62)	479,541	479,868	—
Luxembourg Investment Company 318, S.à.r.l.	Luxembourg	Share holding company	EY	—	100	Luxembourg Investment Company 317, S.à.r.l.	100	12	479,194	(62)	479,144	—	—
Luxembourg Investment Company 319, S.à.r.l.	Luxembourg	Share holding company	EY	—	100	Dia Finance, S.L.U.	100	12	793,039	(1,361)	791,690	—	—
Luxembourg Investment Company 320, S.à.r.l.	Luxembourg	Share holding company	EY	—	100	Luxembourg Investment Company 319, S.à.r.l.	100	12	806,689	(65)	806,636	—	—
Luxembourg Investment Company 321, S.à.r.l.	Luxembourg	Share holding company	N/A	—	100	Luxembourg Investment Company 319,,S.à.r.l.	100	12	114	(45)	81	—	—
Luxembourg Investment Company 322, S.à.r.l. (**)	Luxembourg	Share holding company	N/A	—	—	Luxembourg Investment Company 319, S.à.r.l.	100	—	—	(766)	—	—	—
Luxembourg Investment Company 323, S.à.r.l. (**)	Luxembourg	Share holding company	N/A	—	—	Luxembourg Investment Company 319, S.à.r.l.	100	—	—	(37)	—	—	—
Dia Finance, S.L.U. (Dia Finance)	Madrid	Import, export, acquisition, distribution and wholesale and retail sale of food, beverages, household goods and, in general, other products for domestic use and consumption.	EY	—	100	Luxembourg Investment Company 318, S.à.r.l.	100	3	409,353	(14,658)	394,698	—	—
												672,561	**—**

(*) Company sold on 30 April 2024. In 2023, it was transferred to non-current assets held for sale for its net valuation of 12,670 thousand euros.
(**) Company liquidated on 20 November 2024.

Information relating to Group Companies for the year ended 31 December 2023

(Expressed in thousands of euros)

				% of shareholding and vote									
Name	Registered address	Activity	Auditor	Direct interest	Indirect interest	Indirect holding company	Total	Capital	Reserves	Result for the year from continuing operations	Total own funds	Net book value of investment	Dividends received in 2023
Dia Portugal Supermercados, S.A. and subsidiary (*)	Lisbon	Wholesale and retail sale of food products and the subsidiary sale of toiletries and perfume products.	EY	26	74	Luxembourg Investment Company 322, S.à.r.l.	100	51,803	(23,409)	(6,485)	21,909	—	—
Dia Argentina, S.A. and Subsidiary	Buenos Aires	Wholesale and retail distribution of food products.	EY	95	5	PE-TRA, Servicios a la Distribución, S.L.U.	100	193,985	(108,268)	6,800	92,517	186,034	—
Dia Brasil Sociedade Limitada and subsidiary (Dia Brasil)	Sao Paulo	Wholesale and retail distribution of consumer products.	EY	100	—	—	100	704,813	(588,787)	(95,847)	20,179	—	—
Finandia, S.A.U.	Madrid	Lending and credit operations, including consumer loans, mortgages and financing of commercial transactions, as well as issuing and managing credit and debit cards.	N/A	100	—	—	100	3,500	(779)	(191)	2,530	3,500	—
Dia Retail España, S.A.U. (Dia Retail)	Madrid	Distribution of food products and toiletries though supermarkets and the subsidiary, sub-lease of premises primarily to its sole shareholder.	EY	—	100	Luxembourg Investment Company 320, S.à.r.l.	100	36,169	90,397	33,647	160,213	—	—
PE-TRA, Servicios a la Distribución, S.L.U.	Madrid	Subletting of premises, mainly to Dia Retail España, S.A.	EY	—	100	Dia Retail España, S.A.U.	100	8,527	4,340	424	13,291	—	—
Dia World Trade, S.A.U.	Geneva	Provision of services to companies of the Dia Group.	N/A	—	100	Dia Retail España, S.A.U.	100	84	548	(14)	618	—	—
Beauty by Dia, S.A.U.	Madrid	Marketing of drugstore and perfumery products	EY	—	100	Dia Retail España, S.A.U.	100	9,616	6,690	5,439	21,745	—	—
Grupo El Árbol, Distribución y Supermercados, S.A.U. (**)	Madrid	Wholesale and retail sale of food products and others.	N/A	—	100	Dia Retail España, S.A.U.	100	—	—	112,102	—	—	—
CD Supply Innovation S.L. in liquidation	Madrid	Management of financial and provisioning services for own brand.	N/A	50	—	—	50	1,000	283	(6)	1,277	500	—
Luxembourg Investment Company 317, S.à.r.l.	Luxembourg	Share holding company	EY	100	—	—	100	12	479,469	(78)	479,403	479,668	—
Luxembourg Investment Company 318, S.à.r.l.	Luxembourg	Share holding company	EY	—	100	Luxembourg Investment Company 317, S.à.r.l.	100	12	479,177	(83)	479,106	—	—
Luxembourg Investment Company 319, S.à.r.l.	Luxembourg	Share holding company	EY	—	100	Dia Finance, S.L.U.	100	12	867,351	(81)	867,282	—	—
Luxembourg Investment Company 320, S.à.r.l.	Luxembourg	Share holding company	EY	—	100	Luxembourg Investment Company 319, S.à.r.l.	100	12	806,656	(73)	806,595	—	—
Luxembourg Investment Company 321, S.à.r.l.	Luxembourg	Share holding company	N/A	—	100	Luxembourg Investment Company 319,,S.à.r.l.	100	12	73	(59)	26	—	—
Luxembourg Investment Company 322, S.à.r.l.	Luxembourg	Share holding company	EY	—	100	Luxembourg Investment Company 319, S.à.r.l.	100	12	59,699	(77)	59,634	—	—
Luxembourg Investment Company 323, S.à.r.l.	Luxembourg	Share holding company	N/A	—	100	Luxembourg Investment Company 319, S.à.r.l.	100	12	86	(58)	40	—	—
Dia Finance, S.L.U.	Madrid	Import, export, acquisition, distribution and wholesale and retail sale of food, beverages, household goods and, in general, other products for domestic use and consumption.	EY	—	100	Luxembourg Investment Company 318, S.à.r.l.	100	3	420,326	(10,972)	409,357	—	—
												669,702	**—**

