
Reverse Stock Split

Frequently Asked Questions

Grupo Dia

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Answer proposals for specific questions that require more information that is not yet known or can't be disclosed should be updated as soon as there are any developments. Below you will find initial proposals of answers for those questions in yellow, as well as proposals for updated answers for a later stage.

What is a reverse stock split?

A reverse stock split involves replacing, by exchange, a certain number of old shares (in the present case, 1,000) for one new share, without altering the amount of the company's share capital.

In practice, such an operation creates the following mechanical effects:

- The number of new shares in circulation on the market is reduced proportionally to the exchange ratio (several old shares are exchanged by one new share);
- The par value and, as a consequence, the market price, of each new share is raised proportionally to the exchange ratio.

What is the goal of this reverse stock split?

A higher share price denomination resulting from a reverse stock split should make the stock more stable and established, limiting the volatility and reduce the possibility of sharp movements in the share price.

Likewise, the reverse stock split can help improve market perception of the company by removing the perception of Dia being a 'penny stock' and its associated risks.

The reverse stock split forms part of Dia's desire to support its renewed profitable growth momentum and to boost institutional investor interest in the stock.

What is the proposed exchange ratio for this reverse stock split?

The exchange ratio is 1 for 1,000. Shareholders holding shares in Dia will receive one (1) new share (with new ISIN code ES0126775008), with a unit par value of ten (10) euros, for every one thousand (1,000) pre-existing shares with a par value of 0.01 euros. The reverse stock split will not entail a change in the share capital of Dia.

Why was this 1:1,000 ratio chosen?

Dia's financial advisor has recommended to use a 1000-to-1 exchange ratio in order for Dia's shares to have a value (depending on trading price at the time of execution of the reverse split) in line to comparable peers.

When will the reverse stock split be effective?

On 5 February 2025 (which is considered as the Stock Exchange Effective Date), the pre-existing shares will be technically delisted and the new shares will be simultaneously admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, as well as their inclusion in the Stock Exchange Interconnection System (Continuous Market), with 4 February 2025 being the last day on which the old shares may be traded on the Stock Exchanges.

The new shares will foreseeably be delivered to shareholders on the second trading day following the Stock Exchange Effective Date (i.e. 7 February 2025).

All the relevant information regarding the effective date can be found on the CNMV's website: <https://www.cnmv.es/Portal/Otra-Informacion-Relevante/Resultado-OIR.aspx?nreg=32328>

Is the reverse stock split automatic?

The shareholders' financial intermediaries will automatically apply the 1000-to-1 exchange ratio to their shares on the day the reverse stock split is effective. The remaining fraction of shares are considered Odd Lots.

What are Odd Lots?

Odd Lots are those shares remaining after deducting the highest multiple of 1,000 from the number of shares held by a shareholder.

Example: a shareholder holds 7,500 shares. After deducting the highest multiple of 1,000 from the number of his/her shares, (in the present case, 7,000 shares, i.e. 7 times 1,000 shares), 500 shares remain. These 500 shares are Odd Lots.

What will happen if the number of shares held by a shareholder is not an exact multiple of 1,000?

Until the 4 February 2025 (before the closing of the market), shareholders can ensure that they have no Odd Lots by selling or buying shares directly on the market so that the total number of shares they hold is a multiple of 1,000.

On 6 February 2025, the financial intermediaries will automatically sell to the agent bank appointed by Dia the Odd Lots owned by shareholders holding a number of shares that is not an exact multiple of 1,000. These shareholders will then be compensated by their financial intermediary for the sale of these Odd Lots.

The acquisition price will be the closing price at the close of trading on the business day prior to the Stock Exchange Effective Date (i.e., 4 February 2025), without the sale transaction entailing any additional cost for the shareholders holding such excess shares, except for the expenses and brokerage fees that may be charged to them by their respective depositary entities and/or stock market intermediaries.

Example

Before the reverse stock split, a shareholder owns 7,500 shares.

That shareholder will receive 7 new shares ($7000 \div 1,000 = 7$), leaving 500 shares that cannot be exchanged (Odd Lots). If this shareholder has not sold these 500 Odd Lots on or before the day the reverse stock split is effective, or if he or she has not bought within the same period 500 additional shares (that, combined with the 500 Odd Lots, may be exchanged for one new share), those 500 Odd Lots will automatically be sold to the agent bank by the shareholder's financial intermediary and the shareholder will receive the corresponding compensation.

