Jerónimo Martins

FIRST HALF

2024

CONSOLIDATED REPORT AND ACCOUNTS

INDEX

Message from the Chairman and CEO

Pedro Soares dos Santos

'As anticipated, 2024 has been marked, after an inflationary cycle, by the harsh effects resulting from a sharp correction in food prices and a significant cost increase.

We knew that competition for volumes would be very strong, intensified by the contained consumer demand. Therefore, we maintained the strategic focus on competitiveness, investing strongly in price without neglecting the overall quality of the value propositions. The consistency of this focus led all our banners to strengthen their market positions in challenging circumstances. I owe a public note of recognition to our teams from the various Companies, especially from Biedronka, for their combativeness, discipline, and relentless work that, against a very demanding base, allowed us to deliver the volume growth we fight for.

Despite the lack of visibility about how consumer behavior will evolve in the countries where we operate, we expect food deflation and high cost inflation to continue throughout the year's second half. In this context of uncertainty and multiple sources of pressure, we will stick to our priorities: make our stores the first choice of consumers and grow sales in volume, as pivotal for preserving our competitiveness, increasing our customer bases, and expanding market shares.'

I - CONSOLIDATED MANAGEMENT REPORT

1. Performance Overview & Key Drivers

In these first six months of the year, our banners' determination and focus on price competitiveness allowed them to reinforce their market positions in a context of increasing competition. Despite being impacted by basket deflation, LFL performance was resilient because of significant volume growth, particularly in Biedronka and Pingo Doce.

The EBITDA margin was substantially pressured by a considerable decline in food inflation relative to the exceptionally high values attained in the previous years and substantial cost inflation, mainly driven by rising wages.

In the face of a muted food retail market and intense competition, Biedronka leveraged its commercial dynamic and increased its price investment. The team's capabilities and remarkable work allowed the banner to strengthen its customer base, grow volumes throughout the period, and further increase market share in this first half year.

Also in Poland, Hebe performed well in the first six months, with the trend in its sales and profitability confirming the effectiveness of its multichannel approach.

In Portugal, Pingo Doce and Recheio posted solid performances. The development of the "All About Food" concept allowed Pingo Doce to limit the effects of deflation on the basket and boost sales in an increasingly competitive market. Recheio grew the number of customers in all segments and the number of partnerships in Amanhecer stores, continuing to grow sales and consolidating market leadership.

In Colombia, consumer demand remained weak in the face of the high food inflation registered over the past three years. Since January 2021, food prices have increased by 67%, causing a dramatic fall in the purchasing power of Colombian households, whose real wages have decreased around 40% in that period. Against this backdrop, and in line with our long-term vision, Ara succeeded in its efforts to support families, strengthen its market position, and improve profitability.

The Group's sales grew by 12.3% (+5.5% when excluding the effect of the appreciation of the zloty and the Colombian peso) despite the strong deflation in the basket of most of our banners in the first six months of the year.

The Q2 performance incorporates not only the impact of deflation but also the negative calendar effect, as the Easter season in 2023 occurred in the second quarter of the year.

The consolidated EBITDA increased by 3.5% (-3% at constant exchange rates), reflecting the pressure from price investments and operational deleverage. EBITDA margin decreased by 54 bps compared to the previous year's first half.

At the end of June, the Group's balance sheet included a net cash position (excluding IFRS16) of 394 million euros, incorporating the payment of 411.6 million euros of dividends in May, as well as the impact of the slowdown in sales growth on the cash-flow fundamentals.

Despite the challenges and hard work on all business fronts, the Group continues to move forward on its sustainability agenda. This year, the Group became the first retailer in Portugal and one of the first food retailers worldwide to have its 2050 carbon neutrality short and long-term targets recognized and validated by the Science Base Target Initiative. This validation covers the Group's operations and value chain, including emissions from forests, soils, and agriculture associated with the products it produces and sells.

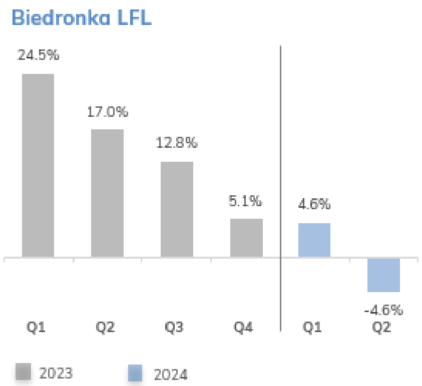
Aligning finance and sustainability, the Group also prepared and validated in 2024 its Sustainable Finance Framework, which will enhance access to financial products linked to sustainability goals in all its countries.

2. Performance Analysis by Banner

POLAND

In Poland, food inflation fell rapidly until March, increasing slightly in April with the reintroduction of VAT on basic food products. It reached an average of 2.3% in the first six months (2% in Q2).

The competition dynamics have intensified significantly due to a cautious consumer and a food market that keeps losing volumes.



Biedronka focused on offering the best prices to Polish consumers. In a markedly more promotional context, the banner intensified its commercial strategy and operated with high deflation in its basket.

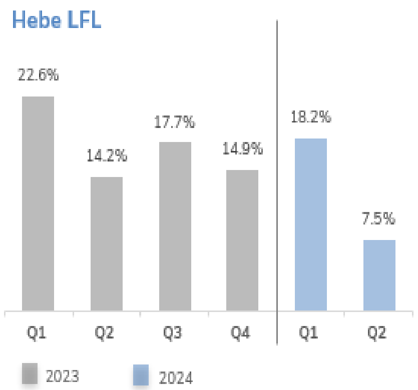
By preserving the preference of Polish consumers, Biedronka registered solid growth in LFL volumes despite the difficult comparison versus the previous year's strong performance. The company increased the number of store visits and gained market share.

In local currency, sales increased 4.5%, with LFL at -0.2%. Sales reached 11.5 billion in euros, 11.9% more than in H1 23. In Q2, sales in local currency grew 0.1%, registering an LFL of -4.6%. In euros, sales amounted to 5.8 billion, 5.7% more than in Q2 23.

The Q2 LFL incorporates a higher level of deflation than the one registered in Q1 and the negative calendar effect (Easter season in Q1 vs in Q2 2023). Despite of this effect, the growth of volumes in Q2 was positive.

EBITDA increased by 0.7% (-6% in local currency). The effects of the significant basket deflation over LFL growth, the strong price investment, and the substantial increase in personnel costs also pressured the EBITDA margin, which stood at 7.6% (8.5% in H1 23).

Biedronka opened 60 stores in the period (51 net stores) and carried out 104 renovations.



Hebe grew sales by 22% in H1 (in local currency), with LFL at 12.4%. In euros, sales reached 271 million, 30.6% above H1 23. In Q2, sales in local currency grew 16.8%, registering an LFL of 7.5%. In euros, sales amounted to 142 million, 23.5% more than in Q2 23.

The banner performed well at the store level and in its e-commerce operation, which continues to develop strongly. It is becoming an essential growth driver, representing already c.19% of sales.

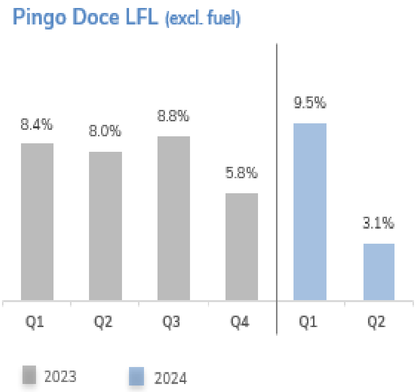
Following good sales performance, EBITDA increased by 40.1% (+30.9% in local currency), with the respective margin rising to 7.3% (6.8% in H1 23).

Hebe opened 17 stores in the Polish market, ending the period with a total of 359 stores in Poland and two in the Czech Republic.

PORTUGAL

In Portugal, food inflation was 1.7% in H1 and 2.2% in Q2.

Consumers maintained a conservative posture, valuing promotional opportunities.

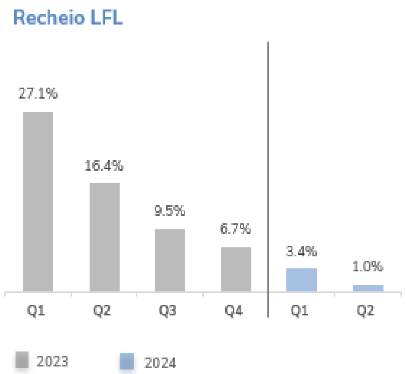


Pingo Doce reinforced its commercial dynamic and progressively increased the number of stores operating with the 'All About Food' concept. Sales reached 2.4 billion euros, a growth of 5.9%, with an LFL of 6.1% (excluding fuel) in H1. The substantial increase in volumes recorded in these first six months of the year is noteworthy since the banner operated with basket deflation.

In Q2, incorporating the negative calendar effect related to Easter, sales grew 3.7% with an LFL of 3.1% (excluding fuel).

Pingo Doce opened four stores (three net additions) and moved forward with its remodelling programme, which covered 41 stores in six months.

