

# RALLYE

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## Interim Financial Report 2022

*This document is a free translation into English of the original French “Rapport Financier Semestriel au 30 Juin 2022”, hereafter referred to as the “Interim Financial Report at 30 June 2022”. It is not a binding document. In the event of a conflict in interpretation, reference should be made to the French version, which is the authentic text.*

***Article 222-4 of the AMF General Regulation***

# RALLYE

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*\* The interim financial statements for the six months ended 30 June 2022 and 30 June 2021 have been reviewed by the Statutory Auditors.*

## RALLYE

**A French *société anonyme* (joint stock company) with a share capital of EUR 158,775,609**

**Registered with the Paris Trade and Companies Register under number 054 500 574**

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# KEY FIGURES

(€ millions)	First-half 2022	First-half 2021 (restated) <sup>(1)</sup>	Change
<b>Continuing operations:</b>			
Net sales	15,905	14,482	1,423
Recurring operating income	375	434	(59)
<b>Net income (loss) from continuing operations</b>	<b>(181)</b>	<b>84</b>	<b>(265)</b>
<b>Net income (loss) from discontinued operations</b>	<b>(5)</b>	<b>(169)</b>	<b>164</b>
<b>Consolidated net income (loss)</b>	<b>(186)</b>	<b>(85)</b>	<b>(101)</b>
<b>Attributable to owners of the parent</b>	<b>(54)</b>	<b>(72)</b>	<b>18</b>
<i>In € per share<sup>(2)</sup></i>	<i>(1.03)</i>	<i>(1.38)</i>	<i>0.36</i>

(1) Previously published comparative information has been restated (note 1.3 to the consolidated financial statements).

(2) Based on the weighted average number of Rallye shares outstanding during the period.

(€ millions)	30 June 2022	31 Dec. 2021	Change
<b>Consolidated balance sheet</b>			
Consolidated shareholders' equity	4,278	3,814	464
Net debt	9,376	7,875	1,501

# STATEMENT BY THE PERSON RESPONSIBLE

*for the Interim Financial Report*

I certify, to the best of my knowledge, that the financial statements presented in the interim financial report have been prepared in accordance with the applicable accounting standards and give a true and fair view of the Rallye Group's assets, financial position and results, and that the interim business report presents a true and fair view of the main events which occurred during the first six months of the year, their impact on the interim consolidated financial statements, the main risks and uncertainties for the remaining six months of the year and the main related-party transactions.

Paris, 29 July 2022

Franck HATTAB  
General Manager

# INTERIM BUSINESS REPORT

## Business report

The comments in the Interim Financial Report reflect comparisons with first-half 2021 results from continuing operations.

The 2021 financial statements have been restated following the retrospective application of the IFRS IC agenda decisions (i) Configuration or Customisation Costs in a Cloud Computing Arrangement (see note 1.1 to the interim financial report) and (ii) Attributing Benefit to Periods of Service (IAS 19) (see note 1.3 to the consolidated financial statements at 31 December 2021).

### Main changes in the scope of consolidation

- There were no significant changes in consolidation scope during the period

### Currency effects

	Average exchange rates			Closing exchange rates		
	H1 2021	H1 2022	Change %	H1 2021	H1 2022	% change
Colombia (EUR/COP) (x1,000)	4.3671	4.2784	+2.1%	4.4669	4.3002	+3.9%
Brazil (EUR/BRL)	6.4912	5.5498	+17.0%	5.9050	5.4229	+8.9%

## CASINO

### Financial highlights of the first half of 2022

(€ millions)	First-half 2021 (restated)	First-half 2022	Reported change	Change at CER
<b>Consolidated net sales</b>	<b>14,480</b>	<b>15,903</b>	<b>+9.8%</b>	<b>+3.3%</b>
<b>EBITDA</b>	<b>1,092</b>	<b>1,069</b>	<b>-2.2%</b>	<b>-7.8%</b>
<b>Trading profit</b>	<b>440</b>	<b>380</b>	<b>-13.7%</b>	<b>-21.8%</b>
Underlying net profit (loss), Group share	(75)	(102)	-27	n.m.
Consolidated net debt	5,482	6,644	+1,162	

### First-half 2022 highlights

#### — Retail banners: return to net sales growth

The retail banners returned to growth in Q2 2022.

#### Expansion of the store network and E-commerce

- » Ramp-up of store network expansion, with 376 stores opened in convenience formats in H1 (Franprix, Spar, Vival, etc.) and several supermarkets and independent stores joining the franchise network;
- » Strong 20% growth in food E-commerce over H1 in a shrinking market (-3.6%<sup>1</sup>).

#### Strengthening technology partnerships

In H1 2022, Casino strengthened its technology partnerships with global leaders including Ocado, Gorillas and Amazon:

- » **Casino and Ocado signed a memorandum of understanding to extend their partnership in France**, providing for (i) the creation of a joint venture offering logistics services in France, (ii) the integration of Octopia's marketplace solution into Ocado's services platform, and (iii) the deployment by Casino Group of Ocado's in-store fulfilment technology in its Monoprix stores;

1 | Source : NielsenIQ - YTD - P06.

- » **Casino and Gorillas signed a strategic agreement to extend their partnership to Frichti**, which will offer Monoprix products as well as national brands. These products will be available on the Frichti platform and delivered to consumers in a matter of minutes in the areas where Frichti currently operates;
- » The **Amazon partnership** was extended to **Lille** and **Nantes** in addition to Paris, Nice, Lyon, Bordeaux, Montpellier and Strasbourg.

#### Tailoring stores to new consumer trends

The banners are adapting their offering to new consumer trends by developing a series of initiatives designed to meet their customers' expectations:

- » **Complete conversion of traditional Géant hypermarkets, into (i) Casino Supermarkets** (20 converted in H1 2022), or **(ii) Casino Hyper Frais**, a concept offering 50% fresh products (4 conversions to date, 57 new stores planned by H1 2023);
- » **Reduction of waiting time at check-out and reduction in stock-outs thanks to Belive technology**;
- » **NFTs now sold** by Monoprix;
- » **Success of subscriptions** <sup>1</sup> in the Casino and Monoprix banners, which already have more than **300,000** paying **subscribers** (versus 210,000 at end-2021): subscribers in the Géant and Casino Supermarkets banners spend on average four times more than unsubscribed customers.

#### Inflation

The banners have adapted their sales strategy to the inflationary environment:

- » **Strong discounts on a weekly selection of products** (under the slogan "Plus bas y a pas" at Géant; basket of 20 products for less than €20 at Franprix, etc.);
- » **Promotion of private-label brands**, including Leader Price in Casino Supermarkets, Géant and Franprix;
- » **Discounts on fuel in hypermarkets and supermarkets** (€0.85 per litre after a refund in the form of a voucher);
- » **Promotion of subscriptions** in Monoprix and Casino, offering a 10% discount on purchases.

The Auxo purchasing units have been strengthened over the last six months:

- The new partnership between Intermarché and Louis Delhaize will enable Auxo Achat Alimentaire to become the leading player in the French market by 2023, with a 26% market share <sup>2</sup>;
- The alliance for purchases of goods and services not for resale unveiled last April (Auxo Achats Non Marchands) is now fully operational;
- Naturalia (Casino Group) and Les Comptoirs de la Bio (Les Mousquetaires Group) are to create an entity in order to consolidate their purchases from the largest organic suppliers on the market.

#### — Cdiscount <sup>3</sup>: back to pre-pandemic trading levels

In a decreasing market, Cdiscount returned to pre-Covid trading levels, with GMV up +2.3% compared to H1 2019, and down -9.9% on H1 2021 (high basis for comparison due to the pandemic).

Cdiscount continues to improve its business mix, with a marketplace GMV share above 50% for the first time over a quarter. Marketplace GMV rose +18.8% compared to H1 2019 (-10.6% compared to H1 2021).

Operating KPIs continue to improve year-on-year, with (i) a +4 pts improvement in NPS <sup>4</sup>, (ii) the development of Advertising Services (digital marketing), which saw a +15.0% rise in revenues at €33m, (iii) accelerated expansion of B2B with a total of 23 contracts for Octopia (+11 compared to end-2021) and 53 clients for C-logistics (+31 vs end 2021), and (iv) a +7.0% increase in the number of Cdiscount A Volonté subscribers..

EBITDA <sup>5</sup> was €15m (versus €48m in H1 2021), back to H1 2019 levels (€13m).

Cdiscount launched a €75m cost savings plan on a full-year basis by 2023 aimed at adapting its cost structure and capex to trading.

#### — GreenYellow: expansion in Europe with offices in Poland and Spain

GreenYellow reported €40m in EBITDA <sup>6</sup> for H1 2022, up +8% compared to H1 2021.

1 | 10% discount on purchases for a monthly fee of approximately €10 (reduced amount for longer subscription period).

2 | Source: Kantar, CAM P6 of the Casino, Louis Delhaize and Les Mousquetaires groups.

3 | Data published by the subsidiary.

4 | Net Promoter Score : indicator of customer satisfaction and loyalty.

5 | Contribution to consolidated figures. Data published by the subsidiary: EBITDA at €17m in H1 2022.

6 | GreenYellow vision. Contribution to consolidated EBITDA: €33m.

Expansion continued in Europe with the establishment of new offices in Poland and Spain, and the commissioning of the first 4 MW project in Bulgaria. Mid-July, GreenYellow also signed a first auto-consumption PPA in Hungary with a major automotive player for a project of more than 9 MW.

During the first half of the year, GreenYellow also **strengthened its positions in its traditional geographies**:

- A second 5 MW floating solar power plant project in Thailand.
- Signing of a major energy efficiency contract in South Africa with a multi-site retailer with more than 100 stores.

## — CSR

In terms of its CSR performance, Casino Group continues to rank as the no. 1 retailer and no. 8 global company in Moody's ESG ranking <sup>1</sup>. The Group's strategy is designed to **promote more responsible retail**, with the creation of a "seasonality barometer" in collaboration with Mauro Colagreco to guide consumers towards seasonal fruit and vegetables, and fair trade certification for all of its private label chocolate bars and coffee capsules.

To complement the measures taken by the Group to reduce its electricity consumption over the last decade (doors on fridge, etc.), **the banners have committed to reducing electricity use in stores at times of energy stress** (e.g., reducing the intensity of lighting in stores, heating reduction during peak hours, etc.).

The Group remains active in terms of **outreach initiatives**, renewing its partnership in support of food banks and its commitment against LGBT+ discrimination in H1 2022. Casino Group also continues to **increase the proportion of women in management**, with women now making up 40% of the Executive Committee.

**The Latin American subsidiaries are also committed to, and recognised for, corporate social responsibility:** (i) Grupo Éxito distributed 84,000 food baskets to children and their families to fight malnutrition and reduced its carbon footprint by 16% in H1 2022; (ii) Assaí reduced its direct and indirect energy-related emissions by 23% and is ranked as Brazil's third best company for the inclusion of people with disabilities. Assaí has also received *Great Place to Work* certification.

## — Latin America

### Excellent performance from Grupo Éxito

In H1 2022 Grupo Éxito reported sales growth of +27.9% as reported (+23.8% at constant exchange rates) and a rise of +24.1% in EBITDA to €165m (+18.9% at constant exchange rates).

In Colombia, sales grew by +26.7%, accelerating in Q2 (+37.8%). EBITDA increased by +18.2%, driven by commercial dynamism. Omnichannel sales continued to see good momentum (+17% <sup>2</sup>) and now represent 12.1% of total sales.

In Uruguay, sales increased by +24.8%, and EBITDA by +31.6%, thanks to improved cost control.

### Brazil: strong growth at Assaí and repositioning of GPA

#### » Acceleration of Assaí on its highly profitable business model

Assaí saw +48.1% sales growth in H1 2022 (+26.6% at constant exchange rates), accelerating to +58.9% in Q2. EBITDA was up +40.9% (+24.2% at constant exchange rates <sup>3</sup>), while the EBITDA margin came out at 6.5%. Since H1 2019, EBITDA has more than doubled in local currency terms.

The conversion of GPA hypermarkets is underway, with two openings in July, and at least 40 conversions planned before the end of 2022.

Digital sales climbed +34% <sup>2</sup> in Q2 2022 compared to Q1 2022.

Assaí targets gross sales of R\$100bn (€18bn) in 2024, to be achieved by (i) opening around 50 stores between 2022 and 2024, and (ii) converting 70 Extra hypermarkets (including at least 40 stores in H2 2022).

#### » Same-store sales growth at the new GPA

Same-store net sales were up by +3.6% in H1 2022, with net sales as reported down by -19.9% (-31.5% at constant exchange rates), due to the closure of hypermarkets.

EBITDA fell -55.7% (-62.1% at constant exchange rates) due to costs related to the closure of hypermarkets and a ramp-up in promotional initiatives. 12 hypermarkets not sold have already been converted into Pão de Açúcar, Compre Bem or Mercado Extra supermarkets, out of a total of 24 conversions planned before the end of Q3 2022.