(*) Company transferred to non-current assets held for sale for its net valuation of 12,670 thousand euros in the 2023 financial year.
(**) Company liquidated during financial year 2023.

ANNEX II. Details of assets and liabilities transferred as a result of the Hive Down operation

The details of all the assets and liabilities transferred as a result of the Hive Down operation, by way of contribution to the share capital of its subsidiary "Luxembourg Investment Company 317 S.à r.l.", by balance sheet heading are set out below:

	Thousands of euros
	2023
Intangible assets (Note 5)	**1,076**
Goodwill	850
Other intangible assets	226
Property, plant and equipment (Note 6)	**71,603**
Land and buildings	28,810
Technical installations, machinery, equipment, furniture and other property, plant and equipment	42,793
Long term investments	**4,656**
Other financial assets	4,656
Trade debtors and other receivables	**50**
Accounts receivable and provision of services (exceeding operating cycle)	50
Total non-current assets	**77,385**
Inventories	**14,085**
Goods for resale	14,085
Trade debtors and other receivables	**27,606**
Current accounts receivable for sales and short term provision of services	27,603
Other receivables	3
Short term investments	**23**
Other financial assets	23
Cash and cash equivalents	**164**
Liquid assets	164
Total current assets	**41,878**
TOTAL ASSETS	**119,263**
Long term payables	**3,947**
Finance lease payables	1,310
Other financial liabilities	2,637
Deferred tax liabilities	**120**
Total non-current liabilities	**4,067**
Short term provisions	**1,599**
Short term payables	**10,438**
Finance lease payables	598
Other financial liabilities	9,840
Total current liabilities	**12,037**
TOTAL LIABILITIES	**16,104**
Total assets and liabilities transferred (Note 9)	**103,159**

Management Report at
31 December 2024

2024

Distribuidora Internacional de Alimentación, S.A.

COMPANY POSITION

The information relating to "Company position" is included in Section 3. Business model and strategic pillars of the Dia Group's Consolidated Non-Financial Information Statement and Sustainability Information for 2024.

ORGANISATIONAL STRUCTURE

Dia Group's corporate governance is structured through the following institutional and operational bodies and mechanisms:

- General Shareholders' Meeting
- Board of Directors
- Audit and Compliance Committee
- Appointments and Remunerations Committee

BUSINESS PERFORMANCE AND RESULTS

In 2024, the Group completed a crucial stage of business transformation and simplification, creating two strong growth platforms, being the business in Spain and Argentina. In addition, a refinancing agreement has been reached one year ahead of debt maturity, a milestone that provides the Group with a solid capital structure for the next strategic phase and reinforces the momentum to be the convenience and online store of choice for locals.