How will compensation for Odd Lots be paid?

From the day the reverse stock split is effective, Odd Lots will be automatically sold on the market by financial intermediaries, which will pass on the sale proceeds to the relevant shareholders. Shareholders are encouraged to contact their financial intermediary if they require any further information.

Will the reverse stock split change the par value of the share?

Yes, the par value of each share will be increased proportionally to the exchange ratio, i.e. it will be multiplied by 1,000.

The exchange ratio is 1 for 1,000. Shareholders holding shares in the Company will receive one (1) new share (with new ISIN code ES0126775008), with a unit par value of ten (10) euros, for every one thousand (1,000) pre-existing shares with a par value of 0.01 euros. The Contraspit will not entail a change in Dia's share capital figure. Please note that the market price of the shares will mechanically increase in proportion to the exchange ratio.

Will the number of shares in circulation be modified due to the reverse stock split?

Yes, the number of shares making up the share capital will be reduced in proportion to the exchange ratio, i.e. it will be divided by 1,000.

For more information on the share capital reduction, please visit CNMV: <https://www.cnmv.es/Portal/otra-informacion-regulada-corporativa/derechos-voto-capital.aspx?Nif=A28164754>

Does a reverse stock split alter the market price of the shares?

Yes, the market price of the shares will mechanically increase following the reverse stock split, since the par value of each share will increase and the number of shares making up the share capital will be reduced, both in proportion to the exchange ratio.

Does a reverse stock split alter the value of the shareholder's portfolio?

No, the reverse stock split will not affect the value of the shareholder's portfolio at the time of conversion.

Example

Before the reverse stock split, a shareholder owns 700,000 shares, trading at an indicative price of €0.01 per share.

	<i>Before reverse stock split</i>	<i>After reverse stock split</i>
<i>Number of shares</i>	700,000	700
<i>Indicative share price (in euros, excluding any price movement)</i>	€0.01	€10.00
<i>Portfolio value (in euros, excluding any price movement)</i>	€7,000.00	€7,000.00

What is the impact of the reverse stock split on the number of voting rights held by shareholders?

The reverse stock split will not affect the number of voting right held by each shareholder since the number of shares (and the number of voting rights) will be reduced in proportion to the exchange ratio, i.e. it will be divided by 1,000.

What is the ISIN of the new consolidated shares?

The ISIN for the new consolidated shares will be ES0126775008.

When will the trading of the new shares come into effect?

On 5 February, the effective date of the reverse stock split, the trading of the new consolidated shares will start under ISIN ES0126775008.

Will the old shares be delisted?

On 5 February 2025, the pre-existing shares will be technically delisted and the new shares will be simultaneously admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, as well as their inclusion in

the Stock Exchange Interconnection System (Continuous Market), with 4 February 2025 being the last day on which the old shares may be traded on the Stock Exchanges.

What fees are involved in the reverse stock split?

The reverse split does not entail any additional fees for shareholders. In case of holding excess shares, the acquisition price will be the closing price at the close of trading on the business day prior to the Effective Date (i.e., the closing price on 4 February 2025), without the sale transaction entailing any additional cost for the shareholders holding such excess shares, except for the expenses and brokerage fees that may be charged to them by their respective depository entities and/or stock market intermediaries.

Shareholders are encouraged to contact their financial intermediary to obtain all relevant information.

Is this reverse stock split applicable to every shareholder?

Yes, the reverse stock split applies to all shares held by shareholders.

What if I do not wish to take part in this process?

Shareholders are encouraged to contact their financial intermediary to obtain all relevant information.

[Update table when details are known]

Reverse Stock Split: Key Dates

Operations start: [05 February]

Deadline for buying or selling Odd Lots: [04 February]

Date on which the reverse stock split takes effect (date on which the new shares start trading): [05 February]

Date on which non-consolidated shares (Odd Lots) will be automatically sold by account-keeping financial intermediaries: [06 February]

Compensation paid by financial intermediaries relating to the sale of non-consolidated shares: [07 February]