

Lidl Holding s.r.o.

Annual Report for the year ended 29 February 2024

Annual Report for the year ended 29 February 2024

General information

| | |
|---------------------------------|---|
| Company name: | Lidl Holding s.r.o. |
| Registered office: | Nároční 1359/11, Prague 5, Czech Republic |
| Legal form: | Limited liability company |
| Principal scope of business: | Holding property rights in subsidiary companies |
| Business registration no. (IČ): | 261 35 094 |
| Statutory body: | Statutory representatives: Adam Mischyszyn, Vít Pravda, Martin Molnár |
| Partners: | Lidl International Holding s.r.o., Nároční 1359/11, Stodůlky, 158 00 Prague 5 |

The Company is recorded in the public register maintained with the Municipal Court in Prague, Section C, Insert No. 73294, entry date: 6 December 1999.

Comments on financial performance in the year ended 29 February 2024:

- The Company's revenues from the sale of products and services for the fiscal year ended 29 February 2024 amounted to CZK 122,762 thousand, and its after-tax loss was CZK 245,051 thousand.
- The loss was mainly due to the creation of the allowance against long-term financial investments of CZK 315,344 thousand.

Projected outlook:

- The Company expects to continue to hold equity interests in its subsidiaries and to manage its own assets in the period ahead.

Subsequent events (material for fulfilling the purpose of the Annual Report):

- On 29 February 2024, Dr. Vít Pravda's statutory representative office ceased. Entered in the Commercial register on 1 March 2024.
- On 1 March 2024, Daniel Hans Siegfried Eichholz was appointed a statutory representative of the Company. Entered in the Commercial Register on 24 April 2024.

Research and development activities:

- The Company carries out no research and development activities.

Environmental protection and employment relations:

- In the year ended 29 February 2024, the Company complied with all legal standards and regulations pertaining to environmental protection and labor-law relations.

Foreign branch or a part of the undertaking abroad:

- The Company has no foreign branch or other parts of an undertaking abroad.


Acquisition of equity interests and information required under special legislation:

- The Company did not acquire any equity interests in the year ended 29 February 2024.
- The Company is not required to disclose information under special legislation.

List of appendices to the Annual Report:

- The financial statements for the year ended 29 February 2024, including the auditor's report, the financial statements and the notes to the financial statements.
- Report on Relations for the year ended 29 February 2024.

In Prague, 28 June 2024



.....
Adam Mjszczyszyn



.....
Daniel Eichholz

(Translation of a report originally issued in Czech - see Note 2 to the financial statements.)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Lidl Holding s.r.o.:

Opinion

We have audited the accompanying financial statements of Lidl Holding s.r.o. (the Company) prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as at 29 February 2024, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information. For details of the Company, see Note 1 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 29 February 2024, and of its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Statutory Representatives are responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of the Company's Statutory Representatives for the Financial Statements

The Statutory Representatives are responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as the Statutory Representatives determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements


Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with above regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Statutory Representatives.
- Conclude on the appropriateness of the Statutory Representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Ernst & Young Audit, s.r.o.
License No. 401



Milan Kočka, Auditor
License No. 1994

28 June 2024
Prague, Czech Republic



Lidl Holding s.r.o.

Financial Statements for the year ended 29 February 2024

(Translation of Financial Statements Originally Issued in Czech –
See Note 2 to the Financial Statements)

BALANCE SHEET

| | | Current year 29.2.2024 | | | Prior year 28.2.2023 |
|------------|--|---------------------------|-----------------|------------------|-------------------------|
| | | Gross | Allowances | Net | Net |
| | TOTAL ASSETS | 1 491 179 | -315 344 | 1 175 835 | 1 464 714 |
| A. | STOCK SUBSCRIPTION RECEIVABLE | | | | |
| B. | FIXED ASSETS | 1 388 662 | -315 344 | 1 073 318 | 1 387 357 |
| B. I. | Intangible fixed assets | 0 | 0 | 0 | 0 |
| B. I. 1. | Development | | | | |
| 2. | Valuable rights | 0 | 0 | 0 | 0 |
| 1. | Software | | | | |
| 2. | Other valuable rights | | | | |
| 3. | Goodwill | | | | |
| 4. | Other intangible fixed assets | | | | |
| 5. | Advances granted for intangible fixed assets and intangible fixed assets in progress | 0 | 0 | 0 | 0 |
| 1. | Advances granted for intangible fixed assets | | | | |
| 2. | Intangible fixed assets in progress | | | | |
| B. II. | Tangible fixed assets | 0 | 0 | 0 | 0 |
| B. II. 1. | Land and structures | 0 | 0 | 0 | 0 |
| 1. | Land | | | | |
| 2. | Structures | | | | |
| 2. | Movable assets and sets of movable assets | | | | |
| 3. | Gain or loss on revaluation of acquired property | | | | |
| 4. | Other tangible fixed assets | 0 | 0 | 0 | 0 |
| 1. | Perennial crops | | | | |
| 2. | Livestock | | | | |
| 3. | Miscellaneous tangible fixed assets | | | | |
| 5. | Advances granted for tangible fixed assets and tangible fixed assets in progress | 0 | 0 | 0 | 0 |
| 1. | Advances granted for tangible fixed assets | | | | |
| 2. | Tangible fixed assets in progress | | | | |
| B. III. | Long-term investments | 1 388 662 | -315 344 | 1 073 318 | 1 387 357 |
| B. III. 1. | Interests – controlled or controlling entity | 1 388 662 | -315 344 | 1 073 318 | 1 387 357 |
| 2. | Loans and borrowings – controlled or controlling entity | | | | |
| 3. | Interests – significant influence | | | | |
| 4. | Loans and borrowings - significant influence | | | | |
| 5. | Other long-term securities and interests | | | | |
| 6. | Loans and borrowings - other | | | | |
| 7. | Other long-term investments | 0 | 0 | 0 | 0 |
| 1. | Miscellaneous long-term investments | | | | |
| 2. | Advances granted for long-term investments | | | | |
| C. | CURRENT ASSETS | 102 296 | 0 | 102 296 | 77 336 |
| C. I. | Inventories | 0 | 0 | 0 | 0 |
| C. I. 1. | Materials | | | | |
| 2. | Work in progress and semi-finished production | | | | |
| 3. | Finished products and goods | 0 | 0 | 0 | 0 |
| 1. | Finished products | | | | |
| 2. | Goods | | | | |
| 4. | Livestock | | | | |
| 5. | Advances granted for inventories | | | | |
| C. II. | Receivables | 888 | 0 | 888 | 30 946 |
| C. II. 1. | Long-term receivables | 0 | 0 | 0 | 302 |
| 1. | Trade receivables | | | | |
| 2. | Receivables – controlled or controlling entity | | | | |
| 3. | Receivables – significant influence | | | | |
| 4. | Deferred tax asset | | | | 302 |
| 5. | Other receivables | 0 | 0 | 0 | 0 |
| 5.1. | Receivables from partners | | | | |
| 5.2. | Long-term advances granted | | | | |
| 5.3. | Unbilled revenue | | | | |
| 5.4. | Miscellaneous receivables | | | | |

