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REPORT ON LIMITED REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

To the Shareholders of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. at the request of the Board of Directors

Report on the interim condensed consolidated financial statements

Introduction

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (hereinafter the interim financial statements) of Compañía de Distribución Integral Logista Holdings, S.A. (hereinafter the Parent Company) and Subsidiaries (hereinafter the Group), which comprise the condensed consolidated balance sheet at March 31, 2023, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, and the explanatory notes, all condensed and consolidated, for the six-month period then ended. The Parent's Directors are responsible for the preparation of said interim financial statements in accordance with the requirements established by International Accounting Standards (IAS) 34, "Interim Financial Reporting", adopted by the European Union for the preparation of interim condensed financial reporting as per article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

We have performed our limited review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Reporting Performed by the Independent Auditor of the Entity". A limited review of interim financial information consists of making inquiries, primarily of personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit carried out in accordance with regulations on the auditing of accounts in force in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

During the course of our limited review, which under no circumstances can be considered an audit of accounts, no matter come to our attention which would lead us to conclude that the accompanying interim financial statements for the six-month period ended March 31, 2023 have not been prepared, in all significant respects, in accordance with the requirements established by International Accounting Standards (IAS) 34, "Interim Financial Reporting", as adopted by the European Union in conformity with article 12 of Royal Decree 1362/2007 for the preparation of interim condensed financial statements.

Building a better working world

Emphasis paragraph

We draw attention to the matter describe in accompanying explanatory Note 1 in the interim financial statements, which indicates that the abovementioned accompanying interim financial statements do not include all the information that would be required for completed consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union. Therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended September 30, 2022. This does not modify our conclusion.

Report on other legal and regulatory reporting requirements

The accompanying interim consolidated directors' report for the six-month period ended March 31, 2023 contains such explanations as the Parent's Directors consider appropriate regarding significant events which occurred during this period and their effect on these interim financial statements, of which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the abovementioned report agrees with the interim financial statements for the six-month period ended March 31, 2023. Our work is limited to verifying the interim consolidated directors' report in accordance with the scope described in this paragraph, and does not include the review of information other than that obtained from the accounting records of Compañía de Distribución Integral Logista Holdings, S.A. and its Subsidiaries.

Paragraph on other issues

This report has been prepared at the request of the Board of Directors of Distribución Integral Logista Holdings, S.A. with regard to the publication of the semi-annual financial report required by Article 100 of Law 6/2023, of March 17, on Securities Markets and Investment Services.

ERNST & YOUNG, S.L.

(Signed on the original in Spanish)

María del Tránsito Rodríguez Alonso

May 4, 2023

Compañía de Distribución Integral Logista Holdings, S.A. and Subsidiaries

Interim Condensed Consolidated Financial Statements for the six-month period ended 31 March 2023 and Interim Directors' Report

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with IAS 34 as adopted by the European Union (see Note 1b). In the event of a discrepancy, the Spanish-language version prevails.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS AT MARCH 31, 2023 AND 30, SEPTEMBER 2022

(Thousands of Euros)

ASSETS	Note	31-03-2023	30-09-2022	EQUITY AND LIABILITIES	Note	31-03-2023	30-09-2022
NON-CURRENT ASSETS:				**EQUITY:**			
Property, plant and equipment	5	451.107	315.265	Share capital	8	26.550	26.550
Investment property		6.685	6.816	Share premium		867.808	867.808
Goodwill	4	1.047.882	932.375	Reserves of the Parent		365.544	403.573
Other intangible assets	4	286.481	312.757	Reorganisation reserves		(753.349)	(753.349)
Investments in associates		6.435	4.599	Reserves at consolidated companies		(117.554)	(127.639)
Other non-current financial assets	6	18.584	16.422	Translation differences		(343)	(451)
Deferred tax assets		10.810	11.088	Reserve for first-time application of IFRSs		19.950	19.950
Total non-current assets		1.827.984	1.599.322	Consolidated profit for the period		125.844	198.848
				Interim dividend			(56.714)
				Treasury shares	8	(20.927)	(16.600)
				Equity attributable to shareholders of the Parent		513.523	561.976
				Minority interests		6.484	4.719
				Total equity		520.007	566.695
				NON-CURRENT LIABILITIES:			
				Other non-current financial liabilities	7	263.067	103.800
				Long-term provisions	9	28.767	29.043
CURRENT ASSETS:				Deferred tax liabilities		226.453	231.674
Inventories		1.653.174	1.529.163	Total non-current liabilities		518.287	364.517
Trade and other receivables		2.003.930	1.900.663				
Tax receivables		46.636	9.840				
Other current financial assets	6	1.895.411	2.429.616	**CURRENT LIABILITIES:**			
Cash and cash equivalents		172.839	218.733	Other current financial liabilities	7	67.072	40.849
Other current assets		12.038	6.353	Trade and other payables		1.405.913	1.454.965
Total current assets		5.784.028	6.094.368	Tax payables		5.007.321	5.182.620
				Short-term provisions	9	15.112	6.650
NON-CURRENT ASSETS HELD FOR SALE		297	292	Other current liabilities		78.597	77.686
				Total current liabilities		6.574.015	6.762.770
TOTAL ASSETS		7.612.309	7.693.982	TOTAL EQUITY AND LIABILITIES		7.612.309	7.693.982

The accompanying Notes 1 to 16 are an integral part of the condensed consolidated balance sheet at March 31st 2023

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS INCOME STATEMENTS FOR THE SIX MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022

(Thousands of Euros)

	Note	31-03-2023	31-03-2022
Revenue	12	5.935.363	5.453.770
Procurements		(5.101.576)	(4.856.364)
Gross profit		**833.787**	**597.406**
Cost of logistics networks:			
Staff costs		(134.414)	(94.433)
Transport costs		(243.486)	(130.520)
Provincial sales office expenses		(45.430)	(39.500)
Depreciation and amortisation charge		(69.252)	(57.994)
Other operating expenses		(115.580)	(86.511)
Total cost of logistics networks		(608.162)	(408.957)
Commercial expenses:			
Staff costs		(17.554)	(14.912)
Other operating expenses		(15.818)	(10.589)
Total commercial expenses		(33.372)	(25.501)
Research expenses:		(1.156)	(863)
Head office expenses:			
Staff costs		(36.989)	(32.401)
Depreciation and amortisation charge		(2.288)	(2.592)
Other operating expenses		(7.464)	(6.832)
Total head office expenses		(46.741)	(41.825)
Share of results of companies		1.836	2.228
Net loss on disposal and impairment of non-current assets	4 y 5	(99)	5.834
Other results		(25)	(18)
Profit from operations		**146.068**	**128.304**
Finance income		29.272	8.551
Finance costs		(3.824)	(920)
Profit before tax	12	**171.516**	**135.934**
Income tax	14	(43.907)	(36.444)
Profit for the period from continuing operations		**127.609**	**99.490**
Loss for the period from discontinued operations net of tax		**-**	(11.473)
Profit for the period		**127.609**	**88.017**
Attributable to-			
Shareholders of the Parent Company		125.844	87.856
Minority interests		1.765	161
Basic earnings per share	3	**0,95**	**0,67**

The accompanying Notes 1 to 16 are an integral part of the condensed consolidated income statement for the six months periods ended as March 31st, 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022
(Thousands of Euros)

	31-03-2023	31-03-2022
Profit for the year	**127.609**	**88.017**
Net gain (loss) on available for sale assets recognised in equity		-
Net gain (loss) on cash flow hedging instruments recognised in equity		-
Net actuarial gain (loss) recognised directly in equity		439
Foreign exchange rate changes	108	(116)
Net gain (loss) on taxes recognised directly in equity		-
Total other comprehensive income	**108**	**323**
Total comprehensive income fot the year	**127.717**	**88.340**
Attributable to-		
Shareholders of the Parent Company	125.952	88.179
Minority interests	1.765	161
Total atributable	**127.717**	**88.340**

The accompanying Notes 1 to 16 are an integral part of the condensed consolidated statement of comprehensive income for the six months periods ended 31 March 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022

(Thousands of Euros)

	Share Capital	Share Premium	Reserves of the Parent	Reorganisation Reserves	Reserves at Consolidated Companies	Translation Differences	Valuation Adjustments	Consolidated Profit for the Period	Interim Dividend	Treasury Shares	Equity attributable to the Shareholder of the Parent	Minority interests	Total Equity
Balance at 1 October 2021	**26.550**	**867.808**	**289.014**	**(753.349)**	**(31.735)**	**(97)**	**19.950**	**173.961**	**(54.116)**	**(14.346)**	**523.640**	**834**	**524.474**
Net profit for the period attributable to the Parent	-	-	-	-	439	(116)	-	87.856	-	-	88.179	-	88.179
Loss attributable to minority interests	-	-	-	-	-	-	-		-	-	-	161	161
Income and expenses recognised in the period	**-**	**-**	**-**	**-**	**439**	**(116)**	**-**	**87.856**	**-**	**-**	**88.179**	**161**	**88.340**
I. Transactions with Shareholders:	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of profit:	-	-	-	-	-	-	-	-	-	-	-	-	-
To reserves	-	-	113.072	-	(102.683)	-	-	(10.389)	-	-	-	-	-
Dividends (Note 3)	-	-	-	-	-	-	-	(163.572)	54.116	-	(109.456)	-	(109.456)
On treasury shares operations (Note 8b):	-	-	(1.414)	-	-	-	-	-	-	(531)	(1.945)	-	(1.945)
II. Other changes	-	-	-	-	-	-	-	-	-	-	-	181	181
Balance at 31 March 2022	**26.550**	**867.808**	**400.672**	**(753,349)**	**(133.979)**	**(213)**	**19.950**	**87.856**	**-**	**(14.877)**	**500.418**	**1.176**	**501.594**

	Share Capital	Share Premium	Reserves of the Parent	Reorganisation Reserves	Reserves at Consolidated Companies	Translation Differences	Valuation Adjustments	Consolidated Profit for the Period	Interim Dividend	Treasury Shares	Equity attributable to the Shareholder of the Parent	Minority interests	Total Equity
Balance at 30 September 2022	**26.550**	**867.808**	**403.573**	**(753.349)**	**(127.639)**	**(451)**	**19.950**	**198.848**	**(56.714)**	**(16.600)**	**561.976**	**4.719**	**566.695**
Net profit for the period attributable to the Parent	-	-	-	-	-		-	125.844	-	-	125.844	-	125.844
Translation differences	-	-	-	-		108	-		-	-	108	-	108
Loss attributable to minority interests	-	-	-	-	-		-		-	-	-	1.765	1.765
Income and expenses recognised in the period	**-**	**-**	**-**	**-**	**-**	**108**	**-**	**125.844**	**-**	**-**	**125.952**	**1.765**	**127.717**
I. Transactions with Shareholders:	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of profit:													
To reserves	-	-	6.793	-	10.085	-	-	(16.878)	-	-	-	-	-
Dividends (Note 3)	-	-	-	-	-	-	-	(181.970)	56.714	-	(125.256)	-	(125.256)
On treasury shares operations (Note 8b):	-	-	3.658	-	-	-	-	-	-	(6.473)	(2.815)	-	(2.815)
Action Plan	-	-	(1.506)	-	-	-	-	-	-	2.416	640	-	640
Business combinations	-	-	(46.974)	-	-	-	-	-	-	-	-	-	-
II. Other changes													
Balance at 31 March 2023	**26.550**	**867.808**	**365.544**	**(753.349)**	**(117.554)**	**(343)**	**19.950**	**125.844**	**-**	**(20.927)**	**513.523**	**6.484**	**520.007**

The accompanying Notes 1 to 16 are an integral part of the condensed consolidated statement of changes in equity for the six months periods ended 31 March 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS , S.A.
AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022

(Thousands of Euros)

	Note	31-03-2023	31-03-2022
1. OPERATING ACTIVITIES:			
Consolidated profit before tax from continuing operations		**171.516**	**135.934**
Consolidates profit from discontinued operations		-	**(11.473)**
Adjustments for-			
Profit of companies accounted for using the equity method		(1.836)	(2.228)
Depreciation and amortisation charge		72.589	61.267
Period provisions		16.262	1.832
Proceeds from disposal of non-current assets		(94)	(5.816)
Financial profit		(28.233)	(8.505)
Financial expenses for leases (IFRS 16)		2.785	875
Other results		2.227	12.911
Adjusted profit		**235.215**	**184.796**
Net change in assets / liabilities -			
(Increase)/Decrease in inventories		(123.806)	79.969
(Increase)/Decrease in trade and other receivables, other current and non-current assets		12.920	276.812
Increase/(Decrease) in trade payables		(146.648)	60.738
Increase/(Decrease) in other current and non-current liabilities		(228.165)	(469.455)
Income tax paid		(23.189)	11.887
Finance income and costs		28.223	8.695
Total net cash flows from operating activities (I)		**(245.441)**	**153.443**
2. INVESTING ACTIVITIES:			
Net investment in property, plant and equipment		(23.078)	(3.471)
Net investment in intangible assets		(4.128)	(3.689)
Variation of other current and non-current financial assets		383.330	(40.147)
Total net cash flows from investing activities (II)		**356.125**	**(47.307)**
3. FINANCING ACTIVITIES:			
Dividends paid (-)	3	(125.256)	(109.456)
Other equity instruments		(4.326)	(2.193)
Changes in current borrowings		1.155	6.626
Payments for leases (IFRS 16)		(28.151)	(17.107)
Total net cash flows from financing activities (III)		**(156.578)**	**(122.130)**
4. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)		**(45.894)**	**(15.994)**
Cash and cash equivalents at beginning of year		**218.733**	**171.760**
Net change in cash and cash equivalents during the year		(45.894)	(15.994)
Total cash and cash equivalents at end of year		**172.839**	**155.766**

The accompanying Notes 1 to 16 are an integral part of the condensed consolidated cash flow statement for the six months periods ended 31 March 2023.

1. Introduction, basis of presentation of the interim condensed consolidated financial statements and other information

a) Introduction

Compañía de Distribución Integral Logista Holdings, S.A. is the head of a group of domestic and foreign subsidiaries that engage in various business activities, and which compose, together with it, the Logista Group ("the Group" or "Logista").