Pingo Doce's EBITDA amounted to 132 million euros, 2.4% above the same period of the previous year, with the respective margin reaching 5.5% (5.7% in H1 23). The investment in price and the high cost inflation pressured the EBITDA margin in the period.



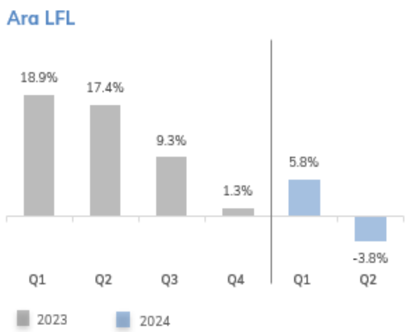
Recheio recorded sales of 645 million euros, 2.1% above the first half of the previous year, with an LFL of 2.1%. In Q2, sales were 342 million euros, 1.6% above Q2 23, with an LFL of 1%.

The HoReCa channel performance reflected the negative impact of the fragile domestic out-of-home consumption. Nevertheless, and against the good results of previous years, Recheio has again grown customers in all segments of the operation in these first six months of the year. The banner also grew its partnership in Amanhecer stores to 651 locations.

Recheio's EBITDA amounted to 30 million euros, 6.8% below the same period of the previous year. The respective margin was 4.6% (5.1% in H1 23), pressured by stronger commercial dynamics.

COLOMBIA

In Colombia, food inflation was 3.2% in H1 and 4.2% in Q2. The pressure on households was constant throughout the period, as despite the slowdown in inflation, prices remained high, limiting volume growth and driving trading down in the market.



Focused on ensuring consumer preference in a demanding context, Ara firmly executed its commercial strategy. The banner continued to create assertive and relevant saving opportunities for Colombian families by combining a strong promotional dynamic with a consistent low-price policy.

In local currency, sales grew 13.3%, with an LFL of 0.7%. In euros, sales reached 1.4 billion in the half-year, 32.1% above H1 23.

Incorporating the negative calendar effect and impacted by the comparison of Q2 23, which benefited from the massive price campaign that marked its 10th anniversary, in Q2, Ara grew sales by 22.2% to reach 721 million euros, including an LFL of -3.8%.

The banner opened 59 new stores, closing the period with a network of 1,349 locations.

EBITDA was 40 million euros, 116.6% above H1 23 (+85.7% in local currency), with the respective margin at 2.8% (1.7% in H1 23). In a difficult operational context of investment in price and trading down, the improvement in EBITDA margin reflects the change in the commercial dynamic and the results of the work on costs executed at the end of 2023. Excluding IFRS16, the banner's EBITDA returns, thus, to positive territory.

3. Consolidated Financial Information Analysis

Consolidated Results

(€ Million)	H1 24		H1 23		Δ	Q2 24		Q2 23		Δ
Net Sales and Services	**16,298**		**14,513**		**12.3%**	**8,232**		**7,709**		**6.8%**
Gross Profit	3,318	20.4%	2,970	20.5%	11.7%	1,667	20.3%	1,556	20.2%	7.1%
Operating Costs	-2,277	-14.0%	-1,965	-13.5%	15.9%	-1,136	-13.8%	-998	-12.9%	13.8%
EBITDA	**1,040**	**6.4%**	**1,005**	**6.9%**	**3.5%**	**532**	**6.5%**	**559**	**7.2%**	**-4.8%**
Depreciation	-513	-3.2%	-429	-3.0%	19.8%	-263	-3.2%	-222	-2.9%	18.5%
EBIT	**527**	**3.2%**	**576**	**4.0%**	**-8.6%**	**269**	**3.3%**	**337**	**4.4%**	**-20.2%**
Net Financial Costs	-130	-0.8%	-78	-0.5%	67.6%	-69	-0.8%	-36	-0.5%	90.7%
Gains/Losses in Joint Ventures and Associates	0	0.0%	0	0.0%	n.a.	0	0.0%	0	0.0%	n.a.
Other Profits/Losses	-62	-0.4%	-18	-0.1%	n.a.	-13	-0.2%	-12	-0.2%	n.a.
EBT	**334**	**2.1%**	**480**	**3.3%**	**-30.4%**	**187**	**2.3%**	**288**	**3.7%**	**-35.3%**
Income Tax	-82	-0.5%	-117	-0.8%	-29.5%	-32	-0.4%	-67	-0.9%	-51.6%
Net Profit	**252**	**1.5%**	**363**	**2.5%**	**-30.7%**	**154**	**1.9%**	**221**	**2.9%**	**-30.4%**
Non-Controlling Interests	1	0.0%	-7	0.0%	n.a.	2	0.0%	-5	-0.1%	n.a.
Net Profit Attributable to JM	**253**	**1.6%**	**356**	**2.5%**	**-29.1%**	**156**	**1.9%**	**217**	**2.8%**	**-28.1%**
EPS (€)	0.40		0.57		-29.1%	0.25		0.34		-28.1%
EPS without Other Profits/Losses (€)	0.49		0.59		-17.6%	0.26		0.36		-28.3%

Balance Sheet

(€ Million)	H1 24	2023	H1 23
Net Goodwill	637	635	628
Net Fixed Assets	5,605	5,533	4,994
Net Rights of Use (RoU)	3,365	3,074	2,868
Total Working Capital	-3,856	-4,314	-3,708
Others	343	235	173
Invested Capital	**6,095**	**5,163**	**4,955**
Total Borrowings	799	765	612
Financial Leases	113	102	92
Capitalised Operating Leases	3,594	3,280	3,051
Accrued Interest	14	22	8
Cash and Cash Equivalents	-1,321	-2,074	-1,434
Net Debt	**3,200**	**2,097**	**2,330**
Non-Controlling Interests	238	252	244
Share Capital	629	629	629
Reserves and Retained Earnings	2,028	2,184	1,752
Shareholders Funds	**2,895**	**3,066**	**2,625**

At the end of June, Net Debt stood at €3.2 BN. Excluding liabilities from capitalized operating leases, the Group posted a net cash position of €394 MN, after the dividend payment of €411.6 MN.

Cash Flow

(€ Million)	H1 24	H1 23
EBITDA	1,040	1,005
Capitalised Operating Leases Payment	-189	-165
Interest Payment	-136	-87
Other Financial Items	0	0
Income Tax	-197	-123
Funds From Operations	**519**	**630**
Capex Payment	-527	-495
Change in Working Capital	-322	-243
Others	-52	-19
Cash Flow	**-383**	**-127**

The Cash Flow generated in the period was negative by 383 million euros, already after dividend payment and reflecting the effects of the slowdown in sales growth compared to the previous year, primarily induced by the abrupt transition from very high food inflation to deflation.

Capex

(€ Million)	H1 24	Weight	H1 23	Weight
Biedronka	121	31%	196	43%
Distribution Portugal	162	41%	114	25%
Ara	68	17%	127	28%
Others	45	11%	23	5%
Total CAPEX	**396**	**100%**	**459**	**100%**

The Investment Programme reached a value of 396 million euros.

4. Outlook 2024

As expected, in 2024, the Group is facing the combination, unprecedented in its severity, of a rapid decrease in food prices and a significant increase in costs. This combination is strongly pressuring our margins.

In this demanding context, we maintain our focus on sales performance while reinforcing cost discipline and seeking operational efficiency gains to protect profitability.

The strength and differentiation of our value propositions and the sales volume performance registered in H1 reinforce our confidence in each of our businesses.

Despite the substantial minimum wage increase in Poland, the food retail sector is still losing volumes.

This lack of consumer dynamism has also contributed to the noticeable intensification of competition in the food market. Should consumer demand improve before the end of the year, it will positively impact the market evolution and our performance.

In an ever more competitive context where price has been the decisive buying factor, Biedronka will maintain its price leadership and prioritize sales growth in volume. Thus, upon entering H2, which faces a more demanding comparative in terms of volumes, Biedronka will increase its price investment, reinforcing its competitive position and creating further savings and value opportunities for Polish consumers.

In a period when our main banner anticipates continuing to operate with basket deflation, the execution of this strategy will continue to pressure the EBITDA margin. This pressure may be higher in H2 than in H1.

Our main banner will keep strengthening its position in the market and benefit from a significant degree of flexibility in adapting its format to market opportunities. It plans to add 130 to 150 locations (net) to the store network. The refurbishment programme will now cover c.275 stores.

Hebe will continue to focus its growth strategy on the e-commerce channel, which is also the base of its internationalization. In Poland, the reinforcement of the store network foresees the opening of c.30 new locations for the whole year.

In Portugal, families continue to feel the pressure from high interest and tax rates. As such, consumption in 2024 is expected to remain subdued.

Pingo Doce will maintain its strong and recognized promotional dynamic and continue to implement the new store concept, which highlights the brand's differentiation in meal solutions and fresh products and offers innovative service solutions valued by customers.

The Company expects to renovate 60 to 80 stores and to open c. ten new locations in 2024.

Recheio will remain focused on ensuring that the value propositions designed for each customer segment allows for continued market share gain. The gradual store refurbishment aims to strengthen the value proposition for the HoReCa channel. Also, the Amanhecer retail store partnership will continue to grow.

