



Delhaize Group SA/NV  
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(the "**Company**")

## CONVOCAATION TO THE GENERAL MEETING OF BONDHOLDERS

The board of directors of the Company has the honour to invite the holders of the 4.250 per cent. bonds due 19 October 2018 issued by the Company with ISIN Code BE0002178441 (the "**Bonds**") to attend the general meeting of such bondholders to be held on Monday 11 January 2016 at 14:00 Brussels time at Delhaize Group Support Office, Square Marie Curie 40, 1070 Anderlecht, Belgium (the "**Meeting**") in order to deliberate and decide on the resolutions described in paragraph 2 below in the context of the proposed combination of the Company with Koninklijke Ahold N.V. ("**Ahold**"). In this notice, unless a contrary indication appears, terms used in the terms and conditions of the Bonds (the "**Conditions**") have the same meaning and construction.

Further information on the Meeting and related matters, including the requirements to participate in the Meeting, is included in a memorandum prepared by the Company available on the website of the Company at [www.delhaizegroup.com](http://www.delhaizegroup.com) (the "**Participation Solicitation Memorandum**").

### 1 Background

On 24 June 2015, the Company announced its intention to merge with Ahold (the "**Merger**"), subject to customary conditions precedent, including but not limited to the prior approval of the Company's shareholders and the shareholders of Ahold.

As a result of the Merger, (i) all assets and liabilities of the Company including the Bonds (the "**Delhaize A&L**") will, by operation of law, be transferred to Ahold, which will be renamed "Koninklijke Ahold Delhaize N.V." or "Ahold Delhaize N.V." ("**Ahold Delhaize**"), under a universal succession of title (*overgang onder algemene titel/transfert universel de patrimoine*) such that Ahold will automatically be substituted in all the rights and obligations of the Company and (ii) the Company will be dissolved without going into liquidation and shall thus cease to exist. Upon the Merger becoming effective, Ahold will establish a branch in Belgium and will allocate to that branch all Delhaize A&L.

Shortly thereafter, it is envisaged that the Delhaize A&L will be transferred from Ahold Delhaize to a new wholly-owned subsidiary of Ahold Delhaize ("**New Delhaize**"), by way of a partial demerger under Dutch law (the "**Demerger**"). Upon completion of the Demerger, New Delhaize will be a Dutch private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) and will allocate the Delhaize A&L to the Belgian branch and will act as issuer under the Bonds through its Belgian branch. As soon as practically possible following a period of around 2 months from the Demerger, the corporate seat of New Delhaize is envisaged to be transferred from the Netherlands to Belgium (the "**Conversion**") by means of a cross-border conversion whereby New Delhaize is anticipated to become a partnership limited by shares (*commanditaire vennootschap op aandelen/société en commandite par actions*). The Merger, the Demerger and the Conversion, including any steps to be taken in connection therewith or in relation thereto are collectively referred to as the "**Combination**". The Demerger and the Conversion including any steps to be

taken in connection therewith or in relation thereto are collectively also referred to as the "**Hive-Down**". The period from the Merger until the Conversion is referred to as the "**Interim Period**".

## **2 Agenda**

The Company requests the holders of Bonds ("**Bondholders**") to:

- (i) waive the right to request any early redemption of the Bonds as a result of any event of default under Condition 9(h) of the Bonds that could be triggered by the Combination and to approve the change of issuer under the Bonds; and
- (ii) consent to various technical amendments of the Conditions to give effect to the Combination.

## **3 Proposed Resolutions**

The Bondholders are requested to approve the following resolutions (together, the "**Proposed Resolutions**").

- (a) Waiver of event of default under Condition 9(h) and change of issuer under the Bonds

Pursuant to Condition 9(h) of the Bonds, an event of default is triggered by the passing of a resolution for the winding-up or dissolution of the Company. The Bondholders are requested to waive this event of default as the Company will be dissolved (without liquidation) upon completion of the Merger. For the avoidance of doubt, we are also seeking the Bondholders' confirmation of the proposed change of issuer under the Bonds, from the Company to Ahold Delhaize and then to New Delhaize as explained above.