The Parent Company, Compañía de Distribución Integral Logista Holdings, S.A., was incorporated as a sociedad anónima (Spanish public limited company) on May 13th, 2014, with its sole shareholder being Altadis, S.A.U., a company belonging to Imperial Brands Plc group. On June 4th, 2014, the Parent Company effected a capital increase with all shares subscribed by Altadis, S.A.U. through non-monetary contribution of shares representing 100% of the share capital of Compañía de Distribución Integral Logista, S.A.U., until that time the parent company of Logista Group, and from then onwards, the Company became the Parent of the aforementioned Group.

The Parent Company has registered office at Polígono Industrial Polvoranca, calle Trigo, no. 39, Leganés (Madrid).

The offering of shares in the Parent Company came to an end on July 14th, 2014, and its shares are currently listed for trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges.

On 20 July 2021 Altadis, S.A.U. agreed to sell its stake in Compañía de Distribución Integral Logista Holdings, SA, representing 50.01% of the share capital, to Imperial Tobacco LTD, a company also belonging to the Imperial Brands PLC Group, as a result of a simplification of the chain of ownership of the shares in subsidiary companies carried out within the Imperial Brands group.

The Group, a distributor and logistics operator, provides various distribution channels with a wide range of value-added products and services, including tobacco and related products, convenience goods, electronic documents and products (such as mobile phone and travel card top-ups), drugs, books, publications and lottery tickets. The Group provides these services through a complete infrastructure network which spans the whole value chain, from picking to points of sale (POS) delivery.

The consolidated financial statements of Logista Group for 2022 were formally approved by the General Shareholders' Meeting on February 7th, 2023.

b) Basis of presentation of the interim condensed consolidated financial statements

The accompanying interim condensed consolidated financial statements are presented in accordance with the International Accounting Standard (IAS) 34 Interim Financial Reporting and have been prepared by the Parent Company's Board of Directors on May 4th, 2023, in conformity with Article 12 of the Spanish "Real Decreto 1362/2007".

In accordance with the statements of IAS 34 the interim financial information is prepared with the single purpose of updating the content of the latest consolidated financial statements issued by the Group, with an emphasis on the new activities, events and circumstances taken place during the semester and not duplicating the information previously provided in the consolidated financial statements for the year 2022. Therefore, for an accurate comprehension of the information included in the accompanying interim condensed consolidated financial statements, these should be read along with the Group's consolidated financial statements for the year 2022.

The accounting policies and methods used in the preparation of the accompanying interim condensed consolidated financial statements are the same as the ones used in the preparation of the consolidated financial statements for the year 2022, and additionally the standards and interpretations which have an obligatory application for the Group since October 1st, 2022, have been also considered. In this regard, the main applicable standards are as follows:

Standards and amendments to standards	Content	Obligatory Application in Annual Reporting Periods Beginning on or After
Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and Annual Improvements to IFRS 2018-2020.	Amendments to the indicated standards and amendment to IFRS 9 and IAS 41 as part of the 2018-2020 annual improvements to IFRS.	1 January 2022

The application of the previous standards, interpretations and amendments has not had a significant effect on the Interim Condensed Consolidated Financial Statements for the six-month period ended 31 March 2023.

At the date of preparation of these interim condensed consolidated financial statements, the following standards and interpretations with a potential impact for the Group have been published by the IASB and adopted by the European Union for their application in annual reporting periods beginning on or after the indicated date:

Standards and amendments to standards	Content	Obligatory Application in Annual Reporting Periods Beginning on or After
Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"	Definition of Accounting Estimates.	1 January, 2023
Information to be disclosed about Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement No. 2)	The IASB has included guidance and examples for applying judgment in identifying which accounting policies are material. The amendments replace the criteria of breaking down significant accounting policies with material accounting policies.	1 January, 2023
Amendment to IAS 12 "Income Tax"	Deferred Taxes related to Assets and Liabilities arising from a Single Transaction.	1 January, 2023

The Group estimates that the standards effective January 1st, 2023 will not have a significant impact on equity in the Group's next fiscal year, from which they will become applicable.

In addition, at the date of preparation of the interim condensed consolidated financial statements the following standards and interpretations, with a potential impact to the Group, have been published by the IASB, which cannot be adopted in advance, or which have not been adopted by the European Union:

Standards and amendments to standards	Content	Obligatory Application in Annual Reporting Periods Beginning on or After
Amendments to IAS 1 Presentation of Financial Statements: classification of financial liabilities as current or non-current	In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to clarify the requirements to be applied in classifying liabilities as current or non-current.	Pending

c) Use of estimates

The consolidated profit and equity are sensitive to the accounting principles and policies, the measurement bases and the estimates used by the Parent Company's Directors in the preparation of the interim condensed consolidated financial statements. The main accounting principles and policies and measurement bases are described in the Note 4 to the consolidated financial statements for the year 2022.

In preparing the accompanying interim condensed consolidated financial statements, estimates made by the Parent Company's Directors have been occasionally used in order to measure certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

1. The corporate income tax expense, which in accordance with IAS 34 is recognized in interim period on the basis of the best estimate of the weighted average corporate tax rate expected by the Group for the fiscal year.

2. The evaluation of possible impairment losses on certain assets, including goodwill and certain intangible assets.

3. The assumptions used in the actuarial calculations of the pension liabilities and other obligations to employees.

4. The useful life of the property, plant and equipment and intangible assets.

5. The fair value of certain assets.

6. The calculation of the required provisions, including those of a fiscal nature, as well as the risk assessment assigned to contingent liabilities.

7. The valuation and allocation of deferred tax assets and liabilities.

Although these estimates were made on the basis of the best information available at the period ending March 31st, 2023, events that may take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. This would be done prospectively, recognising the effects of the changes in accounting estimates in the relevant future consolidated financial statements.

d) *Comparability of the information*

The information contained in these condensed interim consolidated financial statements corresponding to the first half of the year 2023 is presented solely and exclusively for comparative purposes with the information related to the six-month period ended on March 31, 2023, and September 30, 2022.

e) Materiality

In determining the information to be disclosed in the explanatory notes on the different items of the financial statements or other matters, the Group, in accordance with IAS 34, has taken into account materiality in relation to the condensed consolidated interim financial statements.

f) Working capital

On 31 March 2023 and 30 September 2022, the Group had a working capital deficiency amounting to 789,987 thousand euros and 668,402 thousand euros, respectively. However, as a result of the difference between the average collection periods from customers and payment to suppliers, the Group generates sufficient liquidity to meet these payments.

In any event, the Group, for the purpose of ensuring liquidity and enabling it to meet all the payment obligations arising from its business activities, has the cash and cash equivalents disclosed in its consolidated balance sheet, together with the cash-pooling facilities with companies in the Group to which it belongs, as indicated in Note 6..

2. Changes in the Group's composition

a) Changes in the scope of consolidation during the six-month period ended as of 31 March 2023

In October 2022, the Group acquired a 100% of shares in the Spanish company Carbó Collbatallé S.L. (see Note 4). This company is fully consolidated since the Group has control over it.

On October 28, 2022, the Group completed the acquisition of a 60% of shares in Herinvemol. S.L. (Transportes El Mosca) (see Note 4), which is the parent company that holds control over the following companies: Transportes el Mosca, S.A., Mosca Marítimo, S.L., Ordimur, S.L., Transportes el Mosca Murcia, S.L., Innoreste, S.L., Mosca Marítimo Baleares, S.L., Mosca Portugal, Lda. Mosca China and Albacetrans, S.L. These companies are fully consolidated since the Group has control over these companies.

Note 4 details the information referring to these business combinations.

b) Changes in the scope of consolidation during the six-month period ended as of 31 March 2022

In February 2022, the Group acquired a 70% stake in the Dutch companies Speedlink Worldwide Express B.V., 24 Hours B.V. and German-Ex B.V. (see Note 4). These companies are fully consolidated since the Group has control over these companies.

On February 2, 2022, the Group closed the sale of 100% of the French company Supergroup, S.A.S., therefore, from that date, this company is not part of the Logista Group, having integrated until February 2, 2022, the results generated by said company from October 1, 2021, under the heading "Loss for the period from discontinued operations net of taxes" for an amount of 11.473 thousand euros.

3. Dividends paid by the Parent Company

a) Dividends paid by the Parent Company

On February 7th, 2023, the Parent Company's General Shareholders' Meeting approved the distribution of the profit for 2022, which included an interim dividend on account of the profit for that year that was approved by the Board of Directors and settled previously, amounting to 56.714 thousand euros and a final dividend amounting to 125,256 thousand euros, which was paid on February 23rd, 2023.

b) Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the Group (after tax and minority interests) by the weighted average number of ordinary shares outstanding during the period, excluding the average number of treasury shares.

Earnings per share are calculated as follows:

	31-03-23	31-03-22
Net profit for the period (thousands of euros)	125.844	87.856
Weighted average number of shares issued (thousands of shares) (*)	131.812	131.960
Earnings per share (euros)	**0,95**	**0,67**

(*) During the first six months of 2023, the Parent Company has acquired 919,161 own shares and has delivered 101,392 own shares to employees (see Note 8).

As of 31 March 2023, and 2022, taking into consideration treasury shares, which are related to the long-term incentive plans, there were no dilutive effects on basic earnings per share.

4. Intangible assets

a) *Goodwill*

The disclosure of this caption as of March 31st, 2023, and September 30th, 2022 is the following:

	Thousands of Euros	
	31-03-23	30-09-22
Italy, tobacco and related products	662.922	662.922
France, tobacco and related products	237.106	237.106
Iberia, transport	133.694	18.269
Iberia, tobacco and related products	2.017	2.017
Iberia, other business Pharma	486	486
Netherlands, transport	11.657	11.575
Total	**1.047.882**	**932.375**

The impairment tests policies applied by the Group to its intangible assets and goodwill are described in the Note 4.3 of the consolidated financial statements for the year ended as of September 30th, 2022.

Based on the methodology used and considering the estimates, projections, and valuations available to the Parent Company's Directors, during the first six months of 2023 and 2022 no impairment evidence has been identified on these assets.

The increase in goodwill associated with the CGU "Iberia, transport" for an amount of 115,425 thousand euros corresponds to the goodwill generated by the business combinations carried out in the first six months of 2023, which are explained below.

Acquisition of Herinvemol, S.L. ("Transportes El Mosca")

In June 2022, the agreement for the acquisition of 60% of the shares of the company Herinvemol S.L. was announced. Herinvemol S.L. is the parent company of a group of companies over which it holds control, as detailed in Note 2.a ("Transportes El Mosca"). This acquisition was finally closed on October 28, 2022.

"Transportes El Mosca" offers national and international intermodal transport services by road, sea and air, as well as refrigerated, frozen or refrigerated transport. The main destination markets for the international road transport activity are the United Kingdom, Germany, Portugal, France, the Netherlands, and Italy, and its clients are mainly producers and large distribution chains in the food sector.

The total purchase price of this 60% has amounted to 98,230 thousand euros, which could be subject to subsequent adjustments depending on the fulfilment of certain objectives, although those adjustments would not be significant in any case. As of March 31, 2023, the company has recorded provisional goodwill for an amount of 70,411 thousand euros, which has been assigned to the Iberia Transport segment.

As of March 31, 2023, the company has a purchase option for the remaining 40%, which is recorded at fair value, under the heading "other financial liabilities" of non-current liabilities for an amount of 65,486 thousand euros, with a counterpart in the Parent Company's reserves. The movement recorded under this heading for 46,974 thousand euros corresponds to the recording of this option less the minority interests that arise in the transaction (18,545 thousand euros).

Ordinary income and net profit contributed to the condensed consolidated income statement for the six-month period ended March 31, 2023, amounted 125,685 thousand euros and 3,494 thousand euros, respectively.

Ordinary income and net profits that would have been contributed to the condensed consolidated income statement if they had been acquired on October 1, 2022, would not differ significantly from those indicated in the previous paragraph.

The provisional amounts of the assets and liabilities arising from the acquisition are as follows:

	Thousand euros	
	Carrying amount of acquired companies	Fair value (Preliminary)
Property, plant and equipment	78.115	78.115
Other intangible assets	1.310	1.310
Trades and other receivables	91.245	91.245
Cash and cash equivalents	14.302	14.302
Other current assets	3.813	3.813
Deferred tax assets	86	86
Trade and other payables	(65.326)	(65.326)
Other financial current liabilities	(22.940)	(22.940)
Other financial non-current liabilities	(53.732)	(53.732)
Deferred tax liabilities	(509)	(509)
Total	**46.364**	**46.364**
	Purchase consideration for the acquisition	**98.230**
	Minority interests	**18.545**
	Provisional Goodwill	**70.411**

Acquisition of Carbó Collbatallé S.L.

In April 2022, the Group reached an agreement for the acquisition of 100% of the shares of Carbó Collbatallé (Note 2.a), a company that offers transport and logistics services for refrigerated and frozen foods, which carries out its commercial activity mainly in the Spanish market. This acquisition was finally completed in October 2022.

The total purchase price of said shares has amounted to 50,700 thousand euros, paid with cash at the time of purchase. As of March 31, 2023, the company has recorded a provisional goodwill for an amount of 45,014 thousand euros, which has been assigned to the Iberia Transport segment.

Ordinary income and net profit contributed to the condensed consolidated income statement for the six-month period ended March 31, 2023, amounted 30,358 thousand euros and 1,632 thousand euros respectively.

The provisional amounts of the assets and liabilities arising from the acquisition are as follows:

	Thousand euros	
	Carrying amount of acquired companies	Fair value (Preliminary)
Property, plant and equipment	31.989	31.989
Trades and other receivables	12.250	12.250
Cash and cash equivalents	3.199	3.199
Other current assets	3.800	3.800
Trade and other payables	(13.008)	(13.008)
Other financial current liabilities	(4.712)	(4.712
Other financial non-current liabilities	(27.832)	(27.832)
Total	**5.686**	**5.686**
	Purchase consideration for the acquisition	**50.700**
	Provisional Goodwill	**45.014**

Calculations related to business combinations are provisional and subject to adjustment up to one year after the acquisition date. The Group, considering the dates of the transaction, is currently performing the price allocation analysis for the acquired assets and liabilities, which is expected to be completed before the end of the current year.

b) Other intangible assets

During the first half of 2023 and 2022 additions of 4,128 thousand euros and 3.689 thousand euros, respectively, have been recorded, corresponding mainly to projects for the development of new functions in the Group's existing applications. In the first six months of the 2022 financial year, no assets were written off (as of September 30th, 2022, the assets write-offs amounted 1,161 thousand euros, with the assets being fully amortized).

As of March 31, 2023, the company recorded additions of computer applications amounting to 2,085 thousand euros that were acquired as a result of the business combination operation detailed in Note 4.a).