The accompanying income statement, cash flow statement, statement of changes in equity and notes are an integral part of the financial statements.

BALANCE SHEET

| | | Current year 29.2.2024 | | | Prior year 28.2.2023 |
|-----------|--|---------------------------|------------|---------|-------------------------|
| | | Gross | Allowances | Net | Net |
| C. II. 2. | Short-term receivables | 888 | 0 | 888 | 30 644 |
| 1. | Trade receivables | 51 | | 51 | 30 543 |
| 2. | Receivables – controlled or controlling entity | 100 | | 100 | 101 |
| 3. | Receivables – significant influence | | | | |
| 4. | Other receivables | 737 | 0 | 737 | 0 |
| 4.1. | Receivables from partners | | | | |
| 4.2. | Social security and health insurance | | | | |
| 4.3. | Due from government - tax receivables | 369 | | 369 | |
| 4.4. | Short-term advances granted | 16 | | 16 | |
| 4.5. | Unbilled revenue | 352 | | 352 | |
| 4.6. | Miscellaneous receivables | | | | |
| C. III. | Short-term financial assets | 0 | 0 | 0 | 0 |
| 1. | Interests - controlled or controlling entity | | | | |
| 2. | Other short-term financial assets | | | | |
| C. IV. | Cash | 101 408 | 0 | 101 408 | 46 390 |
| 1. | Cash in hand | | | | 24 |
| 2. | Cash at bank | 101 408 | | 101 408 | 46 366 |
| D. | Prepaid expenses and accrued income | 221 | 0 | 221 | 21 |
| 1. | Prepaid expenses | 221 | | 221 | 21 |
| 2. | Prepaid expenses (specific-purpose expenses) | | | | |
| 3. | Accrued income | | | | |

BALANCE SHEET

| | | Current year 29.2.2024 | Prior year 28.2.2023 |
|---------------------------------------|--|---------------------------|-------------------------|
| TOTAL EQUITY & LIABILITIES | | 1 175 835 | 1 464 714 |
| A. | EQUITY | 1 174 620 | 1 419 671 |
| A. I. | Basic capital | 600 | 600 |
| A. I. 1. | Registered capital | 600 | 600 |
| 2. | Own ownership interests (-) | | |
| 3. | Changes in basic capital | | |
| A. II. | Share premium and revaluation reserve | 2 053 249 | 2 053 249 |
| A. II. 1. | Share premium | | |
| 2. | Capital funds | 2 053 249 | 2 053 249 |
| 1. | Other capital funds | 2 053 249 | 2 053 249 |
| 2. | Gain or loss on revaluation of assets and liabilities (+/-) | | |
| 3. | Gain or loss on revaluation upon corporate transformation (+/-) | | |
| 4. | Differences arising on corporate transformation (+/-) | | |
| 5. | Differences arising between balance sheet date and transformation date (+/-) | | |
| A. III. | Reserves from profit | 30 | 30 |
| A. III. 1. | Other reserves | 30 | 30 |
| 2. | Statutory and other reserves | | |
| | | 0 | 0 |
| A. IV. | Profit (loss) brought forward (+/-) | -634 208 | 24 359 |
| IV. 1. | Retained earnings | -634 208 | 24 359 |
| 2. | Other profit (loss) brought forward (+/-) | | |
| A. V. | Profit (loss) for the year (+/-) | -245 051 | -658 567 |
| A. VI. | Approved decision on advances for profit distribution (-) | 0 | 0 |
| B. + C. | PROVISIONS AND LIABILITIES | 1 215 | 45 043 |
| B. | Provisions | 0 | 1 588 |
| B. 1. | Provision for pensions and similar obligations | | |
| 2. | Provision for corporate income tax | | |
| 3. | Provisions recognized under special legislation | | |
| 4. | Other provisions | | 1 588 |
| C. | Liabilities | 1 215 | 43 455 |
| C. I. | Long-term liabilities | 0 | 0 |
| 1. | Bonds payable | 0 | 0 |
| 1. | Convertible bonds | | |
| 2. | Other bonds | | |
| 2. | Amounts owed to credit institutions | | |
| 3. | Long-term advances received | | |
| 4. | Trade payables | | |
| 5. | Long-term notes payable | | |
| 6. | Liabilities – controlled or controlling entity | | |
| 7. | Liabilities – significant influence | | |
| 8. | Deferred tax liability | | |
| 9. | Other liabilities | 0 | 0 |
| 1. | Liabilities to partners | | |
| 2. | Unbilled deliveries | | |
| 3. | Miscellaneous liabilities | | |
| C. II. | Current liabilities | 1 215 | 43 455 |
| 1. | Bonds payable | 0 | 0 |
| 1. | Convertible bonds | | |
| 2. | Other bonds | | |
| 2. | Amounts owed to credit institutions | | |
| 3. | Short-term advances received | | |
| 4. | Trade payables | 503 | 3 067 |
| 5. | Short-term notes payable | | |
| 6. | Liabilities – controlled or controlling entity | | |
| 7. | Liabilities – significant influence | | |
| 8. | Other liabilities | 712 | 40 388 |
| 1. | Liabilities to partners | | |
| 2. | Short-term borrowings | | |
| 3. | Liabilities to employees | 28 | 19 730 |
| 4. | Liabilities arising from social security and health insurance | | 5 496 |
| 5. | Due to government – taxes and subsidies | | 14 715 |
| 6. | Unbilled deliveries | 684 | 447 |
| 7. | Miscellaneous liabilities | | |
| D. | Accruals and deferred income | 0 | 0 |
| D. 1. | Accruals | | |
| 2. | Deferred income | | |