In Spain, the year saw the consolidation of our exceptional omnichannel value proposition, which is committed to offering a top quality, balanced assortment of national and international manufacturers and Dia products, with a focus on fresh food and a team that wants to offer a better service every day. Thanks to the tireless commitment to customers, progress has been made in sales, market share, customer satisfaction and the relevance of Dia products in their shopping baskets.

In Argentina, the Group faced a challenging year due to a macroeconomic context that hit household consumption hard. Millions of Argentinians have placed their trust in Dia in a complex year and we are very grateful that we have managed to keep up with the demand. The strength of our brand and our team's ability to navigate uncertainty have, in spite of everything, allowed us to increase market share in volume and comparable surface area.

In addition, the Group started to implement its Strategic Sustainability Plan 2024-25in 20 24, under the slogan 'Cada día cuenta' [Every day counts]. This roadmap has moved from ensuring compliance with the regulatory aspects of ESG to the company's "own and differentiating" leadership.

These achievements have renewed the Group's enthusiasm to face the challenges of both the company and the sector in 2025.

This is how Dia grows step by step, with an eye on customers, on strengthening the resilience of the business and on generating value for our entire ecosystem, from our teams, franchisees and suppliers, to our shareholders and investors.

The Company's main financial figures are presented below:

(millions of euros)	2024	%	2023	%	Variation %
Revenues	**59.7**	**100.0%**	**745.0**	**1,247.9%**	**-92.0%**
Supplies	(46.0)	-77.1%	(581.4)	-973.9%	-92.1%
Other operating income	17.9	30.0%	24.1	40.4%	-25.7%
Personnel expenses	(8.6)	-14.4%	(7.6)	-12.7%	13.2%
Other operating expenses	(33.6)	-56.3%	(162.0)	-271.4%	-79.3%
Amortisation and depreciation	(2.2)	-3.7%	(15.5)	-26.0%	-85.8%
Impairment and gains/(losses) on disposal of fixed assets	(0.3)	-0.5%	12.1	20.3%	-102.5%
Results from operating activities	**(13.1)**	**-21.9%**	**14.7**	**24.6%**	**-189.1%**
Financial gains/(losses) (excluding financial instruments)	(8.9)	-14.9%	2.0	3.4%	-545.0%
Impairment and gains/(losses) on disposal of financial instruments	(85.1)	-142.5%	(161.1)	-269.8%	-47.2%
Financial result	**(94.0)**	**-157.5%**	**(159.1)**	**-266.5%**	**-40.9%**
Result before tax	**(107.1)**	**-179.4%**	**(144.4)**	**-241.9%**	**-25.8%**
Income tax	4.3	7.2%	10.5	17.6%	-59.0%
RESULT FOR THE YEAR FROM CONTINUING OPERATIONS	**(102.8)**	**-172.2%**	**(133.9)**	**-224.3%**	**-23.2%**

SUMMARY OF STORES (GROUP)

DIA GROUP	Owned	Franchises	Total
Total stores at 31 December 2023	2,471	2,937	5,408
New openings	1	10	11
Net transfers of owned stores to franchises	(18)	18	—
Exit from the perimeter	(1,090)	(601)	(1,691)
Closings	(327)	(58)	(385)
Total Dia Group stores at 31 December 2024	**1,037**	**2,306**	**3,343**

The total portfolio reached 3,343 stores after a net reduction of 2,065 stores (374 excluding exits from the perimeter). The franchise mix reached 69% of the network (+14.7 pp compared to 2023).

At 31 December 2023, this included 1,048 Brazil and Portugal stores, which left the Group during 2024 (607 company-owned and 441 franchises). Net transfers of company-owned stores to franchises in these countries were 20 company-owned and -20 franchises. The closures were -309 company-owned and -40 franchises, and the exit from the perimeter was -318 company-owned and -381 franchises.

SPAIN	Owned	Franchises	Total
Total stores at 31 December 2023	1,612	1,700	3,312
New openings	1	6	7
Net transfers of owned stores to franchises	(37)	37	—
Closings	(14)	(11)	(25)
Exit from the perimeter of the Clarel business	(772)	(220)	(992)
Total Dia Spain stores at 31 December 2024	**790**	**1,512**	**2,302**

The total portfolio reached 2,302 stores after a net reduction of 1,010 stores (18 excluding exits from the perimeter). The franchise mix reached 65.7% of the network (+14.4 pp compared to 2023).