The depreciation charge for the first six months of 2023 amounted to 33,013 thousand euros (31,546 thousand euros in the first six months of 2022).

During the first half of 2023 and 2022 no impairment losses have been recorded on items classified under this caption.

5. Property, plant and equipment and investment property

a) Movement in the period of property, plant and equipment

In the first six months of 2023, additions have been recorded due to business combinations in this heading for an amount of 110,104 thousand euros.

During the first half of 2023, there have been additional additions of fixed assets for an amount of 72,653 thousand euros (34,286 thousand euros in the first half of 2022), the most significant additions correspond to rights of use mainly referred to warehouses in Italy and France.

In the first six months of 2023, assets (including rights of use) have been written-off for a total net book value of 6,220 thousand euros, generating a negative impact on results of 99 thousand euros due to the difference between the accounting values and their corresponding sales amounts.

The depreciation charge (including rights of use) for the first six months of 2023 amounted to 40,695 thousand euros (29,590 thousand euros in the first six months of 2022).

b) Investment property

During the first half of 2023 and 2022, there were no additions or disposals, the only movement being the impact of depreciation.

c) Impairment losses

During the first half of 2023 and 2022 no impairment losses has been recognised on these elements.

d) Property, plant, and equipment purchase commitments

As of March 31st, 2023, and 2022 the Group does not have significant Property, plant and equipment purchase commitments.

6. Other financial assets

a) Detail and disclosure

The disclosure of the Group's financial assets as of March 31st, 2023, and September 30th,2022, attending to their nature and category for the purposes of their valuation, is as follows:

Financial Assets: Nature/Category	Thousands of Euros 31-03-23 Loans Granted to Third Parties	Loans Granted to Related Companies (Note 10)	Short-Term Deposits and Guarantees	Financial assets at fair value through other comprehensive income	Total
Equity instruments	-	-	-	891	891
Other financial assets	10.815	-	6.878	-	17.693
Non-current	10.815		6.878	891	18.584
Financial debts	-	1.891.673	-	-	1.891.673
Impairments	-	(82)	-	-	(82)
Other financial assets	3.820	-	-	-	3.830
Current	3.820	1.891.591	-	-	1.895.411
Total	**14.635**	**1.891.591**	**6.878**	**891**	**1.913.995**

Financial Assets: Nature/Category	Thousands of Euros 30-09-22 Loans Granted to Third Parties	Loans Granted to Related Companies (Note 10)	Short-Term Deposits and Guarantees	Financial assets at fair value through other comprehensive income	Total
Equity instruments	-	-	-	766	766
Other financial assets	10.138	-	5.518	-	15.656
Non-current	**10.138**	**-**	**5.518**	766	**16.422**
Financial debts	78	2.429.620	-	-	2.429.698
Impairments	-	(82)	-	-	(82)
Other financial assets	-	-	-	-	-
Current	**78**	**2.429.538**	**-**	**-**	**2.429.616**
Total	**10.216**	**2.429.538**	**5.518**	**766**	**2.446.038**

Credits granted to third parties

In prior years, Compañía de Distribución Integral Logista, S.A.U. proceedings corresponding to the liquidation of foreign trade activities for the years 2012 to 2015 were filed for an amount of 13,608 thousand euros, which have been appealed. Of this amount, 3,605 thousand euros were guaranteed, and the remaining amount was paid to avoid the accrual of late-payment interest.

On November 6, 2018, the Group was notified of the Resolution against by the Central Economic Administrative Court regarding the challenge of said acts, which has been appealed before the National Court, which has also issued a resolution against, and is currently being appealed. in an appeal before the Supreme Court, which has been admitted for processing. The Group, according to the evaluation carried out and corroborated by its external advisors, considers that the existing arguments to defend the company's actions in this regard are solid and should prevail before the courts, which is why the exit of financial resources and consequently, has not recorded any provision for the endorsed act, recording the payment of the rest as an asset included in the attached condensed consolidated balance sheet as of March 31, 2022, although, derived from the appeal filed and given the estimated time of resolution of the same, superior to the year, the amount of said asset appears registered within non-current assets the same as the previous year.

Loans granted to related parties

As of, June 12th, 2014, Imperial Tobacco Enterprise Finance Limited, Compañía de Distribución Integral Logista Holdings, S.A., Compañía de Distribución Integral Logista, S.A.U. and Logista France, S.A.S., entered into a 5-year reciprocal credit facility agreement (with tacit renewal for one year, unless otherwise notified by either party at least one year prior to maturity), with a maximum drawdown limit of 2,000 million euros. As of December 1st, 2015, the maximum drawdown limit was extended to 2,600 million euros.

Imperial Tobacco Enterprise Finance Limited changed its corporate name on February 29th, 2016, to Imperial Brands Enterprise Finance Limited.

On March 21st, 2018, Imperial Brands Enterprise Finance Limited, transferred the rights and obligations under the aforementioned credit facility agreement to Imperial Brands Finance, PLC, extending the maturity to June 12th, 2024, being able to demand the amounts owed at any time depending on the treasury needs of the Group.

The purpose of this agreement is to govern the conditions and terms under which Logista will lend, on a daily basis, its cash surpluses to Imperial Brands Finance, PLC for the purpose of optimizing its cash-flow, and the loans from Imperial Brands Finance, PLC's loans to Compañía de Distribución Integral Logista, S.A.U., in order for the later to be able to meet its cash needs arising from its operations. In accordance with this agreement, Compañía de Distribución Integral Logista, S.A.U. will lend, on a daily basis, its cash surpluses to Imperial Brands Finance, PLC or will receive cash necessary to meet its payment obligations.

As of March 31, 2023, the maximum drawdown limit is 2,600 million euros, with the amount drawn as of March 31, 2023, being 1,891,673 thousand euros (2,429,620 thousand euros as of September 30, 2022).

For further information on these cash pooling agreements, see Note 10 of the consolidated financial statements of the Logista Group for the year ended September 30, 2022.

b) *Impairments*

Based on IFRS 9 in relation to expected loss, impairment losses on loan granted to related companies have been recognized for 82 thousand euros (82 thousand euros as of 30 September 2022).

7. Other current financial liabilities

The disclosure of the Group's financial liabilities as of March 31st, 2023, and September 30th, 2022, attending to their nature and category for the purposes of their valuation, is as follows:

	Thousands of Euros				
	31-03-23				
Financial liabilities: Nature / Category	Debts and Accounts payable to third parties (Note 6)	Debts and Accounts payable to related companies (Note 10)	Guarantees and deposits received	Leases IFRS 16	Total
Other financial liabilities	67.458	-	3.002	192.607	263.067
Non-current financial liabilities	**67.458**	**-**	**3.002**	**192.607**	**263.067**
Other financial liabilities	510	13.094	-	53.468	67.072
Non-current financial liabilities	**510**	**13.094**	**-**	**53.468**	**67.072**
Total	**67.968**	**13.094**	**3.002**	**246.075**	**330.139**

	Thousands of Euros				
	30-09-22				
Financial liabilities: Nature / Category	Debts and Accounts payable to third parties (Note 6)	Debts and Accounts payable to related companies (Note 10)	Guarantees and deposits received	Leases IFRS 16	Total
Other financial liabilities	6.052	-	2.801	94.947	103.800
Non-current financial liabilities	**6.052**	**-**	**2.801**	**94.947**	**103.800**
Other financial liabilities	-	11.939	-	28.910	40.849
Non-current financial liabilities	**-**	**11.939**	**-**	**28.910**	**40.849**
Total	**6.052**	**11.939**	**2.801**	**123.857**	**144.649**

The main variations of the year correspond mainly to financial liabilities related to the business combinations described in Note 4.

8. Equity

a) Share capital

As of March 31st, 2023, and September 30th, 2022, the Parent Company's capital stock is represented by 132,750,000 shares with a par value of 0.2 euros each, all of the same class, fully subscribed and paid up.

The only shareholder with an ownership interest of 10% or more in the Parent's share capital at March 31st, 2023 and September 30th, 2022 was Imperial Tobacco LTD, which had an ownership interest of 50.01%.

b) Treasury shares

To hedge the long-term incentive plan described in Note 4.12 to the Group's consolidated financial statements for the year ended September 30, 2022, the Parent Company has purchased 141,000 treasury shares for an amount of 2.691 thousand euros and during the first six months of the period ended March 31st, 2023.

Likewise, 101,392 shares have been delivered to various employees of the Group, associated with the 2017, 2020 and 2021 Incentive Plans for an amount of 2,146 thousand euros (91,902 shares in the first half of 2022 for an amount of 1,663 thousand euros).

As of March 31st, 2023, the Parent Company hold 919,161 treasury shares, representative of the 0.7% of Share Capital.

9. Provisions and contingent liabilities

a) Detail and movement

The detail of the balance of short- and long-term provisions in the accompanying condensed consolidated balance sheets as of March 31st, 2023, and 2022 and of the main changes therein in the periods is as follows:

	Thousands of Euros					
	30-09-22	Additions	Reversion	Use	Transfers	31-03-23
Tax assessments	7.179	-	(137)	-	-	7.042
Obligations to employees	13.873	1.157	(11)	(955)	-	14.064
Provision for contingencies and charges	6.124	871	(200)	(1)	(1.000)	5.793
Other	1.867	-	-	-	-	1.867
Non-current provisions	**29.043**	**2.028**	**(348)**	**(956)**	**(1.000)**	**28.767**
Provision for restructuring costs	2.814	10.590	-	(1.896)	-	11.508
Customer refunds	1.256	19	(110)	-	-	1.165
Other	2.580	-	(240)	(900)	1.000	2.439
Current provisions	**6.650**	**10.609**	**(350)**	**(2.796)**	**1.000**	**15.112**

b) Provisions for tax assessments

In the first six months of the 2023 and 2022 financial year, no provisions for tax assessments have been recorded, in addition to those already provided for.

c) Provision for obligations to employees

This account mainly includes the present value of the commitments assumed by Compañía de Distribución Integral Logista, S.A.U. in respect of long-service bonuses and "tobacco royalties", as well as the provisions recorded by the Group companies to meet retirement commitments.

During the first half of the 2023 and 2022 financial years, no relevant movements have been recorded with respect to this provision.

Payments made during both periods amounted to 955 thousand euros and 796 thousand euros, respectively.

d) Provision for restructuring costs.

This caption includes the estimated payments to be made in connection with the restructuring plans being carried out by the Group.

During the six-month periods ended March 31st,2023 and 2022, provisions amounting to 10,590 thousand euros and 1,997 thousand euros, respectively, have been made, and indemnity payments amounting to 1,896 thousand euros and 4,718 thousand euros, respectively, have been applied against the provisions made for this purpose.

e) Provision for contingencies and charges

This caption mainly includes several lawsuits in progress that the Group has with third parties. During the first half of fiscal years 2023 and 2022, no relevant movements have been recorded.

f) Provision for customer refunds

The customers of the publishing sector are entitled to the refund of those products which are finally not sold, and the Group may in turn exercise this entitlement to a refund vis-à-vis its suppliers. At each period-end, the Group recognises a provision based on past experience of the refunds on sales with a view to correcting the margins obtained in the course of editorial products sales activity. During the first semesters of 2023 and 2022 there have been no significant variations in this provision.

g) Contingent assets and liabilities

The Note 23 to the Group's consolidated financial statements for the year ended September 30th, 2022 provides information regarding the bank guarantees and contingent liabilities as of such date. In the first six months of 2023 there has been an increase of 7.9 million euros in bank guarantees.

On 20 June 2017, the Comisión Nacional de los Mercados y la Competencia ("CNMC") resolved to commence enforcement proceedings against several companies, including Compañía de Distribución Integral Logista, S.A.U., for possible anti-competitive behavior in the Spanish cigarette manufacturing, distribution and retail sale market.

On 12 April 2019, the Board of CNMC issued its Decision of April 10th, 2019 in relation to the enforcement proceedings concerning an alleged exchange by certain tobacco manufacturers of information relating to the sale of cigarettes from 2008 to 2017. Logista provided the aforementioned information in compliance with the principles of neutrality and non-discrimination.

The CNMC considers expressly in the aforementioned decision that the aim of the conduct in question was not to restrict competition and, therefore, it could not be classified as constituting a cartel. However, the CNMC imposed a penalty of 20.9 million euros on Logista because it considered that such conduct was restrictive due to its, albeit potential, effects on the cigarette manufacturing and sale market. The CNMC did not substantiate or evidence that Logista's sales information had given rise to the alleged restriction of competition between the manufacturers attributed to it.

Logista evidenced that the aforementioned information, which is free, was made available to all manufacturers that distributed their products through Logista, with the lawful purpose of such manufacturers being able to verify Logista's strict compliance with the principle of neutrality when performing its activities as a wholesale distributor in the tobacco market.

Therefore, the Group's directors, supported by its legal advisers, believe that the Decision, which is not final, is unlawful; at the date of the preparation of these interim condensed consolidated financial statements an appeal for judicial review had been lodged at the Spanish National Appellate Court against the Decision, which is not expected to impact the Group's equity position.

On the basis of the information available, the negotiations and communications that have taken place with the manufacturers and also the assessment of its legal advisers, the Group's directors consider that this matter will not have any impact on the Group's equity position.

10. Related parties

The related parties are the subsidiaries, associates and joint ventures, as well as the key personnel in the management of the Parent Company and those entities on which these key personnel have a significant influence or control, as well as those entities of the Group of which its ultimate shareholder is the Parent Company.

The Group's transactions with related parties during the first semesters of 2023 and 2022, as well as the balances at the end of March 31st, 2023 and September 30th, 2022, are detailed in the table below. Related party transactions are carried out on an arm's length basis.