The accompanying income statement, cash flow statement, statement of changes in equity and notes are an integral part of the financial statements.

INCOME STATEMENT

| | | Current year 29.2.2024 | Prior year 28.2.2023 |
|--------|--|---------------------------|-------------------------|
| I. | Revenue from sale of finished products and services | 122 762 | 136 736 |
| II. | Revenue from sale of goods | | |
| A. | Production-related consumption | 10 722 | 10 251 |
| A.1. | Cost of goods sold | | |
| A.2. | Consumption of material and energy | 2 | 5 |
| A.3. | Services | 10 720 | 10 246 |
| B. | Change in inventory produced internally (+/-) | 0 | 0 |
| C. | Own work capitalized (-) | 0 | 0 |
| D. | Personnel expenses | 107 254 | 119 580 |
| D.1. | Wages and salaries | 95 115 | 103 022 |
| D.2. | Social security and health insurance costs and other costs | 12 139 | 16 558 |
| D.2.1. | Social security and health insurance costs | 11 840 | 16 169 |
| D.2.2. | Other costs | 299 | 389 |
| E. | Value adjustments in respect of operating activities | 0 | 0 |
| E.1. | Value adjustments in respect of intangible and tangible fixed assets | 0 | 0 |
| E.1.1. | Value adjustments in respect of intangible and tangible fixed assets - permanent | | |
| E.1.2. | Value adjustments in respect of intangible and tangible fixed assets - temporary | | |
| E.2. | Value adjustments in respect of inventory | | |
| E.3. | Value adjustments in respect of receivables | | |
| III. | Other operating income | 23 | 287 |
| III.1. | Income from sale of fixed assets | | |
| III.2. | Income from sale of materials | | |
| III.3. | Miscellaneous operating income | 23 | 287 |
| F. | Other operating expenses | -1 147 | 717 |
| F.1. | Net book value of fixed assets sold | | |
| F.2. | Net book value of materials sold | | |
| F.3. | Taxes and charges relating to operations | 269 | 248 |
| F.4. | Provisions relating to operations and prepaid expenses (specific-purpose expenses) | -1 587 | 196 |
| F.5. | Miscellaneous operating expenses | 171 | 273 |
| * | Profit or loss on operating activities (+/-) | 5 956 | 6 475 |
| IV. | Income from long-term investments - interests | 64 602 | 0 |
| IV.1. | Income from interests in subsidiaries or parents | 64 602 | |
| IV.2. | Other income from interests | | |
| G. | Cost of interests sold | 400 | 0 |
| V. | Income from other long-term investments | 100 | 101 |
| V.1. | Income from other long-term investments - subsidiaries or parents | | |
| V.2. | Other income from other long-term investments | 100 | 101 |
| H. | Expenses relating to other long-term investments | 0 | 0 |
| VI. | Interest receivable and similar income | 2 056 | 7 346 |
| VI.1. | Interest receivable and similar income - subsidiaries or parents | | 2 624 |
| VI.2. | Other interest receivable and similar income | 2 056 | 4 722 |
| I. | Value adjustments and provisions relating to financial activities | 315 344 | 659 615 |
| J. | Interest payable and similar expenses | 0 | 0 |
| J.1. | Interest payable and similar expenses - subsidiaries or parents | | |
| J.2. | Other interest payable and similar expenses | | |
| VII. | Other finance income | 1 | 0 |
| K. | Other finance cost | 57 | 8 |
| * | Profit or loss on financial activities (+/-) | -249 042 | -662 176 |
| ** | Profit or loss before taxation (+/-) | -243 086 | -655 701 |

The accompanying balance sheet, cash flow statement, statement of changes in equity and notes are an integral part of the financial statements.