ARGENTINA	Owned	Franchises	Total
Total stores at 31 December 2023	252	796	1,048
New openings	—	4	4
Net transfers of owned stores to franchises	(1)	1	—
Closings	(4)	(7)	(11)
Total Dia Argentina stores at 31 December 2024	**247**	**794**	**1,041**

The total portfolio reached 1,041 stores after a net reduction of 7 stores. The franchise mix reached 76.3% of the network (+0.4 pp compared to 2023).

LIQUIDITY AND CAPITAL RESOURCES

LIQUIDITY

The available liquidity at 31 December is as follows:

(millions of euros)	2024	2023	Change
Cash and cash equivalents	0.9	1.4	(0.5)
Available credit facilities	—	2.0	(2.0)
Available liquidity	**0.9**	**3.4**	**(2.5)**

FINANCIAL DEBT

Net Debt was 35.3 million euros at year-end 2024, 36.6 million euros less than at year-end 2023.

NET DEBT (millions of euros)	2024	2023	Change
Non-current financial debt	0.8	32.0	-97.5%
Current financial debt	35.4	6.0	490.0%
Cash and cash equivalents	(0.9)	(1.4)	-35.7%
Net debt	**35.3**	**36.6**	**-3.6%**

The detail by maturity is as follows:

2024	Limit/ Granted	Amount available	Drawn down	Year 1	Year 2	Year 3	Year 4	Other
Bonds and other negotiable securities	31,205	—	31,205	31,205	—	—	—	—
Finance lease payables	22	—	22	13	3	3	3	—
Indebtedness position	**31,227**	**—**	**31,227**	**31,218**	**3**	**3**	**3**	**—**
Interest debt	1,039	—	1,039	1,039	—	—	—	—
Derivative financial instruments liabilities	1,802	—	1,802	1,802	—	—	—	—
Suppliers of fixed assets	1,106	—	1,106	635	471	—	—	—
Guarantees and deposits received	1,031	—	1,031	733	—	—	—	298
Total adjusted debt	**36,205**	**—**	**36,205**	**35,427**	**474**	**3**	**3**	**298**

WORKING CAPITAL

Working capital during 2024 and 2023 is presented below:

(millions of euros)	2024	2023	Change
Inventories	1.0	1.1	(0.1)
Trade debtors and other receivables	5.0	71.2	(66.2)
Trade creditors and other accounts payable	(36.1)	(47.6)	11.5
Working capital	**(30.1)**	**24.7**	**(54.8)**

The Company did not sign any non-recourse assignment agreements for supplier trade receivables in 2024 or in 2023.

The Company had no confirming facilities at year-ends 2024 and 2023.

ANALYSIS OF CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET OPERATIONS

Commitments delivered and received by the Company but not recognised on the Balance Sheet relate to contractual obligations that have not yet been executed. At 31 December 2024, commitments delivered amounted to 22 million euros (31 December 2023: 13 million euros). The details and nature of these commitments are set out in Note 23 a) to the Annual Accounts.

MAIN RISKS AND UNCERTAINTIES

Financial risk management is centralised in the Group's Senior Management, which, through the Group's Finance Management, in close collaboration with the operating units, oversees management and verifies that financial risk-taking activities are regulated by corporate policies and procedures approved by the Board of Directors as well as ensuring financial risks are identified, measured and managed in accordance with these policies.

The Group's Finance Management has established the necessary mechanisms to control the exposure to changes in interest and exchange rates, as well as credit and liquidity risks in accordance with the structure and financial position and the economic variables of the environment, resorting to hedging transactions if necessary.

In particular, the Company's activities are exposed to interest rate and exchange rate risks, as well as credit and liquidity risks.

a) Cash flow interest rate and fair value risks

The Company's interest rate risk arises from interest rate fluctuations that affect the finance cost of long-term borrowings issued at variable rates.

The Group contracts various interest rate hedging transactions to mitigate its exposure, in accordance with its Risk Management Policy. At 31 December 2024, the Dia Group has arranged derivatives with external counterparties to hedge against interest rate risk on long-term financing.

In financial years 2024 and 2023, the Company did not enter into any significant transactions involving long-term debt at variable interest rates.

The Company’s policy is to keep financial assets liquid and available for use. These balances are held in financial institutions with high credit ratings.

b) Currency risk

In 2024 and 2023 the Company did not carry out any significant transactions in currencies other than the functional currency and did not carry out hedging operations in either financial year.