Transactions

Expenses and income	Thousands of Euros 31-03-23 Main Shareholder	 Individuals, group, companies or entities	 Total
Expenses:			
Services received	-	6	6
Procurements	-	380.293	380.293
Financial expense	-	-	-
	-	**380.299**	**380.299**
Income:			
Financial income	-	28.570	28.570
Services rendered	-	29.540	29.540
	-	**58.110**	**58.110**

Expenses and income	Thousands of Euros 31-03-22 Main Shareholder	 Individuals, group, companies or entities	 Total
Expenses:			
Services received	-	381	381
Procurements	-	354.262	354.262
Financial expense	-	-	-
	-	**354.643**	**354.643**
Income:			
Financial income	-	8.117	8.117
Services rendered	-	29.524	29.524
	-	**37.642**	**37.642**

Balances

Balances	Thousands of Euros 31-03-23 Main Shareholder	 Individuals, group, companies or entities	 Total
Debitors:			
Credits (Note 6)	-	1.891.673	1.891.673
Accounts receivable	-	13.054	13.054
	-	**1.904.727**	**1.904.727**
Creditors:			
Loans (Note 7)	-	(13.094)	(13.094)
Accounts payable	-	(157.418)	(157.418)
	-	**(170.512)**	**(170.512)**

Balances	Thousands of Euros 30-09-22 Main Shareholder	 Individuals, group, companies or entities	 Total
Debitors:			
Credits (Note 6)	-	2.429.538	2.429.538
Accounts receivable	-	10.193	10.193
	-	**2.439.731**	**2.439.731**
Creditors:			
Loans (Note 7)	-	(11.939)	(11.939)
Accounts payable	-	(149.789)	(149.789)
	-	**(161.728)**	**(161.728)**

Credits refer to the cash pooling agreement mentioned in Note 6 a).

11. Information about remunerations

The Notes 24.b) and 28 of the Group's consolidated financial statements for the year ended 30 September 2022, detail the existing agreements regarding the remuneration and other retributions to the Board of Directors and the Group's Senior Management.

Remuneration of Directors

The remuneration accrued during the first six months of fiscal years 2023 and 2022 by the members of the Board of Directors by reason of their membership on the Board or any of its delegated committees for all items, including the remuneration accrued by the members of the Board who are also executives, amounted to 2.640 thousand euros and 2,544 thousand euros, respectively.

Company contributions to savings systems corresponding to executive directors during the first six months of fiscal years 2023 and 2022 amounted to 277 thousand and 189 thousand euros, respectively.

The amount of the life insurance premium corresponding to the executive directors in the first six months of fiscal years 2023 and 2022 amounted to 3 and 3 thousand euros, respectively.

The amount of the Directors' civil liability premium in the first six months of fiscal years 2023 and 2022 amounted to 68 and 70 thousand euros in both periods.

There are no other commitments acquired with the members of the Board of Directors for the performance of this function in relation to life insurance, pension plans or similar concepts.

No other obligations to the members of the Board of Directors have been acquired relating to life insurance, pension plans or similar items for the discharge of their duties.

During the first six months of 2023 and 2022 the Parent Company did not carry out with its Directors any transactions not relating to its ordinary business operations or transactions not carried out on an arm's length basis.

Remuneration of the Senior Executives

Senior Management functions are performed by the members of the Management Committee.

The amount of remuneration accrued during the first six months of the 2023 financial year by the members of the Parent Company's Management Committee, excluding executive directors, amounts to 3.121 thousand euros (4,540 thousand euros in the first six months of the 2022 financial year).

The contributions accrued for savings systems in favor of the members of the aforementioned Management Committee of the Parent Company in the first six months of 2023 and 2022 amount to 226 and 229 thousand euros, respectively.

The indemnities paid in the first six months of 2023 and 2022 amounted to 459 thousand euros and 2.336 thousand euros, respectively.

Incentive Plans

In Note 4.12 of the Notes to the Consolidated Financial Statements of the Group for the year ended 30 September 2022 incentive plans in force are detailed.

On December 18th, 2020, the Board of Directors approved the 2020 Long-Term Incentive Plan (the General Plan and the Special Plan) with a list of beneficiaries and maximum number of shares to be distributed for the 2021-2023 vesting period of 62 beneficiaries for the General Plan and 11 beneficiaries for the Special Plan and 310.997 shares in total.

On November 4, 2021, the Board of Directors of the Company approved the long-term Incentive Plan structured in three overlapping cycles of three years each. On November 4, 2021, the Board of Directors of the Company approved the list of beneficiaries of the first block, with 62 beneficiaries and 269,465 shares. On November 3, 2022, the Company's Board of Directors approved the list of beneficiaries of the second block, with 62 beneficiaries and 257,903 shares.

These plans are valued at the initial moment of granting, taking into consideration the fair value of the shares granted determined by its market price, adjusted by the conditions under which such shares have been granted and the expectation of accomplishment of the objectives in the incentive plans.

The imputation of that assessment to results, according to IFRS 2, is accrued for lineally under the line “Staff costs” of the income statement during the vesting period.

12. Segmented information

The Note 25 to the Group’s consolidated financial statements for the year ended September 30th, 2022 includes the criteria followed by the Group in order to define its operating segments. There has been no change in the segmentation criteria.

The disclosure of revenues by geographical area as of March 31st, 2023, and 2022 is as follows:

Revenues by Geographical area	Thousands of Euros	
	31-03-23	31-03-22
Iberia	2.112.655	1.750.874
Italy	2.050.835	1.899.089
France	1.800.096	1.828.979
Inter-segment sales	(28.224)	(25.172)
Total	**5.935.363**	**5.453.770**

The reconciliation of the segmented profit before tax with the consolidated profit before tax as of 31 March 2023 and 2022 is as follows:

	Thousands of Euros	
Profit before tax	31-03-23	31-03-22
Segments		
Iberia	102.606	81.784
Italy	48.950	45.759
France	(7.324)	(1.467)
Share of results of companies	1.836	2.228
Financial result	25.448	7.630
PROFIT BEFORE TAX	**171.516**	**135.934**

The consolidated balance sheets of the Group by business segments are as follows (in thousands of Euros):

	31-03-23			
	Iberia	Italia	Francia	Total Grupo
Balance sheet:				
Assets-				
Property, plant and equipment, Investment property and Non-current assets held for sale	325.214	82.558	50.317	458.089
Other non-current assets	218.538	670.237	481.418	1.370.192
Inventories	459.433	616.829	576.912	1.653.174
Trade receivables	762.956	416.413	824.561	2.003.930
Other current assets				2.126.924
Total consolidated assets	**1.766.142**	**1.786.036**	**1.933.208**	**7.612.309**
Liabilities-				
Non-current liabilities	334.825	78.407	105.055	518.287
Current liabilities	1.749.756	2.052.014	2.772.244	6.574.015
Equity				520.007
Total consolidated liabilities	2.084.582	2.130.421	2.877.299	**7.612.309**

	31-03-22			
	Iberia	Italia	Francia	Total Grupo
Balance sheet:				
Assets-				
Property, plant and equipment, Investment property and Non-current assets held for sale	202.649	71.576	48.667	322.892
Other non-current assets	91.829	672.274	534.798	1.298.901
Inventories	460.405	492.422	436.331	1.389.158
Trade receivables	543.624	379.787	879.138	1.802.548
Other current assets				2.307.266
Total consolidated assets	**1.298.507**	**1.616.059**	**1.898.934**	**7.120.766**
Liabilities-				
Non-current liabilities	176.681	70.721	121.734	369.136
Current liabilities	1.516.530	1.965.415	2.768.090	6.250.035
Equity				501.594
Total consolidated liabilities	**1.693.211**	**2.036.136**	**2.889.825**	**7.120.766**

13. Average number of employees

The average number of employees at the Group for the first six months of the period ended March 31st, 2023 and 2022 is as follows:

	31-03-23	31-03-22
Men	4.861	3.582
Women	2.417	2.139
Total	**7.278**	**5.721**

14. Tax matters

The calculation of the income tax as of March 31st, 2023, has been performed based on the best estimation of the effective tax rate for the annual accounting period.

For Compañía de Distribución Integral Logista, S.A.U. there are no inspection procedures in progress and are open to review by the tax authorities the years 2020, 2021, 2022 and until March 2023 in the case of the Special Tax and the years 2020, 2021 and 2022 and until March 2023 for taxes of foreign trade.

For Logista Italia, S.p.A. there are no inspection processes in progress.

For French companies there is currently no ongoing inspection process.

In Portugal there are currently no ongoing inspection processes.

In general, the rest of the consolidated companies have the last 4 years open for inspection by the tax authorities for the main taxes applicable to them in accordance with the specific legislation of each country, and the last 10 years in the case of the Excise Tax in Italy.

Creditor Public Administrations

Under this heading of current liabilities on the balance sheet, the Group basically records the amounts pending payment relating to excise taxes on tobacco. The main amounts correspond to excise taxes in Spain, France and Italy, amounting to 611 million euros, 2,109 million euros and 1,088 million euros, respectively.

15. Subsequent events

The Group has reached a preliminary agreement for the purchase of 100% of the shares of the Portuguese company Dois Lados – Distribuçao de tabacos e bebidas, S.A.., the conclusion of which is pending obtaining the corresponding authorizations from the competent authorities. Said company is dedicated, among others, to the distribution and wholesale of national and foreign tobacco, stationery, tobacco, textiles, food, beverages, medicines and pharmaceutical articles and its commercial activity is carried out mainly in the Portuguese market.

16. Explanation added for translation to English

These interim condensed consolidated financial statements are presented on the basis of IAS 34 as adopted by the European Union. Certain accounting practices applied by the Group that conform with IFRSs may not conform with other generally accepted accounting principles.

Compañía de Distribución Integral Logista Holdings, S.A. and Subsidiaries

Consolidated Management Report for the six-month period ended 31 March 2023

COMPANY DESCRIPTION

Logista is one of the largest logistics operators in Europe, specialising in distribution to local retail networks.

We regularly serve almost 200,000 points of sale in Spain, France, Italy and Portugal, facilitating manufacturers with the best and fastest access to a wide array of convenience products, pharmaceutical products, electronic top-ups, books, publications, tobacco and lottery markets among others. We also offer high-value-added national and international transport services. Our operations in the Netherlands and Poland complete our catalogue of services.

We offer our clients innovation, sustainable growth and long-term value, tailoring our services to meet their specific and growing needs in a constantly changing world.

Organisation and structure

Logista's organisational structure is headed by the CEO and supported by a Management Committee, comprising:

- three managing directors responsible for each geographical area, to whom the heads of the business areas from each area report and
- five corporate directors.

The Accounting Management Report is completed based on this primary segmentation by geography, while a secondary report – detailing information on Revenue and Economic Sales – is segmented by business line.

Logista has four business areas – tobacco and related products, transport, pharmaceutical distribution and other businesses.

- Tobacco and related products

Distribution of tobacco and other convenience products, including both tobacco and non-tobacco related products, to the tobacconist channels in Spain, France and Italy, and to the tobacco distribution channels in Portugal. In Spain and Italy, this also includes the distribution of convenience products to other local retail channels.

- Transport

In this business line, we provide transport services for both our own businesses and third parties, offering long-haul truckload (TL) transportation management in Europe, industrial parcel services in Spain and Portugal, and express courier services in Spain, Portugal and to other European countries after the Q2 2022 acquisition of 70% of Speedlink Worldwide Express, a Dutch firm specialising in B2B time critical deliveries that are sent to or from Belgium and the Netherlands.

Thanks to the October 2022 60% acquisition of Transportes El Mosca, a company specialising in goods transport and storage, and in frozen or refrigerated and large-volume freight, we gained complementary capacities in temperature-controlled transport, such as the refrigerated container sea freight service to the Balearic and Canary Islands, and a grouping service targeting the horticulture sector.

The acquisition in October 2022 of Carbó Collbatallé – a Spanish company specialising in cold chain transport and logistics for the food industry – will allow Logista to double down on the services offered in temperature-controlled transport by adding the shipping of frozen goods to its portfolio of services.

- Pharmaceutical distribution

Pharmaceutical product logistics and distribution services in Spain and Portugal.

- Other businesses

Publications logistics and distribution services in Spain.

The Group comprising **Compañía de Distribución Integral Logista Holdings, S.A.** – headquartered in Leganés, Madrid – and its direct and indirect subsidiary companies is as follows:

Compañía de Distribución Integral Logista Holdings, S.A.

- Compañía de Distribución Integral Logista S.A.U. (100%)
  - Logista Strator, S.L.U. (100%)
- Logista Freight S.A.U. (100%)
  - Logesta Deutschland Gmbh (100%)
  - Logesta France, SARL (50%)
  - Logista Freight Italia, SRL (100%)
  - Logesta Lusa, Lda. (51%)
  - Logesta Polska, sp. z o.o. (51%)
- Logesta Polska, sp. z o.o. (49%)
- Herinvemol S.L. (60%)
  - Transportes El Mosca S.A.U (100%)
    - Mosca Portugal LDA (50%)
  - Mosca Marítimo S.L.U. (100%)
    - Mosca Portugal LDA (50%)
    - Mosca China (100%)
    - Mosca Marítimo Baleares S.L. (34%)
  - Mosca Marítimo Baleares S.L. (66%)
  - Innoreste, S.L.U. (100%)
    - Albacetrans, S.L.U. (100%)
  - Ordimur, S.L.U. (100%)
  - Transportes El Mosca Murcia, S.A.U. (100%)
- Logista Pharma, S.A.U. (100%)
  - Be to Be Pharma, S.L.U (100%)
- Logista Pharma Canarias, S.A.U (100%)
- Dronas 2020, S.L.U. (100%)
- Carbó Collbatallé, S.L.U. (100%)
  - Transportes J. Carbó Guijuelo, S.L.U. (100%)
- Logista Retail, S.A.U. (100%)
- Logista Libros, S.L. (50%)
- La Mancha 2000, S.A.U. (100%)
- Logista Payments, S.L.U. (100%)
- Compañía de Distribución Integral de Publicaciones Logista, S.L.U. (100%)
  - Logista Regional de Publicaciones, S.A.U. (100%)
  - Distribución de Publicaciones Siglo XXI Guadalajara, S.L. (80%)
  - Distribuidora de Aragón, S.L. (5%)
  - Distribuidora de Publicaciones del Sur, S.L. (50%)
  - Distribuidora Valenciana de Ediciones, S.A. (50%)
  - Publicaciones y Libros, S.A.U. (100%)
  - Sociedad Anónima Distribuidora de Ediciones (70%)
- Logista France Holding S.A. (100%)
  - Logista Promotion et Transport SAS (100%)
    - Logesta France, SARL (50%)
- Logista France SAS (100%)
  - Logista Retail France SAS (100%)
- Logista Italia, S.p.A. (100%)
  - Logista Retail Italia, S.p.A. (100%)
- CDIL Companhia de Distribuiçao Integral Logista Portugal, S.A. (100%)

- Midsid Sociedad Portuguesa de Distribuiçâo, S.A. (100%)
- Logista Transportes Transitários e Pharma, Unipessoal, Lda. (100%)
    - Logesta Lusa, Lda. (49%)
- Compañía de Distribución Integral Logista Polska, sp. z o.o (100%)
- Logista Transport Europe B.V. (100%)
    - Speedlink Worldwide Express BV (70%)
    - 24 Hours BV (70%)
    - German-Ex BV (70%)

1. LOGISTA (GROUP) PERFORMANCE IN H1 2023 AND CURRENT SITUATION

Logista closes H1 with an increase in adjusted EBIT[1] of 23%.