In Colombia, consumer demand is expected to remain subdued.

Ara will focus on protecting price leadership and consumer preference while executing its expansion programme. Operational efficiency will remain at the center of the operational agenda, contributing to the expected improvement in profitability for 2024 and the return of EBITDA (excluding the impact of IFRS16) to positive territory.

The banner expects to open c.150 new stores and invest in further logistics capacity for 2024 and 2025, having already opened a new distribution centre this year.

Our long-term vision remains unchanged, and we reiterate our commitment to our 2024 capex programme, should be in line with 2023, reaching c.1.2 billion euros. Beyond expansion and remodelling of the store networks, the programme also includes the reinforcement of the logistic infrastructure in Poland, Portugal, and Colombia and the initial investment to launch operations in Slovakia.

We also foresee an increased investment in working capital. Deflation, low growth, high interest rates, and credit constraints are pressuring our small local commercial partners, particularly in private brand and fresh categories, which may lead us to shorten payment periods.

Lisbon, 23 July 2024

The Board of Directors

5. Management Report Appendix

5.1. The impact of IFRS 16 on Financial Statements

Income Statement by Functions

(€ Million)	IFRS16		Excl. IFRS16	
	H1 24	H1 23	H1 24	H1 23
Net Sales and Services	**16,298**	**14,513**	**16,298**	**14,513**
Cost of Sales	-12,980	-11,543	-12,980	-11,543
Gross Profit	**3,318**	**2,970**	**3,318**	**2,970**
Distribution Costs	-2,522	-2,146	-2,603	-2,211
Administrative Costs	-269	-248	-270	-249
Other Operating Profits/Losses	-62	-18	-62	-18
Operating Profit	**465**	**558**	**383**	**492**
Net Financial Costs	-130	-78	-23	-14
Gains/Losses in Other Investments	0	0	0	0
Gains/Losses in Joint Ventures and Associates	0	0	0	0
Profit Before Taxes	**334**	**480**	**359**	**478**
Income Tax	-82	-117	-87	-116
Profit Before Non Controlling Interests	**252**	**363**	**272**	**362**
Non-Controlling Interests	1	-7	-1	-8
Net Profit Attributable to JM	**253**	**356**	**272**	**354**

Income Statement (Management View)

(€ Million)	(Excl. IFRS16)					(Excl. IFRS16)				
	H1 24		H1 23		Δ	Q2 24		Q2 23		Δ
Net Sales and Services	**16,298**		**14,513**		**12.3%**	**8,232**		**7,709**		**6.8%**
Gross Profit	3,318	20.4%	2,970	20.5%	11.7%	1,667	20.3%	1,556	20.2%	7.1%
Operating Costs	-2,576	-15.8%	-2,212	-15.2%	16.4%	-1,288	-15.6%	-1,126	-14.6%	14.4%
EBITDA	**742**	**4.6%**	**758**	**5.2%**	**-2.1%**	**380**	**4.6%**	**431**	**5.6%**	**-11.9%**
Depreciation	-298	-1.8%	-248	-1.7%	20.0%	-152	-1.8%	-128	-1.7%	18.3%
EBIT	**444**	**2.7%**	**510**	**3.5%**	**-12.9%**	**228**	**2.8%**	**303**	**3.9%**	**-24.7%**
Net Financial Costs	-23	-0.1%	-14	-0.1%	71.2%	-14	-0.2%	-10	-0.1%	35.6%
Gains/Losses in Joint Ventures and Associates	0	0.0%	0	0.0%	n.a.	0	0.0%	0	0.0%	n.a.
Other Profits/Losses	-62	-0.4%	-18	-0.1%	n.a.	-13	-0.2%	-12	-0.2%	n.a.
EBT	**359**	**2.2%**	**478**	**3.3%**	**-24.9%**	**201**	**2.4%**	**280**	**3.6%**	**-28.2%**
Income Tax	-87	-0.5%	-116	-0.8%	-25.7%	-35	-0.4%	-66	-0.9%	-46.2%
Net Profit	**272**	**1.7%**	**362**	**2.5%**	**-24.7%**	**166**	**2.0%**	**215**	**2.8%**	**-22.7%**
Non-Controlling Interests	-1	0.0%	-8	-0.1%	n.a.	1	0.0%	-5	-0.1%	n.a.
Net Profit Attributable to JM	**272**	**1.7%**	**354**	**2.4%**	**-23.1%**	**167**	**2.0%**	**209**	**2.7%**	**-20.3%**
EPS (€)	0.43		0.56		-23.1%	0.27		0.33		-20.3%
EPS without Other Profits/Losses (€)	0.52		0.59		-11.8%	0.28		0.35		-20.9%

Balance Sheet

(€ Million)	(Excl. IFRS16)		
	H1 24	2023	H1 23
Net Goodwill	637	635	628
Net Fixed Assets	5,605	5,533	4,994
Total Working Capital	-3,850	-4,309	-3,703
Others	307	203	144
Invested Capital	**2,698**	**2,061**	**2,062**
Total Borrowings	799	765	612
Financial Leases	113	102	92
Accrued Interest	14	22	8
Cash and Cash Equivalents	-1,321	-2,074	-1,434
Net Debt	**-394**	**-1,184**	**-721**
Non-Controlling Interests	252	265	256
Share Capital	629	629	629
Reserves and Retained Earnings	2,211	2,350	1,899
Shareholders Funds	**3,092**	**3,245**	**2,784**

Cash Flow

(€ Million)	(Excl. IFRS16)	
	H1 24	H1 23
EBITDA	742	758
Interest Payment	-27	-5
Other Financial Items	0	0
Income Tax	-197	-123
Funds From Operations	**519**	**630**
Capex Payment	-527	-495
Change in Working Capital	-323	-244
Others	-52	-18
Cash Flow	**-383**	**-127**

EBITDA Breakdown

(€ Million)	IFRS16				Excl. IFRS16			
	H1 24	Mg	H1 23	Mg	H1 24	Mg	H1 23	Mg
Biedronka	878	7.6%	872	8.5%	675	5.8%	703	6.8%
Hebe	20	7.3%	14	6.8%	3	1.2%	0	0.1%
Pingo Doce	132	5.5%	129	5.7%	95	4.0%	95	4.2%
Recheio	30	4.6%	32	5.1%	27	4.2%	29	4.6%
Ara	40	2.8%	18	1.7%	3	0.2%	-7	n.a.
Others & Cons. Adjustments	-59	n.a.	-61	n.a.	-61	n.a.	-62	n.a.
JM Consolidated	**1,040**	**6.4%**	**1,005**	**6.9%**	**742**	**4.6%**	**758**	**5.2%**

Financial Results

(€ Million)	IFRS16		Excl. IFRS16	
	H1 24	H1 23	H1 24	H1 23
Net Interest	-19	-2	-19	-2
Interests on Capitalised Operating Leases	-109	-82	-	-
Exchange Differences	4	11	2	-6
Others	-6	-5	-6	-5
Net Financial Costs	**-130**	**-78**	**-23**	**-14**

5.2. Sales Detail

(€ Million)	H1 24		H1 23		Δ %		Q2 24		Q2 23		Δ %	
		% total		% total	excl. FX	Euro		% total		% total	excl. FX	Euro
Biedronka	11,539	70.8%	10,316	71.1%	4.5%	11.9%	5,788	70.3%	5,475	71.0%	0.1%	5.7%
Hebe	271	1.7%	208	1.4%	22.0%	30.6%	142	1.7%	115	1.5%	16.8%	23.5%
Pingo Doce	2,398	14.7%	2,265	15.6%		5.9%	1,231	15.0%	1,188	15.4%		3.7%
Recheio	645	4.0%	632	4.4%		2.1%	342	4.2%	337	4.4%		1.6%
Ara	1,432	8.8%	1,084	7.5%	13.3%	32.1%	721	8.8%	590	7.7%	7.3%	22.2%
Others & Cons. Adjustments	12	0.1%	8	0.1%		n.a.	7	0.1%	4	0.1%		n.a.
Total JM	**16,298**	**100%**	**14,513**	**100%**	**5.5%**	**12.3%**	**8,232**	**100%**	**7,709**	**100%**	**1.7%**	**6.8%**

Sales Growth

	Total Sales Growth			LFL Growth		
	Q1 24	Q2 24	H1 24	Q1 24	Q2 24	H1 24
Biedronka						
Euro	18.8%	5.7%	11.9%			
PLN	9.3%	0.1%	4.5%	4.6%	-4.6%	-0.2%
Hebe						
Euro	39.2%	23.5%	30.6%			
PLN	28.0%	16.8%	22.0%	18.2%	7.5%	12.4%
Pingo Doce	8.3%	3.7%	5.9%	9.1%	3.0%	5.9%
Excl. Fuel	8.7%	3.8%	6.2%	9.5%	3.1%	6.1%
Recheio	2.7%	1.6%	2.1%	3.4%	1.0%	2.1%
Ara						
Euro	43.9%	22.2%	32.1%			
COP	20.0%	7.3%	13.3%	5.8%	-3.8%	0.7%
Total JM						
Euro	18.6%	6.8%	12.3%			
Excl. FX	9.9%	1.7%	5.5%	5.5%	-2.9%	1.1%