Lidl Holding s.r.o. for the year ended 29 February 2024
Czech Statutory Financial Statement Forms (in thousands of Czech crowns)

INCOME STATEMENT

| | | Current year 29.2.2024 | Prior year 28.2.2023 |
|------------|--|---------------------------|-------------------------|
| L. | Income tax | | |
| L.1. | Income tax due | 1 965 | 2 866 |
| L.2. | Income tax deferred (+/-) | 1 663 | 2 904 |
| | | 302 | -38 |
| ** | Profit or loss after taxation (+/-) | -245 051 | -658 567 |
| M. | Transfer of share of profit or loss to partners (+/-) | 0 | 0 |
| *** | Profit or loss for the year (+/-) | -245 051 | -658 567 |
| * | Net turnover | 189 544 | 144 470 |

The accompanying balance sheet, cash flow statement, statement of changes in equity and notes are an integral part of the financial statements.

Lidl Holding s.r.o. for the year ended 29 February 2024
Czech Statutory Financial Statement Forms (in thousands of Czech crowns)

CASH FLOW STATEMENT

For the years ended 29 February 2024 and 28 February 2023

| | | Current year 29.2.2024 | Prior year 28.2.2023 |
|---|---|---------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Z. | Profit or loss on ordinary activities before taxation (+/-) | -243 086 | -655 701 |
| A. 1. | Adjustments to reconcile profit or loss to net cash provided by or used in operating activities | 250 394 | 662 366 |
| A. 1. 1. | Depreciation and amortization of fixed assets and write-off of receivables | 672 611 | |
| A. 1. 2. | Change in allowances | -354 272 | 669 615 |
| A. 1. 3. | Change in provisions | -1 587 | 196 |
| A. 1. 4. | Foreign exchange differences | | |
| A. 1. 5. | (Gain)/Loss on disposal of fixed assets | -64 202 | |
| A. 1. 6. | Interest expense and interest income | -2 056 | -7 346 |
| A. 1. 7. | Other non-cash movements (e.g. revaluation at fair value to profit or loss, dividends received) | -100 | -99 |
| A * | Net cash from operating activities before taxation, changes in working capital and extraordinary items | 7 308 | 6 665 |
| A. 2. | Change in non-cash components of working capital | -10 163 | 7 016 |
| A. 2. 1. | Change in inventory | | |
| A. 2. 2. | Change in trade receivables | 30 492 | -19 372 |
| A. 2. 3. | Change in other receivables and in prepaid expenses and unbilled revenue | -616 | -15 |
| A. 2. 4. | Change in trade payables | -2 564 | 655 |
| A. 2. 5. | Change in other payables, and in accruals and deferred income | -37 475 | 25 748 |
| A ** | Net cash from operating activities before taxation, interest paid and extraordinary items | -2 855 | 13 681 |
| A. 3. 1. | Interest paid | | |
| A. 4. 1. | Income Tax paid | -4 185 | -914 |
| A *** | Net cash provided by (used in) operating activities | -7 040 | 12 767 |
| Cash flows from investing activities | | | |
| B. 1. 1. | Purchase of fixed assets | -4 700 | -404 238 |
| B. 2. 1. | Proceeds from sale of fixed assets | 64 602 | |
| B. 3. 1. | Loans granted | | -1 511 |
| B. 4. 1. | Interest received | 2 056 | 4 722 |
| B. 5. 1. | Dividends received | 100 | 101 |
| B *** | Net cash provided by (used in) investing activities | 62 058 | -400 926 |
| Cash flows from financing activities | | | |
| C. 1. | Change in long-term liabilities, and long-term and short-term loans | | |
| C. 2. 1. | Effect of other changes in equity on cash | | |
| C. 2. 2. | Profit shares paid | | |
| C. 2. 3. | Effect of other changes in own capital on cash | | 390 000 |
| C *** | Net cash provided by (used in) financing activities | 0 | 390 000 |
| F. | Net increase (decrease) in cash | 55 018 | 1 841 |
| P. | Cash and cash equivalents at beginning of year | 46 390 | 44 549 |
| R. | Cash and cash equivalents at end of year | 101 408 | 46 390 |

The accompanying balance sheet, income statement, statement of changes in equity and notes are an integral part of the financial statements.

Lidl Holding s.r.o. as at 29 February 2024
Czech Statutory Financial Statement Forms (in thousands of Czech crowns)

STATEMENT OF CHANGES IN EQUITY

| | Basic capital | Other capital funds | Other reserves | Retained earnings/ accumulated loss (+/-) | Profit (loss) for the year (+/-) | Total |
|----------------------------------|---------------|---------------------|----------------|--|-------------------------------------|-----------|
| Balance as of 28. 2. 2022 | 550 | 1 010 338 | 30 | 19 890 | 4 469 | 1 035 277 |
| Increase of Other capital funds | | 1 042 911 | | | | 1 042 911 |
| Increase of Basic capital | 50 | | | | | 50 |
| Transfer of profit or loss | | | | 4 469 | -4 469 | 0 |
| Profit (loss) for the year | | | | | -658 567 | -658 567 |
| Balance as of 28. 2. 2023 | 600 | 2 053 249 | 30 | 24 359 | -658 567 | 1 419 671 |
| Transfer of profit or loss | | | | -658 567 | 658 567 | 0 |
| Profit (loss) for the year | | | | | -245 051 | -245 051 |
| Balance as of 29. 2. 2024 | 600 | 2 053 249 | 30 | -634 208 | -245 051 | 1 174 620 |

Lidl Holding s.r.o.

