

RALLYE

Annual results 2023

The consolidated financial statements for 2023, audited by the Statutory Auditors, were adopted by the Board of Directors on 4 April 2024 in abandonment of the principle of going concern and with the classification of the assets and liabilities of the Casino Group as assets and liabilities held for sale and its operations on a separate line of the consolidated income statement in discontinued operations in accordance with IFRS 5.

It is reminded that on 28 March 2024, the companies Rallye, Foncière Euris, Finatis and Euris announced that they had requested the termination of their safeguard plans and the opening of compulsory liquidation proceedings.

In this context, it is specified that Rallye continues to apply IFRS standards as adopted by the European Union.

Consolidated accounts ⁽¹⁾

(in €m)	2023	2022 (restated) ⁽²⁾
Net sales	5	5
Trading profit	(8)	(10)
Other operational income and expenses ⁽³⁾	(28)	(3)
Cost of net financial debt	(452)	(116)
Other financial income and expenses	-	137
Net profit (loss) from continuing operation, Group share	(490)	9
Net profit (loss) from discontinued operations	(8,009)	(421)
Of which Group share	(3,443)	(263)
Consolidated net profit (loss)	(8,499)	(412)
Of which Group share	(3,933)	(254)

(1) The audit procedures on the consolidated accounts have been carried out by the statutory auditors and the certification report is being issued

(2) The previously published accounts were restated, following the reclassification of the Casino Group in discontinued operations in accordance with IFRS 5.

(3) In 2023, other operating expenses include a provision allocation of €25m relating to the financial penalty against Rallye issued on 7 September 2023 by the AMF Sanctions Commission

Net loss from continuing operations, Group share, was -€490m at 31 December 2023, impacted negatively by the accelerated amortization of liabilities for -€265m, compared with €9 million at 31 December 2022, which included the effects of the tender offer for Rallye's unsecured debt for the 2022 financial year.

Net income from discontinued operations of the consolidated group amounted to -€8,009m at 31 December 2023. In addition to the reclassification of the net income of the Casino group as a whole on this aggregate, namely -€7,128m in 2023, it includes in particular the full impairment of the residual goodwill on Casino for a total amount of €896m. Net income from discontinued operations, Group share, amounted to -€3,443m at 31 December 2023.

Casino's net income Group share for the financial year amounted to -€5,661m, impacted in particular by the effects of disposals, impairment losses and financial restructuring.

Net financial debt of Rallye's holding perimeter¹

The bridge between Rallye's holding perimeter gross financial debt and net financial debt is detailed below:

(in €m)	31 Dec. 2023	31 Dec. 2022
Claims secured by pledges over Casino shares	1,340	1,268
Unsecured claims	1,341	1,293
Claims secured by pledges over shares of Rallye subsidiaries (other than Casino)	151	142
Total - claims under the safeguard plan	2,832	2,703
Financings issued after the enforcement of the safeguard plan	425	397
Total - gross financial debt	3,257	3,100
Cash and other financial assets ⁽¹⁾	(10)	(20)
Total - net financial debt (before IFRS restatements)	3,247	3,080
IFRS restatements ⁽²⁾		(265)
Total - net financial debt	3,247	2,815

(1) Of which €10m at Rallye company level at 31 December 2023 vs. €19m at 31 December 2022.

(2) As part of the safeguard procedure, the restatement of financial liabilities in accordance with IFRS 9 - Financial Instruments - amounted to €265m at 31 December 2022.

Rallye's holding perimeter gross financial debt stood at €3,257m at 31 December 2023, an increase of €157m over the year, due to financial expenses (excluding IFRS) €187m recorded over 2023 and the realization of collateral securities in Casino shares.

Rallye's holding perimeter net financial debt, before IFRS restatements, amounted to €3,247m at 31 December 2023, compared with €3,080m at 31 December 2022.

The change in Rallye's holding perimeter net financial debt over the year breaks down as follows:

(in €m)	2023	2022
Net financial debt (opening)	2,815	2,818
Financial interests (excluding IFRS)	187	134
Holding costs	10	14
Net impact of the global tender offer on unsecured debt ⁽¹⁾		(166)
Realization of collateral securities ⁽²⁾	(30)	
Other		6
Variation of IFRS restatements ⁽³⁾	265	9
Net financial debt (closing)	3,247	2,815

(1) Excluding IFRS restatements (i.e. the accelerated amortization of liabilities under the IFRS 9 standard for the acquired debt), the net impact of the global tender offer carried out in H1 2022 would amount to €235m.

(2) In 2023, some of Rallye's creditors exercised their right to take over the Casino shares held in a fiduciary-trusts, resulting in a €30m reduction in financial debt.

(3) In 2023, the change of €265m in IFRS restatements corresponds to the accelerated amortization of liabilities under the IFRS 9 standard as part of the abandonment of the principle of going concern.

Rallye company level annual result

The principle of going concern was abandoned for the establishment of the accounts of the company Rallye at 31 December 2023, which mainly leads to the retention of realization values for the assets and to classify the liabilities within one year.

¹ Rallye's holding perimeter is defined as Rallye and its subsidiaries holding the investment portfolio

Net loss of the company Rallye

The net loss for the 2023 financial year of Rallye was -€2,620m (compared with -€1,696m in 2022).

It notably includes a net loss of -€477m (including a provision reversal of €576m) following the appropriation of Casino shares, representing 10.78% of Casino's capital, placed in fiduciary trusts, by banks and Fimalac in repayment of part of the stake in the relevant financings.

Financial expenses in 2023 relate to interest on financial debts amounting to -€183m and a provision for impairment on Casino securities for -€1,915m. The equity securities were valued at their realizable value; the value retained for the Casino securities is their stock market price at the end of 2023, or € 0.7835. Consequently, as of 31 December 2023, the book value of the Casino securities (including fiduciary trust), with a gross amount of €3,457m, is impaired up to €3,422m.

Shareholders' equity amounted to a negative amount of -€3,221m at 31 December 2023, compared with a negative amount of -€601m at 31 December 2022.

Board of Directors

Following the request to open a compulsory liquidation proceeding, the independent directors and the director representing the employees who have accompanied the company Rallye for several years went to the end of their mission and did not cease their duties until the end of the Board of Directors of 4 April 2024 having closed the accounts for the year ended 31 December 2023. The company and the board of directors expressed their most sincere thanks to them. It is specified that due to the upcoming opening of the liquidation proceeding, the directors will not receive the remuneration provided for by the remuneration policy adopted at the annual general meeting of shareholders of 16 May 2023.

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APPENDICES

Rallye simplified balance sheet (consolidated data)

(in €m)	31 Dec.2023	31 Dec. 2022 (restated)
Non-current assets		23,310
Current assets	17	8,837
Assets held for sale	18,367	110
Total assets	18,384	32,257
Equity	(5,033)	3,861
Non-current financial liabilities		10,212
Other non-current liabilities		5,614
Current financial liabilities	3,258	1,827
Other current liabilities	37	10,731
Liabilities associated with assets held for sale	20,122	12
Total equity and liabilities	18,384	32,257