Financial Highlights

	Data in Million Euros		
	1 Oct. 2022 – 31 Mar. 2023	**1 Oct. 2021 – 31 Mar. 2022**	**% Variación**
Revenue	5,935.4	5,453.8	8.8%
Economic Sales[1]	833.8	597.4	39.6%
Adjusted EBIT[1]	183.1	149.4	22.6%
Economic Sales Margin[1]	22%	25%	(300) b.p.
Operating Profit	146.1	128.3	13.8%
Net Profit	125.8	87.9	43.2%

Quarterly macroeconomic context

The macroeconomic and geopolitical context was complex in the first six months of 2023. Heightened worldwide cost inflation already described for the first quarter continued in the second, mainly affecting fuel and electricity prices in Europe, as well as prices of staple goods. February 2023 saw the first anniversary of the Russia-Ukraine war, aggravating the inflation trend due to the economic sanctions imposed on Russia by the international community, which hindered access to Russian raw materials.

In the face of persistent inflationary pressures and the monetary policy applied by the US Federal Reserve, the European Central Bank decided to raise interest rates further, announcing the final rate rise in March 2023, with the average base rate reaching 3.50%.

This inflationary scenario was further complicated by the bail-out of several financial institutions in the United States and Credit Suisse in Switzerland, exacerbating uncertainty in capital markets, particularly for the banking industry. This scenario has generated uncertainty as regards the pace of economic recovery in the coming months.

Despite all this, Logista's results were good and income statement highlights improved.

Business trend and income statement highlights

Consolidation of new acquisitions:

In the first half of 2023, we pressed on with the consolidation of the new acquisitions already described for the first quarter, initiating various integration and synergy-seeking activities.

[1] See appendix "Alternative Performance Measures"

Speedlink's integration with the courier segment began during the 2022 fiscal year. The Speedlink acquisition gives us access to the Dutch market, which is a major logistics hub in Europe for leading multinational enterprises. Furthermore, through Speedlink, Nacex is signing new agreements which allow for its client portfolio to grow for their activities in Iberia.

As regards the integration of Carbó Collbatallé with the Parcel business, work was carried out to combine several long-distance routes and merge of some of our own branches. We are also generating last mile delivery synergies between the two businesses in Madrid and Barcelona.

A number of actions were also taken in Transportes El Mosca in the first half. Security systems were fitted in some trucks of El Mosca so as to be able to carry high-value freight, including tobacco. After adapting a part of the fleet, several long-haul routes have already been integrated. Furthermore, the GDP (Good Distribution Practice Certificate) was obtained, enabling the distribution of pharmaceutical products using the El Mosca fleet.

Consolidated income statement summary

- Revenue rose by +9% on the previous year to €5,935 million, thanks to generalised growth across all businesses in Iberia and Italy, as well as in convenience product distribution in France.
- Economic Sales[1] of €834 million, +40% v. the previous year, with general improvements in all businesses and geographies.
- Adjusted EBIT[1] of €183 million, +23% v. the previous year with improvement across all geographies.
- Adjusted EBIT margin on Economic Sales[1] was 22% as compared to 25% in the same period of 2022. This margin reduction is explained primarily by the new acquisitions.
- Changes in inventory values due to tax and tobacco price movements in Spain, France and Italy during H1 had an estimated positive net impact of +€24 million v. +€7 million in H1 2022.
- Restructuring costs[1] of €12 million v. €3 million in the same period of the previous year, including a provision of €10 million in France, due primarily to the closure of a regional distribution centre as part of the business optimisation strategy.
- Capital gains of €98,000 on the sale of sundry assets, as compared to €5.8 million in the first six months of 2022 due to the sale of two warehouses in Spain.
- EBIT of €146 million, +14% on the previous year.
- Net financial income of €25 million v. €8 million in the previous year, thanks to the interest rate hike during the period.
- The tax rate fell to 25.6% v. 26.8% in the first six months of 2022.
- Net Profit climbed 43% up to €126 million.

Revenue trend (by segment and business)

Data in Million Euros	1 Oct. 2022 – 31 Mar. 2023	1 Oct. 2021 – 31 Mar. 2022	% variation
Iberia	**2,112,7**	**1,750.9**	**20.7%**
Tobacco and Related Products	1,669,1	1,504.4	10.9%
Transport	416,3	220.6	88.7%
Pharmaceutical Distribution	120,3	104.1	15.6%
Other Businesses	9,1	9.4	(3.2)%
Adjustments	(102,2)	(87.6)	(16.6)%
Italy	**2,050.8**	**1,899.1**	**8.0%**
Tobacco and Related Products	2,050.8	1,899.1	8.0%
France	**1,800.1**	**1,829.0**	**(1.6)%**
Tobacco and Related Products	1,800.1	1,829.0	(1.6)%
Adjustments	**(28.2)**	**(25.2)**	**(12.1)%**
Total Revenue	**5,935.4**	**5,453.8**	**8.8%**

[1] See appendix "Alternative Performance Measures"

Economic sales[1] (by segment and business)

Data in Million Euros	1 Oct. 2022 – 31 Mar. 2023	1 Oct. 2021 – 31 Mar. 2022	% variation
Iberia	**547.8**	**337.4**	**62.3%**
Tobacco and Related Products	190.5	160.0	19.1%
Transport	336.4	154.7	117.5%
Pharmaceutical Distribution	46.4	44.5	4.2%
Other Businesses	8.7	9.0	(3.1)%
Adjustments	(34.3)	(30.8)	(11.2)%
Italy	**176.9**	**156.3**	**13.2%**
Tobacco and Related Products	176.9	156.3	13.2%
France	**111.3**	**105.6**	**5.4%**
Tobacco and Related Products	111.3	105.6	5.4%
Adjustments	**(2.3)**	**(2.0)**	**(15.6)%**
Total Economic Sales[1]	**833.8**	**597.4**	**39.6%**

Adjusted EBIT[1] and EBIT trends

Data in Million Euros	1 Oct. 2022 – 31 Mar. 2023	1 Oct. 2021 – 31 Mar. 2022	% variation
Iberia	**104,4**	**77,4**	**34,9%**
Italy	**49,7**	**46,7**	**6,5%**
France	**29,0**	**25,3**	**14,6%**
Total Adjusted EBIT[1]	**183,1**	**149,4**	**22,6%**
(-) Restructuring Costs[1]	(12,3)	(3,0)	**(306,1)%**
(-) Amortisation of Assets from acquisitions	(26,5)	(26,1)	(1,4)%
(+/-) Profit/(loss) on disposal and impairment	(0,1)	5,8	(101,7)%
(+/-) Equity-accounted profit/(loss) and other	1,8	2,2	(18,1)%
EBIT	**146,1**	**128,3**	**13,8%**

Adjusted Operating Profit[1] (or, interchangeably, Adjusted EBIT[1]) is the main indicator employed by Group Management to analyse and measure business performance. This indicator is essentially calculated by discounting from EBIT costs that are not directly related to the Group's revenue in each period, which facilitates the analysis of trends in operating costs[1] and in the Group's margins. The table above sets out the reconciliation of Adjusted EBIT[1] and EBIT for H1 2023 and H1 2022.

[1] See appendix "Alternative Performance Measures"

At the first-half close, depreciation charges on assets acquired includes only those of Logista France and Speedlink. The depreciation charges of Transportes El Mosca and Carbó Collbatallé acquisitions are in an external valuation process.

1.1 Segment performance

A. Iberia: Spain, Portugal and Poland

Data in Million Euros	1 Oct. 2022 – 31 Mar. 2023	1 Oct. 2021 – 31 Mar. 2022	% variation
Revenue	**2,112.7**	**1,750.9**	**20.7%**
Tobacco and Related Products	1,669.1	1,504.4	10.9%
Transport	416.3	220.6	88.7%
Pharmaceutical Distribution	120.3	104.1	15.6%
Other Businesses	9.1	9.4	(3.2)%
Adjustments	(102.2)	(87.6)	(16.6)%
Economic Sales[1]	**547.8**	**337.4**	**62.3%**
Tobacco and Related Products	190.5	160.0	19.1%
Transport	336.4	154.7	117.5%
Pharmaceutical Distribution	46.4	44.5	4.2%
Other Businesses	8.7	9.0	(3.1)%
Adjustments	(34.3)	(30.8)	(11.2)%

Revenue of €2,113 million was up +21% compared to 2022. Economic Sales[1] of €548 million grew by +62% on 2022.

Tobacco and Related Products

- Increase of 11% in Revenue and 19% in Economic Sales[1] due essentially to higher tobacco prices, the rate increase, growth in value-added services provided to tobacco manufacturers and the rise in convenience products distributed in Iberia.
- Volumes distributed of cigarettes plus RYO and other[2] in Iberia remained stable in relation to the first half of 2022 thanks to the increase in RYO and other2 in both countries, cigarette volumes distributed in Spain having fallen slightly (-1.5%) while remaining stable in Portugal (+0.5%). Electronic cigarette distribution grew significantly in both countries, nearly doubling the volumes distributed compared to the previous year.
- During H1, the selling price charged by some tobacco manufacturers rose by between €0.30 and €0.35 in Spain, though excise duties on tobacco remained unchanged. Consequently, there was an estimated positive impact on results of c. €23 million due to changes in the value of inventories (as compared to €8 million in H1 2022).
- Revenue from the distribution of convenience products grew double-digit. Logista Retail expanded into new channels (restaurants) and new products by including frozen goods in the commercial offering thanks to winning new customers while achieving further growth in the main channels (tobacconists and service stations) thanks to reaching new points of sale and enhancing the most significant product categories.

[1] See appendix "Alternative Performance Measures". [2] Includes heated tobacco units

Transport Services

- Revenue of €416 million, +89% v. the previous year, and Economic Sales[1] of €336 million, +117% v. 2022, were mainly due to the inclusion of the new acquisitions.
- Economic Sales[1] in long-distance transport (Logista Freight) grew double-digit thanks to the increase in activities and to a larger proportion of high-value businesses. The segment's organic growth was supplemented by the acquisition of a 60% stake in Transportes El Mosca.
- Parcel segment's Economic Sales[1] grew by more than 50%, mainly due to the inclusion of Carbó Collbatallé and to double-digit organic growth attributable to the industrial parcel business, as well as rate updates reflecting fuel price trends. Deliveries performed well in both the pharmaceutical and food industries.
- Economic Sales[1] by the courier activity rose double-digit during the period thanks primarily to the inclusion of Speedlink in the consolidation scope and to single-digit organic growth. Rate rises in the B2B business line offset the impact of the reduction in B2C e-commerce deliveries following the significant increase in the previous year.

Pharmaceutical Distribution

- Revenue of €120 million, +16% v. the previous year and Economic Sales[1] of €46 million (+4%) thanks to winning new customers and increasing services offered to existing customers, despite the considerable fall in COVID-19-related activities, primarily the distribution of vaccines and medical supplies. The double-digit growth in revenue due to the new services provided to existing customers, particularly in distribution to pharmacies, is especially significant.

Publications – Other Businesses

- Revenues and Economic Sales[1] declined by a slight 3% v. the previous year in both cases.
- Logista Publicaciones entered into a new agreement to distribute the RBA Group's publications in Spain, RBA being a leading player in the periodicals (non-daily press) sector. This agreement will come into effect as from the last quarter of 2023.

Adjusted EBIT[1] of €104 million, up +35% on the same period of the previous year thanks to double-digit organic growth.

Restructuring costs[1] amounted to €1.5 million v. €1.6 million in the first six months of the previous year. Capital gains on asset sales amounted to €25,000 v. €6 million in 2022. An asset depreciation charge of €0.4 million was recognised in the current year due to Speedlink acquisition. Equity-accounted profits totalled €1.8 million (book distribution) v. €2.2 million in the previous year.

EBIT of €104 million, up +24% on H1 2022.

[1] See appendix "Alternative Performance Measures". [2] Includes heated tobacco units

B. Italy

	Millones de euros		
	1 Oct. 2022 – 31 Mar. 2023	1 Oct. 2021 – 31 Mar. 2022	% Variación
Revenue	**2,050.8**	**1,899.1**	**8.0%**
Tobacco and Related Products	2,050.8	1,899.1	8.0%
Economic Sales[1]	**176.9**	**156.3**	**13.2%**
Tobacco and Related Products	176.9	156.3	13.2%

Revenue of €2,051 million and Economic Sales[1] of €177 million rose by +8% and +13% on the previous year, respectively, thanks to price rises and the growth in revenue from the marketing of convenience products and next-generation products with respect to 2022.

Tobacco and Related Products

- Volumes distributed of cigarettes plus RYO and other[2] climbed 1.8% on the previous year due to the sound performance of the new product categories, which offset the decline in cigarette volumes (-1.3%). Volumes distributed of next-generation products are still performing well, having achieved double-digit growth. In particular, electronic cigarette volumes distributed doubled compared to the previous year.
- Italy saw an increase in excise duties on traditional tobacco with effect as from 1 January 2023. These new hikes are part of a package of government measures that includes annual increases to 2025. In response to the tax rise, most tobacco manufacturers increased prices by an average of between €0.10 and €0.30 per packet in February and March, largely offsetting the tax hike.
- The change in the value of inventories as a result of the increases in tax and tobacco prices had a net adverse impact of c. €2.6 million v. €0.3 million in the same period of the previous year.
- Significant double-digit rise in Economic Sales[1] from the distribution of convenience products, which was virtually double the previous-year figure. This growth reflects the addition of new products for sale (e.g., disposable electronic cigarettes or beverages, by marketing new leading brands).

Adjusted EBIT[1] of €50 million, +6% on 2022.

Restructuring costs[1] relating primarily to the distribution network reorganisation involving the closure of a warehouse in the south of Italy, amounted to €0.8 million v. €0.9 million in 2022.

EBIT of €49 million, +7% up on the previous year.

C. France

	Millones de euros		
	1 Oct. 2022 – 31 Mar. 2023	1 Oct. 2021 – 31 Mar. 2022	% Variación
Revenue	**1,800.1**	**1,829.0**	**(1.6)%**
Tobacco and Related Products	1,800.1	1,829.0	(1.6)%
Economic Sales[1]	**111.3**	**105.6**	**5.4%**
Tobacco and Related Products	111.3	105.6	5.4%

Revenue fell by 2% year on year to €1,800 million, primarily due to a decline in tobacco distribution revenue.