Financial Statements for the year ended 29 February 2024

1. DESCRIPTION OF THE COMPANY

Lidl Holding s.r.o. (the "Company") is a limited liability company incorporated on 6 December 1999, with its registered office located at Nárožní 1359/11, Prague 5, Czech Republic, and the business registration number (IČ) is 261 35 094. The Company is involved in holding property rights in subsidiary companies.

As at 29 February 2024, the parent company and 100% owner of the Company is Lidl International Holding s.r.o., with its registered office at Nárožní 1359/11, Prague 5, Czech Republic. As at 28 February 2023, the parent company and 100% owner of the Company was CE – Beteiligungs-GmbH with its registered office at Stiftsbergstrasse 1, Neckarsulm, Germany.

The Company is included in the consolidated group of Lidl Stiftung, Germany, which prepares the consolidated financial statements of the Group. The consolidated financial statements are available at the headquarters of Lidl Stiftung & Co. KG, Germany.

As at 29 February 2024, the Company is the parent company of Limmo alpha s.r.o., Limmo gamma s.r.o., Limmo F1 a.s., Limmo Letňany s.r.o., Limmo delta s.r.o., Limmo epsilon s.r.o.; the accompanying financial statements have been prepared as separate financial statements. In accordance with Czech accounting legislation, the Company will publish the Czech translation of the consolidated financial statements of the consolidated group of Lidl Stiftung, Germany, as at 29 February 2024.

On 31 March 2023, 4 April 2023, and 1 December 2023 respectively, the statutory representative offices of Pavel Stratil, Michal Farník, and Zdeněk Jerie and Zoltán Dénes Nepp respectively, ceased. On 1 April 2023 and 9 May 2023, Adam Miszczyszyn and Zoltán Dénes Nepp were elected as statutory representatives.

Members of the statutory body as at 29 February 2024 were the statutory representatives Vít Pravda, Martin Molnár and Adam Miszczyszyn.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements were prepared in accordance with the Czech Act on Accounting and the related guidelines as applicable for 2023 and 2022.

The financial statements have been prepared assuming that the Company will continue as a going concern.

In accordance with the Act on Accounting No. 563/1991 Coll., the Company changed to the fiscal year in 2021 (i.e. 1 March – 28/29 February). The 2023 and 2022 fiscal year shall be the period from 1 March 2023 to 29 February 2024 ("2023") and from 1 March 2022 to 28 February 2023 ("2022").

Explanation Added for Translation into English

These financial statements are presented on the basis of accounting principles and standards generally accepted in the Czech Republic. Certain accounting practices applied by the Company that conform with generally accepted accounting principles and standards in the Czech Republic may not conform with generally accepted accounting principles in other countries.

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The accompanying balance sheet, income statement, cash flow statement and statement of changes in equity are an integral part of the financial statements.

Lidl Holding s.r.o.

Financial Statements for the year ended 29 February 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING METHODS AND DEPARTURES THEREFROM

The accounting policies applied by the Company in preparing the 2023 and 2022 financial statements are as follows:

a) Long-Term Financial Investments

Long-term financial assets consist primarily of ownership interests and are recorded at their acquisition cost, which consists of purchase price and related expenses.

If there is a decrease in the carrying value of long-term financial assets that are not revalued at the balance sheet date, the difference between the carrying and recoverable amount is then considered a temporary diminution in value and is recorded as an allowance.

b) Cash

Cash includes liquid valuables, cash in hand and at bank.

c) Receivables

Receivables are initially measured at their nominal amount. Both long- and short-term receivables are carried at their realizable value after allowance for doubtful accounts. Additions to the allowance account are charged to income.

d) Equity

The basic capital of the Company is stated at the amount recorded in the Public Register maintained in the Municipal Court in Prague. Any increase or decrease in the basic capital made pursuant to the decision of the General Meeting which was not entered in the Commercial Register as at the balance sheet date is recorded through changes in basic capital.

Other capital funds consist of monetary and non-monetary contributions in excess of basic capital.

Pursuant to the Act on Business Corporations No. 90/2012 Coll., the Company creates a reserve fund from profit or from amounts contributed by partners above their contributions.

e) Provisions and Liabilities

The Company creates provisions for losses and risks if the related purpose amount and timing can be reliably estimated and the accrual and matching principles are observed.

Long-term liabilities and current liabilities are carried at their nominal values.

f) Foreign Currency Transactions

Assets and liabilities whose acquisition or production costs were denominated in foreign currencies are translated into Czech crowns at the exchange rates as published by the Czech National Bank as at the

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The accompanying balance sheet, income statement, cash flow statement and statement of changes in equity are an integral part of the financial statements.

transaction date. On the balance sheet date, monetary items are adjusted to the exchange rates as published by the Czech National Bank as at 28 February and 29 February respectively.

Realized and unrealized exchange rate gains and losses were charged or credited, as appropriate, to finance income for the year.

g) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. The Company management prepared these estimates and predictions based on all available relevant information. These estimates and assumptions are based on information available as at the date of the financial statements and may differ from actual results.

h) Recognition of Revenues and Expenses

Revenues and expenses are recognized on an accrual basis, that is, they are recognized in the periods in which the actual flow of the related goods or services occurs, regardless of when the related monetary flow arises.

