

Deoleo, S.A. and subsidiaries

V. EXPLANATORY NOTES ACCOMPANYING THE INTERIM FINANCIAL STATEMENTS

1. Summary of significant accounting policies

A. Interim separate financial statements

The accounting criteria used to draw up these interim separate financial statements are those set down in Spain's General Accounting Plan (Spanish GAAP), enacted by means of Royal Decree 1514/2007, which took effect on 1 January 2008.

B. Interim consolidated financial statements

The accounting criteria used to draw up the interim consolidated financial statements are the International Financial Reporting Standards adopted to date by the European Union (IFRS-EU). Note that those standards were applied in a uniform manner with respect to the annual consolidated financial statements for the year ended 31 December 2024.

2. Going concern

The Parent's directors have prepared and authorised the interim separate and consolidated financial statements for 2025 on a going-concern basis.

As indicated in note 11-VIII, on 19 March 2025, the Group executed a senior facilities agreement in the amount of 160,000 thousand euros with a series of financiers in order to: (i) refinance all of its loans, which totalled 160,096 thousand euros and included current debt due in June 2025 in the amount of 78,096 thousand euros; and (ii) extend the maturity of the Group's borrowings to March 2029. Execution of the Financing fully guarantees the Group's financial stability and evidences the continued support of the Group's main shareholders.

The Parent's directors believe that the Group will be able realise its assets and discharge its liabilities in the normal course of business, i.e., at the amounts and within the terms at which they are recognised on the accompanying consolidated statement of financial position at 31 December 2025.

3. Transaction cyclicity or seasonality

The business activities of the various entities comprising the Deoleo Group, taken together and for the current reporting period, are not materially seasonal or cyclical, which means that its recurring operating earnings were generated evenly over the period.

4. Critical accounting estimates and judgements

The preparation of the interim consolidated financial statements requires the Parent's management to make significant accounting judgements, estimates and assumptions. Those judgements, estimates and assumptions are the same as those applied in the last set of annual consolidated financial statements.

Certain new accounting standards took effect in 2025 and were accordingly considered in preparing these interim consolidated financial statements; they did not imply any changes in the Group's accounting policies.

The Group intends to apply the new standards, interpretations and amendments issued by the IASB whose application is not mandatory in the European Union when they are effective, to the extent applicable to the Group. Although the Group is still in the process of analysing their impact, based on the analysis performed to date, it estimates that their initial application will not have a significant impact on its interim consolidated financial statements.