5.3. Stores Network

Number of Stores	2023	Openings		Closings	H1 24	H1 23
		Q1 24	Q2 24	H1 24		
Biedronka *	3,569	28	32	9	3,620	3,432
Hebe **	345	7	10	1	361	323
Pingo Doce	482	1	3	1	485	477
Recheio	43	0	0	0	43	43
Ara ***	1,290	27	32	0	1,349	1,201

Sales Area (sqm)	2023	Openings		Closings Remodellings	H1 24	H1 23
		Q1 24	Q2 24	H1 24		
Biedronka *	2,525,397	18,522	22,223	-10,055	2,576,197	2,416,183
Hebe **	88,379	1,800	2,422	325	92,276	82,869
Pingo Doce	564,903	127	5,555	-1,329	571,914	559,060
Recheio	145,269	0	0	399	144,870	137,877
Ara ***	446,493	10,112	11,404	0	468,009	413,200

* Excluding the stores and selling area related to 19 Micro Fulfilment Centres (MFC) to supply Biek's operation (ultra-fast delivery)
** Includes 2 stores outside Poland

*** Includes 64 Bodegas del Canasto (B2B)

5.4. Working Capital

(€ Million)	IFRS16		Excl. IFRS16	
	H1 24	H1 23	H1 24	H1 23
Inventories	1,874	1,676	1,874	1,676
in days of sales	*21*	*21*	*21*	*21*
Customers	68	47	68	47
in days of sales	*1*	*1*	*1*	*1*
Suppliers	-4,479	-4,212	-4,479	-4,212
in days of sales	*-50*	*-53*	*-50*	*-53*
Others	-1,318	-1,220	-1,313	-1,215
Total Working Capital	**-3,856**	**-3,708**	**-3,850**	**-3,703**
in days of sales	***-43***	***-46***	***-43***	***-46***

5.5. Total Borrowings and Financial Leases

(€ Million)	H1 24	H1 23
Long Term Borrowings / Financial leases	**419**	**309**
as % of Total	45.9%	43.9%
Average Maturity (years)	3.2	3.5
Short Term Borrowings / Financial leases	**494**	**395**
as % of Total	54.1%	56.1%
Total Borrowings / Financial leases	**913**	**705**
Average Maturity (years)	*1.7*	*1.7*
% Total Borrowings / Financial leases in euros	15.3%	6.8%
% Total Borrowings / Financial leases in zlotys	17.7%	27.0%
% Total Borrowings / Financial leases in Colombian pesos	67.1%	66.3%

5.6. Definitions

Like For Like (LFL) sales: sales made by stores that operated under the same conditions in the two periods. Excludes stores opened or closed in one of the two periods. Sales of stores that underwent profound remodelling are excluded during the period of the remodelling (store closure).

6. Reconciliation Note

(Following ESMA guidelines on Alternative Performance Measures from October 2015)

Income Statement

Income Statement (page 7)	**Consolidated Income Statement by Functions** (in Consolidated Financial Statements) **First Half 2024**
Net Sales and Services	Net sales and services
Gross Profit	Gross profit
Operating Costs	Includes headings of Distribution costs; and Administrative costs; excluding €-513 million related with Depreciations and amortisations (note 3 - Segments Reporting)
EBITDA	
Depreciation	Value reflected in the note 3 - Segments Reporting
EBIT	
Net Financial Costs	Net financial costs
Gains/Losses in Joint Ventures and Associates	Gains (losses) in joint ventures and associates
Other Profits/Losses	Includes headings of Other operating profits/losses; Gains/Losses in disposal of business (when applicable) and Gains/Losses in other investments (when applicable)
EBT	Profit before taxes
Income Tax	Income tax
Net Profit	Profit before non-controlling interests
Non-Controlling Interests	Non-Controlling interests
Net Profit Attributable to JM	Net profit attributable to Jerónimo Martins Shareholders

Balance Sheet

Balance Sheet (page 7)	Consolidated Balance Sheet at 30 June 2024 (in Consolidated Financial Statements)
Net Goodwill	Amount reflected in the heading of Intangible assets
Net Fixed Assets	Includes the headings Tangible and Intangible assets (excluding the Net goodwill of €637 million); and adding the Financial leases (€131 million)
Net Rights of Use (RoU)	Includes the heading of Net rights of use excluding the Financial leases (€131 million)
Total Working Capital	Includes the headings Current trade debtors, accrued income and deferred costs; Inventories; Biological assets; Trade creditors, accrued costs and deferred income; Employee benefits; and also, €-34 million related to 'Others' due to its operational nature. Excludes €-8 million related with Interest accruals and deferrals heading (note 15 - Net financial debt); and when applicable short-term investments that do not qualify as cash equivalents (note 9 - Debtors, accruals and deferrals)
Others	Includes the headings Investment property; Investments in joint ventures and associates; Other financial investments; Non-Current trade debtors, accrued income and deferred costs; Deferred tax assets and liabilities; Income tax receivable and payable; Provisions for risks and contingencies. Excludes €-34 million related to 'Others' due to its operational nature
Invested Capital	
Total Borrowings	Includes the heading Borrowings current and non-current
Financial Leases	Includes the heading of Financial leases (2024: €113 million; 2023: €102 million) according with IAS 17 in place before IFRS16 adoption
Capitalised Operating Leases	Amount in the heading of Lease liabilities current and non-current, excluding Financial leases (heading above)
Accrued Interest	Includes the headings Derivative financial instruments and €-8 million related with Interest accruals and deferrals (note 15 - Net financial debt)
Cash and Cash Equivalents	Includes the heading Cash and cash equivalents; and, when applicable, the amount of Short-term investments that do not qualify as cash equivalents (note 9 - Debtors, accruals and deferrals)
Net Debt	
Non-Controlling Interests	Non-Controlling interests
Share Capital	Share capital
Reserves and Retained Earnings	Includes the heading Share premium, Own shares, Other reserves and Retained earnings
Shareholders' Funds	

Cash Flow

Cash Flow (page 8)	Consolidated Cash Flow Statement (in Consolidated Financial Statements) First Half 2024
EBITDA	Includes the headings Cash generated from operations before changes in working capital, including headings which did not generate cash flow, and excluding profit and losses that do not have operational nature (€53 million)
Capitalised Operating Leases Payment	Included in the heading Leases paid, excluding €5 million related with the payment of financial leases according with previous accounting standards
Interest Payment	Includes the headings of Loans interest paid, Leases interest paid and Interest received
Income Tax	Income tax paid
Funds from Operations	
Capex Payment	Includes the headings Disposal of tangible and intangible assets; Disposal of other financial investments and investment property; Acquisition of tangible and intangible assets; Acquisition of other financial investments and investment property; and Acquisition of businesses, net of cash acquired. It also includes acquisitions of tangible assets classified as finance leases under previous accounting standards (€-15 million)
Change in Working Capital	Includes Changes in working capital
Others	Includes the headings Disposal of business (when applicable); and Profit and losses which generated cash flow, although not having operational nature (€-53 million)
Cash Flow	Corresponds to the Net change in cash and cash equivalents, deducted from Dividends paid; Acquisition of subsidiaries to non-controlling interests; Net change in loans; and Net change in Short-term investments that do not qualify as cash. It also includes acquisitions of tangible assets classified as finance leases (€-15 million); and deducted from the payment of financial leases (€5 million), both according with previous accounting standards

7. Information Regarding Individual Financial Statements

In accordance with number 5 of article 10 of the Regulation number 5/2008 of the Portuguese Securities Market Commission (CMVM), the First Half Individual Financial Statements of Jerónimo Martins SGPS, S.A. are not disclosed as they do not include additional relevant information, compared to the one presented in this report.