Revenues from the principal activity (management services) are recognized as revenue from the sale of services when the service is provided to the customer. Revenue from other activities is recognized to the appropriate accounts according to their nature based on contractual provisions and delivery terms.

The Company recognizes as an expense any additions to provisions or allowances against risks, losses or physical damage that are known as at the financial statements' date.

i) Income Tax

The corporate income tax expense is calculated based on the statutory tax rate and book income before taxes, increased or decreased by the appropriate permanent and temporary differences (e.g. non-deductible provisions and allowances, entertainment expenses, differences between book and tax depreciation, etc.). In addition, the following items are taken into consideration: tax base decreasing items (donations), tax deductible items (tax loss, research and development costs) and income tax reliefs.

The deferred tax position reflects the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for corporate income tax purposes, taking into consideration the period of realization.

j) Subsequent Events

The impact of events that occurred between the balance sheet date and the date of the financial statements preparation is recognized in the financial statements provided these events provide additional evidence about conditions that existed at the date of the balance sheet.

If material events reflecting the facts occurring after the balance sheet date happened between the balance sheet date and the date of the financial statements preparation the consequences of these

events are disclosed in the notes to the financial statements but not recognized in the financial statements.

4. LONG-TERM FINANCIAL INVESTMENTS

Summary of changes in long-term financial investments.

| | 28/02/2022 | Additions | Disposals | 28/02/2023 | Additions | Disposals | 29/02/2024 |
|--|----------------|----------------|------------------|------------------|------------------|----------------|------------------|
| Interests – controlled or controlling entity | 995,638 | 1,369,061 | (307,727) | 2,056,972 | 4,700 | (673,010) | 1,388,662 |
| Allowance against long-term investments | - | (669,615) | - | (669,615) | (315,344) | 669,615 | (315,344) |
| Total | 995,638 | 699,446 | (307,727) | 1,387,357 | (310,644) | (3,395) | 1,073,318 |

The allowance against long-term financial investments created in 2022 with respect to the liquidation of Akur Estates s.r.o. v likvidaci (in liquidation) was released in 2023 with respect to the completion of the company liquidation. As at 29 February 2024, the Company established an allowance of CZK 315,344 thousand based on the recoverable amount of the Limmo F1, a.s. ownership interest.

Information on the ownership interests held by the Company as at 29 February 2024:

| | Ownership interest | Total profit (+) / loss (-) for financial year 2023* | Equity as at 29/02/2024** | Acquisition cost of interest | Allowance | Registered office |
|----------------------------------|--------------------|--|---------------------------|------------------------------|------------------|----------------------------------|
| Limmo alpha s.r.o. | 100% | 20,751 | 245,334 | 346,962 | - | Národní 1359/11, 158 00 Prague 5 |
| Limmo gamma s.r.o. | 100% | (159) | 102,971 | 300 | - | Národní 1359/11, 158 00 Prague 5 |
| Limmo F1 a.s. | 100% | (38) | 61,770 | 384,239 | (315,344) | Národní 1359/11, 158 00 Prague 5 |
| Limmo Letňany s.r.o. | 100% | (2,245) | 419,693 | 656,961 | - | Národní 1359/11, 158 00 Prague 5 |
| Limmo delta s.r.o. | 100% | (5) | 95 | 100 | - | Národní 1359/11, 158 00 Prague 5 |
| Limmo epsilon s.r.o. | 100% | (5) | 95 | 100 | - | Národní 1359/11, 158 00 Prague 5 |
| Total ownership interests | | | | 1,388,662 | (315,344) | |

* The fiscal year of Limmo alpha s.r.o. and Limmo gamma s.r.o. ends as at 28 February 2025. The total profit (+) / loss (-) for 2023 is presented for the period ended 31 December 2023.

** Equity of Limmo alpha s.r.o. and Limmo gamma s.r.o., has been obtained from the companies' opening balance sheets as at 1 January 2024.

Financial information about the above companies was obtained from the unaudited financial statements.

Lidl Holding s.r.o.

Financial Statements for the year ended 29 February 2024

Information on the ownership interests held by the Company as at 28 February 2023:

| | Ownership interest | Total profit (+) / loss (-) for 2022 | Equity as at 28/02/2023 | Acquisition cost of interest | Registered office |
|---------------------------|--------------------|--------------------------------------|-------------------------|------------------------------|----------------------------------|
| Akur Estates s.r.o. | 100% | 2,895 | 2,996 | 2,996 | Nároční 1359/11, 158 00 Prague 5 |
| Limmo alpha s.r.o. | 100% | (6,990) | 340,186 | 346,962 | Nároční 1359/11, 158 00 Prague 5 |
| Limmo beta s.r.o. | 100% | (75) | 23 | 100 | Nároční 1359/11, 158 00 Prague 5 |
| Limmo gamma s.r.o. | 100% | (73) | 25 | 100 | Nároční 1359/11, 158 00 Prague 5 |
| Limmo F1 a.s. | 100% | (306) | 62,070 | 384,238 | Nároční 1359/11, 158 00 Prague 5 |
| Limmo Letňany s.r.o. | 100% | 669 | 424,118 | 652,961 | Nároční 1359/11, 158 00 Prague 5 |
| Total ownership interests | | | | 1,387,357 | |

Financial information about the above companies was obtained from the unaudited financial statements.

5. RECEIVABLES

As at 29 February 2024 and 28 February 2023, the Company had no long-term receivables overdue for more than five years.

Receivables from related parties (see Note 13).