Trading rose sharply for the E-commerce business, with GMV up +25% <sup>2</sup> compared with Q2 2021.

1 | 2021

2 | Data published by the subsidiary.

3 | Change at constant exchange rates excluding tax credits.

## — Asset disposal plan

In H1 2022, Casino collected:

- » €192m from the sale of Floa Bank. It also has an earn-out of 30% on the future value created through to 2025.
- » €74m for the Apollo and Fortress joint ventures <sup>1</sup> (in addition to the €24m received in 2021). Casino also secured and recorded in advance a €12m earn-out in addition to the €118m already secured in 2021, bringing the total earn-out included in net debt at 30 June 2022 to €130m.
- » €145m from the sale of the stake in Mercialis <sup>2</sup>.

Casino also has €27m in multiple secured or committed disposals (Sarenza, real estate).

**Casino has signed an agreement in view of a disposal of GreenYellow** for an enterprise value of €1.4bn and an equity value of €1.1bn. Net of €165m reinvestment, disposal proceeds for Casino would amount to €600m.

**The non-strategic asset disposal plan represents €4.0bn to date. Casino confirms its aim of completing the final €0.5bn of its €4.5bn disposal plan by the end of 2023.**

## — Bond buybacks

On 30 June 2022, Casino cancelled a nominal amount of €34.1m of the Quatrim 2024 secured bonds, following buybacks on the market.

On 11 July 2022, Casino cancelled (i) a nominal amount of €20.5m of the 2023 issue and (ii) a nominal amount of €15.9m of the Quatrim 2024 secured bonds. These cancellations were made following buybacks on the market.

Accordingly, the aggregate nominal amount of the 2023 issue was reduced to €199m, and that of the Quatrim 2024 secured bonds to €750m.

Casino may undertake further bond buybacks in the coming months.

## | Second-quarter 2022 net sales

**In Q2 2022, Casino recorded net sales of €8,420m**, up +14.8% as reported, including currency, fuel and consolidation scope impacts accounting respectively for +9.1%, +0.5% and -0.1%. The calendar effect had no impact on sales. **Casino delivered same-store growth of +8.1%** <sup>3</sup>, driven mainly by Latin America (+16.7%).

**For France Retail, same-store sales were up by +3.4%** over the quarter, with a return to growth in all formats: **Convenience** formats +11.7%, **Hypermarkets** +2.9%, **supermarkets** +2.4%, **Monoprix** +2.2% and **Franprix** +1.7%.

**Cdiscount** <sup>4</sup> gross merchandise volume (GMV) was up by +4.0% versus Q2 2019, but down -10.5% year-on-year due to a high basis for comparison related to the pandemic. The marketplace GMV share continued to increase, exceeding 50% in Q2.

In **Latin America**, sales rose by **+31.6% on a reported basis in the quarter**, driven by an **excellent performance from Grupo Éxito and Assaí**, which reported sales growth of +38.0% and +58.9%, respectively, reflecting the commercial format's continued attractiveness and a positive currency effect.

## | First-half 2022 results

**Consolidated net sales** amounted to €15.9bn in H1 2022, up +5.7% on a same-store basis <sup>5</sup>, up +3.0% on an organic basis <sup>5</sup>, and up +9.8% as reported after taking into account the effects of exchange rates and hyperinflation in Argentina (+6.6%), changes in scope (-0.1%) and fuel (+0.7%), and the calendar effect (-0.4%).

On the **France Retail** scope, **net sales were up +1.0% on a same-store basis**.

E-commerce (Cdiscount) gross merchandise volume (GMV) came to €1.8bn, down -9.9% <sup>4</sup> (+2.3% <sup>4</sup> compared to H1 2019) in a difficult market environment and against a high H1 2021 basis for comparison due to the pandemic.

Sales in **Latin America** were up by +13.2% on a same-store basis <sup>5</sup>, mainly driven by the very good performance in the **Cash & Carry segment (Assaí) and Grupo Éxito**.

1 | Already included in net debt at end-2021.

2 | At 30 June 2022, of the €145m of Mercialis shares sold, €86m had not yet impacted net debt (TRS shares not yet sold onto the market at that date).

3 | Same-store change excluding fuel and calendar effects.

4 | Data published by the subsidiary.

5 | Excluding fuel and calendar effects.



**Consolidated EBITDA** came to **€1,069m**, a change of -2.2% including currency effects and -7.8% at constant exchange rates.

**France Retail EBITDA** was €539m, down -5.2% on H1 2021. **France Retail banners EBITDA** (excluding GreenYellow and property development) was €478m (€539m in H1 2021) in connection to a decline in the Ile de France market in Q1 2022 and a recovery during Q2. **GreenYellow** generated EBITDA of €33m <sup>1</sup> and **property development operations** delivered €28m <sup>2</sup>.

**E-commerce EBITDA** came to €15m (€48m in H1 2021), close to the H1 2019 figure (€13m).

**EBITDA for Latin America** amounted to €514m, up +8.2% (-2.7% excluding the impact of exchange rates and tax credits, which represented €6m <sup>3</sup> in H1 2021 and €0m in H1 2022).

**Consolidated trading profit** totalled **€380m**, down -13.7% (-21.8% at constant exchange rates).

**France Retail trading profit** was **€141m (€163m in H1 2021)**, of which €86m was attributable to the retail banners (excluding GreenYellow and property development). Trading profit came to €27m for **GreenYellow** and to €28m for **property development operations**. The **trading margin for the France Retail segment** came out at 2.0%.

**E-commerce** posted a **trading loss** of -€32m compared to a trading profit of €6m in H1 2021 and a trading loss of -€17m in H1 2019. The change compared to H1 2019 is attributable to Octopia development costs.

In **Latin America**, **trading profit** was **stable year-on-year at €271m** (-9.7% excluding tax credits and currency effects), driven by continued strong sales momentum at **Assaí** and **Grupo Éxito**, with a decline at GPA Brazil due to hypermarket closures (inventory drawdowns before disposals) and a ramp-up in promotional initiatives.

#### — *Casino underlying net financial expense and net profit, Group share* <sup>4</sup>

**Underlying net financial expense** for the period was **-€484m** compared to -€397m in H1 2021, mainly reflecting a -€79m change in net financial expense excluding interest on lease liabilities due to higher interest and forex rates in Brazil.

**Underlying net profit (loss), Group share** was **-€102m**, down -€28m on H1 2021.

**Diluted underlying earnings per share** <sup>5</sup> stood at -€1.35, vs. -€1.03 in H1 2021.

**Other operating income and expenses represented a net expense of -€284m in H1 2022 compared to net income of €10m in H1 2021** of which -€155m relates to France and -€129m to Latin America. In France, other operating income and expenses included -€41m of non-cash costs related to the disposal plan in H1 2022, vs +€161m in H1 2021.

#### — *Casino consolidated net profit (loss), Group share*

**Net profit (loss) from continuing operations, Group share, came to -€248m, down -€210m** mainly due to net financial expense and non-recurring items.

**Net profit (loss) from discontinued operations, Group share, came out at -€12m in H1 2022, compared with -€170m in H1 2021.**

**Consolidated net profit (loss), Group share, amounted to -€259m vs. -€208m in H1 2021.**

#### — *Financial position of Casino at 30 June 2022*

**Consolidated net debt excluding the impact of IFRS 5 was €7.5bn**, of which €5.1bn in France and €2.4bn in Latin America, higher than the level at end of 2021 due to the seasonality of the activity. Including the impact of IFRS 5, consolidated net debt came to €6.6bn, of which €4.3bn in France and €2.3bn in Latin America.

At 30 June 2022, **the Group's liquidity in France (including Cdiscount) was €2.2bn**, with €405m in cash and cash equivalents <sup>6</sup> and €1.8bn in confirmed undrawn lines of credit, available at any time <sup>7</sup>. The Group also has **€111m in a secured segregated account** for the repayment of secured gross debt at 30 June 2022 (€95m at 11 July following buybacks of secured bonds maturing in January 2024).

1 | Contribution to consolidated EBITDA. GreenYellow vision: EBITDA of €40m in H1 2022.

2 | EBITDA related to the recognition of previously neutralised property development projects carried out with Mercialis (property development operations carried out with Mercialis are neutralised in EBITDA based on the Group's percentage interest in Mercialis; a reduction in Casino's stake in Mercialis or the disposal of those assets by Mercialis therefore results in the recognition of previously neutralised EBITDA).

3 | Tax credits restated by Brazilian subsidiaries in the calculation of adjusted EBITDA.

4 | See definition on page 14.

5 | Underlying diluted EPS includes the dilutive effect of TSSDI deeply-subordinated bond distributions.

6 | Amount excluding GreenYellow, classified under IFRS 5.

7 | Covenants tested on the last day of each quarter – outside of these dates, there is no limit on the amounts that can be drawn down.

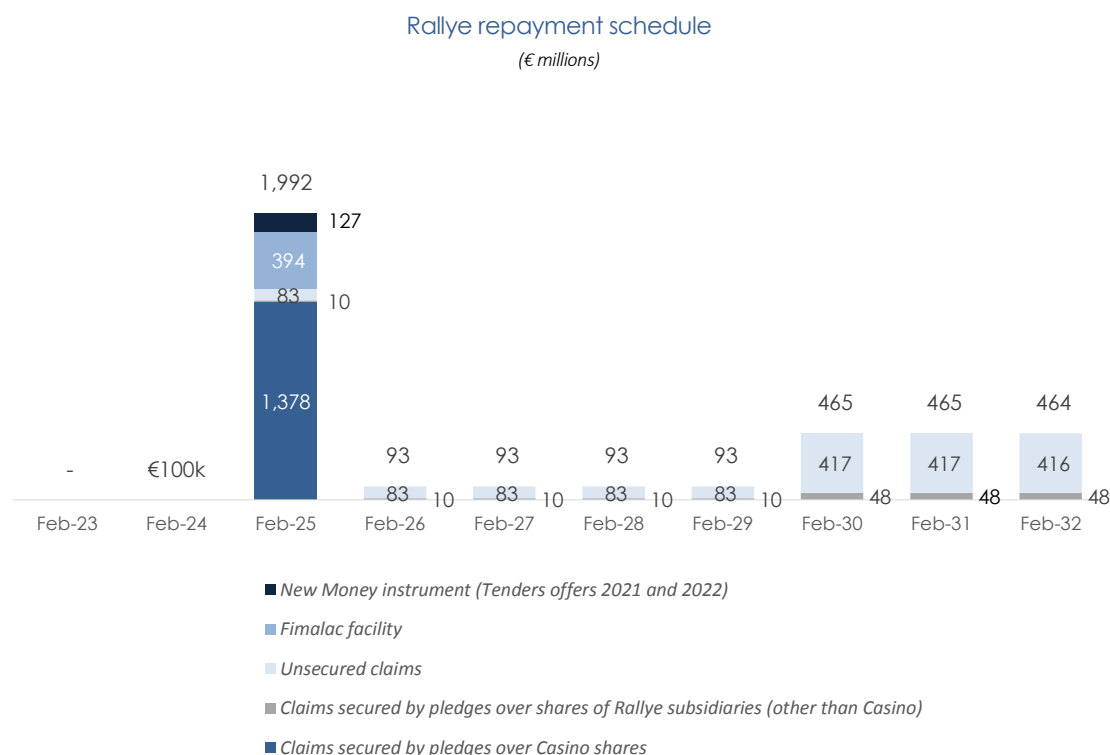
## RALLYE HOLDING COMPANY SCOPE

The Rallye holding company scope is defined as Rallye plus its subsidiaries with activity related to the investment portfolio.

### — *Safeguard plan*

In the context of exceptional governmental measures put in place during the Covid-19 crisis, the Paris Commercial Court had decided on 26 October 2021 to extend the duration of the safeguard plan of Rallye approved on 28 February 2020 for two additional years and had consequently deferred the payment dates under the safeguard plan which is now providing for the repayment of its liabilities to be rescheduled between 2023 and 2032.

The estimated repayment profile of Rallye's liabilities incorporating the impact of the tender offer on the unsecured debt (see "Significant events of first-half 2022" below) and the impact of the forward yield curve is set out below:



## | Significant events of first-half 2022

### — *Global offer on Rallye's unsecured debt*

On 23 March 2022, Rallye has launched a global tender offer at a fixed purchase price for its unsecured debt (including the bonds and commercial paper).

#### **Tender offer**

The purpose of the Tender Offer was to (i) provide holders of unsecured debt with the opportunity of having all or part of their claims repurchased at a fixed purchase price and to (ii) improve Rallye's debt profile, in the context of the implementation of its safeguard plan approved on 28 February 2020 by the Paris commercial court, as amended.

Rallye proposed to purchase unsecured claims at a price equal to 15% of the amount of the outstanding claim under each unsecured debt instrument the relevant holder of unsecured debt was willing to offer.

The Tender Offer, for a maximum amount of €37m, began on 23 March 2022 and expired on 5 April 2022.

#### **Success of the global tender offer**

The Tender Offer was well received by the holders of unsecured debt so that the total amount of unsecured debt offered by creditors for purchase exceeded the maximum amount of the Tender Offer set at €37m.