The Company has an investment in foreign operations, the net assets of which are exposed to currency risk. Currency risk affecting net assets of the Company's foreign operations in Argentine pesos is primarily managed through borrowings denominated in the respective foreign currency. At 31 December 2024 and 2023, the Company has balances with group companies in Argentina amounting to 426 thousand euros, as described in Note 17 b) of the Annual Accounts (at 31 December there were no balances with group companies in countries located in Argentina).

The Company's exposure to currency risk at 31 December 2024 and 2023 in respect of the balances outstanding in currencies other than the functional currency was immaterial.

c) Credit risk

Credit risk is the risk the Company is exposed to if a client or counterparty of a financial instrument fails to comply with their contractual obligations, and mainly stems from trade receivables and the Company's investments in financial assets.

The Company has no significant concentrations of credit risk. The risk of concentration is minimised with diversification, managing and combining various areas of impact. The Company's main loans are to different types of customers such as franchisees and retail customers. The Company considers that the evolution of macroeconomic conditions would not have significant impacts on estimated credit risk.

The Company has policies to ensure that wholesale sales of products are made to customers with a suitable credit record. Sales to retail customers are made in cash or by credit card. Derivative transactions are only arranged with financial institutions that have a high credit rating in order to mitigate credit risk. The Company has policies in place to limit the total risk with any financial institution.

The Company's credit risk is due to its operations with most of its franchisees and is mitigated by the deposits linked to the 2020 franchise management model mentioned in Note 17 to the Annual Accounts and the guarantees received mentioned in Note 23 b) to the Annual Accounts.

Non-current trade transactions relate to the financing of the initial inventory of the franchisees, which is repaid monthly based on the cash generation profile of the business. This funding of the initial inventory order corresponds to the previous Dia franchise model, which was essentially based on payment for the delivery of goods. Current trade transactions relate to the financing of the supply of goods and to maturities of less than 12 months from the initial financing of the previous model. With the change of franchise management model introduced in 2020, the franchisee pays for the sale of both initial stock and recurring sales and not for the goods invoiced at the time of receipt, i.e. the collection is based on the cash generated at the franchisee's point-of-sale terminal, so the entire debt is recognised as current.

The Company did not sign any non-recourse assignment agreements for supplier trade receivables in 2024 or in 2023.

Note 8 c) to the Annual Accounts details the Company's exposure to credit risk at 31 December 2024 and 2023.

The returns on these financial assets in 2024 and 2023 totalled 1,604 thousand euros and 6,357 thousand euros, respectively.

At 31 December 2024 and 2023, the Company had an interest rate risk hedging derivative contracted with banks, which in turn it had assigned to Dia Retail España, S.A.U. At 31 December 2023, the Company had other interest rate risk hedging derivatives, which it had assigned to Dia Finance, S.L.U. Derivatives have generated financial income for the Company due to the adjustment to fair value vis-à-vis the banks, and financial expenses due to the transfer of the same amount to Dia Retail, S.A.U. and Dia Finance, S.L.U. At 31 December 2024, the Company has an asset of 1,802 thousand euros (2,507 thousand euros at 31 December 2023), (Note 10 b) on the Annual Accounts and a liability for the same amount (Note 17 a) on the Annual Accounts.

The maturity analysis of non-current and current trade debtors and other receivables at 31 December 2024 and 2023 is shown in Note 8 c) to the Annual Accounts, while the impairment policy is set out in Note 4 g).

e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle its financial liabilities when due.

The Company undertakes prudent management of liquidity risk based on maintaining sufficient cash and negotiable securities, the availability of finance by means of a sufficient sum of agreed credit facilities and enough capacity to liquidate market positions. Given the dynamic nature of its underlying business, the Group's Finance Department aims to be flexible with regard to financing with drawdowns on credit facilities taken out.

Liquidity risk is monitored by the Group's Cash Committee which meets every two weeks to check that the Group's financing requirements are covered by the resources available.

The Company's exposure to liquidity risk at 31 December 2024 and 2023 is presented in Note 8 d) to the Annual Accounts and the evolution of balances with Group companies is explained in Note 17 b) and c) to the Annual Accounts.

The finance costs accrued on these financial liabilities totalled 2,326 thousand euros and 7,016 thousand euros in 2024 and 2023, respectively.

Finance expenses in 2024 and 2023 include the expenses associated with derivative contracts recognised as current debt.

