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Distribuidora Internacional de Alimentación, S.A.

Jacinto Benavente, 2-A

Tripark Building

Las Rozas - Madrid

For the attention of the Chairman of the Governing Board
and all its members

By Burofax

In Lisbon, 12 June 2024

**Exercise of the shareholder's right to information pursuant to
Articles 197 and 520 of the Capital Companies Act.**

Dear Sirs:

According to the provisions of Articles 197 and 520 of the Spanish Capital Companies Act, Western Gate Private Investments Limited ("WG"), holder of 1,276,740,567 shares of Distribuidora Internacional de Alimentación, S.A. ("DIA" or the "Company"), requests the Board of Directors of the Company to provide the following information or clarifications and poses the following questions in relation to the matters included in the agenda of the General Shareholders' Meeting of the Company, convened for June 28, 2024, at 12:30 PM, and the publicly accessible information that has been provided by the Company to the CNMV since the date of the last General Shareholders' Meeting. Attached as **Annex I is a** certificate issued by Banco Santander Internacional, S.A. accrediting WG's ownership of its shares in the Company.

This letter of exercise of the shareholder's right to information is a continuation of the communications that we have sent you over the last few months on various important issues affecting the Company, without having obtained adequate responses or a solution to the problems identified by us. We sincerely hope that now that the law obliges you to reply, you will do so with the utmost honesty and professionalism and that you will act, as the law also obliges each of the directors, in the best common interest of the shareholders; of all of them and not only of the majority shareholder. Our requests are as follows:

1. **Agenda item 4.**

WG strongly believes in the value creation potential of the Company and in the capabilities of its employees. In recent years, minority shareholders have been subjected to continuous dilutive transactions that have only appeared to benefit the majority shareholder. At the same time, DIA has made a significant effort to focus on its core business of convenience stores and on the sale of non-strategic assets, which should allow DIA to face a new period of growth in good conditions; this is reflected in the financial statements for 2023 (with improvements in all relevant aggregates and in most of the markets in which the DIA group is present).

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In the face of this, this Board of Directors seems to be unconcerned about fostering transparency and value creation for shareholders. For years we have been calling on the Board of Directors to engage with the market and analysts to increase awareness and impact of the stock. According to our estimates and valuations, the Company is significantly undervalued by the market both based on the share price of its comparables and using commonly accepted valuation methods, such as sum of parts or discounted cash flows (in both cases with conservative valuation assumptions). In this respect:

- (i) Does this Board of Directors believe that the current trading price, as well as the price over the last 6 months, reflects the fair value of the Company after the management carried out by the Board and its management team and the financial results reported to the market?
- (ii) Does the Board of Directors agree that DIA is significantly undervalued and that it does not reflect the management performed by the Board?
- (iii) Could you explain in detail what actions the Company has taken to encourage the involvement of shareholders, other than the majority shareholder, in the management of the company as advised by best corporate governance practices?
- (iv) What was the Company's decision-making process following WG's approach and requests for collaboration? Why did the Board of Directors flatly reject working with WG to promote DIA's awareness and impact among analysts and the market?
- (v) Is the Company contemplating adopting a genuine shareholder engagement policy, beyond the existing policy of information, communication and contacts with shareholders, institutional investors and proxy advisors?
- (vi) Has the Company taken any action with analysts and/or investors in general to increase the awareness and impact of the security and, consequently, the increase of the Company's share price towards a value close to what is understood to be a reasonable value?

2. Agenda items 6 to 12. General issues

As you are aware, since September 2023, WG has sought to have the Board of Directors promote the appointment of a director on its behalf. This director would represent not only WG, but all minority shareholders, as their respective interests are essentially aligned and we strongly believe that his or her incorporation to the management body would also be in the best interest of the Company's performance and value creation for all. In this respect:

- (i) Does the Board believe that minority shareholders are adequately represented on the Board?
- (ii) Do you not consider that the Board of Directors could benefit from the voice of a genuine minority representative, who would serve as a counterbalance to the influence that the majority shareholder exercises over the Board, in addition to the existing independent directors (who can be removed by the majority shareholder at any time)?

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- (iii) What plans does the Council have to increase women's access to the Council?
- (iv) What were the reasons for the Board's refusal to grant access to the candidate proposed by WG, beyond the fact that he does not meet the proportion of capital required to qualify for appointment under the proportional representation system? In this respect, why did it not decide to propose to the Board to increase the number of Board members, in order to give access to the candidate proposed by Letterone, as well as to the WG candidate who would represent the interests of the minority?

3. Agenda item 8

- (i) In relation to the profile of Ms. Luisa Delgado, it is indicated that she does not exceed the maximum number of Boards of Directors on which she is present. However, according to publicly available information, Ms Delgado is said to be present on the boards of DIA, Fortum, Ingka, Barclays Bank Suisse, Breitling, Telia, Swarovsky and Schleich, which would exceed the maximum allowed by the Board of Directors' Regulations. Could you please clarify this point? How many boards of directors is she present on? If it is present on more than six, why has the Rules of Procedure of the Board of Directors, and hence the Articles of Association, which require the composition to comply with the provisions of the Rules of Procedure, been infringed?