6. EQUITY

Pursuant to the decision of the sole partner made on 11 August 2023 and 30 August 2022, the loss for 2022 and the profit for 2021 totaling CZK (658,567) thousand and CZK 4,469 thousand, respectively, was transferred to accumulated loss and retained earnings, respectively.

As at the financial statements date, no decision was made on the 2023 loss compensation.

Pursuant to the decision of the sole partner made on 9 August 2022, a monetary contribution outside share capital was paid to other capital funds in the amount of CZK 390,000 thousand during the fiscal year 2022.

Pursuant to the decision of the sole partner made on 21 February 2023, a non-monetary contribution in the form of equity interests in the company Limmo Letňany s.r.o. was made to the share capital of the company in the amount of CZK 50 thousand and outside of the share capital into other capital funds in the amount of CZK 652,911 thousand during the fiscal year 2022.

Lidl Holding s.r.o.

Financial Statements for the year ended 29 February 2024

7. PROVISIONS

The movements in the provision accounts were as follows (in CZK thousands):

| Provisions | Balance as at 28/02/2022 | Increase | Decrease | Balance as at 28/02/2023 | Increase | Decrease | Balance as at 29/02/2024 |
|------------|-----------------------------|----------|----------|-----------------------------|----------|----------|-----------------------------|
| Other | 1,392 | 624 | (428) | 1,588 | - | (1,588) | - |

Other provisions included as at 28 February 2023, in particular, provisions for accrued vacation and working anniversaries.

8. LIABILITIES

As at 29 February 2024 and 28 February 2023, the Company had liabilities to employees of CZK 28 thousand and CZK 19,730 thousand, respectively.

As at 29 February 2024 and 28 February 2023, the Company had liabilities of CZK 0 thousand and CZK 5,496 thousand, respectively, owing to social security and health insurance premiums.

As at 29 February 2024 and 28 February 2023, the Company had tax liabilities amounting to CZK 0 thousand and CZK 14,715 thousand, respectively. These liabilities mainly comprise value added tax and personal income tax payables, which were paid within the statutory deadlines.

As at 29 February 2024 and 28 February 2023, unbilled deliveries amounted to CZK 684 thousand and CZK 447 thousand, respectively. Unbilled deliveries represented, in particular, unbilled supplies of services.

The Company recorded no liabilities falling due after more than 5 years as at 29 February 2024 and 28 February 2023, respectively.

Payables to related parties (see Note 13).

9. INCOME TAXES

On the basis of preliminary calculation the Company calculated tax expense as follows (in CZK thousands):

| | 28/02/2023 (In CZK thousands) | 29/02/2024 (in CZK thousands) |
|--|-------------------------------------|----------------------------------|
| Loss before taxes | (655,701) | (243,086) |
| Creation and reversal of provisions, net | 197 | (1,587) |
| Other (e.g., entertainment expenses) | 1,170 | 2,684 |
| Revenue from sale of shares | - | (64,602) |
| Creation of provisions for long-term financial investments | 669,615 | 315,344 |
| Tax base | 15,281 | 8,753 |
| Current income tax rate | 19% | 19% |
| Current tax expense | 2,904 | 1,663 |

The Company quantified deferred taxes as follows (in CZK thousands):

| Deferred tax items | 2023 | | 2022 | |
|--------------------|-----------------------|---------------------------|-----------------------|---------------------------|
| | Deferred tax asset | Deferred tax liability | Deferred tax asset | Deferred tax liability |
| Provisions | - | - | 302 | - |
| Total | - | - | 302 | - |

The entity is part of a so-called large multinational group within the meaning of the Act on Top-up Taxes for Large Multinational Groups and Large Domestic Groups (Act No. 416/2023 Coll.). As of 1 January 2024, the entity became liable for the attributed top-up tax and the Czech top-up tax in accordance with the aforementioned Act.

Although the resulting impact of the application of both the attributed and the Czech top-up tax is currently very difficult to quantify, the entity does not expect it to be material.

10. COMMITMENTS AND CONTINGENCIES

The Company has concluded lease agreements for an indefinite period with Lidl Česká republika s.r.o. for the lease of office premises and passenger cars. In 2023 and 2022, the monthly lease payments for the lease of office premises and passenger cars amounted to CZK 333 thousand and CZK 449 thousand, respectively.

Lidl Holding s.r.o.

Financial Statements for the year ended 29 February 2024

11. REVENUES

Revenues from the sale of services for 2023 and 2022 represented the management services provided to Lidl Česká republika s.r.o. (see Note 13), which were provided in the Czech Republic.

12. NUMBER OF EMPLOYEES

The average number of employees in 2023 and 2022 was 10 employees and 19 employees, respectively. As at 29 February 2024, the Company had no employees.

13. RELATED PARTY INFORMATION

The members of management or statutory bodies were granted no loans, guarantees, advances or other benefits in 2023 and 2022.

The Company provided management services to related parties in the ordinary course of business. In 2023 and 2022, the value of the management services provided was CZK 122,762 thousand and CZK 136,736 thousand, respectively.

In 2023, the Company did not provide a loan to related parties; the interest income on the loans in 2023 and 2022 amounted to CZK 0 thousand and CZK 2,624 thousand, respectively.

The Company receives services from related parties in the ordinary course of business. Purchases were CZK 6,607 thousand and CZK 7,309 thousand, respectively in 2023 and 2022.

Short-term payables to related parties as at 29 February 2024 and 28 February 2023 were CZK 441 thousand and CZK 3,009 thousand, respectively.