SUBSEQUENT EVENTS TO THE CLOSE OF THE PERIOD

On 27 December 2024, the Extraordinary General Shareholders' Meeting approved the Dia contrasplit, whereby (i) all the shares into which the Company's share capital is divided are grouped and cancelled in order to exchange them for newly issued shares in the proportion of one (1) new share for every one thousand (1,000) old shares, increasing the unit par value of the shares from 0.01 euros to 10.00 euros, and (ii) prior to the execution of the contrasplit, reduce the Company's share capital by 0.79 euros through the redemption of seventy-nine (79) treasury shares, each with a par value of 0.01 euros (the "technical capital reduction"). The capital reduction and contrasplit agreement was executed by Dia's Board of Directors on 8 January 2025, while its stock market effective date was 5 February 2025. Following the capital reduction and immediately prior to the contrasplit, the share capital is set at 580,655,340 euros, divided into 58,065,534,000 ordinary shares, each with a par value of 0.01 euros. Additionally, on February 7, 2025, the Company repurchased 6,636 excess shares from minority shareholders (in new shares) for a total amount of 117,457.20 euros, proceeding to a capital reduction by amortization for the same amount and simultaneously creating an unavailable reserve charged to the Company's free reserves for an amount equal to the nominal value of the shares redeemed in the technical capital reduction and in the capital reduction by amortization (Note 14 of the Annual Accounts).

On 14 November 2024, Lyra II Fundo de Investimento em Participaçoes Multiestratégia (vendor) and Arila Fundo de Investimento Financeiro Multimercado (purchaser) signed a purchase agreement for 100% of the shares of Dia Brasil. According to the agreement, the Dia Group had to grant the necessary waivers for the service contracts between Dia Retail and Dia Brasil to remain in force despite the change of control in the Brazilian company. The agreed compensation for the Group was 10 million Brazilian reais. On 21 January 2025, the Company received 1,589 thousand euros from Lyra, as all conditions precedent of the purchase agreement had been fulfilled.

After the refinancing process carried out in December 2024, the Company notified the Paying Agent on 6 January 2025 of the decision to exercise the option to redeem all of the bonds issued early. The effective redemption date was 5 February 2025 and the total redemption amount was 32,378 thousand euros. This amount is made up of 30,800 thousand euros corresponding to the principal amount and 1,578 thousand euros in accumulated accrued interest (Note 17 a) of the Annual Accounts).

INFORMATION ABOUT THE FORESEEABLE EVOLUTION OF THE GROUP

The Dia Group's future outlook involves:

1) Continuing organic growth in Spain and starting the store expansion plan:

- Gaining market share at national level supported by volume growth.
- Attracting more customers and increasing the frequency of purchases, increasing total spend in Dia, with Club Dia and continuous improvement of the selection and value proposition.
- Increasing digitisation, extending the coverage and services of the online business.
- Implementing operational improvements to improve profitability (logistics and technology).
- Executing the store expansion plan and exploring inorganic opportunities.

2) Gaining market share in Argentina while protecting profitability:

- Leveraging the strength of the local business based on proximity to navigate the current macroeconomic context, defend the profitability and gain market share.

3) Consolidating the improved financial profit/loss of the business:

- Continuing to improve profitability and increase cash generation capacity, returning to profit at consolidated level.

4) Presenting the Group's strategic plan during Capital Markets Day.

5) Increasing the visibility and perception of Dia's shares.

R&D ACTIVITIES

Since its creation, Dia has placed a strong emphasis on developing knowledge, management methods and business models that have allowed the Group to generate sustainable competitive advantages. Through franchising, Dia transfers all of its expertise to franchisees so that they can run a profitable and efficient business.

As established in IAS 38, Dia Group includes the development costs generated internally in the assets, once the project has reached a development phase, as long as they are clearly identifiable and linked to new commercial model projects and IT developments, to the extent that it can be justified that they will result in an increase in future profit for the Group.

The costs associated with R&D incurred by Dia during 2024 are, as a percentage, much smaller compared to the rest of the costs incurred from developing activities within its company purpose.

No activations were made in the Company during the 2024 and 2023 financial years .

ACQUISITION AND DISPOSAL OF OWN SHARES

The movement in own shares is as follows:

