



AUTHORISATION OF THE MODIFICATION OF THE CHARACTERISTICS OF THE TAKEOVER BID FOR DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN, S.A., SUBMITTED BY L1R INVEST1 HOLDINGS S.À R.L. (LETTERONE GROUP)

Monday, 6 May 2019

The Spanish National Securities Market Commission passed on 6 May 2019 the following resolution:

“To authorise the modification of the characteristics of the voluntary takeover bid for the shares of Distribuidora Internacional de Alimentación, S.A. submitted by L1R Invest1 Holdings S.à r.l., which was authorised by the Spanish National Securities Market Commission on 28 March 2019.

In accordance with the content of the registered documentation, the changes to the bid result in a more favourable treatment for the addressees of the bid, pursuant to Article 31 of Royal Decree 1066/2007, of 27 July, on takeover bids, as it eliminates the condition of minimum acceptance required by the offeror for the effectiveness of the bid. Said elimination also allows, in this specific case, each of the shareholders to freely accept or not the bid without having to consider what the decision of the other shareholders would be and its effect on the outcome of the bid. At the same time, the modification of the offer respects the principle of equal treatment for all the addressees, which is also required under Article 31 of the previously mentioned Royal Decree.

Regarding the application of Article 9.4.f) of the aforementioned Royal Decree, the CNMV considers that it has been demonstrated by the information officially disclosed by the company itself that DIA is in serious financial difficulties. The application of said precept is in order, as it develops Article 130 of the Securities Market Act (Ley del Mercado de Valores), and it directly related with the objective of favouring the restructuring of the company.



In relation to the compensation of the bid, its consideration as an equitable price, pursuant to Articles 9.4.f) and 10 of Royal Decree 1066/2007, of 27 July, on takeover bids, is sufficiently justified. In its analysis, the CNMV has taken into account in this regard the valuation report submitted by the offeror, which concludes in a valuation, using the methods provided for in the Royal Decree, lower than the price offered in the bid. The CNMV has commissioned a specific report to a second external expert, who in turn has validated in general terms the report provided by the offeror.

The details of the amendments made to the original prospectus are contained in the supplement to said prospectus submitted by L1R Invest1 Holdings S.à r.l. Considering the provisions of Article 31.4 of the above-mentioned law, the acceptance period has been extended until 13 May 2019, inclusive.”

The above paragraphs are a translation of the original resolution in Spanish for information purposes only.