Economic Sales[1] of €111 million were +5% v. the previous year thanks to the rise in the value of inventories caused by price and tax increases, higher rates and sales of convenience and next-generation products.

[1] See appendix "Alternative Performance Measures". [2] Includes heated tobacco units

Tobacco and Related Products

- The decrease in tobacco volumes distributed in relation to the previous year amounted to (4.6%) in cigarettes plus RYO and other[2]. The double-digit growth in the distribution of electronic cigarettes is especially significant.
- With effect as from 1 March, excise duties rose by c. €0.50/packet, which was subsequently offset by an increase in selling prices of between €0.50 and €1.00/packet published by several tobacco manufacturers.
- Movements in taxes and tobacco prices had an estimated positive impact of €3.9 million during the period, as compared with a negative impact of €0.1 million during H1 2022.

Adjusted EBIT[1] of €29 million, +15% on 2022.

Restructuring costs[1] amounted to €10.1 million in the first six months of FY 2023, including a provision for the cost of closing a warehouse in the south of France that will be completed in September 2023. The same amount of depreciation was charged on the assets arising from the acquisition of the French business, amounting to €26 million, together with a capital loss of €0.1 million, in both periods.

EBIT of -€7.3 million, v. -€1.5 in the previous year.

1.2 Net financial income/(expense)

The Group has a reciprocal credit line agreement with its majority shareholder (Imperial Brands Plc.), whereby cash surpluses are lent daily up to a limit of €2,600 million or the cash needed to meet payment obligations is received.

Interest accrues on balances under this agreement at the European Central Bank's base rate plus a spread of 75 basis points.

The European Central Bank continued with its strategy of raising interest rates to alleviate the current inflationary environment, having announced the latest rate hike up to 3.5% in March. The European Central Bank's average rate for the period was 2.30%.

The European Central Bank's benchmark rate remained at 0% for the first six months of the previous year, so balances accrued interest of 0.75% in H1 2022.

The average credit line balance in the first half was €1,896 million v. €2,158 million in the first half of the previous year.

Financial income amounted to €29 million, well above the figure of €9 million in H1 2022.

Financial expenses for the period amounted to €3.8 million, above the €0.9 million figure recorded in H1 2022.

Net financial income/(expense) for the period therefore totalled €25.4 million, tripling the €7.6 million obtained in H1 2022.

1.3 Net profit

Restructuring costs[1] of €12.3 million in H1 2023, including the provision for the closure of a warehouse in France. Capital gains of €98,000 were well below the €5.8 million recorded in H1 2022. Net financial income/(expense) was a lot higher than the figure for H1 2022 (€25.4 million v. €7.6 million) and pre-tax profit amounted to €172 million, 26% up on H1 2022.

The tax rate was 25.6% v. 26.8% in H1 of the previous year.

[1] See appendix "Alternative Performance Measures"

Profit from continuing operations in H1 2023 increased to reach €128 million, which is 28% higher than the H1 2022 figure of €99 million.

Supergroup (the Group subsidiary engaged in distributing convenience products to points of sale other than tobacconists in France) was sold on 2 February 2022. The effect on profit/(loss) from discontinued operations in the first six months of 2022 reflects the operating profit/(loss) from this activity. There were no discontinued operations in H1 2023.

Attributable Net Profit amounted to €126 million, having risen by 43% on H1 2022, when it included continuing and discontinued operations.

Basic earnings per share amounted to €0.95 v. €0.67 in H1 2022, the number of shares remaining the same. At 31 March 2023, the Company holds 919,161 treasury shares (0.7% of share capital). Most of these shares were purchased to cover future commitments to deliver shares under long-term executive remuneration plans. The other shares secure the liquidity agreement entered into on 20 January 2021 with Banco Santander, S.A.

1.4 Cash flows

The seasonal nature of the Group's business leads to a negative cash balance in the first and second quarter of the year, which is turned around in the second half and normally peaks near the year end.

The positive business performance during the period and the consolidation of the acquisitions in results led to a 27% increase in earnings before interest, taxes, depreciation and amortisation (EBITDA) compared to the same period of the previous year.

The growth in operating and financial results during the period and the fall in restructuring costs[1] more than funded the increase in rent payments and in normalised tax payments, as well as the rise in cash outflows due to investments in this half, so normalised cash resources generated in the first half were 77% above the same period of the previous year.

The change in working capital in the first six months of 2023 is in line with the historical trend of the company, reducing in the first half and recovering in the second half due to the seasonal nature of the bisness, mentioned before. This, combined with cash outflows due to acquisitions (€154 million) and a fall in cash inflows from divestments, resulted in negative free cash flow of €455 million at 31 March 2023.

1.5 Research and development

Logista invested €2.3 million in R&D&I during H1 2023, mainly in different projects for supply management developments.

Logista invested €2.3 million in R&D&I during H1 2022 for technology development and process engineering projects, and customer relationship applications.

1.6 Treasury shares

At 31 March 2023, Logista had 919,161 treasury shares on its balance sheet – equating to 0.7% of its share capital – to primarily meet the share distribution commitments resulting from the Company's incentives plans and comply with the liquidity agreement entered into on 20 January 2021 with Banco Santander S.A.

At 31 March 2022, Logista had 876,450 treasury shares on its balance sheet (0.7% of its share capital).

1.1 Dividend policy

The Annual General Shareholders' Meeting held on 7 February 2023 agreed the distribution of an additional dividend for the 2022 financial year of €0.95 per share, (€125.2 million, excluding treasury shares) which was paid on 23 February 2023.

The dividend for 2022 therefore totalled €1.38 per share (€182 million, excluding treasury shares), up 11% on the previous year (€1.24 per share).

1.2 Outlook

The current market circumstances and the estimated stock variation registered to date allow us to update our forecast for the fiscal year 2023, expecting to achieve a growth of around 14% in Adjusted EBIT[1] over the figure for 2022. This growth takes into account that the estimated profit on inventory has mostly been recorded during the first semester and the contribution of the new acquisitions.

In line with Logista's strategic plan, the essential focus of which is additional growth and diversification of the existing businesses, the Group continues to seek out opportunities to acquire complementary companies to leverage synergies. In any event, Logista will continue to prioritise the same dividend policy applied to date.

2. SHARE PERFORMANCE

The Logista share price stood at €23 at the end of H1 2023 (31 March 2023), placing the Company's market capitalisation at €3,053.3 million, equating to a value uplift of 23.3%.

During the reporting period 31,763,912 securities were traded, equating to a 23.9% rotation rate on the total share capital. The daily average volume traded was 246,232 shares.

On 19 December 2022, Logista listed on the IBEX 35.

	1 Oct. 2022 – 31 Mar. 2023	**1 Oct. 2021 – 31 Mar. 2022**
Market capitalization at the end of the period (€mill)	3,053.3	2,203.7
Revaluation (%)	23.3%	-8.8%
Closing price (€)	23.0	16.6
Maximum price (€)	25.4	19.1
Minimum price (€)	18.8	15.0
Total negotiated volume (shares)	31,763.912	42,808.551
Average daily volume (shares)	246.232	334,442
Rotation (% of share capital)	23.9%	32.2%

3. SUSTAINABILITY

Logista pursues ethical business, social, environmental and economic principles and values guided by transparency and good corporate governance, integrating these into its management and operations across all the countries where it is present.

In line with Logista's Sustainability Policy, these principles and values are incorporated into the company's strategy and management model. They infuse its every action and lead to a series of sustainability commitments undertaken with the various stakeholders identified, in particular with shareholders and investors, employees, clients and channels, suppliers, the environment and society in general, as well as with good governance.

As a result of its steadfast commitment to sustainability, Logista managed to improve its ESG ratings from Sustainalytics and S&P, while maintaining the AA rating from MSCI (on a scale of AAA to CCC).

In October 2022, Sustainalytics concluded its evaluation of Logista, considering the company to be at low risk of experiencing material financial impacts due to ESG factors. This analysis places Logista 11th among the 365 companies evaluated in the transport sector and 4th among the 81 companies evaluated in the Air and Logistics transport sub-sector.

In February 2023, S&P concluded its evaluation of Logista, giving it a score of 53 out of 100 and ranking it in the 89th percentile for the transport sector.

Once again, Logista was recognised by the Financial Times as a Diversity Leader in February 2023.

Logista was also included in the 2023 Bloomberg Gender-Equality Index (GEI), which was set up to measure the gender performance of listed companies.

Logista is still in the FTSE4Good IBEX, which comprises businesses that show sound environmental, social and corporate governance practices, and the IBEX Gender Equality index formed by Spanish companies that stand out for board and senior management diversity.

The organisation CDP included Logista among the companies on its Supplier Engagement Leaderboard 2022 for the third year running, reflecting a commitment to supplier-related sustainability and climate change. Logista also obtained an A- rating in CDP's annual environmental impact index.

In December 2022, Ecovadis awarded the silver medal for sustainability to Logista.

3.1 Good governance

With the exception of matters reserved for the Annual General Shareholders' Meeting, the Board of Directors is Logista's highest decision-making body. Its role is to represent the Company by carrying out all of the duties included in its corporate purpose, as set out in the Articles of Association.

It is the Board's policy to delegate the everyday management of Logista to the executive bodies and senior management team, focusing its own efforts on its overarching role in determining company strategy and overseeing the work of the senior management team. At the same time, the Board must duly attend to those matters which, pursuant to the law or to the Company's Articles of Association or Regulations, cannot be delegated to other bodies.

Logista's Board of Directors includes an Audit and Control Committee and an Appointments and Remuneration Committee, tasked with carrying out the duties required by law. The majority of these committees comprise independent directors.

A number of initiatives were launched to drive the Company's sustainability policy and governance in February 2023.

During H1 2023, the Company's Board of Directors has held three meetings, the Audit and Control Committee has met twice, and the Appointments and Remunerations Committee has met a total of three times.

Agenda for the 2023 AGM

- Approval of the individual and consolidated annual accounts, the consolidated statement of non-financial information and the management performance of the Company's Board of Directors relating to 2022.
- Approval of the distribution of the results for the 2022 financial year, with the payment of an additional dividend of €0.95 per share (total dividend 2022: €1.38 per share).
- Re-election of accounts auditor.
- Authorisation of the derivative acquisition of shares by the Board of Directors.
- Ratification, appointment and re-election of Directors.
- Examination and approval of Logista's board member remuneration policy for 2023–2025.
- Consultative vote on the annual report on director remuneration.
- Modification of Article 9 of the Articles of Association.
- Amendments to Articles 8, 9, 13, 14 and 15 of the General Shareholders' Meeting Regulations.

- Delegation of powers to the Board of Directors.

Tackling corruption and bribery

Logista has put in place a number of corporate policies and an internal control system aimed at preventing any conduct falling into the “criminal risks” category, whether on the part of managers, directors or any other employee. Examples of such criminal conduct include corruption, bribery and money laundering.

No reports in relation to crimes of bribery, corruption or money laundering were received during H1 2022.

Human rights

During H1 2022, the Company did not receive any reports of incidents relating to respect for freedom of association and the right to collective bargaining, job discrimination, forced or child labour or any other Human Rights violation or concern in any country in which Logista operates.

3.2 Stakeholders

3.2.1 Employees

Logista's people management model is founded on the principles of the Health and Well-being of our employees, Talent Development and Diversity and Inclusion.

These aspects are reflected in yearly cross-cutting objectives for the entire Group and form part of annual variable remuneration for all the Company's executives and middle management.

Health, safety and well-being:

Logista regards the Health, Safety and Well-being of its employees as one of its core values and is committed to providing a safe and secure working environment.

Every one of us at Logista has a part to play in the culture of health, safety and well-being, with the following priorities:

- Reducing the accident rate

  As Logista’s Health, Safety and Well-being Policy sets out, one of the Company’s main priorities is to continually reduce the number of work-related accidents, with the ultimate aim of reaching “zero accidents”. Accordingly, a 2% accident rate reduction has been targeted.

- ISO 45001 Certification

  During the reporting period, Logista has continued to consolidate its management system for workplace health and safety, in line with the ISO 45001 international benchmark standard.

- Well-being in the workplace

  Logista regards the implementation of measures that foster the physical and psychosocial well-being of its work team as a strategic pillar of people management. With this aim, numerous well-being initiatives were launched during the period.

- Integration of new businesses into the management system

  We began to integrate the businesses acquired during the year into our occupational health and safety management system so as to bring them into line with Logista’s objectives in this area.

Developing talent:

At Logista, we are deeply committed to the growth and professional development of our employees. At the same time, we guarantee the continuity and growth of our business by identifying Critical Positions and developing and consolidating Succession Plans for these positions. Talent management is a key area for Logista because it enables the company to ensure it has the human capital it needs to successfully implement its business strategy.

This included the launch of a programme to promote and develop our teams' competency levels in association with a reputable external consultant. It comprises two lines of work at the executive level and for middle management and younger profiles. The activities are conducted at the consultant's innovation centres in Spain and Italy.

Our "Youners" (Young Joiners) structured talent development programme is still in place and welcomes over 50 participants each year, allowing us to boost and consolidate our succession plans while supporting internal talent through promotions and collaborator engagement. This programme has a success rate of over 60%, measured in terms of participants who are promoted.

Diversity and inclusion:

Diversity, equality and inclusion are essential values in our daily challenges.

We are convinced that diversity of all kinds enriches our businesses, bringing both social value and a broader perspective that stimulates the Company's own evolution.

The fruits of this work are reflected in the diversity recognition received by Logista:

- For the third year running, Logista was recognised by the Financial Times as a European diversity and inclusion leader.
- Logista is in the Ibex Gender Equality Index, which measures the presence of women in executive positions and on the boards of Spanish companies. At Logista, the ratio of women currently on the Board of Directors is 42%, while the ratio of women on the Management Committee is 33%.

Logista's lines of action currently in place to ensure equal opportunities and a merit-based approach are underpinned by the following specific initiatives:

- Ensuring that 50% of the finalist candidates in each recruitment process are women.
- Creating specific plans that guarantee professional development opportunities for female talent as part of the company's Succession Plan. We are a member of the Empowering Women Talent programme in association with the company Equipo y Talento. The purpose of which is to strengthen and develop competencies for women wishing to grow professionally and opt for senior management posts in the Company.
- Training our managers and directors to lead people in an inclusive environment.
- Analysing and measuring remuneration from a gender perspective to ensure there is no discrimination and thus reduce our Salary Gender Gap.