Considering the success of the Tender Offer, the pro ration factor was set at 75.64%.

Rallye spent €36.6m of cash to acquire €242.3m of nominal amount of unsecured debt, reducing the total amount of its net financial debt by €234.8m (including accrued interests). The total nominal amount of unsecured debt purchased under the Tender Offer is allocated as follows: €240.5m for bonds and €1.8m for the other unsecured claims.

Completion of the Tender Offer was, *inter alia*, subject to the approval by the Paris Commercial Court of the amendment to Rallye's safeguard plan in order to authorize the effective completion of the Tender Offer

The operation was financed by the financing of €82.4m set up with Fimalac and financial institutions during the first Tender offer carried out in 2021 (see "Significant events" of the 2021 Universal Registration Document of Rallye). The nominal value of the first tranche drawn in May 2021 is €43.4m, and that of the second tranche drawn in May 2022 is €39.0m.

#### Amendment to Rallye's safeguard plan

On 9 May 2022, Rallye announced that the Paris Commercial Court had approved the amendment to its safeguard plan, thereby authorizing the effective completion of the global tender offer on its unsecured debt launched on 23 March 2022. The settlement-delivery of the Tender Offer took place on 16 May 2022.

### Net debt of the Rallye holding company scope

The following table reconciles gross debt with net debt for the Rallye holding company scope:

(€ millions)	30 June 2022	31 Dec. 2021
Claims secured by pledges over Casino shares	1,247	1,228
Unsecured claims	1,270	1,518
Claims secured by pledges over shares of Rallye subsidiaries (other than Casino)	139	137
<b>Total - claims under the safeguard plan</b>	<b>2,656</b>	<b>2,883</b>
Financing set up following the approval of the safeguard plan	373	295
<b>Total – gross debt</b>	<b>3,029</b>	<b>3,178</b>
Cash and other financial assets <sup>(1)</sup>	(25)	(17)
<b>Total – net debt before IFRS restatements</b>	<b>3,004</b>	<b>3,161</b>
IFRS restatements (including the impact of the approval of the safeguard plan) <sup>(2)</sup>	(271)	(343)
<b>Total – net debt</b>	<b>2,733</b>	<b>2,818</b>

(1) Of which 25 M€ at Rallye company level at 30 June 2022, including the drawing on the €15m financing subscribed to Fimalac, vs. 16 M€ at 31 December 2021.

(2) In 2020, Rallye analysed the accounting treatment for the modifications resulting from the liability repayment plan and the other modifications made to financial liabilities and, more particularly, the existence of a substantial modification within the meaning of IFRS 9 – Financial Instruments.

Given the specific characteristics of the safeguard proceedings, the application of IFRS 9 led to the restatement of financial liabilities in an amount of €334m at 31 December 2020, then increased to €343m at 31 December 2021, following on the one hand, the global tender offer, and on the other hand, the deferment for two years of the payment dates under the safeguard plan and finally reduced to €271m at 30 June 2022, mainly as a result of the second global tender offer carried out in the first half of 2022. This amount, recognized as a reduction in the consolidated financial debt, will be amortised on an actuarial basis (based on the applicable effective interest rate) via an increase in the cost of net debt in accordance with the repayment terms defined in the safeguard plan.

The accounting treatment comprising a reduction of the financial liability and as counterpart the future increase of the interest expenses is the translation of the IFRS 9 standard and does not amend the repayments undertakings or the financial liability to be reimbursed.

Rallye's holding perimeter gross financial debt stood at €3,029m as of 30 June 2022, down €149m over the first semester, mainly as a result of:

- Financial interests (excluding IFRS) of €63m over the first semester of 2022, which will be repaid in accordance with the repayments undertakings approved by the Paris Commercial Court on 28 February 2020 and 26 October 2021 and its contractual documentation;
- Unsecured debt tendered for a total amount of €242.3m for a total repurchase price of €36.6m reducing the total amount of its debt by €234.8m (including accrued interest).

Rallye's holding perimeter net financial debt, before IFRS restatements, amounted to €3,004m as of 30 June 2022, compared to €3,161m as of 31 December 2021.

The change in Rallye's holding perimeter net financial debt over H1 2022 breaks down as follows:

(€ millions)	30 June 2022	31 Dec. 2021
<b>Net debt at beginning of period</b>	<b>2,818</b>	<b>2,839</b>
Financial interests (excluding IFRS)	63	123
Holding costs	9	19
Net impact of the global tender offers <sup>(1)</sup>	(166)	(113)
Other	6	1
Variation of IFRS restatements (including the impact of the approval of the safeguard plan)	3	(52)
<b>Net debt at beginning of period</b>	<b>2,733</b>	<b>2,818</b>

(1) Excluding IFRS restatements (i.e. the accelerated amortization of liabilities under the IFRS 9 standard for the acquired debt), the net impacts of the global tender offers carried out in the first half 2021 and 2022 would respectively amount to €156m and €235m.

After taking into account the change in IFRS restatements for -€271m, Rallye's holding perimeter net financial debt amounted to €2,733m as of 30 June 2022.

## | Details of pledges granted to creditors of entities within the holding company scope

At 30 June 2022, the security interests granted to financial institutions and Fimalac are as follows (unchanged compared to 31 December 2021):

- All Casino shares held by Rallye have been pledged (44 million shares) or transferred to fiduciary trusts for Fimalac (10.2 million shares) and financial institutions (2.5 million shares),
- The shares in Parande – a wholly-owned Rallye subsidiary carrying the financial investment portfolio on its books – and the Rallye current account held with Parande as part of the assignment of receivables as security under the French Dailly mechanism for financial institutions

## | Shares held by Rallye in Casino

At 30 June 2022, Rallye held a direct and indirect stake in Casino of 52.31% of the share capital and 62.17% of the voting rights. It comprises 11.74% of the Casino share capital (representing 8.64% of the voting rights) held in fiduciary trusts for Fimalac and financial institutions.

## | Investment portfolio of the Rallye holding company scope

Rallye's investment portfolio was valued at €27m at 30 June 2022.

## COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

*The comments in the Interim Financial Report reflect comparisons with first-half 2021 results from continuing operations.*

*The 2021 financial statements have been restated following the retrospective application of the IFRS IC agenda decisions (i) Configuration or Customisation Costs in a Cloud Computing Arrangement (see note 1.1 to the interim financial report) and (ii) Attributing Benefit to Periods of Service (IAS 19) (see note 1.3 to the consolidated financial statements at 31 December 2021).*

### Results

First-half 2022 **net sales** amounted to €15,905m, compared with €14,482m in the first half of 2021 (restated).

Net sales consist almost exclusively of Casino's consolidated net sales, up +5.7% on a same-store basis, up +3.0% on an organic basis <sup>1</sup> and up +9.8% as reported after taking into account the effects of exchange rates and hyperinflation in Argentina (+6.6%), changes in scope (-0.1%), fuel (+0.7%), and the calendar effect (-0.4%).

Casino Group **EBITDA** came to €1,069m, a change of -2.2% including currency effects and -7.8% at constant exchange rates.

The **Group's recurring operating income** amounted to €375m. Casino Group trading profit totalled to €380m, down -14% (-22% at constant exchange rates).

**Other operating income and expenses** amounted to net expense of -€286m versus a net income of €8m in first-half 2021 (note 6.5 to the consolidated financial statements).

**Cost of net debt** represented a net expense of -€292m versus -€280m in the prior-year period. In first-half 2022, this item included a positive impact of €27m corresponding to the cancellation of the interest calculated, since the start of the safeguard procedure, on Rallye's unsecured debt repurchased over the period (note 9.3.1).

**Other financial income and expenses** represented a net expense of -€95m versus -€63m in first-half 2021, a change of -€32m. Rallye recorded financial incomes (net of IFRS restatements) of €139m in 2022 and €113m in 2021 following the global tender offers on its unsecured debt carried out in the first half 2022 and 2021 respectively (note 9.3.2).

**Net income (loss) from continued operations, Group share** came to a net loss of -€48m in first-half 2022 (versus a net income of €18m in first-half 2021).

The Group recorded a **net loss from discontinued operations, Group share** of -€6m during the period (versus a net loss of -€90m in first-half 2021, mainly attributable to the transition relating to Leader Price).

The Group recorded a **consolidated net loss, Group share** in first-half 2022 of -€54m (versus a net loss of -€72m in first-half 2021).

The **underlying income (loss), Group share** corresponds to net income (loss) from continuing operations adjusted for the impact of other operating income and expenses and other impacts related to non-recurring items. In the first half of 2022, it was a net loss of -€132m (versus -€116m in first-half 2021).

### Cash flow

The **Group's net cash from operating activities before change in working capital and income tax** amounted to €856m in first-half 2022, a decrease compared to first-half 2021 (€934m).

As a result of the above item and the change in working capital, net of income tax paid, **cash from operating activities** represented a net outflow of -€198m in first-half 2022, versus a net outflow of -€157m in first-half 2021.

**Net cash from investing activities** in first-half 2022 represented a net inflow of €19m, including in particular inflows of €139m related to Mercialis TRS and €165m related to the disposal of FLOA, versus a net outflow of -€403m in first-half 2021.

The Group therefore generated **negative free cash flow** of €179m in the first half, versus a negative €560m in first-half 2021.

**Net cash from financing activities** represented a net outflow of -€800m (versus a net outflow of -€254m at in first-half 2021).

**Net cash and cash equivalents** decreased by €742m in the first half, amounting to €1,500m at 30 June 2022.

### Financial structure

At 30 June 2022, the **total consolidated balance sheet** amounted to €33,602m, versus 31,571m at 31 December 2021, an increase of €2,031m for the period.

**Consolidated equity** amounted to €4,278m, of which a negative €987m attributable to the Group and €5,265m attributable to non-controlling interests and holders of deeply-subordinated perpetual Casino bonds.

1 | Excluding fuel and calendar effects.

The impact of foreign exchange on equity is positive for the period, representing a net amount of €604m, of which €449m recorded for the Brazilian real.

**Net debt** amounted to €9,376m, versus €7,875m at 31 December 2021 and €8,276m at 30 June 2021.

Contributions to the Group's consolidated net debt (note 9.2.1) are as follows:

(€ millions)	30 June 2022	31 Dec. 2021	Change
Rallye holding	2,733	2,818	(85)
Casino	6,644	5,060	1,584
Other companies	(1)	(3)	2
<b>Total</b>	<b>9,376</b>	<b>7,875</b>	<b>1,501</b>

## MAIN RELATED-PARTY TRANSACTIONS

### Casino

During the period, there were no significant changes in the type of transactions carried out by Casino with related parties compared with those disclosed at end-December 2021.

### Rallye

Related-party transactions are described in Rallye's 2021 Universal Registration Document, which was filed with the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) on 20 April 2022, under number D.22-0314. They mainly concern transactions entered into in the ordinary course of business with companies over which the Group exercises notable influence or joint control and which have been consolidated by the equity method. These transactions are carried out on arm's length terms. At 30 June 2022, Foncière Euris holds 57.56% of the share capital and 71.42% of the voting rights of Rallye.

## DESCRIPTION OF KEY RISKS AND UNCERTAINTIES IN FIRST-HALF 2022

### Casino

The Casino group's business activities are exposed to certain risk factors described in Casino's 2021 Universal Registration Document, which is available on its website.

### Rallye

Rallye is exposed to the risk and risk factors inherent in the proper execution of the safeguard plan over time, which are described in detail in its 2021 Universal Registration Document available on its website and filed with the French Financial Markets Authority (*Autorité des marchés financiers* – AMF) on 20 April 2022 under number D.22-0314.

The execution of the safeguard plans of Rallye and its parent companies depends mainly on Casino's distributive capacity as well as various refinancing options. The distributive capacity of Casino is framed by its financial documentation which authorises the distribution of dividends <sup>1</sup> when the ratio of gross financial debt to EBITDA including leases (France Retail + E-commerce) is below 3.5x. At 30 June 2022, the gross financial debt to EBITDA including leases ratio was 7.12x versus 6.47x at 31 December 2021 and 5.50x at 30 June 2021.

## OTHER INFORMATION

The definition of non-GAAP indicators is available on the Rallye Group website at [www.rallye.fr/en](http://www.rallye.fr/en)

<sup>1</sup> | Beyond ordinary dividend representing 50% of net profit attributable to owners to the parent, with a minimum of €100m per year from 2021 and an additional €100m that may be used for one or several distributions during the life of the debt instruments.

## Trends and outlook

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### Casino's outlook in France for the second half of the year 2022:

Amid rising inflation, Casino's priority remains growth and maintaining a good level of profitability to ensure the increase of cash flow generation.

Casino returned to growth in H1 2022, despite an unstable economic environment.