Short-term receivables from related parties as at 29 February 2024 and 28 February 2023 were CZK 150 thousand and CZK 30,644 thousand, respectively.

In 2023, the income from interests in subsidiaries or parents represents revenue from the sale of ownership interests in subsidiary companies in the amount of CZK 64,602 thousand.

14. SIGNIFICANT ITEMS OF INCOME STATEMENT

The item Services includes, in particular, costs related to the lease of office premises and passenger cars.

Financial value and provision adjustments represent the creation of an allowance against long-term investments (see Note 4).

Lidl Holding s.r.o.


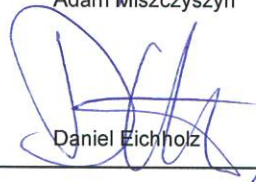
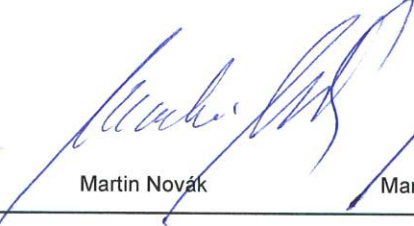
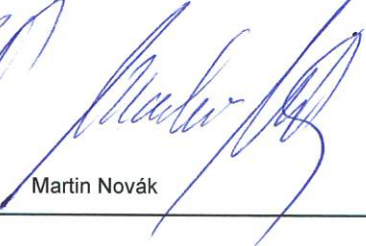
Financial Statements for the year ended 29 February 2024

15. SUBSEQUENT EVENTS

On 1 March 2024, the statutory representative office of Dr. Vít Pravda was deleted. The position was terminated as at 29 February 2024.

On 1 March 2024, Daniel Hans Siegfried Eichholz was appointed a statutory representative of the Company. The fact was made to the Commercial Register entry on 24 April 2024.

No other material events occurred after the financial statements date that would have a significant effect on the Company's financial statements for the fiscal year 2023.

| Prepared on: | Signature of entity's statutory body: | Person responsible for accounting (name, signature): | Person responsible for financial statements (name, signature): |
|--------------|---|--|---|
| 28 June 2024 |  Adam Mischczyn  Daniel Eichholz |  Martin Novák |  Martin Novák |

Report on Relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and Other Entities Controlled by the Same Controlling Entity (“Related Parties Report”) for the year ended 29 Feb 2024

(pursuant to Section 82 of the Act No. 90/2012 Coll., on Business Corporations, as amended)

This report of Lidl Holding s.r.o. (hereinafter referred to as the “Company” or the “Controlled Entity”) for the fiscal year ended 29 February 2024 (hereinafter referred to as “2023”) has been prepared for the purpose of fulfilling the information obligation pursuant to Section 82 of Act No. 90/2012 Coll., on Business Corporations.

The Company is a limited liability company incorporated on 6 December 1999 and has its registered office at Nárožní 1359/11, Prague 5, Czech Republic, business registration number (IČ): 261 35 094, incorporated in the Commercial Register maintained with the Municipal Court in Prague, Section C, Insert No. 73294.

A.) The sole partner of the Company is Lidl International Holding s.r.o., business registration number (IČ): 087 50 084, Nárožní 1359/11, Stodůlky, 158 00 Prague 5, holding a 100% ownership interest.

The statutory body of the Company as at 29 February 2024 were the statutory representatives: Adam Mischyszyn, Vít Pravda and Martin Molnár.

The controlling entity is Lidl Stiftung & Co. KG, with its registered office at Stiftsbergstr. 1, 74172 Neckarsulm, Germany (hereinafter referred to as the “Controlling entity”).

The companies listed in paragraphs B.), and E.) are the Controlling entity and entities controlled by the same Controlling entity with which the Company had trade relations in 2023 (hereinafter referred to as the “Related Parties”).

B.) Lidl Stiftung & Co. KG exercises its role of the Controlling entity indirectly through Lidl International Holding s.r.o. At the Company level, the partner shall exercise its role through the decision-making of the sole partner exercising the powers of the General Meeting.

C.) The Company is involved in holding property rights in subsidiary companies.

D.) In 2023, the Company did not undertake any actions at the initiative or in the interest of the Controlling entity or entities controlled by the Controlling entity in respect of assets exceeding 10% of its equity as ascertained based on the financial statements for the period immediately preceding the period for which the Report on relations is prepared.

E.) Summary of the Company's agreements entered into with Related Parties valid in 2023:


| Related party | Contract type |
|-----------------------------|------------------------------|
| Lidl Česká republika s.r.o. | 2x Lease agreement |
| Lidl Česká republika s.r.o. | Company management agreement |
| Lidl Česká republika s.r.o. | 2x Service agreement |
| Lidl Česká republika s.r.o. | 2x Data processing agreement |
| Lidl Stiftung & Co. KG | 2x Data processing agreement |

F.) Management believes that all business relationships with Related Parties that occurred in 2023 were conducted on an arm's length basis and that the Company incurred no detriment therefrom.

G.) Management believes that the Company benefits from its business relationships with Related Parties by having the backing of the strong international position of the Schwarz Group. Management is not aware of any disadvantages or risks arising from business relationships with Related Parties.

H.) Management of the Company declares that it has prepared this Report on the basis of the information and data available to it and confirms the accuracy of this Report by their signatures; it further declares that the information given in the Report is correct and that no information available to it which should be included in this Report has been omitted.

In Prague, 31 May 2024



.....
Adam Mischczyszyn



.....
Daniel Eichholz