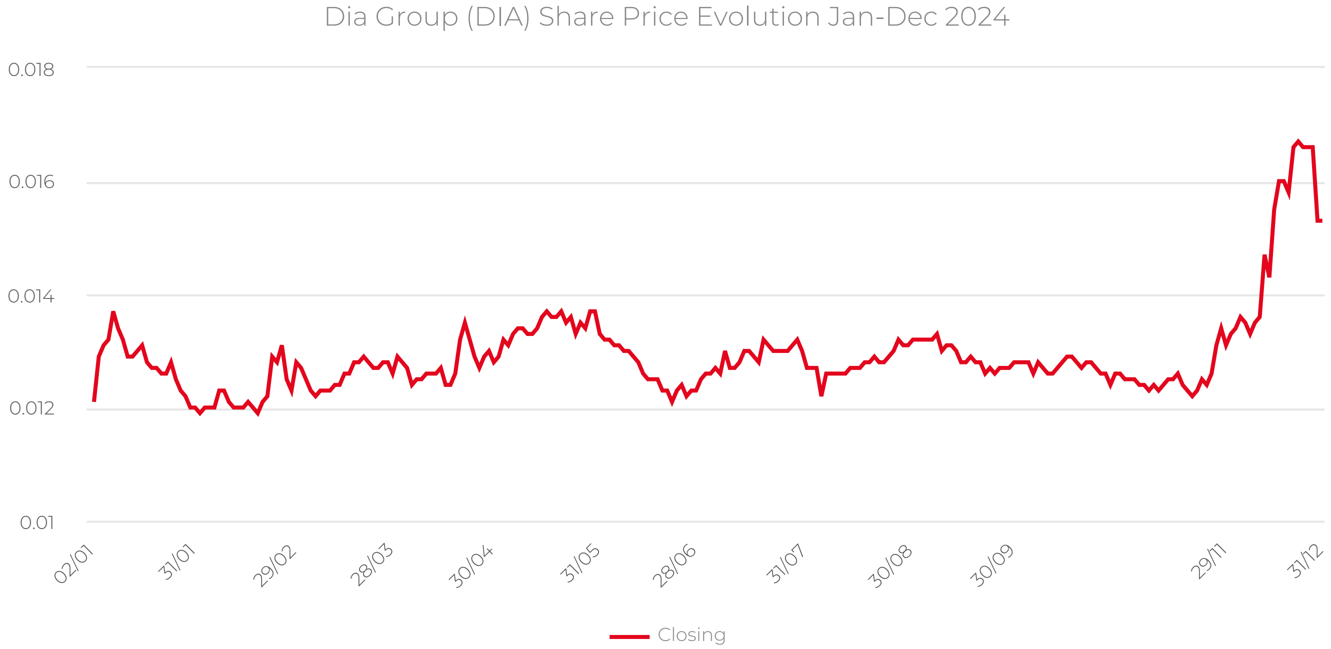
	Number of shares	Average price	Total in euros
At 31 December 2022	**23,699,636**	**0.1329**	**3,149,788.91**
At 31 December 2023	**23,699,636**	**0.1329**	**3,149,788.91**
Delivery of shares to Board members	(19,323,660)		(2,568,201.89)
At 31 December 2024	**4,375,976**	**0.1329**	**581,587.02**