**Proposed resolution 1:** The general meeting of Bondholders resolves to waive the right to request any early redemption of the Bonds as a result of any event of default under Condition 9(h) of the Bonds that could be triggered by the Combination and approves the change of issuer under the Bonds resulting from the Combination.

- (b) Amendments to the Conditions

As the Conditions of the Bonds currently provide that a change of control is triggered in case of a takeover bid on the shares of the Company or if the majority of the directors of the Company are not Continuing Directors, it is proposed to amend such change of control provisions to provide that, as from the Merger, a change of control will be triggered (i) by a takeover bid on the shares of Ahold Delhaize (other than through Stichting Ahold Continuïteit) or (ii) if the Company ceases to be a (direct or indirect) wholly-owned Subsidiary of Ahold Delhaize.

It is also proposed to amend the definition of "Rating Downgrade" to (i) clarify that the corporate rating will be tested at the level of Ahold Delhaize, (ii) specify that a downgrade will only occur if the rating of the Company is downgraded below BBB-/Baa3 by the two Rating Agencies and (iii) make certain conforming changes to Condition 10.2 of the Bonds (including applying the rating downgrade test for the purpose of releases of cross-guarantors to subsidiaries representing more than 25% of the consolidated assets of Ahold Delhaize, as opposed to more than 25% of the consolidated assets of the Company) and certain references to the Belgian

Companies Code during the Interim Period, as explained in more detail in the Participation Solicitation Memorandum.

It is further proposed to amend certain events of default provisions to bring them at the level of the Parent so as to give effect to the enlargement of the group following the Merger.

**Proposed resolution 2:** With effect as from the completion of the Merger, the general meeting of Bondholders resolves to:

- (a) add the following definition to Condition 4 of the Bonds: *“Parent” means the public company incorporated under the laws of the Netherlands (naamloze vennootschap), registered with the trade register maintained by the Dutch chamber of commerce under number 35000363 and named either Koninklijke Ahold Delhaize N.V. or Ahold Delhaize N.V.*;
- (b) replace the word *“Issuer”* by the word *“Parent”* each time it is used in Condition 4 in the definitions of *“Change of Control”*, *“Ordinary Shares”* and *“Rating Downgrade”*, in Condition 4 in the definition of *“Subsidiary”* for purposes of the definition of *“Consolidated Capitalisation”*, in items (i) and (ii) of Condition 6.3(a), in each instance where the definitions of *“Material Subsidiary”* and *“Subsidiary”* are used in Conditions 9(e), 9(f), 9(g) and 9(h), in Condition 10.2, and in each instance where the definitions of *“Major Subsidiary”* and *“Subsidiary”* are used in Condition 10.2;
- (c) delete in Condition 4 in the definition of *“Change of Control”* in each case the words *“(as defined Article 3, paragraph 1, 5° of the Belgian law of 1 April 2007 on public takeover bids or any modification or re-enactment thereof)”* and the words *“in accordance with Article 42 of the Royal Decree of 27 April 2007 on Takeover Bids”*;
- (d) add in Condition 4 at the end of the definition of *“Change of Control”* the words *“a Change of Control shall not be deemed to have occurred if any person or group of persons gains control of the Parent through Stichting Ahold Continuïteit (“SAC”) or if the SAC gains control in accordance with the articles of association of SAC as amended from time to time”*;
- (e) delete limb (b) of the definition of *“Change of Control”* and delete in Condition 4 the definition of *“Continuing Directors”*;
- (f) add in Condition 4 in the definition of *“Rating Downgrade”* in each case the words *“below BBB-/Baa3”* after the words *“a downgrade”*;
- (g) include the following new item (iii) in Condition 6.3(a): *“(iii) the Issuer ceases to be a (direct or indirect) wholly-owned Subsidiary of the Parent,”*;
- (h) replace in Conditions 9(e), 9(f) and 9(g) in each case the words *“the Issuer or any Material Subsidiary”* by the words *“the Parent, the Issuer or any Material Subsidiary”*;
- (i) replace Condition 9(h) by the following: *“an order is made or an effective resolution passed for the winding-up or dissolution of the Parent, the Issuer or any Material Subsidiary other than a solvent liquidation or reorganisation of the Issuer or any Material Subsidiary, or the Parent, the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or*