4. Agenda item 9

The part of the Board of Directors' report on the proposed appointment of Mr Trius as director devotes a good deal of space to justifying the analysis made by the Appointments and Remuneration Committee in relation to the competition that could exist between DIA and JBS USA Holdings, S.A., the company of which he is chairman. This analysis raises a number of doubts:

- (i) Has external advice been obtained to conclude that there is no current or potential competence of the proposed candidate?
- (ii) Has an analysis been made of the relevant markets in which DIA and JBS USA Holdings, S.A. are present, from a competition law perspective, to see whether they compete in the same markets, either currently or potentially?
- (iii) They only refer to outputs, but have they carried out an analysis of possible competition for sources of supply, human capital or business assets, such as locations?

5. Agenda item 10

The documentation does not indicate whether Mr. Sergio Antonio Ferreira Dias is on any board of directors other than DIA. In this regard:

- (i) On how many boards of directors, and on which ones, is Mr. Sergio Antonio Ferreira Dias?

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- (ii) Do you have any business or other relationships with the Letterone group? Do you receive any remuneration from Letterone group companies or are you entitled to receive any remuneration from them, actual or potential, whether or not related to DIA?

6. Agenda item 11

The documentation does not indicate whether Mr. Marcelo Maia Tavares de Araújo is on any Board of Directors other than DIA. In this regard:

- (i) On how many boards of directors, and on which ones, is Mr Marcelo Maia Tavares de Araújo?

7. Agenda item 14

- (i) What are the reasons that make it advisable to limit, once again and as has been the practice in recent years, the rights of shareholders with regard to the prior notice period for convening the General Meeting?
- (ii) What kind of resolutions do you think will be proposed in the future that would make it advisable for the General Meeting to be called only 15 days in advance and that cannot be held in the ordinary way, with full rights for shareholders?
- (iii) Has any Letterone employee or collaborator, or Letterone's proprietary directors, recommended this proposed deal, and could you please explain in detail how this proposed deal has come about?

8. Inside Information Notice No 2.275 (also related to agenda items 1 and 2)

In connection with the sale of DIA Brasil Sociedade Limitada - Em Recuperação Judicial ("**DIA Brasil**"), announced on 31 May 2024:

- (i) According to the individual financial statements for 2023, the book value (excluding subsequent impairments) of the Company's interest in DIA Brasil would be almost 90% of the Company's individual assets as at 31 December 2023 (and 26% of consolidated assets). Do you consider that such a sale should not be submitted to the general meeting? Do you not consider it to be a core asset?
- (ii) The communication states that the sale and purchase agreement provides, among other things, for the sale of 100% of DIA Brazil to Lyra II Fundo de Investimento em Participações Multiestratégia. What are these other things?
- (iii) What exactly are the terms of the Company's liability under the contract? In addition to the cash infusion that you indicate in the relevant disclosure - which implies that the price is negative - does the company retain any debt, collateral or any future exposure to DIA Brazil once the transaction is consummated?
- (iv) How much do you expect the transaction to cost the Company (or any of its group entities) in terms of cash outflows?

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- (v) Could you please provide more complete information on the purchaser, and does any member of the Board of Directors, or any of its related persons, have any significant contractual (including directorships) or business relationship with the purchaser or any company in the group to which the purchaser belongs?
- (vi) Is there any risk that, after the transaction, any creditor or employee of DIA Brazil will be entitled to claim any amount from the Company?
- (vii) Are there any consequences under the sale and purchase agreement if the financial institutions do not approve the transaction and, consequently, the transaction is not consummated? Have any *break-up fees* been agreed?
- (viii) Are there any conditions precedent other than approval by the financial institutions? Which one(s), if any?
- (ix) Do any employees or collaborators of the Company or any of its subsidiaries, including DIA Brazil, receive any bonus or extraordinary compensation as a result of the signing or execution of the transaction? If so, indicate the number of persons and the overall amount, and provide individual details in the case of directors or members of senior management.
- (x) What is the total amount of disbursements made to DIA Brazil in the last three years, distinguishing between cash or other assets provided or debt forgiveness?
- (xi) Will any contractual relationship between the Company and DIA Brazil persist after the transaction?
- (xii) Is the Company obliged to continue to provide any services to DIA Brazil or the purchaser after the consummation of the sale? If so, how have these services been priced and until when will they be provided?
- (xiii) Have you agreed any kind of *earn-out* that would allow the Company to recover part of the huge investment made in DIA Brazil over the last few years?

We also request that when you respond to this request, you confirm that all members of the Board of Directors of the Company are aware of this request and the response provided.

Finally, as required by art. 13.4 of the Regulations of the General Meeting of Shareholders of the Company, we request that you publish this letter as soon as possible on the corporate website, as well as the answers provided by you to the above requests for information and clarification or questions.

For answers to the questions, please send them by e-mail to the following addresses (francisco.santos@westerngate.eu and frederico.orey@westerngate.eu), with a copy to our lawyers Manuel García-Villarrubia (manuel.garcia-villarrubia@uria.com), Martín Jordano (martin.jordano@uria.com) and Miguel Moratinos (miguel.moratinos@uria.com).

Yours sincerely,

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WESTERN GATE PRIVATE INVESTMENTS LIMITED

P.p.

Francisco José Valente Hipólito dos Santos

Administrator (*director*)

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ANNEX 1 CERTIFICATE OF TITLE