



DIA Group to increase capital by up to €1,028 million

DIA to equitize €269 million of Notes with maturity in April 2023, in addition to conversion of €500 million of debt into equity announced last November.

€259 million in cash for minority shareholders to participate in capital increase.

Transaction, which can reach up to €1,028 million, improves Group's capital structure agreed last year with support of all syndicated lenders and reference shareholder LetterOne.

Madrid, March 25, 2021. DIA Group ("DIA" or the "Group"), the proximity food retailer operating in Spain, Portugal, Brazil and Argentina, today announced that it has further strengthened its long-term capital structure by improving the agreement reached last November with reference shareholder LetterOne, DEA Finance and its syndicated lenders.

By increasing capital by up to €1,028 million, the Group will be best positioned to continue the development of its business roadmap. €769 million of the total amount will come from the conversion of debt into equity, while €259 million will serve as a cash tranche for minority shareholders looking to participate in the capital increase.

The transaction reduces DIA's leverage by 60 per cent, strengthens its solvency and improves its liquidity. As a result, DIA will not face significant debt maturities until the end of 2025.

The new agreement will deliver a new injection of liquidity that will accelerate DIA's transformation process. Since July 2019, the Company has received more than €1.6 billion.

Commenting on the transaction, Stephan DuCharme, Executive Chairman of DIA, said:

"The expansion of the agreement reached last year is the result of the continued support and commitment of our reference shareholder and creditors, who have once again demonstrated their confidence and faith in our business roadmap and its early results, as well as DIA's long-term prospects. This transaction is an opportunity for all shareholders, minority and institutional, to be part of the Group's growth story."

The capital increase consists of two tranches:

- **LetterOne** to convert €769 million of debt into equity:
 - Equitization of €200 million of the Super Senior loan granted by DEA Finance (announced in November 2020).
 - Equitization of €292.6 million of Notes with maturity in April 2021, of which 97.5% were acquired by DEA Finance via a tender offer in August 2020 (announced in November 2020).



- €7.4 million debt under a loan to be granted by LetterOne to DIA to repay the Notes with maturity in April 2021 to those holders other than DEA Finance.
 - Equitization of €269.2 million of Notes with maturity in April 2023, of which 89.7% were acquired by DEA Finance via a tender offer in August 2020.
- **Cash tranche** of up to €259 million for minority shareholders.

Additionally, the transaction includes the following elements:

- Syndicated lenders to extend the maturity of €902 million of syndicated loan facilities from 31 March 2023 until 31 December 2025 (announced in November 2020).
- Amendment of terms and conditions of the 2023 Notes for an amount of €30.8 million not acquired by DEA Finance, to extend its maturity from April 2023 to no earlier than 30 June 2026.
- Transaction closing is expected in the beginning of the third quarter of this year.

CADA DIA MÁS CERCA

DIA Group (Distribuidora Internacional de Alimentación [International Food Distributor]) is a leading local supermarket chain, with 6,169 shops and franchises in Spain, Portugal, Brazil, and Argentina. DIA is primarily supplied by local suppliers and meets the day-to-day food needs of over 20 million loyal customers, thanks to the commitment of its 39,000 employees across the globe.

MEDIA CONTACT

Lara Vadillo
Phone: +34 619226587
Email: comunicacion@diagroup.com