

## **TO THE NATIONAL SECURITIES MARKET COMMISSION**

Pursuant to Article 226 of the consolidated text of the Securities Market Act and development regulation, **Distribuidora Internacional de Alimentación, S.A.** (“**DIA**” or the “**Company**”) hereby communicates and disclosing the following

### **INSIDE INFORMATION**

Following the successful completion of the first phase of the transformation of DIA, it is announced that, by mutual agreement with the Company, Mr Karl-Heinz Holland, will step down from DIA, both from his Group CEO and board roles, effective 20th May 2020. Mr Stephan DuCharme, currently non-executive Chairman of DIA’s board of directors, will become Executive Chairman as from May 21<sup>st</sup>, 2020.

Press release attached.

Madrid, 14<sup>th</sup> April 2020.

**Distribuidora Internacional de Alimentación, S.A.**

Alvaro López-Jorrín  
Secretary of the Board of Directors

## STRATEGIC ANNOUNCEMENT

### DIA business transformation update

*Stephan DuCharme appointed Executive Chairman to lead next phase*

*Strengthened organizational structure with empowered Country CEOs now in place,  
supported by a strategic DIA Group corporate center*

*Operational and commercial transformation well underway driven by reinforced management  
teams, resulting in improved underlying Q1 2020 trading performance*

*Karl-Heinz Holland successfully completes strategic mission at DIA*

**MADRID, April 14<sup>th</sup>, 2020:** DIA Group, (“DIA” or “The Group”) an international distributor of food and household items that operates in Spain, Portugal, Brazil and Argentina, today confirmed the successful conclusion of the first phase of its business transformation.

In May 2019, a new DIA Group executive team led by Karl-Heinz Holland initiated a comprehensive turnaround program, with the first phase focused on three primary objectives:

- Injecting world-class talent into the business at management level to drive transformation.
- Re-establishing retail basics across the Group, including a new commercial value proposition and best-in-class operations across the supply chain and stores.
- Creating a new Group operating model, based on devolved and empowered country leadership with full P&L responsibility, strategically supported by the Group corporate center.

Twelve months on, the first phase of DIA’s transformation program has been completed and a new operating model is now in place, in particular with the recent arrival of new country leadership in Spain and Brazil:

- **Spain:** Ricardo Alvarez as CEO supported by a newly created country CFO role, a function previously managed at a Group level.
- **Brazil:** Marcelo Maia as Executive Chairman supported by a newly created DIA Brazil advisory board, including experienced independent members.

Significant progress has also been made in re-establishing core retail practices across the Group as demonstrated by today’s Q1 2020 trading update.

Following the successful completion of this first phase of DIA’s business transformation, CEO Karl-Heinz Holland will step down from his Group CEO and board roles, effective 20 May.

Stephan DuCharme, currently non-executive Chairman of DIA’s board of directors, will become executive Chairman, providing strategic guidance to the executive team under the new operating model. A lean Group corporate center will focus on the overall Group purpose and strategy, digital transformation, strategic communications, institutional relations, senior leadership development and corporate finance.

As Managing Partner of L1 Retail, Stephan led the original investment in DIA and has been non-executive Chairman of the board since May 2019. He was CEO of X5 Retail Group, the largest food retailer in the Russian Federation between 2012 and 2016 and has been non-executive Chairman of X5 Retail Group since November 2015.

**Commenting on the strategic update, Stephan DuCharme, said:**

*“On behalf of the board of directors and the whole DIA team, I would like to thank Karl-Heinz for his commitment to DIA and for successfully delivering the critical objectives of the first phase of DIA’s business transformation ahead of schedule. We will work closely together, as we have done since we joined the DIA team, to ensure a smooth handover in May. I am pleased that Karl-Heinz will continue to be available in an advisory capacity.*”

*“My role, and that of the Group executive, will be to support our country leadership by focusing on ensuring strategic alignment and common purpose across the Group and assisting in talent and digital development.*”

*“We will continue DIA’s commercial transformation, focused on the continued evolution of the value proposition into a modern proximity concept, an improved long-term franchisee model that values entrepreneurship and the acceleration of opportunities around e-commerce.”*

-ENDS-

**NOTES TO EDITORS**

- The DIA Group will report its Q1 2020 Financial Results on 12<sup>th</sup> May.
- As part of its regular financial communications, DIA has issued a Q1 Trading Update today – see [www.diacorporate.com](http://www.diacorporate.com) for further details.

**RICARDO ALVAREZ, CEO SPAIN**

- More than 20 years’ experience in the food retail sector in Spain and US.
- Previous Roles - EVP and COO at Lidl (Spain, US), roles with Tesco in Ireland.

**JAVIER LOPEZ CALVET, CFO SPAIN**

- Broad international career in retail with 35 years at Carrefour.
- Most recently led E-Commerce and Digital Transformation for Carrefour Spain.
- Previous Roles - CFO of Carrefour France, Belgium, Spain and Mexico.

**MARCELO MAIA, EXECUTIVE CHAIRMAN, BRAZIL**

- Shareholder and EVP of Lojas Maia, a leading home appliance retail chain in Northeast Brazil (sold to Magazine Luiza in 2010; Regional Director for Magazine Luiza until 2015)
- Previous Roles - Brazilian Federal Secretary for Commerce and Services; Chairman of the Brazilian Franchise Association (ABF)

**ENÉAS PESTANA, BRAZIL ADVISORY BOARD**

- Founder of Enéas Pestana & Associados, an advisory firm in the retail and consumer space.
- Previous Roles - CEO and CFO of Grupo Pão de Açúcar, Former CFO GP Investimentos (LatAm alternative investment firm) and Carrefour Brazil finance controller.

**ANTONIO LIMA NETO, BRAZIL ADVISORY BOARD**

- Member of the Audit Committee of Banco Itau Unibanco (Brazil) and Itau Corpbanca (Chile).
- Previous Roles – Executive Chairman of Banco do Brasil (2006-9), 25 years with the bank in a range of regional and senior positions including VP International Operations, VP Corporate and VP Retail.

**MEDIA**

Lara Vadillo / Rebeca Matilla / Leyla Gallego

Phone: +34 619.22.65.87 / 609.41.57.21 / 616.02.51.89

Email: [comunicacion@diagroup.com](mailto:comunicacion@diagroup.com)

**INVESTORS RELATIONS**

Natalia Amo

Email: [investor.relations@diagroup.com](mailto:investor.relations@diagroup.com)