#### In H2 2022, amid rising inflation, Casino intends to maintain its growth momentum:

- Continuation of the expansion plan, with 800 convenience store openings (Monop', Franprix, Naturalia, Spar, Vival, etc.), mainly under franchise (376 openings in H1)
- Development of the most buoyant retail and E-commerce activities (Casino Hyper Frais, partnerships with Gorillas, Amazon and Ocado)

For FY 2022, Casino confirms its targets:

- Maintain a **high level of profitability and improve cash flow generation**
- Continue **the €4.5bn disposal plan in France, which is expected to be completed by the end of 2023**

## Recent events

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### — *Ardian and Casino Group sign an agreement in view of a disposal of GreenYellow for an enterprise value of €1.4bn*

On 28 July 2022, Casino Group, Tikehau Capital and Bpifrance signed a unilateral purchase agreement with Ardian, via its Infrastructure business, with a view to selling a controlling interest in GreenYellow, Casino Group's energy subsidiary, for an enterprise value of €1.4bn and an equity value of €1.1bn. GreenYellow's shareholders would continue to have a stake in the company's value creation through a reinvestment totalling €165m for Casino Group.

Net of the reinvestment, disposal proceeds for Casino Group would amount to €600m (including €30m paid at closing into a segregated account contingent on achievement of certain operating indicators). The proposed operation is subject to consultation with the relevant employee representative bodies. It is expected to be completed in the fourth quarter of 2022, provided the necessary regulatory approvals for merger control and foreign investment are obtained.

## Appendix 1: Alternative performance indicators

The definitions of key non-GAAP indicators are available on Rallye's website (<https://www.rallye.fr/en/investors/bonds>), particularly underlying net income (loss) (see below).

Underlying net profit corresponds to net profit from continuing operations, adjusted for (i) the impact of other operating income and expenses, as defined in the "Significant accounting policies" section in the notes to the consolidated financial statements, (ii) the impact of non-recurring financial items, as well as (iii) income tax expense/benefits related to these adjustments and (iv) the application of IFRIC 23.

Non-recurring financial items include fair value adjustments to equity derivative instruments, the effects of discounting Brazilian tax liabilities, the restatements and impacts of the implementation of IFRS 9 following Rallye's safeguard plan approval, the deferment for two years of the payment dates and the net results of the global tender offers carried out by Rallye in 2021 and 2022.

(in €m)	H1 2022	Adjusted items	H1 2022 underlying	H1 2021 restated	Adjusted items	H1 2021 restated underlying
<b>Trading profit</b>	<b>375</b>		<b>375</b>	<b>434</b>		<b>434</b>
Other operating income and expenses	(286)	286		8	(8)	
<b>Operating profit</b>	<b>89</b>	<b>286</b>	<b>375</b>	<b>442</b>	<b>(8)</b>	<b>434</b>
Cost of net financial debt <sup>(1)</sup>	(292)	(24)	(316)	(280)	(4)	(284)
Other financial income and expenses <sup>(2)</sup>	(95)	(137)	(232)	(63)	(113)	(176)
Income taxes <sup>(3)</sup>	112	(86)	26	(44)	(9)	(53)
Share of net income of equity-accounted investees	5		5	29		29
<b>Net profit (loss) from continuing operations</b>	<b>(181)</b>	<b>39</b>	<b>(142)</b>	<b>84</b>	<b>(134)</b>	<b>(50)</b>
o/w attributable to non-controlling interests <sup>(4)</sup>	(133)	123	(10)	66		66
<b>o/w Group share</b>	<b>(48)</b>	<b>(84)</b>	<b>(132)</b>	<b>18</b>	<b>(134)</b>	<b>(116)</b>

(1) Cost of net financial debt restatements mainly relates to the implementation of IFRS 9 - Financial Instruments following Rallye's safeguard plan approval in 2020 and amended in 2021, as well as the cancellation of the interest calculated, since the start of the safeguard procedure, on Rallye's unsecured debt repurchased during the tender offer made in the 1st half of 2022.

(2) Other financial and expenses have been restated for the positive net impacts of Rallye's global tender offers carried out in the first half 2021 and 2022.

(3) Income tax have been restated in accordance with items restated above.

(4) Non-controlling interests have been restated for amounts associated with the restated items listed above.



# RALLYE

## *Condensed interim consolidated financial statements for the six months ended 30 June 2022 \**

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*\* The interim financial statements for the six months ended 30 June 2022 and 30 June 2021 have been reviewed by the Statutory Auditors.*

# CONSOLIDATED FINANCIAL STATEMENTS

## Consolidated income statement

(€ millions)	Notes	First-half	
		2022	2021 (restated) <sup>(1)</sup>
Continuing operations			
Net sales	5 / 6.2	15,905	14,482
Other income	6.2	225	224
<b>Total income</b>		<b>16,130</b>	<b>14,706</b>
Cost of goods sold		(12,360)	(11,071)
<b>Gross margin</b>		<b>3,770</b>	<b>3,635</b>
Selling expenses	6.3	(2,647)	(2,534)
General and administrative expenses	6.3	(748)	(667)
<b>Recurring operating income</b>	<b>5.1</b>	<b>375</b>	<b>434</b>
Other operating income	6.5	268	247
Other operating expenses	6.5	(554)	(239)
<b>Operating income</b>		<b>89</b>	<b>442</b>
Income from cash and cash equivalents	9.3.1	27	8
Cost of gross debt	9.3.1	(319)	(288)
<b>Cost of net debt</b>	<b>9.3.1</b>	<b>(292)</b>	<b>(280)</b>
Other financial income	9.3.2	229	182
Other financial expenses	9.3.2	(324)	(245)
<b>Income (loss) before tax</b>		<b>(298)</b>	<b>99</b>
Income tax (expense) benefit	7	112	(44)
Share of net income of equity-accounted investees		5	29
<b>Net income (loss) from continuing operations</b>		<b>(181)</b>	<b>84</b>
Attributable to owners of the parent		(48)	18
Attributable to non-controlling interests		(133)	66
Discontinued operations			
<b>Net income (loss) from discontinued operations</b>	<b>3.2.2</b>	<b>(5)</b>	<b>(169)</b>
Attributable to owners of the parent	3.2.2	(6)	(90)
Attributable to non-controlling interests	3.2.2	1	(79)
Continuing and discontinued operations			
<b>Consolidated net income (loss)</b>		<b>(186)</b>	<b>(85)</b>
Attributable to owners of the parent		(54)	(72)
Attributable to non-controlling interests	10.3	(132)	(13)
<b>Per share, in €:</b>			
From continuing operations		(0.91)	0.32
From continuing and discontinued operations		(1.03)	(1.38)

(1) Previously published comparative information has been restated (note 1.3).

## Consolidated statement of comprehensive income

(€ millions)	First-half	
	2022	2021 (restated) <sup>(1)</sup>
<b>Consolidated net income (loss)</b>	<b>(186)</b>	<b>(85)</b>
<b>Items that may subsequently be reclassified to profit or loss</b>	<b>627</b>	<b>138</b>
Cash flow hedges and cash flow hedge reserve <sup>(2)</sup>	30	20
Foreign currency translation reserves <sup>(3)</sup>	587	119
Debt instruments at fair value through other comprehensive income	(1)	(1)
Hedges of net investments in foreign operations		2
Share of items of equity-accounted investees that may be subsequently reclassified to profit or loss	18	2
Income tax effects	(7)	(4)
<b>Items that will never be reclassified to profit or loss</b>	<b>36</b>	<b>(1)</b>
Equity instruments at fair value through other comprehensive income	(1)	2
Share of items of equity-accounted investees that will never be subsequently reclassified to profit or loss		
Actuarial gains and losses <sup>(4)</sup>	49	(4)
Income tax effects	(12)	1
<b>Other comprehensive income (loss), net of tax</b>	<b>663</b>	<b>137</b>
<b>Total comprehensive income (loss) for the period, net of tax</b>	<b>477</b>	<b>52</b>
Attributable to owners of the parent	102	(27)
Attributable to non-controlling interests	375	79

(1) Previously published comparative information has been restated (note 1.3).

(2) La change in the cash flow hedge reserve was not material in either first-half 2022 or first-half 2021.

(3) The €587m net translation adjustment in first-half 2022 arose primarily from the appreciation of the Brazilian and Colombian currencies for €438m and €97m, respectively. The €120m positive net translation adjustment in first-half 2021 arose primarily from the appreciation of the Brazilian currency for €218m, partially offset by the depreciation of the Colombian currency for a negative €81m.

(4) The €49m change in actuarial gains and losses in first-half 2022 mainly reflects the increase in the discount rate for pension obligations in France. A discount rate of 3.5% was used for this scope at 30 June 2022 (1% at 31 December 2021).

# CONSOLIDATED FINANCIAL STATEMENTS

## *Consolidated statement of financial position*

### Assets

(€ millions)	Notes	30 June 2022	31 Dec. 2021 (restated) <sup>(1)</sup>	1 January 2021 (restated) <sup>(1)</sup>
<b>Non-current assets</b>				
Goodwill	8	8,011	7,662	7,650
Intangible assets	8	2,102	2,006	2,048
Property, plant and equipment	8	4,943	4,643	4,281
Investment property	8	448	411	428
Right-of-use assets	8	5,075	4,749	4,889
Investments in equity-accounted investees		221	201	191
Other non-current assets		1,195	1,207	1,260
Deferred tax assets		1,463	1,195	1,022
<b>Total non-current assets</b>		<b>23,458</b>	<b>22,074</b>	<b>21,769</b>
<b>Current assets</b>				
Inventories		3,701	3,218	3,215
Trade receivables		714	772	941
Other current assets		2,245	2,036	1,774
Tax assets		201	196	167
Cash and cash equivalents	9.1	1,715	2,302	2,781
Assets held for sale	3.2.1	1,568	973	1,221
<b>Total current assets</b>		<b>10,144</b>	<b>9,497</b>	<b>10,099</b>
<b>Total assets</b>		<b>33,602</b>	<b>31,571</b>	<b>31,868</b>

(1) Previously published comparative information has been restated.

## Equity and liabilities

(€ millions)	Notes	30 June 2022	31 Dec. 2021 (restated) <sup>(1)</sup>	1 January 2021 (restated) <sup>(1)</sup>
<b>Equity</b>				
Share capital	10.1	159	158	157
Additional paid-in capital, retained earnings and net income (loss)		(1,146)	(1,244)	(974)
<b>Equity attributable to owners of the parent</b>		<b>(987)</b>	<b>(1 086)</b>	<b>(817)</b>
Non-controlling interests	10.3	5,265	4,900	5,144
<b>Total equity</b>		<b>4,278</b>	<b>3,814</b>	<b>4,327</b>
<b>Non-current liabilities</b>				
Non-current provisions for employee benefits		219	274	289
Other non-current provisions	11.1	473	376	374
Non-current financial liabilities, gross	9.2.1	10,602	10,295	9,575
Non-current lease liabilities		4,518	4,174	4,282
Put options granted to owners of non-controlling interests		14	61	44
Other non-current liabilities		222	238	211
Deferred tax liabilities		438	405	508
<b>Total non-current liabilities</b>		<b>16,486</b>	<b>15,823</b>	<b>15,283</b>
<b>Current liabilities</b>				
Current provisions for employee benefits		12	12	12
Other current provisions	11.1	205	216	189
Trade payables		6,072	6,101	6,193
Current financial liabilities, gross	9.2.1	1,784	1,369	1,355
Current lease liabilities		747	718	706
Put options granted to owners of non-controlling interests		219	134	119
Current tax liabilities		24	8	98
Other current liabilities		3,150	3,201	3,085
Liabilities associated with assets held for sale	3.2.1	625	175	501
<b>Total current liabilities</b>		<b>12,838</b>	<b>11,934</b>	<b>12,258</b>
<b>Total equity and liabilities</b>		<b>33,602</b>	<b>31,571</b>	<b>31,868</b>

(1) Previously published comparative information has been restated.