*substantially all of its business or operation, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by a resolution of the general meeting of Bondholders, or (ii) in the case of the Issuer or a Material Subsidiary, whereby the undertaking and assets of the Issuer or the Material Subsidiary are transferred to or otherwise vested in the Parent or another of its Subsidiaries”;*

- (j) for so long as the issuer under the Bonds is a company incorporated under the laws of the Netherlands and only during such period, add in Condition 10.1 the words “*and, for so long as the Issuer is a company incorporated under the laws of the Netherlands, the Netherlands*” after “*other than Belgium*”; and
- (k) (i) acknowledge that, during the period referred to in paragraph (j) above, certain provisions of the Belgian Companies Code (which are referred to in certain Conditions) may not, as a matter of law, apply to the issuer under the Bonds during such period as the issuer under the Bonds will be a company incorporated under the laws of the Netherlands and (ii) to the extent necessary or useful, agree that during such period relevant provisions of the Belgian Companies Code will, as a contractual matter, be deemed to be replaced by similar or corresponding provisions of Dutch law or, in relation to the bondholders’ meetings provisions, by similar or corresponding provisions applied to the most recently issued bonds of the Parent.

#### **4 Further information**

Further details on the requirements to satisfy to participate in the Meeting and the applicable quorum and majority are included in the Participation Solicitation Memorandum. To be eligible to participate in the Meeting, a Bondholder should deliver at the latest by 14:00 (CET) on 6 January 2016 (i) a valid Block Voting Instruction (as defined in the Participation Solicitation Memorandum) or, if the Bondholder is not a participant in the clearing system of the National Bank of Belgium, request the relevant participant in the clearing system of the National Bank of Belgium to deliver such Block Voting Instruction by the same time and date or (ii) a Meeting Notification (as defined in the Participation Solicitation Memorandum), together with a voting certificate issued by a recognised accountholder (*teneur de compte agréé/erkende rekeninghouder*) within the meaning of article 468 of the Belgian Companies Code or by the clearing system of the National Bank of Belgium certifying that the Bonds in respect of which a Meeting Notification is given, will be blocked until the later of the conclusion of the Meeting and any Adjourned Meeting.

Bondholders who are present or represented at the Meeting and who validly vote (through a Block Voting Instruction or as set out in a Meeting Notification) at the Meeting will be entitled to a participation fee of 0.15 per cent. of the principal amount of the Bonds in respect of which such Bondholder has validly voted, as set out in more detail in the section “Participation Fee” on page 28 of the Participation Solicitation Memorandum. The participation fee will only be due to Bondholders if both Proposed Resolutions are passed at the Meeting, or the adjourned Meeting or after having been homologated by the Court of Appeal of Brussels (as applicable) and subject to the relevant Block Voting Instruction or, if applicable, Meeting Notification (together with a Voting Certificate) not having been

revoked. In the event that the required quorum is not reached at the Meeting and an adjourned Meeting has to be held, the participation fee shall be due to a Bondholder who has validly voted at the adjourned Meeting on both Resolutions and provided that both Proposed Resolutions were passed during such Meeting. The applicable quorum and majority requirements are explained in more detail in the section "Quorums and Majorities" on page 27 of the Participation Solicitation Memorandum. In the event that a Proposed Resolutions is approved at an adjourned Meeting by a majority representing less than a third of the outstanding principal amount of the Bonds, such Proposed Resolutions taken at such adjourned Meeting must be homologated by the Court of Appeal of Brussels. In such case, the participation fee shall be due to the Bondholders who have validly voted at the adjourned Meeting upon homologation of the Proposed Resolutions by the Court of Appeal of Brussels.