II – Condensed Consolidated Financial Statements

1. Consolidated Financial Statements

Index to the Notes to the Consolidated Financial Statements	**Page**

CONSOLIDATED INCOME STATEMENT BY FUNCTIONS

For the periods ended 30 June 2024 and 2023

€ Million

	Notes	June 2024	June 2023
Sales and services rendered	3	16,298	14,513
Cost of sales	4	(12,980)	(11,543)
Gross profit		**3,318**	**2,970**
Distribution costs	4	(2,522)	(2,146)
Administrative costs	4	(269)	(248)
Other operating profits/losses	4.1	(62)	(18)
Operating profit		**465**	**558**
Net financial costs	5	(130)	(78)
Profit before taxes		**334**	**480**
Income tax	6	(82)	(117)
Profit before non-controlling interests		**252**	**363**
Attributable to:			
Non-controlling interests		(1)	7
Jerónimo Martins Shareholders		**253**	**356**
Basic and diluted earnings per share - euros	12	0.4020	0.5671

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the periods ended 30 June 2024 and 2023

€ Million

	June 2024	June 2023	2nd Quarter 2024	2nd Quarter 2023
Net profit	**252**	363	**154**	221
Other comprehensive income:				
Change in fair value of equity instruments	-	(2)	-	(1)
Items that will not be reclassified to profit or loss	**-**	**(2)**	**-**	**(1)**
Currency translation differences	6	59	(4)	54
Change in fair value of cash flow hedges	0	(2)	0	(1)
Change in fair value of hedging instruments on foreign operations	(1)	(20)	3	(15)
Related tax	1	4	0	4
Items that may be reclassified to profit or loss	**6**	**41**	**(0)**	**42**
Other comprehensive income, net of income tax	**6**	**39**	**(0)**	**41**
Total comprehensive income	**258**	**403**	**154**	**263**
Attributable to:				
Non-controlling interests	(1)	7	(2)	5
Jerónimo Martins Shareholders	259	396	156	258
Total comprehensive income	**258**	**403**	**154**	**263**

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED BALANCE SHEET

As at 30 June 2024 and 31 December 2023

€ Million

	Notes	June 2024	December 2023
Assets			
Tangible assets	7	5,317	5,253
Intangible assets	7	793	790
Investment property	7	9	9
Right-of-use assets	7	3,497	3,198
Biological assets		8	8
Investments in joint ventures and associates		78	80
Other financial investments		2	2
Trade debtors, accrued income and deferred costs	9	57	59
Deferred tax assets		238	230
Total non-current assets		**10,000**	**9,629**
Inventories		1,847	1,790
Biological assets		19	19
Income tax receivable		111	86
Trade debtors, accrued income and deferred costs	9	781	829
Derivative financial instruments	8	1	6
Cash and cash equivalents	10	1,321	1,938
Total current assets		**4,079**	**4,668**
Total assets		**14,079**	**14,297**
Shareholders' equity and liabilities			
Share capital		629	629
Share premium		22	22
Own shares		(6)	(6)
Other reserves		(104)	(110)
Retained earnings		2,116	2,278
		2,657	**2,814**
Non-controlling interests		**238**	**253**
Total shareholders' equity		**2,895**	**3,066**
Borrowings	13	316	280
Lease liabilities	14	3,128	2,853
Trade creditors, accrued costs and deferred income	17	4	4
Derivative financial instruments	8	6	6
Employee benefits	16	81	78
Provisions for risks and contingencies	16	66	79
Deferred tax liabilities		114	104
Total non-current liabilities		**3,715**	**3,404**
Borrowings	13	483	485
Lease liabilities	14	579	530
Trade creditors, accrued costs and deferred income	17	6,400	6,705
Derivative financial instruments	8	1	13
Income tax payable		7	94
Total current liabilities		**7,469**	**7,827**
Total shareholders' equity and liabilities		**14,079**	**14,297**

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the periods ended 30 June 2024 and 2023

€ Million

	Shareholders' equity attributable to Shareholders of Jerónimo Martins, SGPS, S.A.								Non-controlling interests	Shareholders' equity
				Other reserves						
	Share capital	**Share premium**	**Own shares**	Cash flow hedge	Fair Value of financial assets	Currency translation reserves	**Retained earnings**	**Total**		
Balance Sheet as at 1 January 2023	629	22	(6)	-	(2)	(182)	1,869	2,331	254	2,585
Equity changes in 2024										
Currency translation differences	-	-	-	-	-	63	-	63	-	63
Change in fair value of cash flow hedging	-	-	-	(2)	-	-	-	(2)	-	(2)
Change in fair value of hedging instruments on foreign operations	-	-	-	-	-	(20)	-	(20)	-	(20)
Change in fair value of equity instruments	-	-	-	-	(2)	-	-	(2)	-	(2)
Other comprehensive income	-	-	-	(2)	(2)	43	-	39	-	39
Net profit	-	-	-	-	-	-	356	356	7	363
Total comprehensive income	-	-	-	(2)	(2)	43	356	396	7	403
Dividends	-	-	-	-	-	-	(346)	(346)	(17)	(363)
Balance Sheet as at 30 June 2023	629	22	(6)	(2)	(4)	(139)	1,880	2,381	244	2,625
Balance Sheet as at 1 January 2024	629	22	(6)	-	-	(110)	2,278	2,814	253	3,066
Equity changes in junho										
Currency translation differences	-	-	-	-	-	7	-	7	-	7
Change in fair value of hedging instruments on foreign operations	-	-	-	-	-	(1)	-	(1)	-	(1)
Other comprehensive income	-	-	-	-	-	6	-	6	-	6
Net profit	-	-	-	-	-	-	253	253	(1)	252
Total comprehensive income	-	-	-	-	-	6	253	259	(1)	258
Dividends (note 11)	-	-	-	-	-	-	(412)	(412)	(17)	(429)
Acquisitions/Disposal of non-controlling interests	-	-	-	-	-	-	(3)	(3)	3	(1)
Balance Sheet as at 30 June 2024	629	22	(6)	-	-	(104)	2,116	2,657	238	2,895

To be read with the attached notes to the consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the periods ended 30 June 2024 and 2023

€ Million

	Notes	June 2024	June 2023
Net results		253	356
Adjustments for:			
Non-controlling interests		(1)	7
Income tax		82	117
Depreciations and amortisations		513	429
Net financial costs		130	78
Gains/losses on derivatives instruments at fair value		(0)	(5)
Gains/losses in tangible, intangible and right-of-use assets		9	5
Operating cash flow before changes in working capital		**988**	**986**
Changes in working capital:			
Inventories		(58)	(92)
Trade debtors, accrued income and deferred costs		(12)	5
Trade creditors, accrued costs and deferred income		(242)	(174)
Provisions and employee benefits		(9)	19
Cash generated from operations		**666**	**743**
Income tax paid		(197)	(123)
Cash flow from operating activities		**469**	**620**
Investment activities			
Disposals of tangible and intangible assets		4	2
Reduction of the investment in joint ventures		2	-
Interest received		24	20
Acquisition of tangible and intangible assets		(506)	(481)
Acquisition of businesses, net of cash acquired		(12)	(2)
Acquisition of subsidiaries to non-controlling interests		(3)	-
Short-term investments that don't qualify as cash equivalents	9	136	(53)
Cash flow from investment activities		**(355)**	**(515)**
Financing activities			
Loans interest paid		(48)	(24)
Leases interest paid	5	(113)	(83)
Net change in loans	13	61	89
Leases paid	14	(194)	(170)
Dividends paid	11	(429)	(363)
Cash flow from financing activities		**(722)**	**(551)**
Net changes in cash and cash equivalents		**(608)**	**(445)**
Cash and cash equivalents changes			
Cash and cash equivalents at the beginning of the year		1,938	1,781
Net changes in cash and cash equivalents		(608)	(445)
Effect of currency translation differences		(10)	21
Cash and cash equivalents at the end of June	10	**1,321**	**1,357**

To be read with the attached notes to the consolidated financial statements.

€ Million

	June 2024	June 2023	2nd Quarter 2024	2nd Quarter 2023
Cash Flow from operating activities	469	620	212	470
Cash Flow from investment activities	(355)	(515)	(205)	(257)
Cash Flow from financing activities	(722)	(551)	(566)	(423)
Cash and cash equivalents changes	**(608)**	**(445)**	**(559)**	**(210)**

The amounts presented for quarters are not audited.

1. Activity

Jerónimo Martins, SGPS, S.A. (JMH), is the parent Company of Jerónimo Martins (Group) and has its head office in Lisbon.

The Group operates in the areas of Food Distribution and Agrifood Production in Portugal, and Distribution with a predominance of Food in Poland and Colombia. In 2023 it began activity in other geographies, namely in the Agrifood sector (aquaculture) in Morocco, and in Specialized Retail from Poland to Czechia and Slovakia.

Head Office: Rua Actor António Silva, n.º 7, 1649-033 Lisboa, Portugal.

Share Capital: 629,293,220 euros.

Registered at the Commercial Registry Office and Tax Number: 500 100 144.

JMH has been listed on the Euronext Lisbon since 1989.

The Board of Directors approved these Consolidated Financial Statements on 23 July 2024.

2. Accounting policies

2.1. Basis for preparation

All amounts are shown in million euros (€ million) unless otherwise stated. Due to rounding's, the arithmetic result of the numbers shown in the plots may not exactly match the totals.

The amounts presented for quarters and the corresponding changes are not audited.

JMH condensed consolidated financial statements were prepared in accordance with the interim financial reporting standard (IAS 34), and all other International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) and with the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union (EU).

The JMH consolidated financial statements were prepared in accordance with the same standards and accounting policies adopted by the Group in the preparation of the annual financial statements, except for the adoption of new standards, amendments and interpretations, effective as of 1 January 2024, and essentially including an explanation of the events and relevant changes for the understanding of variations in the financial position and Group performance since the last annual report. Thus, the accounting policies as well as some of the notes from the 2023 annual report are omitted because no changes occurred, or they are not materially relevant for the understanding of the interim financial statements.