# CONSOLIDATED FINANCIAL STATEMENTS

## *Consolidated statement of cash flows*

(€ millions)	Notes	First-half	
		2022	2021 (restated) <sup>(1)</sup>
<b>Net cash from (used in) operating activities</b>			
Net income (loss) before tax from continuing operations		(298)	99
Net income (loss) before tax from discontinued operations	3.2.2	(11)	(209)
<b>Consolidated net income (loss) before tax</b>		<b>(309)</b>	<b>(110)</b>
Depreciation/amortisation for the period	6.4	689	653
Provision and impairment expense	4.1	82	(81)
Unrealised losses (gains) arising from changes in fair value	9.3.2	1	(4)
Expenses (income) on share-based payment plans		8	9
Other income and expenses		(49)	(12)
(Gains) losses on disposals of non-current assets	4.4	(53)	(97)
(Gains) losses due to changes in percentage ownership of subsidiaries resulting in acquisition/ loss of control		(22)	11
Dividends received from equity-accounted investees		2	10
Cost of net debt	9.3.1	292	280
Interest paid on leases, net	9.3.2	161	154
No-drawdown credit lines costs, non-recourse factoring and associated transaction costs	9.3.2	54	23
Disposal gains and losses and adjustments related to discontinued operations			98
<b>Net cash from operating activities before change in working capital and income tax</b>		<b>856</b>	<b>934</b>
Income tax paid		(71)	(87)
Change in working capital	4.2	(883)	(908)
Income tax paid and change in working capital: discontinued operations		(100)	(96)
<b>Net cash from (used in) operating activities</b>	(A)	<b>(198)</b>	<b>(157)</b>
<b>Of which continuing operations</b>		<b>(87)</b>	<b>50</b>
<b>Net cash from investing activities</b>			
Acquisitions of property, plant and equipment, intangible assets and investment property	4.3	(833)	(494)
Disposals of property, plant and equipment, intangible assets and investment property	4.4	246	19
Acquisitions of financial assets	4.5	(35)	(3)
Disposals of financial assets	4.5	397	158
Effect of changes in scope of consolidation resulting in acquisition or loss of control		(21)	(9)
Effect of changes in scope of consolidation related to equity-accounted investees	4.6	300	(6)
Change in loans and advances granted		(6)	(15)
Net cash from (used in) investing activities of discontinued operations		(29)	(53)
<b>Net cash from (used in) investing activities</b>	(B)	<b>19</b>	<b>(403)</b>
<b>Of which continuing operations</b>		<b>48</b>	<b>(350)</b>

(€ millions)	Notes	First-half	
		2022	2021 (restated) <sup>(1)</sup>
<b>Cash flow from financing activities</b>			
Dividends paid:			
• to owners of the parent			
• to non-controlling interests		(42)	(77)
• to holders of deeply-subordinated perpetual bonds (TSSDI)	10.4	(34)	(32)
Capital reductions/increases for cash			
Transactions between the Group and owners of non-controlling interests		(2)	3
Purchases and sales of treasury shares		(2)	
Increase in loans and borrowings	4.7	1,107	2,679
Repayments of loans and borrowings	4.7	(1,102)	(2,180)
Repayment of lease liabilities		(314)	(322)
Interest paid, net	4.8	(394)	(307)
Other repayments		(16)	(13)
Net cash from (used in) financing activities of discontinued operations		(1)	(5)
<b>Net cash from (used in) financing activities</b>	(C)	<b>(800)</b>	<b>(254)</b>
<b>Of which continuing operations</b>		<b>(799)</b>	<b>(249)</b>
Effect of changes in exchange rates on cash and cash equivalents:			
• continuing operations		237	74
• discontinued operations	(D)		
<b>Change in cash and cash equivalents</b>	(A+B+C+D)	<b>(742)</b>	<b>(740)</b>
<b>Net cash and cash equivalents at beginning of period</b>	(E)	<b>2,242</b>	<b>2,738</b>
Of which net cash and cash equivalents from:			
• continuing operations	9.1	2,243	2,712
• operations held for sale		(1)	26
<b>Net cash and cash equivalents at end of period</b>	(F)	<b>1,500</b>	<b>1,998</b>
Of which net cash and cash equivalents from:			
• continuing operations	9.1	1,454	1,967
• operations held for sale		46	31
<b>Change in cash and cash equivalents</b>	(F-E)	<b>(742)</b>	<b>(740)</b>

(1) Previously published comparative information has been restated (note 1.3)

# CONSOLIDATED FINANCIAL STATEMENTS

## Consolidated statement of changes in equity

(€ millions)	Share capital	Additional paid-in capital	Retained earnings and profit for the period	Other reserves <sup>(1)</sup>	Equity attributable to owners of the parent	Non-controlling interests <sup>(2)</sup>	Total consolidated equity
<b>Equity at 1 January 2021 (reported)</b>	<b>157</b>	<b>1,483</b>	<b>(759)</b>	<b>(1,694)</b>	<b>(813)</b>	<b>5,150</b>	<b>4,337</b>
Effect of applying IFRS IC agenda decision on Software as a Service (SaaS) costs (Note 1.3)			(4)		(4)	(6)	(10)
<b>Equity at 1 January 2021 (restated)(*)</b>	<b>157</b>	<b>1,483</b>	<b>(763)</b>	<b>(1,694)</b>	<b>(817)</b>	<b>5,144</b>	<b>4,327</b>
Other comprehensive income (loss) (restated)(*)				45	45	92	137
Net income (loss) for the period (restated)(*)			(72)		(72)	(13)	(85)
<b>Total comprehensive income (loss) for the period (restated)(*)</b>			<b>(72)</b>	<b>45</b>	<b>(27)</b>	<b>79</b>	<b>52</b>
Equity transactions	1		(1)				
Purchases and sales of treasury shares						(1)	(1)
Dividends paid/to be paid <sup>(3)</sup>						(22)	(22)
Changes in percentage interest resulting in the acquisition/loss of control of subsidiaries							
Changes in percentage interest not resulting in the acquisition/loss of control of subsidiaries			(6)		(6)	(4)	(10)
Other movements <sup>(4)</sup>			14		14	(3)	11
<b>Equity at 30 June 2021 (restated)(*)</b>	<b>158</b>	<b>1,483</b>	<b>(828)</b>	<b>(1,649)</b>	<b>(836)</b>	<b>5,193</b>	<b>4,357</b>
<b>Equity at 1 January 2022 (reported)</b>	<b>158</b>	<b>1,482</b>	<b>(1,039)</b>	<b>(1,681)</b>	<b>(1,080)</b>	<b>4,909</b>	<b>3,829</b>
Effect of applying IFRS IC agenda decision on Software as a Service (SaaS) costs (Note 1.3)			(6)		(6)	(9)	(15)
<b>Equity at 1 January 2022 (restated)(*)</b>	<b>158</b>	<b>1,482</b>	<b>(1,045)</b>	<b>(1,681)</b>	<b>(1,086)</b>	<b>4,900</b>	<b>3,814</b>
Other comprehensive income (loss) for the period				156	156	507	663
Net income (loss) for the period			(54)		(54)	(132)	(186)
<b>Total comprehensive income (loss) for the period</b>			<b>(54)</b>	<b>156</b>	<b>102</b>	<b>375</b>	<b>477</b>
Equity transactions	1		(1)				
Purchases and sales of treasury shares			(1)		(1)	(1)	(2)
Dividends paid/to be paid <sup>(3)</sup>						(15)	(15)
Changes in percentage interest resulting in the acquisition/loss of control of subsidiaries						1	1
Changes in percentage interest not resulting in the acquisition/loss of control of subsidiaries			(12)		(12)	(13)	(25)
Other movements <sup>(4)</sup>			10		10	18	28
<b>Equity at 30 June 2022</b>	<b>159</b>	<b>1,482</b>	<b>(1,103)</b>	<b>(1,525)</b>	<b>(987)</b>	<b>5,265</b>	<b>4,278</b>

(\*) Previously published comparative information has been restated (note 1.3).

(1) See note 10.2 on the breakdown of other reserves.

(2) See note 10.3 on non-controlling interests.

(3) Dividends paid and payable to non-controlling interests during the period primarily concern GPA for €4m, Exito for €7m and Uruguay for €3m (2021: Sendas, GPA and Exito for €6m, €7m and €7m respectively).

(4) Primarily relating to the remeasurement at Libertad in application of IAS 29 – Financial Reporting in Hyperinflationary Economies.



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# Notes to the consolidated financial statements

For the six months ended 30 June 2022

(data in € millions)

## GENERAL INFORMATION

Rallye is a French *société anonyme* (joint stock company) registered in France and listed in Eurolist Compartment B of Euronext Paris. The Company and its subsidiaries are hereinafter referred to as the "Group" or the "Rallye Group".

The condensed consolidated financial statements for the six-months ended 30 June 2022 reflect the accounting situation of the Company and its subsidiaries, as well as the Group's interests in associates and joint ventures.

On 28 July 2022, the Board of Directors approved the publication of the consolidated financial statements of the Rallye Group for the six months ended 30 June 2022.

## Note 1 • Significant accounting policies

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### 1.1. Accounting standards

Pursuant to European Commission Regulation No. 1606/2002 of the European Parliament and the Council of 19 July 2002, the condensed consolidated financial statements of the Rallye Group have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union at 30 June 2022.

These standards are available on the European Commission's website:

[https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting\\_en](https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en)

The condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2021, as reported in the Universal Registration Document filed with the AMF on 20 April 2022 under number D.22-0314.

The condensed interim consolidated financial statements were prepared in accordance with international financial reporting standard IAS 34 – *Interim Financial Reporting*. They do not contain all the information and notes included in the annual financial statements. They should therefore be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2021.

The consolidated financial statements of the Rallye Group for the year ended 31 December 2021 are available on request from the Company's finance department at 32 rue de Ponthieu, Paris 8<sup>th</sup>, or from its website at [www.rallye.fr/en](http://www.rallye.fr/en).

### Standards, amendments to standards, and interpretations adopted by the European Union and mandatory for financial years beginning on or after 1 January 2022

The European Union has adopted the following standards, amendments and interpretations which must be applied by the Group for its financial year beginning on 1 January 2022 and do not have a material impact on its consolidated financial statements:

- *Amendments to IFRS 3 – Reference to the Conceptual Framework*

These amendments are mandatorily applicable on a prospective basis for reporting periods beginning on or after 1 January 2022. They update a reference to the Conceptual Framework in IFRS 3 but do not change the accounting requirements for business combinations.

- *Amendments to IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use*

These amendments are applicable on a retrospective basis as from 1 January 2022. They cancel the exception to the general rule set out in IAS 16.17e. The amendments prevent entities from deducting from the cost of an item of property, plant and equipment any proceeds produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by Management. Proceeds from the sale of such assets must be recognised in the income statement

- *Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract*

These amendments are applicable on a retrospective basis as from 1 January 2022. They specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. In particular, they specify that the cost of fulfilling a contract includes both the incremental costs of fulfilling that contract (for example: direct labour and material costs) and an allocation of other costs that relate directly to fulfilling the contract, such as for example depreciation charged against an item of property, plant and equipment used to fulfil the contract.

#### ■ IFRS Annual Improvements 2018 – 2020 Cycle

The main standards concerned are:

- IFRS 9: these amendments clarify which fees an entity includes when it applies the '10% test' in assessing whether to derecognise a financial liability;
- IFRS 16: these amendments modify illustrative example 13 and eliminate the example dealing with payments by the lessor in respect of leasehold improvements;
- IFRS 1 and IAS 41: minor amendments were issued to these standards but are not applicable to the Group.

#### IFRS IC agenda decision – Configuration or Customisation Costs in a Cloud Computing Arrangement

In April 2021 the IFRS IC issued a decision on accounting for the costs of configuring or customising software in a cloud computing (SaaS) arrangement.

During the first half of 2022, the Group finished identifying SaaS contracts and analysing the different types of costs incurred in order to determine those items affected by this decision. These analyses led the Group to change the method of accounting for customisation and configuration costs when they did not meet the criteria for capitalisation under IAS 38 (i.e., when the Group did not control the SaaS solution) and when they did not relate to the development of an interface with the SaaS solution. These costs are now expensed – mostly as they are incurred – and especially if the work is carried out internally or by a third party supplier (not related to the SaaS solution provider). These costs are recognised over the term of the SaaS contract if the work is carried out by the SaaS solution provider or its subcontractor and cannot be separated from the rights to access the SaaS solution. However, the Group is not significantly concerned by this last case. The effects of applying this agenda decision on a retrospective basis are presented in Note 1.3.

#### IFRS IC agenda decision – Demand Deposits with Restrictions on Use

In April 2022, the IFRS IC issued an agenda decision clarifying whether an entity should include a demand deposit as a component of cash and cash equivalents in its statements of financial position and cash flows when the deposit is subject to contractual restrictions on use agreed with a third party.

In its decision, the IFRS IC concluded that restrictions on the use of a demand deposit arising from a contract with a third party do not result in the deposit no longer being cash, unless those restrictions change the nature of the deposit in a way that it would no longer meet the definition of cash in IAS 7.

Since this decision was only recently published, the Group will begin to identify and analyse any such demand deposits in the second half of the year so that it will be able to estimate the resulting accounting impacts.

## 1.2. Basis of preparation and presentation of the consolidated financial statements

### 1.2.1 Going concern

The consolidated financial statements for the six months ended 30 June 2022 have been prepared on a going concern basis.

The cash flow forecasts prepared for Rallye, its parent company Foncière Euris and its subsidiaries for the next 12 months show a cash flow position in line with the estimated obligations resulting from the initiation of the safeguard proceedings. The forecasts factor in the following assumptions:

- stable recurring operating expenses for the next 12 months, in line with historical operating expenses;
- financial income assuming that no dividends will be paid by Casino over the next 12 months;
- no dividend to be paid by Rallye to its shareholders over the next 12 months.

The Paris Commercial Court decided on 26 October 2021 to defer for two years the payment dates under the safeguard plans of Rallye and its mother companies and consequently to extend the duration of such safeguard plans.

In the event of an adverse change in the assumptions used, or the failure by Rallye to meet its obligations, Rallye may not be able to realise its assets or settle its liabilities within the ordinary course of its operations.

