



DIA Group completes capital structure transformation

Long-term financing and capital structure solution agreed with 100 per cent of syndicated lenders and underpinned by significant support from reference shareholder LetterOne

Forty per cent reduction in leverage, refinancing risk eliminated and no material debt maturities for five years

Conversion of €500 million of debt into equity; €902 million syndicated loan facilities maturity extended to December 2025; €300m 2023 bonds extended to June 2026

DIA can now fully focus on the successful delivery of its long-term business plan

Madrid, November 30, 2020. DIA Group, (“DIA” or the “Group”) the proximity food retailer operating in Spain, Portugal, Brazil and Argentina, today announced an agreement with reference shareholder LetterOne, DEA Finance and its syndicated lenders that establishes a long-term financing structure to support the continued successful implementation of the Group's business transformation.

The transaction, which has the unanimous support of the syndicated lenders, allows DIA to eliminate refinancing risk, reduces leverage significantly by 40 per cent and establishes a debt maturity profile better aligned to DIA's long-term strategic requirements.

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

“This transformational agreement aligns all of DIA's key financial stakeholders and provides the Group with strong and stable capital foundations that will underpin the successful delivery of our business transformation.

Our reference shareholder LetterOne has, once again, demonstrated its sustained support for DIA's transformation journey, and has now committed over €1.1 billion of equity capital since July 2019. I would also like to thank our syndicated lenders for their support and recognition of DIA's long-term positive trajectory.

During 2020, the Group has delivered continued positive top line and adjusted EBITDA performance. We will now accelerate the second phase of the business plan and I am confident we will make further progress in 2021 and beyond.”



The main points of the agreement are:

- **DEA Finance** to convert €500 million of debt into equity
 - Equitization of €200 million super senior loan granted by DEA Finance
 - Equitization of €300 million of Notes with maturity in April 2021, of which 97.5% were acquired by DEA Finance via a tender offer in August 2020
- **DEA Finance** to extend €300 million of Notes with maturity in April 2023 until June 2026, of which 89.7% were acquired by DEA Finance via a tender offer in August 2020
- **Syndicated lenders** to extend the maturity of €902 million of syndicated loan facilities from March 2023 until December 2025
- **DIA Group** to amortise of €35 million of super senior loans granted by syndicated lenders, with the remaining €36 million to be repaid in July 2022
- **Closing** by April 2021 after shareholder and note holder approvals

ENDS

ABOUT DIA GROUP

DIA Group (Distribuidora Internacional de Alimentación [International Food Distributor]) is a leading local supermarket chain, with 6,200 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.

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