

LETTERONE OFFER 2.0

Western Gate

Legal note: the content of this presentation is subject to the disclaimer included in our website.



Continued Uncertainty

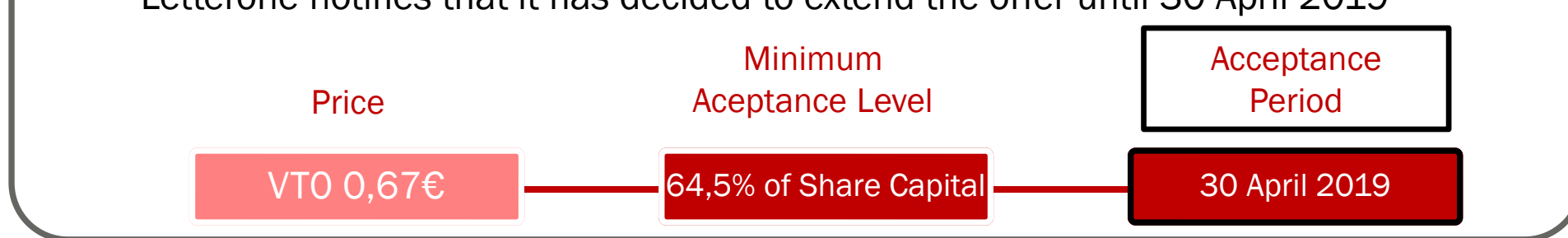
Original Offer, 5 February 2019:



Since our last communication, there have been a number of developments regarding the nature of the Voluntary Tender Offer (“The Offer”):

17 April 2019

- Letterone notifies that it has decided to extend the offer until 30 April 2019



26 April 2019

- DIA issued a trading update on estimated unaudited results for the first quarter of 2019. These results were unfavourable

26 April 2019

- Based on the trading update, Letterone announces that it is considering a reduction in the minimum acceptance level of The Offer and announces an extension until 6 May 2019



30 April 2019

- Letterone submits request for authorisation to reduce the minimum acceptance level of The Offer to 20,999% of the share capital subject to CNMV confirming that 0,67€ is an “equitable price”



The Result

6 May 2019

- Letterone announces that it has requested to delete the minimum acceptance level condition to which The Offer was subject

6 May 2019

- CNMV announces that it finds that the price is “equitable” and that it accepts the modification to The Offer. The Offer has been extended until 13 May 2019

The Offer as it stands:



Remarks

- Since inception The Offer has been extended 3 times and the minimum acceptance level has also been altered twice. This has contributed to the uncertainty that surrounds the company and its future, and therefore affects all stakeholders including suppliers and customers
- Media reports state that the stores are experiencing issues with stock and are failing to keep up with the standards customers have grown accustomed to. In the opinion of Western Gate, the Brand will continue to suffer for as long as the uncertainty surrounding The Offer remains
- It is now the 7th May and there has not yet been any news on how Letterone proposes to come to an agreement with the banks, once again, contributing to the uncertainty. The amendments to The Offer made by Letterone do not, in our opinion, help the financial situation of the company as long as there is no agreement with the financial entities
- Western Gate reiterates that it still believes in the future and value of the company and will therefore not tender its shares