### 1.2.2 Use of estimates and judgements

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that may affect the reported amounts of assets and liabilities and income and expenses, as well as the disclosures made in certain notes to the consolidated financial statements. Due to the inherent uncertainty of assumptions, actual results may differ from the estimates. Estimates and assessments are reviewed at regular intervals and adjusted where necessary to take into account past experience and any relevant economic factors.

The main judgements, estimates and assumptions are based on the information available when the financial statements are drawn up and concern the following:

- classification and measurement of France Retail segment assets in accordance with IFRS 5 (note 3.2);
- measurement of non-current assets and goodwill (note 8);
- measurement of deferred tax assets;
- recognition, presentation and measurement of the recoverable amounts of tax credits or taxes (mainly ICMS, PIS and COFINS in Brazil) (notes 5.1 and 11);
- IFRS 16 application method, notably the determination of discount rates and the lease term for the purpose of measuring the lease liability for leases with renewal or termination options;
- provisions for risks (note 11), particularly tax and employee-related risks in Brazil.

### 1.3. Changes in accounting methods and restatement of comparative information

The following tables show the impact on the previously published consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows resulting from the retrospective application of the following IFRS IC agenda decisions:

- IFRS IC agenda decision – Configuration or Customisation Costs in a Cloud Computing Arrangement (see Note 1.1);
- IFRS IC agenda decision – Attributing Benefit to Periods of Service – IAS 19 (see Note 1.3 to the consolidated financial statements at 31 December 2021).

#### Impact on the main consolidated income statement indicators in first-half 2021

(€ millions)	H1 2021 (reported)	Impact of the IFRS IC decision - IAS 19	Impact of the IFRS IC decision - SaaS costs	H1 2021 (restated)
Net sales	14,482			14,482
Other income	224			224
<b>Total income</b>	<b>14,706</b>			<b>14,706</b>
Cost of goods sold	(11,071)			(11,071)
Selling expenses	(2,533)	(1)		(2,534)
General and administrative expenses	(664)		(3)	(667)
<b>Recurring operating income</b>	<b>438</b>	<b>(1)</b>	<b>(3)</b>	<b>434</b>
<b>Operating income</b>	<b>448</b>	<b>(2)</b>	<b>(4)</b>	<b>442</b>
Cost of net debt	(280)			(280)
Other financial income and expenses	(63)			(63)
<b>Income (loss) before tax</b>	<b>105</b>	<b>(2)</b>	<b>(4)</b>	<b>99</b>
Income tax (expense) benefit	(46)	1	1	(44)
Share of net income of equity-accounted investees	29			29
<b>Net income (loss) from continuing operations</b>	<b>88</b>	<b>(1)</b>	<b>(3)</b>	<b>84</b>
Net income (loss) from discontinued operations	(169)			(169)
<b>Consolidated net income (loss)</b>	<b>(81)</b>	<b>(1)</b>	<b>(3)</b>	<b>(85)</b>
Attributable to owners of the parent	(71)		(1)	(72)
Attributable to non-controlling interests	(10)	(1)	(2)	(13)

#### Impact on the main consolidated statement of comprehensive income indicators in first-half 2021

(€ millions)	H1 2021 (reported)	Impact of the IFRS IC decision - IAS 19	Impact of the IFRS IC decision - SaaS costs	H1 2021 (restated)
<b>Consolidated net income (loss)</b>	<b>(81)</b>	<b>(1)</b>	<b>(3)</b>	<b>(85)</b>
<b>Items that may subsequently be reclassified to profit or loss</b>	<b>138</b>			<b>138</b>
Of which foreign currency translation reserves	119			119
<b>Items that will never be reclassified to profit or loss</b>	<b>(1)</b>			<b>(1)</b>
of which actuarial gains and losses	(4)			(4)
of which income tax effects	1			1
<b>Other comprehensive income (loss), net of tax</b>	<b>137</b>			<b>137</b>
<b>Total comprehensive income (loss) for the period, net of tax</b>	<b>56</b>	<b>(1)</b>	<b>(3)</b>	<b>52</b>
Attributable to owners of the parent	(26)		(1)	(27)
Attributable to non-controlling interests	82	(1)	(2)	79

## Impact on the main consolidated statement of financial position indicators at 1 January 2021

(€ millions)	1 January 2021 (reported)	Impact of the IFRS IC decision - SaaS costs	1 January 2021 (restated)
<b>Total non-current assets</b>	<b>21,779</b>	<b>(10)</b>	<b>21,769</b>
<i>of which intangible assets</i>	2,061	(13)	2,048
<i>of which deferred tax assets</i>	1,019	3	1,022
<b>Total current assets</b>	<b>10,099</b>		<b>10,099</b>
<b>Total assets</b>	<b>31,878</b>	<b>(10)</b>	<b>31,868</b>
<b>Total equity</b>	<b>4,337</b>	<b>(10)</b>	<b>4,327</b>
<i>of which attributable to owners of the parent</i>	(813)	(4)	(817)
<i>of which attributable to non-controlling interests</i>	5,150	(6)	5,144
<b>Total non-current liabilities</b>	<b>15,283</b>		<b>15,283</b>
<b>Total current liabilities</b>	<b>12,258</b>		<b>12,258</b>
<b>Total equity and liabilities</b>	<b>31,878</b>	<b>(10)</b>	<b>31,868</b>

## Impact on the main consolidated statement of financial position indicators at 31 December 2021

(€ millions)	31 December 2021 (reported)	Impact of the IFRS IC decision - SaaS costs	31 December 2021 (restated)
<b>Total non-current assets</b>	<b>22,088</b>	<b>(14)</b>	<b>22,074</b>
<i>of which intangible assets</i>	2,024	(18)	2,006
<i>of which deferred tax assets</i>	1,191	4	1,195
<b>Total current assets</b>	<b>9,497</b>		<b>9,497</b>
<b>Total assets</b>	<b>31,585</b>	<b>(14)</b>	<b>31,571</b>
<b>Total equity</b>	<b>3,829</b>	<b>(15)</b>	<b>3,814</b>
<i>of which attributable to owners of the parent</i>	(1,080)	(6)	(1,086)
<i>of which attributable to non-controlling interests</i>	4,909	(9)	4,900
<b>Total non-current liabilities</b>	<b>15,823</b>		<b>15,823</b>
<b>Total current liabilities</b>	<b>11,933</b>	<b>1</b>	<b>11,934</b>
<i>of which trade payables</i>	6,099	2	6,101
<i>of which other current liabilities</i>	3,202	(1)	3,201
<b>Total equity and liabilities</b>	<b>31,585</b>	<b>(14)</b>	<b>31,571</b>

## Impact on the main consolidated statement of cash flow indicators in first-half 2021

(€ millions)	H1 2021 (reported)	Impact of the IFRS IC decision - IAS 19	Impact of the IFRS IC decision - SaaS costs	H1 2021 (restated)
<b>Net cash from operating activities</b>	<b>(152)</b>		<b>(5)</b>	<b>(157)</b>
<i>of which consolidated net income (loss) before tax</i>	(104)	(3)	(3)	(110)
<i>of which depreciation and amortisation</i>	654		(2)	652
<i>of which other components of cash flow</i>	389	3		392
<i>of which change in operating working capital and income tax paid</i>	(995)			(995)
<i>of which change in operating working capital and income tax paid: discontinued operations</i>	(96)			(96)
<b>Net cash from (used in) investing activities</b>	<b>(408)</b>		<b>5</b>	<b>(403)</b>
<i>of which cash used in acquisitions of property, plant and equipment, intangible assets, and investment property</i>	(499)		5	(494)
<b>Net cash from (used in) financing activities</b>	<b>(254)</b>			<b>(254)</b>
<i>Effect of changes in exchange rates on cash and cash equivalents</i>	74			74
<b>Change in cash and cash equivalents</b>	<b>(740)</b>			<b>(740)</b>
<i>Net cash and cash equivalents at beginning of year</i>	2 738			2 738
<i>Net cash and cash equivalents at end of year</i>	1 998			1 998

## Note 2 • Significant events of the period

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Significant events during the period are the following:

### 2.1. Rallye

#### — *Global offer on Rallye's unsecured debt*

On 23 March 2022, Rallye has launched a global tender offer at a fixed purchase price for its unsecured debt (including the bonds and commercial paper).

Rallye proposed to purchase, for a maximum amount of €37m, unsecured claims at a price equal to 15% of the amount of the outstanding claim under each unsecured debt instrument the relevant holder of unsecured debt was willing to offer.

On 6 April 2022, Rallye announced the results of its Tender Offer:

- Considering the success of the Tender Offer, the pro ration factor was set at 75.64%.
- Rallye spent €36.6m of cash to acquire €242.3m of nominal amount of unsecured debt, reducing the total amount of its net financial debt by approximately €234.8m (including accrued interests). The Tender Offer, net of the accelerated amortisation of IFRS restatements related to the repurchased debt, resulted in the recording of a financial income of €166m in the consolidated financial statements (notes 9.3.1 and 9.3.2).
- The total nominal amount of unsecured debt purchased under the Tender Offer is allocated as follows: €240.5m for bonds and €1.8m for the other unsecured claims.

On 9 May 2022, Rallye announced that the Paris Commercial Court had approved the amendment to its safeguard plan, thereby authorizing the effective completion of the global tender offer on its unsecured debt launched on 23 March 2022; as result, the settlement-delivery of the Tender Offer took place on 16 May 2022.

The operation was financed by the financing of €82.4m set up with Fimalac and financial institutions during the first Tender offer carried out in 2021 (see "Significant events" of the 2021 Universal Registration Document of Rallye). The nominal value of the first tranche drawn in May 2021 is €43.4m, and that of the second tranche drawn in May 2022 is €39.0m.

### 2.2. Casino Group

#### — *Impact of the war in Ukraine and of the health and economic crisis on the consolidated financial statements*

The geopolitical situation in Eastern Europe worsened on 24 February 2022 following Russia's invasion of Ukraine. The Casino Group is not directly exposed to the countries involved in the conflict and has not observed any direct impact on its performance, given that it has no stores in Ukraine or Russia and makes very limited purchases in the two countries. However, the conflict is increasingly affecting the global economy and capital markets, and exacerbating an already difficult macro-economic climate defined by accelerating inflation and disruptions to global supply chains. For example, export/import controls and economic sanctions against Russia may adversely affect the Casino Group's operations, supply chains, business partners or customers. Similarly, indirect effects in the form of higher inflation and fluctuating energy and commodity prices lead to higher freight costs and higher purchasing costs for some products.

All of these factors may compromise the Casino Group's ability to supply certain products and lead to changes in customer purchasing behaviour and cost structures (including inventory, freight costs and payroll). This in turn could have an adverse impact on our earnings, financial position and cash flows.

In light of exceptional conditions in the energy market (electricity and gas prices in Europe), the Casino Group decided to discontinue its energy sales business (GreenYellow) at the end of 2021. The entity "GY Vente d'Énergie" was sold at the end of May. Beyond this event the Casino Group did not recognise any other significant impacts during the period resulting from changes in its estimates and judgements.

The Casino Group does not operate in Russia or Ukraine but continues to monitor the impacts of the war and the ways in which it is indirectly exposed.

#### — *Completion of the sale of Floa to BNP Paribas*

On 31 January 2022, Casino Group and Crédit Mutuel Alliance Fédérale completed the sale of FLOA to BNP Paribas (Note 3).

#### — *Signing of a memorandum of understanding with Ocado to extend their partnership*

On 17 February 2022, Casino Group and Ocado announced that they had signed a memorandum of understanding to extend their exclusive partnership in France. The MoU provides for:

- the creation of a joint venture to provide services for automated warehouses equipped with Ocado technology to all online food retailers in France;
- an agreement under which Ocado will integrate technology from Octopia (a Cdiscount subsidiary) into its service platform, enabling Ocado's international partners to launch their own marketplace;
- the deployment by Casino Group of Ocado's in-store fulfilment solutions in its Monoprix stores.

This new partnership did not have a material accounting impact on the Group's consolidated financial statements at 30 June 2022.

#### — *GreenYellow borrowings*

On 21 February 2022, GreenYellow announced that it had raised nearly €200m in financing, including:

- €109m in 5-year convertible bonds with warrants attached subscribed by an institutional investor, Farallon Capital. This transaction was accounted for as a hybrid instrument comprising debt and an embedded derivative, recorded respectively in borrowings and debt for €101 million and in derivatives at fair value through profit or loss for €8m (€10m at 30 June 2022);
- €87m via a syndicated credit facility with a pool of top-tier banks with a 1-year initial maturity (31 December 2022).

#### — *Disposal of the entire stake in Mercialis' share capital*

Following the sale of 6.5% of Mercialis' share capital through a total return swap (TRS) on 21 February 2022, which has now been unwound, Casino Group sold its remaining 10.3% stake in the company on 4 April 2022 through a new TRS (Note 3).

#### — *Planned disposal of GreenYellow*

On 16 May 2022, the Group announced that it had begun a process to sell GreenYellow. On 28 July 2022, Casino Group entered into an agreement with Ardian to sell GreenYellow for an enterprise value of €1.4bn (Note 13). In the financial statements for the six months ended 30 June 2022, in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, assets held for sale and associated liabilities are shown on a separate line of the statement of financial position (Note 3.2.1).