As mentioned in the Consolidated Financial Statements chapter of the 2023 Annual Report, note 29 - Financial risks, the Group, as a result of its normal activity, is exposed to several risks which are monitored and mitigated throughout the year. During the first semester of 2024, there was no material changes in addition to the notes detailed below, that could significantly change the assessment of the risks that the Group is exposed to.

Change in accounting policies and basis for preparation:

2.1.1. New standards, amendments and interpretations adopted by the Group

Between November and May 2024, the EU issued the following Regulations, which were adopted by the Group with effect from 1 January 2024:

EU Regulation	IASB Standard or IFRIC Interpretation endorsed by EU	Standard / interpretation issued in	Mandatory for financial years beginning on or after
Regulation no. 2579/2023	IFRS 16 Leases: Lease Liability in a sale and leaseback (amendments)	September 2022	1 January 2024
Regulation no. 2822/2023	IAS 1 Presentation of Financial Statements: i) Classification of Liabilities as Current or Non-current (amendments); ii) Non-current Liabilities with Covenants (amendments)	January and July 2020, and October 2022	1 January 2024
Regulation no. 1317/2024	IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (amendments)	May 2023	1 January 2024

The Group adopted the above amendments, with no significant impact on its Consolidated Financial Statements.

2.1.2. New standards, amendments and interpretations endorsed by EU but not effective for the financial year beginning 1 January 2024 and not early adopted

During the first semester of 2024, the EU did not issue any Regulation regarding the endorsement of new standards, amendments or interpretations that have not yet been implemented by the Group.

2.1.3. New standards, amendments and interpretations issued by IASB and IFRIC, but not yet endorsed by EU

IASB issued between April and July 2024 the following standards and amendments that are still pending endorsement by the EU:

IASB Standard or IFRIC Interpretation	Standard / interpretation issued in	Expected application for financial years beginning on or after
IFRS 18 Presentation and Disclosure in Financial Statements (new)	April 2024	1 January 2027
IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments: Classification and measurement of financial instruments (amendments)	May 2024	1 January 2026
IFRS 19 Subsidiaries without Public Accountability: Disclosures (new)	May 2024	1 January 2027
Annual Improvements to IFRS's - Volume 11: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows (amendments)	July 2026	1 January 2026

The Management is currently evaluating the impact of adopting the new standards and amendments to the existing standards, and so far, does not expect a significant impact on the Group's Consolidated Financial Statements.

2.1.4. Change of accounting policies

Except as disclosed above, the Group has not changed its accounting policies during the first semester of 2024, nor were identified errors regarding previous years, which compel the restatement of the Consolidated Financial Statements.

2.2. Transactions in foreign currencies

Transactions in foreign currencies are translated into the functional currency (euro) at the exchange rate prevailing on the transaction date.

At the balance sheet date, monetary assets and liabilities expressed in foreign currencies are translated at the exchange rate prevailing on that date, and exchange differences arising from this conversion are recognised in the income statement. When qualifying as cash flow hedges or hedges on investments in foreign subsidiaries or when classified as other financial investments, which are equity instruments, the exchange differences are deferred in equity.

The main exchange rates applied on the balance sheet date are those listed below:

Euro foreign exchange reference rates (x foreign exchange units per 1 euro)	**Polish Zloty (PLN)**	**Colombian Peso (COP)**
Rate at 30 June 2024	4.3090	4,451.2500
Average rate for the period	4.3159	4.241.2200
Rate at 30 June 2023	4.4388	4,554.2400
Average rate for the period	4.6202	4,945,7200

In addition to these currencies, the Group carries out transactions based on other currencies and holds subsidiaries with other functional currencies, which, however, represent reduced materiality.

3. Segments reporting

Segment information is presented in accordance with internal reporting to Management. Based on this report, the Management evaluates the performance of each segment and allocates the available resources.

The identified operating segments are:

- Portugal Retail: comprises the business unit of JMR (Pingo Doce supermarkets);
- Portugal Cash & Carry: includes the business unit Recheio;
- Poland Retail: the business unit which operates under Biedronka banner;
- Colombia Retail: the business unit which operates under Ara banner;
- Others, eliminations and adjustments: includes i. business units with reduced materiality (Coffee Shops and Chocolate Stores, Agribusiness and Health and Beauty Retail in Poland under Hebe banner); ii. the Holding Companies; and iii. Group's consolidation adjustments.

Detailed information by operating segments as at June 2024 and 2023

	Portugal Retail		Portugal Cash & Carry		Poland Retail		Colombia Retail		Others, eliminations and adjustments		Total JM Consolidated	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net sales and services	**2,700**	2,565	**645**	632	**11,539**	10,316	**1,432**	1,084	**(19)**	(84)	**16,298**	14,513
Inter-segments	302	300	4	4	-	-	-	-	(306)	(303)	-	-
External customers	2,398	2,265	641	628	11,539	10,316	1,432	1,084	288	219	16,298	14,513
Operational cash flow (EBITDA)	**132**	129	**30**	32	**878**	872	**40**	18	**(39)**	(47)	**1,040**	1,005
Depreciations and amortisations	(101)	(88)	(13)	(11)	(313)	(265)	(52)	(36)	(34)	(28)	(513)	(429)
Earnings before interest and taxes (EBIT)	**31**	41	**17**	21	**564**	606	**(13)**	(17)	**(73)**	(75)	**527**	576
Other operating profits/losses											(62)	(18)
Financial results and gains in investments											**(131)**	(78)
Income tax											(82)	(117)
Minority Interests											1	(7)
Net result attributable to JM											**253**	356
Total assets (1)	**2,680**	2,584	**549**	544	**8,420**	8,633	**1,658**	1,722	**772**	814	**14,079**	14,297
Total liabilities (1)	**2,199**	2,067	**544**	518	**7,118**	7,057	**1,607**	1,692	**(285)**	(103)	**11,184**	11,231
Investments in tangible and intangible assets	**156**	101	**7**	13	**106**	182	**68**	127	**33**	20	**370**	443

(1) The comparative report is 31 December of 2023

Reconciliation between EBIT and operating profit

	2024	2023
EBIT	527	576
Other operating profits/losses	(62)	(18)
Operational result	**465**	558

4. Operating costs by nature

	Jun 2024	Jun 2023
Cost of goods sold and materials consumed	(12,798)	(11,382)
Changes in inventories of finished goods and work in progress	9	18
Net cash discount and interest paid to suppliers	43	28
Electronic payment commissions	(43)	(36)
Other supplementary costs	(170)	(150)
Supplies and services	(580)	(547)
Advertising costs	(88)	(62)
Rents	(14)	(15)
Staff costs	(1,453)	(1,202)
Transportation costs	(176)	(154)
Depreciation and amortisation of tangibles and intangibles assets	(290)	(241)
Depreciation of right-of-use assets	(223)	(187)
Profit/loss with tangible and intangible assets	(10)	(6)
Profit/loss with right-of-use assets	0	1
Other natures of profit/loss	(40)	(18)
Total	**(15,833)**	**(13,955)**

4.1. Other operating profits/losses

Operating costs by nature include the following other operating losses and gains considered material, which are excluded from the Group's performance indicators, to assure a better comparability between financial periods:

	Jun 2024	Jun 2023
Donation to Jerónimo Martins Foundation	(40)	-
Donations to other entities	(2)	-
Increase of provisions for legal contingencies	(0)	(13)
Costs with organizational restructuring programmes	(12)	(8)
Assets write-offs and gains/losses in sale of tangible assets	(8)	(2)
Fair value of energy price fixing derivative instruments	0	5
Total	**(62)**	**(18)**

As communicated on March 22, 2024, the Jerónimo Martins Foundation was created, with an initial endowment of €40 million, that will increase the scale and extend the reach of the Group's social and solidarity initiatives.

5. Net financial costs

	Jun 2024	Jun 2023
Loans interest expense	(39)	(22)
Leases interest expense	(113)	(83)
Interest received	23	21
Net foreign exchange	7	(6)
Net foreign exchange on leases	3	18
Other financial gains and losses	(6)	(5)
Fair value of financial investments held for trade:		
Derivative instruments (note 8)	(5)	0
Total	**(130)**	**(78)**

Interest expense includes the interest on loans measured at amortised cost.

Exchange differences on Net foreign exchange on leases refer to the exchange rate update, reported on 30 June, on the euro-denominated lease contracts of the subsidiaries Jeronimo Martins Polska, SA (JMP or Biedronka), Jeronimo Martins Drogerie i Farmacja Sp.zo.o. (JMDiF or Hebe) and Hebe Cesko, s.r.o. (Hebe Czechia), compared to the amount recognised at the end of the previous year (31 December).

Other financial gains and losses include costs with debt issued by the Group, recognised in results through effective interest method.

6. Income tax recognised in the income statement

	Jun 2024	Jun 2023
Current income tax		
Current tax of the year	(86)	(127)
Adjustment to prior year estimation	4	8
Total	**(82)**	**(118)**
Deferred tax		
Temporary differences created and reversed	(12)	7
Change to the recoverable amount of tax losses and temporary differences from previous years	10	(3)
Total	**(2)**	**3**
Other gains/losses related to tax		
Impact of changes in estimates for tax litigations	1	(2)
Total	**1**	**(2)**
Total income tax	**(82)**	**(117)**

In 2024 and 2023, the Corporate Income Tax rate (CIT) applied to companies operating in Portugal was 21%. For companies with a positive tax result, there is a surcharge of 1.5% regarding municipal tax, and an additional state tax that varies between 3%, 5% and 9%, for taxable profits higher than €1.5 million, €7.5 million and €35 million, respectively.