As stated in our Code of Conduct, trust, respect and responsibility are the values that preside over the behaviour of Logista's 7,305 employees at 31 March 2023, with the integration of Transportes El Mosca and Carbó Collbatallé (5.511 employees at 31 March 2022).

Logista's average headcount rose from 5,804 employees in H1 2022 to 7,278 in H1 2023, due to the integration of the employees from Transportes El Mosca and Carbó Collbatallé, of whom 87% are on permanent contracts and 13% are on temporary contracts.

3.2.2 Shareholders and Investors

Logista is deeply committed to creating short-, medium- and long-term value for its shareholders and investors.

To do this, it works to ensure a profitable business, managing financial and non-financial risks carefully and responsibly, while maintaining open and transparent dialogue with shareholders, investors and financial analysts as one of the foundations for long-term sustainability.

Logista manages the relationship with shareholders and the wider financial community through the Investor Relations department and is deeply committed to offering maximum transparency in terms of sharing information and strictly complying with applicable law.

Logista therefore offers the investor community key information about the Company in relation to its strategy, activities and results, through the information published on its website, and through meetings, person-to-person contacts, participation in conferences and seminars, etc.

During the period, we held around 100 contacts with analysts and inverstors, including 3 roadhshows and 4 conferences.

Coverage by research providers:

At the end of H1 2023 (31 March 2023), 14 firms covering Logista made 13 buy recommendations and one neutral recommendation at an average target price of €28.18 (updated average for reports in the last three months).

Other key information reported to the Spanish National Securities Market Commission (CNMV) in H1 2023:

Date	Announcement
8 February 2023	Press release announcing results for Q1 2023 Announcement of results for Q1 2023
7 February 2023	Agreements approved by the 2023 Annual General Shareholders' Meeting
3 January 2023	Transactions completed under the Liquidity Agreement in Q4 2022
20 December 2022	Call for Annual General Shareholders' Meeting
4 November 2022	Press release announcing results for the 2022 financial year Results presentation for the 2022 financial year Announcement of results for the 2022 financial year
28 October 2022	Announcement of the 2022 results presentation
28 October 2022	Completion of the acquisition of Transportes El Mosca
17 October 2022	Transactions relating to the share buyback programme
14 October 2022	Resumption of the liquidity agreement
11 October 2022	Transactions relating to the share buyback programme
7 October 2022	Supplement to the Other Relevant Information of 4-10-22 (extension of share repurchase programme)
5 October 2022	Suspension of the liquidity agreement
4 October 2022	Details of transactions completed under the liquidity agreement in Q3 2022
4 October 2022	Extended share buyback programme

There were no Inside Information communications during the financial year.

Investor calendar for H1 2023

Date	Event
23 February 2023	Additional dividend payment (€0.95 per share)
8 February 2023	Announcement of Q1 2023 Results (Oct-Dec)
8 February 2023	Annual General Shareholders' Meeting 2023 (second call)
7 February 2023	Annual General Shareholders' Meeting 2023 (first call)

Logista and the Stock Market

On 19 December 2022, Logista joined the IBEX 35, the benchmark stock market index on the Spanish stock exchange formed by the 35 most traded companies with the largest Spanish market capitalisation.

Logista is also listed on the IBEX Top Dividend, which lists the 25 securities with the greatest dividend yield from those included in the IBEX 35, IBEX Medium Cap and IBEX Small Cap indexes, provided they demonstrate a history of payment of ordinary dividends for at least two years.

Applying sustainability criteria, Logista forms part of the FTSE4Good IBEX, which comprises businesses that show sound environmental, social and corporate governance practices, and the IBEX Gender Equality index formed by Spanish companies that stand out for board diversity (between 25% and 75% women) and senior management diversity (between 15% and 85% women).

Logista is also a member of various MSCI indices, the most significant being MSCI Europe ex UK Small Cap and MSCI World Small Cap Minimum Volatility.

In January 2023, Logista was also included in the 2023 Bloomberg Gender-Equality Index (GEI), which was set up to measure the gender performance of listed companies.

3.2.3 Clients and Channels

Clients are the core focus of Logista's business model.

To meet the needs of its clients, Logista has developed a business model that is unique in southern Europe, integrating all the services that make up the logistics value chain into one single supplier. The company acts efficiently and sustainably and, with full transparency and traceability, offering advanced and specialist services for each sector and point of sale channel in which it operates.

Logista includes sustainability in its objective to offer the highest quality of service, always seeking efficiency in its operations and to carry them out in the right social and environmental conditions.

Logista therefore promotes ongoing open and transparent dialogue with its clients through a range of specific communication channels tailored to their circumstances (person-to-person contact, meetings, electronic mailboxes, call centres, etc.), or through shared communications channels for different stakeholders, such as the Company's corporate website (www.logista.com) or the websites of its different businesses.

Logista also has a range of different systems for dealing with consumer complaints and claims. Each business sets up these systems, tailoring them to suit its individual nature and that of its consumers.

Logista seeks to establish stable, long-lasting relationships with its clients. Relationships built on trust, that are beneficial to both parties and that always guarantee independent management and operational neutrality.

Logista applies its commitment to quality, sustainability and continuous improvement across all its business activities and operations and has numerous certifications to confirm this.

Main certifications and initiatives:

- ISO 14064: verification of greenhouse gas emissions, including most of the businesses and geographies.
- ISO 9001: quality management system in place at more than 300 facilities belonging to a number of businesses in Spain (pharmaceutical product distribution, distribution of convenience products, tobacco distribution and transport services: Logista Parcel, Logista Freight, Nacex and Transportes El Mosca) and externally audited every year.
- GDP (Good Distribution Practices): distribution of medication in accordance with European and Spanish regulations. This certification assures the quality and integrity of the pharmaceutical products throughout the supply chain. The businesses that distribute medical products are certified under this standard: Logista Pharma, Nacex, Logista Parcel and Logista Freight. Nacex has also widened the scope of its GDP certification to include for Best Distribution Practices for Medication intended for veterinary use.
- GMP (Good Manufacturing Practices): correct handling, re-packaging and re-packing of medicines, awarded to Logista Pharma by the Spanish health authorities.
- AEO (Authorised Economic Operator): the Agencia Estatal de Administración Tributaria (State Tax Administration Agency, AEAT), in its most stringent customs simplification, security and safety procedure, has certified Logista's pharmaceutical distribution and distribution of tobacco and related product businesses in Spain, along with its transport services businesses (Nacex, Logista Parcel and Logista Freight) and Logista Italia, as having appropriate customs control, financial

solvency and levels of security and administrative management to ensure satisfactory fiscal compliance.

- TAPA: certifies Logista Freight and Nacex's compliance with FSR (Facility Security Requirements) and TSR standards (Trucking Security Requirements) designed to guarantee the safe and secure transit and storage of assets of any member of TAPA worldwide.
- ISO 14001: environmental management system in the businesses of pharmaceutical distribution and the distribution of tobacco and related products in Spain and in transport services (Nacex, Logista Parcel, Logista Freight and Transportes El Mosca).
- IFS Logistics: accredits Logista Parcel Transportes El Mosca and Logista Freight for the security of its storage and transport operations for the security of its storage and transport of foodstuffs and non-foodstuffs.
- ISO/IEC 27001: information security management systems in Logista Pharma's medication storage and distribution operations at the Leganés headquarters.
- ISO 22000:2018: food safety management system for the Logista Parcel activity.
- Lean & Green: international initiative to reduce greenhouse gas emissions derived from logistics activity, to which Transportes El Mosca has joined.

3.2.4 Suppliers

Logista ensures a responsible management of its supply chain.

Logista's General Principles of Conduct for suppliers set out the minimum standards and basic rules of conduct that must govern supplier operations – both towards their own employees and towards any other third parties involved in carrying out their business activities – in their dealings with Logista.

Compliance with these Principles of Conduct is mandatory and as such they must be understood and accepted by all the Group's suppliers. To ensure they are publicly available, they are published on the Company's corporate website and translated into the official languages of the main countries in which Logista operates.

Procurement Policy

Logista's Procurement Policy also sets out the Company's guiding principles on ethics, labour, sustainability, quality and client focus, and form the basis for supplier tendering and selection.

Under the Group's Procurement Guidelines, tendering must also be governed by the Principle of Ethical and Professional Conduct.

Supplier tendering and selection is conducted via an objective and rigorous process.

To evaluate how compliant suppliers are with standards of quality, safety and professionalism, and with all other standards required by the Group, Logista carries out regular evaluations.

In order to optimise and streamline resources, all significant purchases of goods and services corresponding to general purchases, supplies, maintenance services and information and communications technologies, as well as CAPEX, are centralised via Corporate Procurement Management.

Other types of indirect procurement, such as the rental of warehouses, are centralised via Real Estate Management, and procurement of consultancy and advisory, or financial and insurance services for example. They can also be centralised via the various management areas such as Finance and Human Resources.

Purchases that, due to their nature or reduced cost, do not need to be centrally managed also follow the established procurement process in order to comply with the general procurement guidelines set out in the Procurement Policy and to ensure transparency, efficiency and equity in any such purchases.

3.2.5 Environment

Logista has a Quality and Environment Master Plan and a Quality, Environment and Energy Efficiency Policy in place as part of its corporate strategy and which establish the guidelines and best practices to follow in matters relating to the environment and energy efficiency; including calculating and reducing the company's carbon footprint, ensuring continual improvement and strict compliance with legal requirements, the reasonable use of resources and collaboration with organisations and stakeholders.

In addition, Logista champions respect for the environment among its employees, customers, suppliers and society as a whole. The Quality, Environment and Energy Efficiency Policy is available for all employees and other stakeholders on the Company's Intranet and on its corporate website.

This Policy includes the definition and control of environmental and quality indicators, as well as a regular assessment of the company's sustainability performance, and an assessment of its carbon footprint and corresponding reduction targets.

3.2.5.1 Climate change

Logista calculates and promotes the reduction of its carbon footprint, as part of its initiatives to minimise the environmental impact of its operations.

Logista calculates the carbon footprint of all its businesses and activities in the different countries in which it operates, including the majority of its outsourced activities, such as 100% of the emissions resulting from transport and franchise operations, as well as indirect activities such as the purchase of goods and services, based on the emissions factors and standard for reporting Greenhouse Gases (GHG) of the Greenhouse Gas Protocol (GHGP) and on the UNEEN-16258 standard.

An independent accredited entity verifies the carbon footprint calculation under the UNE-EN ISO 14064 standard, confirming the figures, reliability and traceability of the process.

The company is optimising the method it uses to calculate its transport emissions, individually calculating the emissions produced by each subcontracted transport vehicle, taking into account the distance travelled and the specifications of each vehicle (age, type of motor, size, type of fuel used, etc).

Logista has been included in the CDP Supplier Engagement Leaderboard 2022. The Company achieved this recognition for the third year running. It is based on the Supplier Engagement Rating (SER), which reflects the Company's performance in relation to its supplier network in terms of combating climate change and reducing environmental impacts.

This award sits alongside the certificates recently obtained by the Company. Logista obtained an A- rating in the CDP annual environmental impact index and the ECOVADIS silver medal for achievements in Corporate Social Responsibility (CSR) management, placing the Company at above 82% of all the enterprises assessed and in the top 9% of the best valued transport industry operators.

Every year, Logista sends CDP information about its management of climate change at corporate level and at individual business level. This information can be viewed on CDP's website.

Logista is also included on the FTSE4Good index, created by the global index supplier FTSE Russell and listing companies that demonstrate sound environmental, social and corporate governance practices.

Logista has defined KPI targets linked to environmental management and included them in employees' short-term incentive plans – in addition to those already set out in their long-term incentive plans. This reflects the company's commitment to continue integrating environmental sustainability into the day-to-day management of the business.

- *Noise and light pollution*

Noise during daytime and night-time hours is measured at each of Logista's facilities as per the frequency stipulated by environmental regulations. If the measurements show values close to the legal limit, there are action plans in place to correct the noise level.

Light pollution is not significant, so Logista has made no specific arrangements for this aspect.

- *Measures adopted to reduce carbon emissions*

Logista reduces emissions by continually optimising routes and renewing transport fleet agreements, including efficiency criteria and advocating for its transport division to gradually increase the fleet of vehicles using less polluting fuels.

The company particularly focuses on emissions produced by vehicles, which are the main source of our footprint. Hence why the company is rolling out a number of different initiatives, such as renewing the fleet with more energy-efficient and less polluting vehicles; increasing intermodal transport; fleet electrification;

use of megatrucks and duotrailers; testing/checking new vehicles, including prototypes and vehicles in the pre-marketing phase. Ten heavy-duty, 100%-electric truck units were also purchased.

Logista is also committed to achieving certain energy efficiency standards in new facilities, including BREEAM and LEED certifications and solar panels in our main warehouses.

The warehouses in Spain, Italy, France and Portugal, and the main warehouses in Poland, work on renewable or low-carbon certified electricity.

In addition, the measures taken to improve energy efficiency and increase the use of renewable forms of energy also foster the reduction of greenhouse gas emissions.

3.2.5.2 Circular economy and waste prevention and management

Logista has significantly reduced waste and emissions produced by its operations through the use and recovery of reusable cardboard boxes, via a system already implemented at its centres in Spain, France, Italy and Portugal, and in its specialist express courier service for parcels and documents.

Due to the nature of its operations, the main types of waste currently generated by Logista are paper and cardboard, wood (pallets), municipal waste, plastics and oils.

3.2.5.3 Sustainable use of resources

Logista is fully aware of how important the efficient use of resources is. As such, it compiles and analyses information about water consumption, waste and the most relevant materials.

The discharging of wastewater is not considered a relevant aspect at Logista because, due to the Group's type of activity, this water is discharged into municipal water systems.

3.2.5.4 Protection of biodiversity

Logista's operations do not have a direct impact on protected areas, and as such biodiversity is not included in the Company's material considerations.

As in H1 2022, there was no significant impact on biodiversity during H1 2023.

3.2.6 Society

Logista is actively engaged in numerous social initiatives. Acción Social Logista is a project borne of the desire and conviction to contribute to building a better society.

Logista shares the aim of creating opportunities for vulnerable groups with insufficient resources, grounded in the pledge to generate better opportunities for all people, favouring the social fabric through individual growth and enabling access to increased well-being, particularly for the most unprotected.