#### — *Legal reorganisation of Casino Group in France*

On 15 June 2022, the Casino Group announced that it planned to simplify and increase the clarity of its legal organisation in France by placing all of its food retail subsidiaries (mainly Franprix, Monoprix, Distribution Casino France, Easydis and AMC) under a common holding company wholly owned by Casino, Guichard-Perrachon.

The reporting segments and management structure of the Group will remain unchanged. The staff representative bodies of the subsidiaries concerned have been informed and consulted as required by law. The reorganisation is expected to be completed by the end of 2022.

This reorganisation had no material accounting impact on the consolidated financial statements at 30 June 2022.

#### — *Strategic agreement signed to extend the Group's partnership with Gorillas to Frichti banner*

On 30 June 2022, Casino Group signed an agreement with Gorillas to extend their partnership established in December 2021. This agreement gives Frichti access to Casino's national-brand products and to Monoprix's private-label products. These products are now available on the Frichti platform for delivery to consumers in a matter of minutes in the areas where Frichti currently operates. Through this partnership, which follows Gorillas' acquisition of French banner Frichti, Casino Group intends to strengthen the ties between Frichti, the French leader in quick commerce, and Monoprix, the leader in home delivery in city centres. As a result, Casino Group will become directly involved in Frichti's value creation through its stake in the company's capital.

The acquired stake is shown under "Other non-current assets" within equity instruments at fair value through other comprehensive income.

#### — *Disposal plan for non-strategic assets*

In mid-2018, the Casino Group initiated a plan to dispose of certain non-strategic assets, under which a total of €3.2bn in assets had been sold at 31 December 2021. The Group carried out further disposals under this plan in first-half 2022, involving mainly the sale of its residual interest in Mercialis (see Note 3). As a result, the Casino Group has sold a total of €4bn in non-strategic assets out of an announced €4.5bn disposal plan (including GreenYellow – see Note 13).



## Note 3 • Scope of consolidation

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### 3.1. Transactions affecting the scope of consolidation

#### — *Sale of Floa*

On 31 January 2022, Casino Group and Crédit Mutuel Alliance Fédérale completed the sale of Floa to BNP Paribas. The sale price (excluding expenses) amounts to €200m, of which €192m has been collected net of expenses (Note 4.6), breaking down as (i) €150m relating to the disposal of shares representing 50% of Floa's capital and (ii) €50m relating to the sale of technology assets of the "FLOA PAY" split payment solution and to the earn-out contingent on the renewal of commercial agreements between Cdiscount, the Casino banners and Floa (Cdiscount continues to operate its split payment solution via card through Floa and BNP Paribas).

Casino Group also remains invested in the successful development of the "FLOA PAY" business through a 30% stake in future value created (by 2025).

#### — *Sale of Mercialys and loss of significant influence*

On 21 February 2022, the Casino Group completed the definitive disposal of an additional 6.5% of Mercialys equity through a total return swap (TRS), leading to the immediate collection of an amount of €59m. All TRS shares were sold during the period, resulting in the collection of a net amount of €52m on the instrument.

On 4 April 2022, the Group then sold its remaining 10.3% stake in Mercialys under a new TRS maturing in December 2022. A total of €86m was immediately collected through this new instrument. By resigning from the Mercialys Board of Directors at the end of April 2022, the Group no longer exercises significant influence over Mercialys; this loss of significant influence has no material impact on the income statement.

As a result, Casino Group no longer holds any voting rights in Mercialys as of 30 June 2022. The TRS does not meet the criteria for deconsolidation as defined in IFRS 9 and the Group continues to have exposure in respect of the shares underpinning this second TRS not yet sold by the financial institution. Accordingly, these are recognised as a financial asset at fair value through profit or loss against a debt entry of €86m at 30 June 2022 (Note 9.2.2).

The net amount collected in the period in respect of these transactions was €139m (Note 4.6).

### 3.2. Assets held for sale and discontinued operations

#### 3.2.1. Assets held for sale and liabilities associated with assets held for sale

(€ millions)	Notes	30 June 2022		31 Dec. 2021	
		Assets	Liabilities	Actif	Passif
France Retail <sup>(1)</sup>		1,524	625	836	175
Latam Retail <sup>(2)</sup>		44		133	
E-commerce				4	
<b>Total</b>		<b>1,568</b>	<b>625</b>	<b>973</b>	<b>175</b>
Net assets		943		798	
Of which attributable to owners of the parent of the selling subsidiary	9.2.1	821		798	

(1) At 30 June 2022, this line corresponds mainly to GreenYellow (Note 2), stores and property assets relating to asset disposal plans and plans to optimise the store base. At 31 December 2021, this line corresponded mainly to stores, property assets and the shareholding in Floa Bank in connection with asset disposal plans and plans to streamline the store base.

(2) At 31 December 2021, this line corresponded mainly to (i) 17 store properties at GPA for BRL 617m (€98m) as part of the conversion of Extra stores into Assai stores and (ii) real estate assets at Sendas in connection with sale-and-leaseback transactions for BRL 147m (€23m)

#### 3.2.2. Discontinued operations

The net loss from discontinued operations in first-half 2022 reflects the impacts of the disposals of Leader Price and Via Varejo in 2019. In the first half of 2021, the net loss from discontinued operations essentially reflected (i) commitments made with Aldi France in connection with the gradual conversion of the Leader Price stores sold and (ii) upstream and logistics activities along with the Leader Price head office, which were to a large extent involved in the supply of these stores, and (iii) of Groupe Go Sport.

Net income (loss) from discontinued operations can be analysed as follows:

(€ millions)	First-half	
	2022	2021
Net sales	34	408
Net expenses	(45)	(617)
<b>Net income (loss) before tax from discontinued operations</b>	<b>(11)</b>	<b>(209)</b>
Income tax (expense) benefit	6	41
Share of net income (loss) of equity-accounted investees		(1)
<b>Net income (loss) from discontinued operations</b>	<b>(5)</b>	<b>(169)</b>
Attributable to owners of the parent	(6)	(90)
Attributable to non-controlling interests	1	(79)

### 3.3. Investments in equity-accounted investees

#### 3.3.1. Share of contingent liabilities of equity-accounted investees

At 30 June 2022 and 31 December 2021, none of the Group's associates or joint ventures had any material contingent liabilities.

#### 3.3.2. Related-party transactions (equity-accounted investees)

The related-party transactions shown below mainly concern transactions carried out in the normal course of business with companies over which the Group exercises significant influence (associates) or joint control (joint ventures) that are accounted for in the consolidated financial statements using the equity method. These transactions are carried out on arm's length terms.

Following the loss of significant influence over Mercialys on 30 April 2022 (Note 3.1), the statement of financial position at 30 June 2022 no longer reflects receivables and payables with this company. In addition, income and expenses for the first half of 2022 reflect transactions with Mercialys only up to 30 April 2022.

(€ millions)	2022		2021	
	Associates	Joint ventures	Associates	Joint ventures
<b>Closing balance at 30 June 2022 and 31 December 2021</b>				
Loans	80	55	77	47
o/w impairment	(2)		(4)	
Receivables	36	40	33	26
o/w impairment				
Payables	7	302 <sup>(2)</sup>	109 <sup>(1)</sup>	234 <sup>(2)</sup>
<b>First-half transactions</b>				
Expenses	18	574 <sup>(2)</sup>	4 <sup>(2)</sup>	411 <sup>(2)</sup>
Income	139 <sup>(3)</sup>	12	80 <sup>(4)</sup>	29

(1) Including lease liabilities in favour of Mercialys for property assets amounting to €100m at 31 December 2021, (of which €29m due within one year).

(2) Including €559m in fuel purchases from Distridyn in first-half 2022 (first-half 2021: €395m). At 30 June 2022 and 31 December 2021, the Group had a current account with Distridyn for €30m.

(3) Income of €139m in first-half 2022 (first half 2021: €80m) includes €55m (first half 2021: €48m) in sales of goods by Franprix to master franchisees accounted for by the equity method. The income figure also includes proceeds from property development transactions with Mercialys reported under "Other revenue" for €44m, including an EBITDA impact of €27mn (Note 5.1). In first-half 2021, income from property development transactions with Mercialys reported under "Other revenue" amounted to €3m, including an EBITDA impact of €2m.

In first-half 2022, Mercialys sold two properties. In the Group's consolidated financial statements, these transactions led to the recognition of income totalling €11m in "Other revenue" and an EBITDA contribution of €8m resulting from the recognition of previously eliminated margins on real estate development transactions involving Casino and Mercialys (Note 5.1).

## Note 4 • Additional cash flow disclosures

### 4.1. Reconciliation of provision expense

(€ millions)	Notes	First-half	
		2022	2021
Goodwill impairment	8		
Impairment of intangible assets		(4)	(1)
Impairment of property, plant and equipment		(11)	(15)
Impairment of investment property			
Impairment of right-of-use assets		(8)	(13)
Impairment of other assets		(42)	58
Net (additions to) reversals of provisions for risks and charges	11.1	(30)	51
<b>Total provisions</b>		<b>(95)</b>	<b>80</b>
Provisions reported under "Net income (loss) from discontinued operations"		13	1
<b>Provision expense adjustment in the statement of cash flows</b>		<b>(82)</b>	<b>81</b>

### 4.2. Reconciliation of changes in working capital to the statement of financial position

(€ millions)	1 January 2022	Cash flows from operating activities	Other cash flows	Cash flows from operating activities, discontinued operations	Other cash flows from discontinued operations	Changes in scope of consolidation	Effect of movements in exchange rates	Reclassifications and other <sup>(1)</sup>	30 June 2022
Goods inventories	(3,123)	(338)		24		1	(215)	1	<b>(3,650)</b>
Property development work in progress	(95)	2				5	(1)	38	<b>(51)</b>
Trade payables	6,101	(161)		(76)		(37)	318	(73)	<b>6,072</b>
Trade and other receivables	(772)	(35)		(7)		(16)	(23)	139	<b>(714)</b>
Other (receivables) payables	196	(351)	239	(41)	(29)	(101)	(62)	81	<b>(68)</b>
<b>Total</b>	<b>2,307</b>	<b>(883)</b>	<b>239</b>	<b>(100)</b>	<b>(29)</b>	<b>(148)</b>	<b>17</b>	<b>186</b>	<b>1,589</b>

(1) Mainly reflects the classification of GreenYellow within assets held for sale in accordance with IFRS 5.

(€ millions)	1 January 2021 (restated)	Cash flows from operating activities	Other cash flows	Cash flows from operating activities, discontinued operations	Other cash flows from discontinued operations	Changes in scope of consolidation	Effect of movements in exchange rates	Reclassifications and other	30 June 2021 (restated)
Goods inventories	(3,062)	(85)		6		(3)	(65)	3	<b>(3,206)</b>
Property development work in progress	(153)	10				(1)	1	(7)	<b>(150)</b>
Trade payables	6,194	(656)		(145)		(4)	47	(42)	<b>5,394</b>
Trade and other receivables	(941)	41		18		6	(2)	18	<b>(860)</b>
Other (receivables) payables	263	(218)	93	24	(58)	103	(63)	(2)	<b>142</b>
<b>Total</b>	<b>2,301</b>	<b>(908)</b>	<b>93</b>	<b>(97)</b>	<b>(58)</b>	<b>101</b>	<b>(82)</b>	<b>(30)</b>	<b>1,320</b>

#### 4.3. Reconciliation of acquisitions of non-current assets

(€ millions)	Notes	First-half	
		2022	2021 (restated)
Additions to and acquisitions of intangible assets		(128)	(112)
Additions to and acquisitions of property, plant and equipment <sup>(1)</sup>		(670)	(371)
Additions to and acquisitions of investment property		(7)	(14)
Additions to and acquisitions of lease premiums included in right-of-use assets		(1)	(2)
Change in amounts due to suppliers of non-current assets		(52)	3
Neutralisation of capitalised borrowing costs (IAS 23) <sup>(2)</sup>		25	2
Effect of discontinued operations			
<b>Cash used in acquisitions of intangible assets, property, plant and equipment and investment property</b>		<b>(833)</b>	<b>(494)</b>

(1) The increase in acquisitions of property, plant and equipment is mainly due to Assai's expansion.

(2) Non-cash movements.

#### 4.4. Reconciliation of disposals of non-current assets

(€ millions)	First-half	
	2022	2021
Derecognition of intangible assets	2	1
Derecognition of property, plant and equipment	81	17
Derecognition of investment property		
Disposals of lease premiums included in right-of-use assets		1
Gains on disposals of non-current assets <sup>(1)</sup>	94	98
Change in receivables related to non-current assets	(35)	(99)
Reclassification of non-current assets as "Assets held for sale" (IFRS 5) <sup>(2)</sup>	105	1
Effect of discontinued operations	(1)	
<b>Cash from disposals of intangible assets, property, plant and equipment and investment property</b>	<b>246</b>	<b>19</b>

(1) Prior to the restatement of sale and leaseback transactions in accordance with IFRS 16.