Additionally, in 2023 it was in force a temporary solidarity contribution on the food distribution sector (CST Food Distribution), approved in 2022, applicable to companies that carry out food retail activities in Portugal, with the indication that it is intended to tackle the inflationary phenomenon. The CST Food Distribution corresponded to an additional rate of 33% on the taxable income that exceeded 20% of the average taxable income for the reference period (2018–2021). Its application was limited to the years 2022 and 2023.

In Poland, for 2024 and 2023, the income tax rate applied to taxable income was 19%.

In Colombia, the income tax rate was 35% in 2024 and 2023.

7. Tangible assets, intangible assets, investment property and right-of-use assets

	Tangible assets	Intangible assets	Investment property	Right-of-use assets	Total
Net value at 31 December 2023	**5,253**	**790**	**9**	**3,198**	**9,251**
Foreign exchange differences	(21)	3	-	(12)	(30)
Increases	363	7	-	122	492
Contracts update	-	-	-	421	421
Disposals and write-offs	(14)	(0)	-	-	(14)
Contracts cancellation	-	-	-	(8)	(8)
Transfers	0	1	-	(1)	-
Acquisitions/Disposals of business	18	0	-	-	18
Depreciation, amortisation and impairment losses	(282)	(8)	-	(223)	(513)
Net value at 30 June 2024	**5,317**	**793**	**9**	**3,497**	**9,616**

The increase in tangible assets correspond to the Group's investments in new stores and distribution centres and remodelling of the existing stores.

Net value of intangible assets at 30 June 2024 include Goodwill in the amount of €637 million.

Due to currency translation adjustment of the assets in the Group's businesses reported in foreign currency, the net amount of tangible and intangible assets and right-of-use assets decreased €30 million. This change includes an increase of €2 million related to Goodwill from businesses in Poland.

8. Derivative financial instruments

	Jun 2024					Dec 2023				
	Notional	Assets		Liabilities		Notional	Assets		Liabilities	
		Current	Non-curren	Current	Non-curren		Current	Non-current	Current	Non-current
Derivatives held for trading										
Currency forwards - stock purchase (COP/EUR)	3.2 million EUR	0	-	-	-	1.6 million EUR	-	-	0	-
Currency forwards - stock purchase (COP/USD)	3.9 million USD	0	-	-	-	2.7 million USD	-	-	0	-
Currency forwards - stock purchase (PLN/EUR)	20 million EUR	0	-	-	-	3.0 million EUR	-	-	0	-
Currency forwards - treasury applications (PLN/EUR)	-	-	-	-	-	89.8 million EUR	6	-	-	-
Commodities swap - energy purchase (PLN/EUR)	n/a	-	-	-	6	n/a	-	-	-	6
Cash flow hedging derivatives										
Currency forwards - stock purchase (PLN/USD)	3.5 million USD	0	-	-	-	-	-	-	-	-
Currency forwards - stock purchase (PLN/USD)	-	-	-	-	-	9.9 million EUR	-	-	0	-
Currency forwards - stock purchase (COP/EUR)	0.6 million EUR	0	-	-	-	0.8 million EUR	-	-	0	-
Currency forwards - stock purchase (COP/USD)	2.5 million USD	0	-	-	-	1.2 million USD	-	-	0	-
Foreign operation investments hedging derivatives										
Currency forwards (PLN)	462 million PLN	-	-	1	-	1,241 million PLN	-	-	12	-
Total derivatives held for trading		**1**	**-**	**-**	**6**		6	-	-	6
Total hedging derivatives		**-**	**-**	**1**	**-**		-	-	12	-
Total assets/liabilities derivatives		**1**	**-**	**1**	**6**		6	-	13	6

9. Trade debtors, accrued income and deferred costs

	Jun 2024	Dec 2023
Non-current		
Other debtors	54	56
Deferred costs	3	3
Total	**57**	**59**
Current		
Commercial customers	81	72
Other debtors	231	189
Other taxes receivable	10	11
Accrued income and deferred costs	459	423
Short-term investments that don't qualify as cash equivalents	-	135
Total	**781**	**829**

10. Cash and cash equivalents

	Jun 2024	Dec 2023
Bank deposits	428	587
Short-term investments	889	1,348
Cash in hand	4	4
Total	**1,321**	**1,938**

11. Dividends

Dividends in the amount of €429 million were paid in 2024, to JMH shareholders in the amount of €412 million and to partners with non-controlling interests in the Group companies in the amount of €17 million.

12. Basic and diluted earnings per share

	Jun 2024	Jun 2023
Ordinary shares issued at the beginning of the year	629,293,220	629,293,220
Own shares at the beginning of the year	(859,000)	(859,000)
Weighted average number of ordinary shares	**628,434,220**	**628,434,220**
Diluted net results of the year attributable to ordinary shares	253	356
Basic and diluted earnings per share – Euros	**0.4020**	**0.5671**

13. Borrowings

The Group has negotiated commercial paper programs in the total amount of €250 million, of which €100 million are committed. The utilizations under these programs are remunerated at the Euribor rate for the respective issue period plus variable spreads and can also be issued on auctions. In the first semester of the year some emissions were carried out, for short periods of time, to meet cash requirements whose use as of 30 June 2024 was of €60 million.

Jeronimo Martins Polska S.A. made a scheduled repayment of a medium and long-term financing in the amount of 49,6 million zloty, around €11,5 million. Short-term credit facilities were increased by 250 million zloty, around €58 million.

Jeronimo Martins Colombia, SAS (JMC) issued two new loans, in a total amount of 380 thousand million Colombian pesos, for a period of 1 year, through international banks, equivalent to €85 million. It was issued a medium-long term loan, for a period of 2 years, with a local bank, in a total amount of 250 thousand million Colombian pesos, equivalent to around €56 million. JMC paid 69 thousand million Colombian pesos, around €15 million, related to capital repayments of three medium and long-term loans.

13.1. Current and non-current loans

Jun 2024	Opening balance	Cash flows	Transfers	Foreign exchange difference	Closing balance
Non-current loans					
Bank loans	280	51	(12)	(9)	316
Total	**280**	**51**	**(12)**	**(9)**	**316**
Current loans					
Bank overdrafts	73	(39)	-	(2)	33
Bank loans	412	48	12	(21)	450
Total	**485**	**10**	**12**	**(23)**	**483**

14. Lease liabilities

Jun 2024	Current	Non-current	Total
Opening balance	**530**	**2,853**	**3,382**
Increases (new contracts)	14	108	122
Payments	(194)	(0)	(194)
Transfers	165	(165)	-
Contracts change/ cancel	66	347	412
Foreign exchange difference	(1)	(14)	(16)
Closing balance	**579**	**3,128**	**3,707**

15. Financial net debt

As the Group contracted several foreign exchange rate risk and interest risk hedging operations, as well as short-term investments, the net consolidated financial debt as at the balance sheet date is:

	Jun 2024	Dec 2023
Non-current loans (note 13.1)	316	280
Current loans (note 13.1)	483	485
Financial lease liabilities - non-current (note 14)	3,128	2,853
Financial lease liabilities - current (note 14)	579	530
Derivative financial instruments (note 8)	5	12
Interest on accruals and deferrals	8	10
Cash and cash equivalents (note 10)	(1,321)	(1,938)
Short-term investments that don't qualify as cash equivalents (note 9)	-	(135)
Total	**3,200**	**2,097**

16. Provisions and employee benefits

2024	Risks and contingencies	Employee benefits
Balance as at 1 January	**79**	**78**
Set up, reinforced and transfers	2	6
Unused and reversed	(2)	-
Used	(14)	(2)
Balance as at 30 June	**66**	**81**

17. Trade creditors, accrued costs and deferred income

	Jun 2024	Dec 2023
Non-current		
Trade payables	3	3
Accrued costs and deferred income	1	1
Total	**4**	**4**
Current		
Trade payables	5,028	5,224
Non-trade payables	396	521
Other taxes payables	212	166
Contracts liabilities with customers	13	16
Refunds liabilities to customers	2	2
Accrued costs and deferred income	749	776
Total	**6,400**	**6,705**

18. Contingencies

Contingent liabilities

During the first half of 2024, the following changes occurred to the contingencies mentioned in the 2023 Annual Report:

Competition Authorities proceedings:

- In Poland, the subsidiary Jerónimo Martins Polska, S.A. (JMP) was notified in 2020 by the Polish Office of Competition and Consumer Protection (UOKiK) on the opening of one proceeding related to the disclosure of country of origin of fruit and vegetable products at store level. On 22 April 2021 UOKiK notified JMP of the decision on the case, imposing a fine of 60 million zloty (c. €13 million). The mentioned decision is not final, so JMP, disagreeing with the understanding and conclusion of this Authority, filed an appeal before the Court of Competition and Consumer Protection (CCCP). On 17 April 2023 the CCCP sustained UOKiK's decision. JMP filed the appeal to the Court of Appeals. On 28 March 2024 the Court of Appeals dismissed JMP's appeal, and the company paid the fine in April 2024. Convinced of the legal and factual grounds of its position, JMP decided to file an extraordinary appeal to the Supreme Court.

