

## **THE NATIONAL SECURITIES MARKET COMMISSION APPROVES THE INFORMATION PROSPECTUS FOR DEOLEO'S CAPITAL INCREASE, WHICH WILL TAKE PLACE ON 26 MAY**

- Shareholders with preferential subscription rights and third-party investors who purchase said rights on the market may exercise them until 9 June. Subsequently, and until 16 June, the new shares will be allocated (in this order) to the shareholders and other investors who have exercised their rights and requested additional shares, to the bearers of preferred shares, and to other institutional investors.
- The capital increase process contemplates a third round for bearers of preferred shares to access the capital increase in the event that it is fully subscribed in the first and second rounds.
- Each one of the current shares in circulation will grant one preferential subscription right, and 59 rights will be necessary to subscribe 21 new shares.
- The new shares will have an issue price of 0.10 euros, they will keep the nominal value of the current shares, and they are foreseen to begin trading on 25 June.

**Madrid, May, 21<sup>st</sup> 2020.** Deoleo received approval today by the National Securities Market Commission (CNMV) for the informational prospectus that defines the terms and conditions for the company's capital increase for a cash value (nominal value plus premium) of approximately 50 million euros. This transaction is framed within the Deoleo Group's financial restructuring process and was approved by the Extraordinary General Meeting of Company Shareholders in January.

This increase, which is being issued with preferential subscription rights for current shareholders, will be undertaken simultaneously (as approved in the aforementioned Extraordinary Meeting) with a capital reduction to zero to offset losses, through the redemption of all of the current shares representing the company's current capital stock.

To execute this transaction, as noted in the informational prospectus, Deoleo will issue 500,000,004 new shares at a subscription price of 0.10 euros per title. Each share currently in circulation will grant one preferential subscription right and 59 rights will be necessary to subscribe 21 new shares.

### **Phases of the Increase - Subscription Period for Current Shareholders**

The subscription period for shareholders with preferential subscription rights and third-party investors who purchase said rights on the market will last from 26 May until 9 June. Subsequently, and until 16 June, if the capital increase is not fully subscribed in the first round, the new shares will be allocated (in this order) to the shareholders and other investors who have exercised their rights and requested additional shares, to the bearers of preferred shares, and to other institutional investors.

In accordance with the planned timeframe for this transaction, once the different subscription periods have ended as described in detail in the informational prospectus on capital increase, the deed reducing capital to zero and simultaneously increasing capital will be signed on 22 June and it will be registered with the Commercial Registry on 24 June. The new shares will begin to be traded on 25 June.

### **Issuance of Warrants**

Likewise, those shareholders who are assigned preferential subscription rights in the Capital Increase and are not considered professional investors will receive, for free, a warrant for each Deoleo share which will allow them to participate in a potential future increase in value and sale of the Company's business, which could come about in the 10 years following the date of issuance.

### **Completion of the Financial Restructuring Process**

Execution of this accordion option represents one of the latest milestones of the refinancing agreement that Deoleo reached with its creditors last September. Thus, once a balance in the equity accounts has been reestablished, and with the new company shares in circulation, the restructuring process will close, and the new financial debt structure will enter into force.

This transaction's close means that the Group's net financial debt would reduce by a maximum amount of 375 million euros, if the capital increase is fully subscribed, and it would imply a reduction by more than 50% of the current syndicated loan – from 575 million euros to 242 million.

The terms and conditions for the capital increase and the warrants are listed in detail in the informational prospectus approved by the CNMV today and which has been made available to the public in electronic format through the Company's website ([www.deoleo.com](http://www.deoleo.com)) and the CNMV's website ([www.cnmv.es](http://www.cnmv.es)).

### **About Deoleo**

Deoleo is a Spanish food multinational and world leader in olive oil sale. It is present in more than 75 countries on the five continents and has factories in Spain and Italy and sales offices in 15 countries. Deoleo has brands that are worldwide leaders like Bertolli (most sold in the USA), Carapelli, and Sasso – as well as the Spanish brands Carbonell, Hojiblanca, and Koipe. More information: [www.deoleo.com](http://www.deoleo.com)

For more information

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