With this in mind, we undertake initiatives focused on education, health, emotional/social well-being and job market integration for vulnerable groups with insufficient resources in the countries where we do business and internationally, while encouraging employee engagement so they can actively contribute towards the goal of a more sustainable society.

Education and social and labour market integration

Logista is highly committed to the integration of the most vulnerable groups (disabilities, gender violence, long-term unemployment, etc.) into the job market in the countries where we operate, primarily through education. We actively participate in training workshops given by Logista HR employees in association with various foundations such as Fundación Integra, Fundación Avante3 and the Red Cross on various topics that can improve their access to professional opportunities: how to properly prepare a CV, how to effectively approach a job search, how to successfully conduct a job interview or how to improve communication and self-confidence, among others.

Logista also promotes education by donating publications to associations such as the Red Cross.

Whether working with foundations or directly, we seek to actively help vulnerable people to enter the world of work at Logista through proactive recruitment in various positions and businesses based on vacancies and profiles.

Logista also fosters the integration of immigrants into the job market by collaborating with Fundación La Merced.

For the second time, the Employment Network of Leganés, where Logista's headquarters are located, included Logista among the most socially responsible companies in relation to work placement.

Health

Logista wants to contribute towards research into diseases and help patients with different pathologies. This is achieved by donating funds and collaborating with various projects:

In the fight against cancer, we have collaborated with the Spanish Association against Cancer in Spain and the Odyssea Foundation in France and taken part in child sponsorship projects in collaboration with Juegaterapia.

The El Mosca Foundation sponsored "*Martín no puede solo*" Martin Fets, a charity event to raise funds and build awareness around research into childhood cancer.

We made a contribution to the gala event organized by the Never Surrender Foundation, which sets up gyms with rooms for oncology patients, the first gym that has an area for children with cancer having been sponsored by the El Mosca Foundation.

The Foundation has also collaborated with Murcia University's Immunity, Inflammation and Cancer Group led by Dr. Mulero and contributed to the study of rare diseases through zebrafish research.

Logista has made donations to research into rare diseases and multiple sclerosis, as well as promoting projects for Dent Research through the Nacex plastic cap collection points initiative.

With the aim of helping patients' families, we have sponsored the Family Room set up by the Ronald McDonald Foundation at Virgen de la Arrixaca Hospital and in Barcelona, where families accompanying hospitalised children can rest.

Intellectual disabilities

Logista is committed to people with intellectual disabilities, contributing funds to the Down Anzio - Nettuno Onlus Foundation in Italy and taking part in actions such as charity markets where our employees are invited to make purchases.

Charity projects through sports and international initiatives

Logista encourages involvement in sports charity initiatives, such as the initiative in Italy to promote sport in underdeveloped areas and charitable employee sports events.

Vital needs in extreme situations

With the aim of actively helping to meet vital needs, Logista has launched various initiatives such as donating food products to canteens, campaigns to collect food donated by employees nationwide for the Food Bank in Spain and collecting meals for donation to Caritas and to other organizations in countries such as Portugal or Italy that are also engaged in this project.

Last Christmas, Logista cooperated with Unicef and Ayuda en Acción by buying and distributing Christmas cards, as well as collecting free toys donated to the Red Cross.

Logista contributes to Ukraine's cause through the medicine warehouse and collaborates with the Kanimambo Foundation, donating funds for children in Mozambique.

The El Mosca Foundation held a paddle tennis tournament, and the winners donated the entire prize to the Red Cross in Murcia and to the organisation Action Against Hunger for earthquake victims in Syria and Turkey.

4. RISK EXPOSURE

Logista and its subsidiaries' Corporate Risk Management system is outlined in Logista's General Risk Management Policy, as well as in its procedure. The objective of this Policy is to introduce an integrated risk management system designed to provide the Board of Directors and management teams with a tool that helps them optimise results, with a view to improving their capacity to create, sustain and, ultimately, realise value.

The main non-financial risks and uncertainties which Logista faces, and grouped according to their corresponding category, are as follows:

- Business environment risks: The complex macroeconomic environment, the most visible effect of which is spiralling inflation, and the political and social context globally and locally in the countries where Logista operates, can affect Logista's performance by subjecting the businesses to rising costs, changing consumer habits and patterns, and social events such as industry-specific or general strikes, impacting operations or triggering the need to restructure.

- Business risks: Risks inherent in the successful expansion of Logista's different businesses – to offset a possible faster rate of decline in the tobacco market – together with a misalignment with the market with regard to Environmental, Social and Governance policies (ESG). In addition, the transport sector currently a very competitive environment, one which is being exacerbated by the worsening economic climate and the potential increase in costs (fuel prices, tolls, distribution costs, salaries...), which could push prices up further, affecting the costs' structure and as a result the product mix and profitability.

- Operational and technological risks: The growing exposure to cyberattacks, in terms of frequency and size, aggravated in the past year by the Ukraine-Russia war, has increased the likelihood of deliberate third-party attacks. As Logista is exposed to threats due to the day-to-day use of technology and information systems in the course of business, information security and system continuity could be jeopardised, and data privacy may even be compromised.

  Aside from benefits and opportunities, digitalisation brings risks associated with having an unsuitable strategy for defining and implementing technology, which could affect the viability of our business models, as well as our competitiveness, due to costs associated with lost opportunities. The rapid increase in the use of new technologies in our operations, together with the inherent risks associated with such a change, impacts on organisational models and our control framework.

  Logista is also exposed to the risk of tobacco theft at its facilities and during transit, as well as risks relating to high-profile events if sufficient contingency plans are not put in place.

- Regulatory Compliance Risks: given that Logista's business operations are subject to compliance with numerous laws and regulations, both general and sectoral and with varying scope, this increases exposure to risks arising from potential breaches, associated sanctions or potential legal claims and to increased costs, incurred as a result of both bringing internal policies into line with new regulations and verifying and controlling regulatory compliance. This risk is heightened by the "Regulatory Tsunami" and the growing complexity of regulations. This category also includes any risks that could arise as a result of the ordinary course of business, if Logista is engaged in legal disputes, of any nature, either as the claimant or the defendant, with uncertain outcomes.

- Financial and tax risks: The main financial and tax risk to which Logista is exposed is described in detail in the consolidated annual accounts for the 2022 financial year. The main risks are outlined below:

  - Risk of deterioration of the fair value of assets, with respect to the carrying value of goodwill

  - Credit risk
  - Liquidity risk
  - Interest rate risk
  - Exchange rate risk

  In discharging its fiscal obligations, Logista advocates strict compliance with all applicable tax requirements. It adopts a centralised approach to monitoring and verification, ensuring that all fiscal obligations across Logista are met. To this end, it draws on support from highly reputable tax advisors and law firms when preparing its tax reports and settling taxes owed. Such advice is also sought in the event of any special transactions and when mounting a legal defence, should this be necessary. Logista is exposed to the following risks:

  - The Group's primary activity is the distribution of tobacco, and as such it is subject to a specific fiscal model that can be complex due to its extensive geographical presence. In this respect, the Group has various tax disputes pending resolution requiring value judgements as to the probability of being obliged to settle certain liabilities. Logista has made provisions for these risks based on expert legal advice and the potential for transferring them to third parties.

  - In accordance with current legislation, tax assessments are not considered definitive until the filed returns have been inspected by the tax authorities or the relevant inspection period has lapsed. Logista's returns from a number of financial years are currently subject to inspection with respect to certain taxes.

- Climate change risks: Logista is potentially exposed to the consequences of climate change. There are physical risks, such as extreme weather events, which could affect infrastructure and transportation, and transition risks, since global trends designed to reduce the causes and consequences of climate change may have economic, regulatory, technological and/or reputational effects.

  In this regard, Europe's strategy to be the leading carbon neutral economy by 2050 exceeds the commitment made in the Paris Agreement, which would require new regulations that would affect all business sub-sectors and companies. This strategy includes other objectives such as decarbonising the road transport sector. This will also be complemented by increasingly greater restrictions on vehicles' access to cities. It is envisaged that these restrictions, until now isolated and supported by local regulations, may become widespread in all cities, supported by a common regulatory framework.

  Logista is incorporating environmental concerns into the development of its strategy and has committed to achieving a 30% and 54% reduction – compared with 2013 levels – in direct and indirect emissions generated by our operations by 2030 and 2050 respectively. These targets have been set in line with the Paris Agreement and have been ratified and scientifically approved through the Science Based Targets initiative.

  Logista's climate change initiatives did not have an accounting impact during the financial year or cause significant changes to management's estimates. The useful life of fixed assets and indications of impairment are not expected to be affected, since early replacement is not envisaged. At the date of these Condensed Consolidated Interim Financial Statements, to the best of its knowledge and belief, Logista has no constructive or contractual obligations requiring an environmental provision.

Regarding the risks to which the Company has been exposed:

- Logista is impacted by the world's current adverse economic, political and social climate, which is having a direct impact on the countries in which Logista operates – primarily Spain, France, Portugal and Italy – with spiralling inflation being the most visible consequence and supply chain delays also causing disruptions, albeit to a slightly lesser degree. The rising prices are having broad-based effects, though partially mitigated. Road transport costs are increasing and there is a certain shortage of drivers which, in practice, is another pricing factor.

- Attempted but unsuccessful cyberattacks were detected by existing monitoring processes and systems, subsequently analysed and finally blocked as appropriate.

- Typical operational risks during the regular course of its businesses, particularly in relation to tobacco theft at its facilities and during transit – no impact on results given that the goods are insured.

- Liability for the resolution of tax disputes ruling against Logista – no material impact on results due to prior provisioning, as well as for other non-tax related legal disputes.

The control systems in place have allowed the company to mitigate either the impact of the risk or the probability of the risk occurring. Thanks to Logista's internal control and risk management systems, the company has ensured that several risks maintain a low risk profile and in some cases it has even avoided them having any negative and/or significant impact at all.

5. USE OF DERIVATIVE FINANCIAL INSTRUMENTS

No Group's company uses derivative financial instruments.

6. SIGNIFICANT EVENTS FOR THE GROUP AFTER THE REPORTING PERIOD

The Group has reached a preliminary agreement for the purchase of 100% of the shares of the Portuguese company Dois Lados – Distribuçao de tabacos e bebidas, S.A.., the conclusion of which is pending obtaining the corresponding authorizations from the competent authorities. Said company is dedicated, among others, to the distribution and wholesale of national and foreign tobacco, stationery, tobacco, textiles, food, beverages, medicines and pharmaceutical articles and its commercial activity is carried out mainly in the Portuguese market.

APPENDIX: ALTERNATIVE PERFORMANCE MEASURES

- **Economic Sales**: equivalent to Gross Profit; used interchangeably by Group Management to refer to the figure obtained by subtracting Raw materials and consumables from Revenue.

  Group management considers this figure to be a significant measure of the tariff revenue generated by distribution services that provides investors with a useful view of the Group's financial performance.

	Million €	
	1 Oct. 2022 – 31 Mar. 2023	**1 Oct. 2021 – 31 Mar. 2022**
Revenue	5,935,4	5,453.8
Raw materials and consumables	(5,101.6)	(4,856.4)
Economic Sales (Gross Profit)	**833.8**	**597.4**

- **Adjusted Operating Profit (Adjusted EBIT):** This indicator is basically calculated by discounting from EBIT costs that are not directly related to the revenue obtained by the Group in each period. which facilitates the analysis of the Group's operating cost and margin trends.

  Adjusted Operating Profit (Adjusted EBIT) is the main indicator employed by Group Management to analyse and measure business performance.

	Million €	
	1 Oct. 2022 – 31 Mar. 2023	**1 Oct. 2021 – 31 Mar. 2022**

Adjusted EBIT	**183.1**	**149.4**
(-) Restructuring costs	(12.3)	(3.0)
(-) Amortisation of assets from acquisitions	(26.5)	(26.1)
(+/-) Profit/(loss) on disposal and impairment	(0.1)	5.8
(+/-) Equity-accounted profit/(loss) and other	1.8	2.2
EBIT	**146.1**	**128.3**

- **Adjusted EBIT Margin on Economic Sales:** calculated as Adjusted EBIT divided by Economic Sales (or, interchangeably, Gross Profit).

  This ratio is the main indicator employed by Group Management to analyse and measure the trend in profits obtained from the Group's ordinary business activities in a certain period.

	Million €		
	1 Oct. 2022 – 31 Mar. 2023	**1 Oct. 2021 – 31 Mar. 2022**	**% Variation**
Economic Sales	833.8	597.4	39.6%
Adjusted EBIT	183.1	149.4	22.6%
Economic Sales Margin	**22.0%**	**25.0%**	**(300) b.p.**

- **Operating expenses:** these include the costs of logistics networks, commercial expenses, research expenses and head office expenses that are directly related to the revenues obtained by the Group in each period. It is the main figure used by the Group's Management to analyse and measure the performance of the costs structure. It does not include restructuring costs or amortisation of the assets derived from the acquisition of companies, because they are not directly related to the revenues obtained by the Group in each period.

  Operating costs of each segment do not include the expenses of the corporate center. However, the expenses of the corporate center are included in the total Group's operating costs in order to show the operating behaviour of each geographical area.

Reconciliation with Annual Accounts:

Million €	**1 Oct. 2022 – 31 Mar. 2023**	**1 Oct. 2021 – 31 Mar. 2022**
Logistics network costs	608.2	409.0
Commercial expenses	33.4	25.5
Research expenditure	1.2	0.9
Central office expenses	46.7	41.8
(-) Restructuring cost in operating expenses	(12.3)	(3.0)
(-) Amortisation of assets from acquisitions	(26.5)	(26.1)
Operating costs or expenses in management accounts	**650.7**	**448.0**

- **Non-recurring costs:** This term refers to costs which may be incurred in more than one period but are not continuous over time (unlike operating costs) and only affect the accounts at a given moment.

  This figure helps Group Management to analyse and measure the Group's business trends during each period.

- **Recurring operating costs:** This term refers to costs incurred on a continuous basis that allow the Group's business to continue and are estimated as total operating costs less the non-recurring costs defined in the previous point.

This figure helps Group Management to analyse and measure the Group's business efficiency.

- **Restructuring costs:** costs incurred by the Group to enhance operational. administrative or commercial efficiency in the organisation. including those related to reorganisation. lay-offs and the closure or transfer of warehouses or other facilities.

- **Non-recurring results:** this refers to results for the year that are not obtained continuously during the year and affect the accounts at a given time. They are included