Other tax and legal proceedings:

c) The Portuguese Tax Authorities (PTA) carried out some corrections to the CIT from Companies included in the perimeter of the Tax Group headed by Recheio SGPS. With these corrections the total assessments concerning 2007 to 2014 amounted to €17 million, of which an amount of €16 million is still in dispute. The Lisbon Tax Court has already ruled in favour of Recheio SGPS regarding the 2008, 2009, 2010, 2011, 2013 and 2014 assessments. Up to this date, the PTA has appealed of all those decisions. In 2024 the Central Administrative Court ruled in favor of Recheio, regarding the 2010 financial year and the Supreme Administrative Court in favor of the Public Treasury, regarding 2013, therefore, regarding the latter, Recheio has already filed an appeal;

d) The PTA has informed JMH of the non-acceptance of the deductibility of capital losses, in the amount of €25 million, related to 2007 financial year, with the liquidation of one Company and the sale of another, which generated a correction on the Company's tax losses in the estimated tax amount of €7 million. Due to decisions favourable to JMH regarding corrections of losses from previous years, the amount currently in dispute is €5 million. In 2019, the Lisbon Tax Court ruled in favour of JMH, however, the PTA have appealed the said decision to a higher court. In 2024, the Central Administrative Court ruled in favour of JMH regarding the total amount, closing the process;

g) The PTA notified JMR SGPS, for 2020 and 2021, of the settlement in the amount of € 7.5 million and corrected JMH's tax losses concerning 2020, in the amount of € 3.2 million, considering that the amortization of brands and, also in JMR's, donations granted, were not CIT deductible, a decision contrary to the legislative changes. The Board of Directors, supported by the opinion of its lawyers and tax advisers, believes the Company has sufficient grounds for its defence;

h) Since 2012, the Food and Veterinary Department (Direção-Geral de Alimentação e Veterinária) claimed from Pingo Doce, Recheio and Hussel the payment of the Food Safety Tax (Taxa de Segurança Alimentar Mais – TSAM), which is paid every six months. Those settlements were and are challenged in court, as they are considered to be undue, either for reasons of constitutionality of the statute that created them, or for other reasons. Although decisions have already been made that do not consider the tax unconstitutional, the Group's companies maintain their understanding, and therefore continue to appeal against such decisions. Some of them have already become final and, therefore, in these cases, payment had to be made. The Group filed a complaint with the European Commission as it also understands that we are in the presence of illegal State aid. This complaint is still under appreciation. As mentioned, the Group's companies continue to regularly file objections to the rate (every six months), carrying out a regular analysis of the risk and probability of a favourable outcome in any of the processes and/or the complaint to the European Commission. Currently, the fees under discussion in the courts amount to around €21 million, €3 million and €0.05 million, for Pingo Doce, Recheio and Hussel, respectively;

i) The court trustee of the company ZM Kania has brought a lawsuit against JMP for the amount of 23 million zloty (€5 million). The claim is based on all the discounts that JMP collected from this supplier in the period 2016-2019 with grounds on the Unfair competition act (all granted rappels are argued as not constituting a price element) and on the Law on protection of competition and consumers. On 29 February 2024, the Court dismissed trustee's claims against JMP in a whole. The trustee has appealed to the Court of Appeal.

19. Related parties

56.136% of the Group is owned by the Sociedade Francisco Manuel dos Santos, B.V., with Sociedade Francisco Manuel dos Santos, S.E. the entity that qualifies as the ultimate parent company of the Group.

Balances and transactions of Group Companies with related parties are as follows:

	Joint ventures		Associates		Other related parties(*)	
	jun 2024	jun 2023	jun 2024	jun 2023	jun 2024	jun 2023
Sales and services rendered	-	-	15	12	0	0
Stocks purchased and services supplied	2	2	(0)	(0)	58	47
	Joint ventures		**Associates**		**Other related parties(*)**	
	jun 2024	**Dec 2023**	**jun 2024**	**Dec 2023**	**jun 2024**	**Dec 2023**
Trade debtors, accrued income and deferred costs	0	2	6	5	0	0
Trade creditors, accrued costs and deferred income	1	0	(0)	0	24	23

(*) Other related parties corresponds to Other financial investments, entities participated and/or controlled by the major shareholder of Jerónimo Martins and entities owned or controlled by members of the Board of Directors.

All the transactions with related parties were made under normal market conditions, meaning, the transaction value corresponds to prices that would be applicable between non-related parties.

Outstanding balances between Group Companies and related parties, as a result of trade agreements, are settled in cash, and are subject to the same payment terms as those applicable to other agreements contracted between Group Companies and their suppliers.

There are no provisions for doubtful debts and no costs were recognised during the year related with bad debts or doubtful debts with these related parties.

20. Subsidiaries

On 25 March 2024, through the subsidiary Jerónimo Martins – Agro-Alimentar, S.A. (JMAA), 20% of the capital of the company Outro Chão – Agricultura Biológica, Lda. were acquired, and the Group now owns 100% of the company.

On 19 June 2024, through the subsidiary JMAA, 30% of the capital of the company Supreme Fruits, Lda. (SF), were acquired, with the Group now holding 80% of said company. SF is thus now fully consolidated in the Group's financial statements (previously it was consolidated by the equity method), and the resulting impacts are not materially relevant.

21. Events after the balance sheet date

At the conclusion of this Report there were no relevant events to highlight that are not disclosed in the Financial Statements.

Lisbon, 23 July 2024

The Certified Accountant **The Board of Directors**

2. Statement of the Board of Directors

Statement of the Board of Directors

Within the terms of paragraph c), number 1 of article 29-J of Portuguese Securities Code, we hereby inform you that to the best of our knowledge:

i) the information contained in the interim management report is a faithful statement of the evolution of the businesses, of the performance and of the position of Jerónimo Martins, SGPS, S.A. and the companies included within the consolidation perimeter, and contains a description of the main risks and uncertainties which they face; and

ii) the information contained in the consolidated financial statements, as well as their annexes, was produced in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, the financial situation and the results of Jerónimo Martins, SGPS, S.A. and the companies included in the consolidation perimeter.

Lisbon, 23 July 2024

Pedro Manuel de Castro Soares dos Santos
(Chairman of the Board of Directors and Chief Executive Officer)

Andrzej Szlezak
(Member of the Board of Directors)

António Pedro de Carvalho Viana-Baptista
(Member of the Board of Directors)

Artur Stefan Kirsten
(Member of the Board of Directors)

Clara Christina Streit
(Member of the Board of Directors and Chairwoman of the Audit Committee)

Elizabeth Ann Bastoni
(Member of the Board of Directors and Member of the Audit Committee)

Francisco Seixas da Costa
(Member of the Board of Directors)

José Manuel da Silveira e Castro Soares dos Santos
(Member of the Board of Directors)

María Ángela Holguín
(Member of the Board of Directors)

Natalia Anna Olynec
(Member of the Board of Directors)

Sérgio Tavares Rebelo
(Member of the Board of Directors and Member of the Audit Committee)

Building a better working world

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(Translation from the original Portuguese language.
In case of doubt, the Portuguese version prevails.)

Limited review report on the condensed consolidated financial statements

Introduction

We have performed a limited review on the condensed consolidated financial statements of Jerónimo Martins, S.G.P.S., S.A., which comprise the consolidated statement of financial position as at 30 June 2024 (showing a total of 14.079 million Euros and a shareholder's equity total of 2.895 million Euros, including a consolidated net profit attributable to equity holders of the parent of 253 million Euros), consolidated income statement by functions, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six month period then ended, and the notes to the condensed consolidated financial statements.

Board of Directors responsibilities

The Board of Directors is responsible for the preparation of the condensed consolidated financial statements in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34), and for the design and maintenance of an appropriate system of internal control to enable the preparation of condensed consolidated financial statements which are free from material misstatement due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these condensed consolidated financial statements based on our review. We conducted our review in accordance with the International Standard on Review Engagements 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and other rules and technical and ethical requirements issued by the Institute of Statutory Auditors. Those standards require that our work is performed in order to conclude that nothing has come to our attention that causes us to believe that the condensed consolidated financial statements have not been prepared in all material respects in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34).

A review of financial statements is a limited assurance engagement. The procedures performed consisted primarily of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on our review procedures, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of Jerónimo Martins, S.G.P.S., S.A., as at 30 June 2024, have not been prepared, in all material respects, in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34).

Lisbon, 5 August 2024

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas (n.º 178)
Represented by:

(Signed)

Pedro Miguel Borges Marques - ROC n.º1801
Registered with the Portuguese Securities Market Commission under license nr 20161640

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