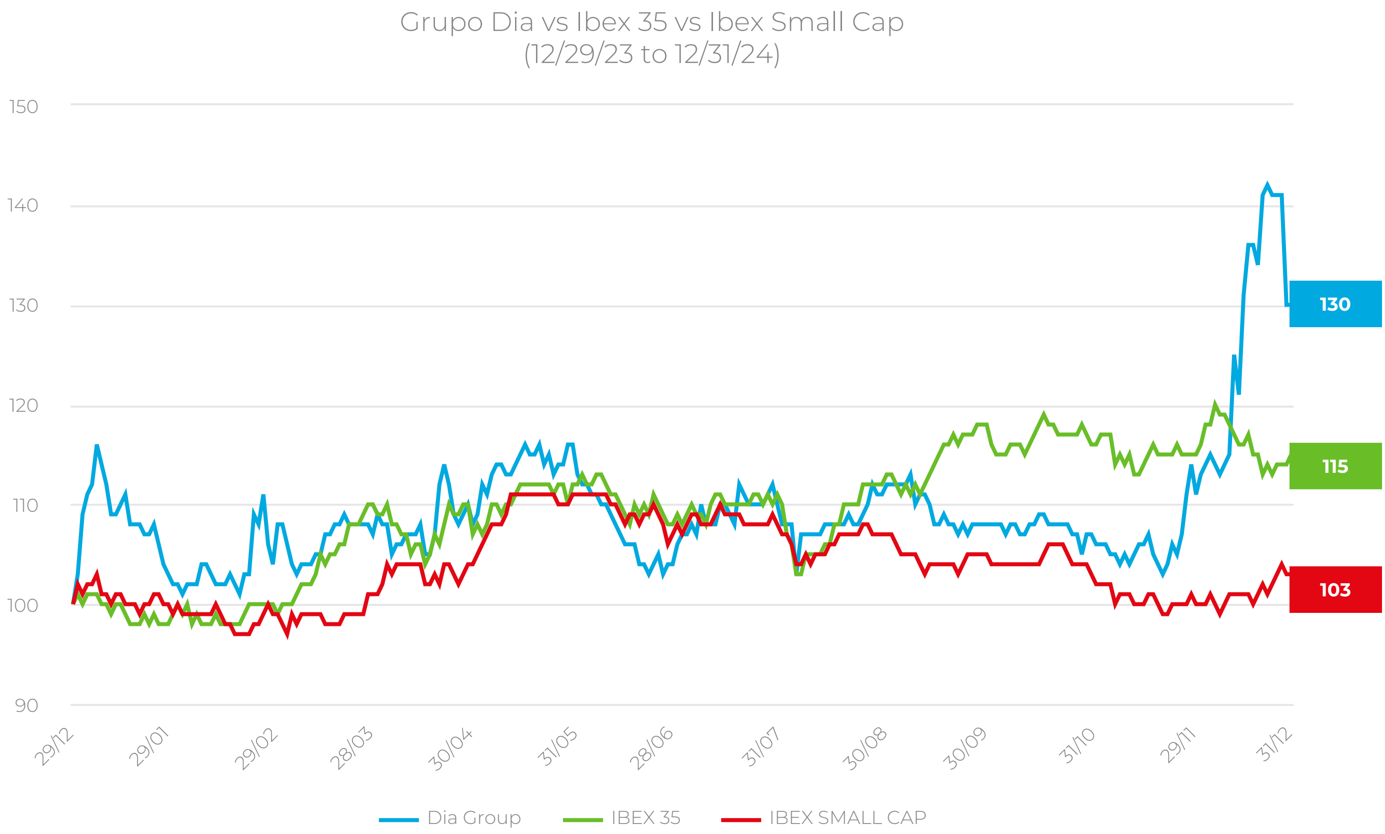
During financial year 2024, 19,323,660 shares valued at 2,568 thousand euros in own shares, net of withholdings, were distributed to directors as remuneration, the market value of which was 356 thousand euros. The difference between the net value of the shares delivered, due to the import of 2,316 thousand euros, and their value in own shares has been recorded by decreasing reserves.

The number of treasury shares in the Company at 31 December 2024 and 2023 amounts to 4,375,976 and 23,699,636 shares, respectively, with a rounded average purchase price of 0.1329 euros/share representing a total amount at 31 December 2024 of 581,587.02 euros and 3,149,788.91 euros at 31 December 2023.

OTHER RELEVANT INFORMATION

Stock exchange information





Dividend distribution policy

The Group entered into a Syndicated Financing Agreement with various Financial Creditors signed on 27 December 2024, which includes a commitment not to distribute dividends from the Company to its shareholders until the New Syndicated Financing has been repaid in full (intra-group dividends are permitted, subject to a maximum cash balance restriction in Dia of 5,000 thousand euros).

Average payment period to suppliers

The information required by the Third Additional Provision of Spanish Law 15/2010 of 5 July as amended by the Resolution of 29 January 2016 of the Spanish Institute of Accounting and Auditing and by Spanish Law 18/2022 of 28 September on the creation and growth of companies, regarding the information to be included in the notes to the annual accounts in relation to the average period of payment to suppliers in the commercial transactions of the Company:

	2024	2023
	Days	Days
Average payment period to suppliers	47	54
Ratio of transactions paid	45	55
Ratio of transactions pending payment	57	33
	Amount (thousands of euros)	Amount (thousands of euros)
Total payments made	85,447	823,321
Total payments pending	12,244	21,026

The amount of payments made during the 2024 financial year in a period shorter than the maximum permitted is 76,834 thousand of euros (90% of the total), corresponding to 15 thousand invoices (72% of the total). The amount of payments made during financial year 2023 in a period shorter than the maximum permitted is 803,921 thousand euros (98% of the total), corresponding to 45 thousand invoices (64% of the total).

The average payment period is calculated taking confirming facilities with suppliers into account.

Other information

Dia's Annual Corporate Governance Report and the Annual Report on Directors Remuneration are part of this consolidated management report and are available at www.diacorporate.com and published as other relevant information on the CNMV (Spanish National Securities Market Commission) website.

In accordance with Law 11/2018, of December 28, regarding non-financial information and diversity, the Dia Group has prepared the "Consolidated Non-financial information statement and Sustainability information" relating to the 2024 financial year, which, as established in articles 44 and 49 of the Commercial Code, is part of this report and which is attached as a separate document.