

EURIS

RALLYE



PRESS RELEASE

Paris, 30 March 2020 - In the context of the financial markets developments relating to the Coronavirus (Covid-19) epidemic, Jean-Charles Naouri and Marc Ladreit de Lacharrière announce the conclusion of an agreement in view of the refinancing of the derivatives transactions of Rallye (including its subsidiaries HMB and Cobivia) and a potential investment by Fimalac in the Euris group.

1. Refinancing of the derivatives transactions

Pursuant to this agreement, Fimalac has undertaken to provide a financing facility with a maturity of 4 years (with a one-year extension subject to Fimalac's agreement) either to a subsidiary of Euris until 31 December 2020, or to Rallye at the latest on 5 January 2021, in order to allow the repayment of all derivatives transactions entered into by Rallye, HMB, and Cobivia, which are not covered by the safeguard plans of such companies but have been the subject of specific agreements (see Rallye's press release dated 25 November 2019). The maximum amount of this facility is 215 million euros.

Pursuant to these specific agreements, the financial institutions parties to the derivatives transactions may, if applicable, trigger the early repayment of the derivatives transactions or demand payment of their claims under the derivatives transactions and exercise the related security interests¹, notably in case of non-compliance with a coverage ratio determined as a certain proportion calculated as the value of the Casino shares pledged as collateral under the derivatives transactions as compared to the notional amount of such derivatives transactions (net of cash-collateral).

In this unprecedented context, it cannot be excluded that the abovementioned coverage ratio may not be complied with, which could result in the loss for Rallye of 8.73 % of Casino's share capital (as of the date of this press release). The Euris group therefore decided to protect itself against this risk, in order to preserve the integrity of the group necessary to enforce the safeguard plans approved by the Paris Commercial Court (see press releases of the relevant companies dated 2 March 2020).

Therefore, should the involved financial institutions exercise the share pledges and appropriate the Casino shares pledged to their benefit (i.e. approximately 8.73% of Casino's share capital), Fimalac² has undertaken to finance Par-Bel 2³ so that Par-Bel 2 is able to offer a liquidity to the relevant financial institutions which would have appropriated Casino shares. In such case, the repurchased shares would be directly transferred to a fiduciary trust (*fiducie-sûreté*) for the benefit of Fimalac as a guarantee of the financing facility granted to Par-Bel 2.

For this purpose, Rallye, HMB, Cobivia and the relevant financial institutions entered into amendments to the agreements restructuring their derivatives transactions.]

In the event that the financing facility granted by Fimalac to Par-Bel 2 is not drawn down before 31 December 2020, Fimalac would grant a financing facility to Rallye, on first demand by Rallye and at the latest on 5 January 2021, in terms identical to those of the Par-Bel 2 facility in order to allow Rallye to proceed with the repayment of its derivatives transactions. The maximum amount of this facility with a maturity of 4 years (with a one-year extension subject to Fimalac's agreement) is 215 million euros. The drawdown of the facility remains subject to the execution of a fiduciary trust agreement.

The early repayment events under the facility are customary for such type of financing, the main events being set out below:

¹ As of the date of this press release, concerning approximately 9.5 million of Casino shares, i.e. approximately 8.73% of Casino's share capital

² A company controlled by Marc Ladreit de Lacharrière.

³ A subsidiary controlled at 100% by Euris, itself controlled at 100% by Mister Jean-Charles Naouri and his family.

- occurrence of an event leading to Jean-Charles Naouri no longer holding at least 50% of the voting rights of Casino, plus one vote; and
- rescission (*résolution*) of the safeguard plan of Rallye.

2. Fimalac's potential investment in Euris

For a period of seven years, Fimalac may decide to invest in Euris up to 49.99% through a new holding company, which (i) would be owned by Jean-Charles Naouri and his family and (ii) will control Euris.

Finally, Jean-Charles Naouri will propose to the Board of directors of Casino, Guichard Perrachon to submit to the next general meeting of shareholders a resolution in view of the appointment of a representative of Fimalac to the Board of directors of Casino. Indeed, Fimalac holds 2.8 million Casino shares accounting for 2.6% of the share capital.

With this new transaction, Fimalac intends to take part in the support and development of the Casino group.

Press contact :

Citigate Dewe Rogerson

Aliénor MIENS + 33 6 64 32 81 75 Alienor.miens@citigatedewerogerson.com

Annelot Huijgen +33 6 22 93 03 19 Annelot.Huijgen@citigatedewerogerson.com