(2) In first-half 2022: relating to sale-and-leaseback transactions in Brazil (Note 8).

#### 4.5. Cash inflows and outflows related to acquisitions of financial assets

In the first half of 2022, cash outflows and inflows related to financial assets amounted to €35m and €397m, respectively, representing a net cash outflow of €362m. They mainly reflect the use of segregated accounts in connection with the repayment of debt, including the partial redemption of secured high-yield bonds for €34m (Note 9.2.2).

In first-half 2021, cash inflows and outflows related to financial assets represented €158m and €3m, respectively, and mainly reflected the use of €148m from the segregated account to redeem the 2021 and 2022 bond issues.

#### 4.6. Effect on cash and cash equivalents of changes in scope of consolidation related to equity-accounted investees

(€ millions)	Notes	First-half	
		2022	2021
Amount paid for the acquisition of shares in equity-accounted investees		(6)	(7)
Net inflow (outflow) relating to the Mercialis TRS	3.1	139	1
Disposal of Floa, net of expenses <sup>(1)</sup>	3.1	167	
<b>Effect of changes in scope of consolidation related to equity-accounted investees</b>		<b>300</b>	<b>(6)</b>

(1) Excluding operating cash flows relating to commercial agreements

#### 4.7. Reconciliation between change in cash and cash equivalents and change in net debt

(€ millions)	Notes	First-half	
		2022	2021
<b>Change in cash and cash equivalents</b>		<b>(742)</b>	<b>(740)</b>
Increase in loans and borrowings <sup>(1)</sup>		(1,107)	(2,679)
Repayments of loans and borrowings <sup>(1)</sup>		1,102	2,180
Allocation to (use of) segregated account	4.5	(373)	(148)
Outflows (inflows) of financial assets		(61)	(1)
Non-cash changes in debt <sup>(1)</sup>		94	72
Change in net assets held for sale attributable to owners of the parent		193	138
Change in other financial assets		195	94
Effect of changes in scope of consolidation		(86)	(16)
Change in fair value hedges		20	9
Accrued interest		(108)	(84)
Impact of the safeguard plan for the Rallye scope		(72)	(38)
Other		(48)	(31)
Effect of movements in exchange rates <sup>(1)</sup>		(414)	(201)
Change in loans and borrowings of discontinued operations			(8)
<b>Change in net debt</b>		<b>(1,501)</b>	<b>(1,525)</b>
Net debt at beginning of period	9.2.1	7,875	6,751
Net debt at end of period	9.2.1	9,376	8,276

(1) These impacts relate exclusively to continuing operations.

#### 4.8. Reconciliation of net interest paid

(€ millions)	Notes	First-half	
		2022	2021
<b>Cost of net debt reported in the income statement</b>	9.3.1	<b>(292)</b>	<b>(280)</b>
Neutralisation of unrealised exchange gains/losses		1	9
Neutralisation of amortisation of debt issuance/redemption costs and premiums		16	49
Impact of the safeguard plan for the Rallye scope		72	38
Capitalised borrowing costs		(25)	(2)
Change in accrued interest and fair value hedges of borrowings		47	54
Interest on lease liabilities	9.3.2	(159)	(152)
No-drawdown credit lines costs, non-recourse factoring and associated transaction costs	9.3.2	(54)	(23)
<b>Interest paid, net as presented in the statement of cash flows</b>		<b>(394)</b>	<b>(307)</b>

## Note 5 • Segment information

In accordance with IFRS 8 – *Operating Segments*, the information presented below is based on the internal reporting used by management (as the chief operating decision maker) to evaluate performance and allocate resources. It includes in particular the allocation of Casino Group holding company costs to all of the Group's Business Units.

### 5.1. Key indicators by operating segment

(€ millions)	Notes	Food and general retailing			Holdings and other activities	First-half 2022
		France Retail	Latam Retail	E-commerce		
External net sales	5.2 / 6.2	6,935	8,173 <sup>(3)</sup>	795	2	15,905
EBITDA <sup>(1)</sup>		539 <sup>(2)</sup>	514 <sup>(3)</sup>	15	(4)	1,064
Net depreciation and amortisation expense	6.3 / 6.4	(398)	(244)	(47)		(689)
Recurring operating income (loss)		141 <sup>(2)</sup>	271 <sup>(3)</sup>	(32)	(5)	375

(1) EBITDA (earnings before interest, taxes, depreciation and amortisation) is defined as trading profit plus recurring depreciation and amortisation expense.

(2) Of which €28m in respect of property deals carried out in France, corresponding in 2022 to the recognition of previously eliminated margins on property development transactions involving Casino and Mercialis following the disposal of assets by Mercialis and decrease in Casino's stake in Mercialis (Note 3.3.2).

(3) In June 2022, Brazil's Superior Court of Justice (STJ) confirmed that sales of certain technological products provided for by law which had been the subject of an initial unfavourable court ruling – were to be excluded when calculating PIS/COFINS tax. In light of this ruling, GPA recognised a BRL 160m (€29m) tax credit in first-half 2022, of which BRL 96m (€14m) was included in net sales and BRL 64m (€12m) in other financial income.

(€ millions)	Notes	Food and general retailing			Holdings and other activities	First-half 2021 (restated)
		France Retail	Latam Retail	E-commerce		
External net sales	5.2 / 6.2	6,863	6,670 <sup>(3)</sup>	947	2	14,482
EBITDA <sup>(1)</sup>		569 <sup>(2)</sup>	475 <sup>(3)</sup>	48	(2)	1,087
Net depreciation and amortisation expense	6.3 / 6.4	(406)	(205)	(42)		(653)
Recurring operating income (loss)		163 <sup>(2)</sup>	271 <sup>(3)</sup>	6	(3)	434

(1) EBITDA (earnings before interest, taxes, depreciation and amortisation) is defined as trading profit plus recurring depreciation and amortisation expense.

(2) Of which €3m in respect of property deals carried out in France, corresponding in 2021 to the recognition of previously eliminated margins on property development transactions involving Casino and Mercialis following the decrease in Casino's stake in Mercialis (Note 3.3.2).

(3) In May 2021, a new ruling by the Brazilian federal supreme court (STF) upheld the decisions in favour of the taxpayers that had been handed down in 2017 in relation to the exclusion of ICMS from the PIS/COFINS tax base. Based on this ruling, in the first half of 2021 Sendas recognised a BRL 62m (€10m) tax credit, of which BRL 40m (€6m) was recognised in sales and BRL 22m (€3m) in other financial income (Note 9.3.2), representing the amount which could be reliably estimated. In first-half 2021, GPA also revalued the tax credits recognised in 2020 and, as a result, recognised an additional BRL 195m (€30m), of which BRL 106m (€16m) in sales and BRL 89m (€14m) in other financial income (Note 9.3.2).

## 5.2. Key indicators by geographical area

(€ millions)	Food and general retailing			Holdings and other activities		Total
	France	Latin America	Other regions	France	Other regions	
<b>2022</b>						
External net sales for first-half 2022	7,712	8,174	17	2		15,905
Non-current assets at 30 June 2022 <sup>(1)</sup>	10,652	9,937	223	1		20,813
<b>2021 (restated)</b>						
External net sales for first-half 2021	7,799	6,670	12	1		14,482
Non-current assets at 31 December 2021 <sup>(1)</sup>	11,382	8,117	183	4		19,686

(1) Non-current assets include goodwill, intangible assets, property, plant, and equipment, investment property, right-of-use assets, investments in equity-accounted investees, contract assets and prepaid expenses beyond one year.



## Note 6 • Operating data

### 6.1. Seasonality of operations

Across all businesses, seasonal fluctuations on the income statement are minor in terms of net sales (first-half 2021 represented 47% of full-year 2021, or 48% based on the average 2021 exchange rate), but are more significant in terms of trading profit (37% based on the average exchange rate for first-half 2021 and 37% based on the average exchange rate for full-year 2021).

These seasonal fluctuations have an even greater impact on the cash flows generated by the Group. The change in working capital observed in the first half of the year is structurally negative as a result of the large payments made to suppliers at the beginning of the financial year in return for purchases made to meet strong demand in December of the previous year.

### 6.2. Breakdown of total income

The following tables present a breakdown of income:

(€ millions)	Food and general retailing			Holdings and other activities	First-half 2022
	France Retail	Latam Retail	E-commerce		
Net sales	6,935	8,173	795	2	<b>15,905</b>
Other income	134	91			<b>225</b>
<b>Total income</b>	<b>7,069</b>	<b>8,264</b>	<b>795</b>	<b>2</b>	<b>16,130</b>

(€ millions)	Food and general retailing			Holdings and other activities	First-half 2021
	France Retail	Latam Retail	E-commerce		
Net sales	6,863	6,670	947	2	<b>14,482</b>
Other income	135	88		1	<b>224</b>
<b>Total income</b>	<b>6,998</b>	<b>6,758</b>	<b>947</b>	<b>3</b>	<b>14,706</b>

### 6.3. Expenses by nature and function

(€ millions)	Notes	Logistics costs <sup>(1)</sup>	Selling expenses	General and administrative expenses	First-half 2022 total
Employee benefits expense		(263)	(1,107)	(371)	<b>(1,741)</b>
Other expenses		(375)	(1,042)	(258)	<b>(1,675)</b>
Depreciation/amortisation	5.1 / 6.4	(72)	(498)	(119)	<b>(689)</b>
<b>Total</b>		<b>(710)</b>	<b>(2,647)</b>	<b>(748)</b>	<b>(4,105)</b>

(1) Logistics costs are reported in the consolidated income statement under "Cost of goods sold".

(€ millions)	Notes	Logistics costs <sup>(1)</sup>	Selling expenses	General and administrative expenses	First-half 2021 total (restated)
Employee benefits expense		(245)	(1,078)	(352)	<b>(1,675)</b>
Other expenses		(360)	(982)	(206)	<b>(1,548)</b>
Depreciation/amortisation	5.1 / 6.4	(70)	(474)	(109)	<b>(653)</b>
<b>Total</b>		<b>(675)</b>	<b>(2,534)</b>	<b>(667)</b>	<b>(3,876)</b>

(1) Logistics costs are reported in the consolidated income statement under "Cost of goods sold".

## 6.4. Depreciation and amortisation

(€ millions)	Notes	First-half 2022	First-half 2021 (restated)
Amortisation of intangible assets		(115)	(105)
Depreciation of property, plant and equipment		(227)	(214)
Depreciation of investment property		(4)	(7)
Depreciation of right-of-use assets		(343)	(327)
<b>Total depreciation and amortisation</b>		<b>(689)</b>	<b>(653)</b>
Depreciation and amortisation reported under "Net income (loss) from discontinued operations"			
<b>Depreciation and amortisation expense of continuing operations</b>	<b>5.1 / 6.3</b>	<b>(689)</b>	<b>(653)</b>

## 6.5. Other operating income and expenses

(€ millions)	First-half 2022	First-half 2021 (restated)
Total other operating income	268	247
Total other operating expenses	(554)	(239)
<b>Total other operating income (expense), net</b>	<b>(286)</b>	<b>8</b>
<i>Breakdown by type</i>		
Gains and losses on disposal of non-current assets <sup>(1)(6)</sup>	20	102
Net impairment (losses) reversals on assets <sup>(2)(6)</sup>	(63)	38
Net income (expense) related to changes in scope of consolidation <sup>(3)(6)</sup>	(128)	(33)
<b>Gains and losses on disposal of non-current assets, net impairment losses on assets and net income (expense) related to changes in scope of consolidation</b>	<b>(171)</b>	<b>107</b>
Restructuring provisions and expenses <sup>(3)(4)(6)</sup>	(85)	(65)
Provisions and expenses for litigation and risks <sup>(5)</sup>	(22)	(12)
Other	(8)	(22)
<b>Other operating income and expenses</b>	<b>(115)</b>	<b>(99)</b>
<b>Total other operating income (expense), net</b>	<b>(286)</b>	<b>8</b>

- (1) Gains and losses on disposals of non-current assets in first-half 2022 and first-half 2021 primarily concern the France Retail segment with the recognition of contingent consideration deemed highly probable relating to the sale-and-leaseback transactions carried out in 2019 with the funds managed by Fortress and Apollo Global Management for €12m and €99m, respectively.
- (2) The net impairment loss recognised in first-half 2022 mainly concerns the France Retail segment and related to individual assets and the asset disposal plan. In first-half 2021, the net reversal of the impairment loss mainly concerned the France Retail segment in connection with the asset disposal plan.
- (3) The net expense of €128m recognised in first-half 2022 is mainly due to additional costs incurred in connection with the conversion of Extra hypermarkets to Assaí stores. In first-half 2021, the net expense of €33m was mainly related to fees incurred in connection with the spin-off of Assaí.
- (4) Restructuring expenses for the first half of 2022 mainly concern (i) France Retail for €55m, including €38m in store closure and organisational streamlining costs and €14m in expenses relating to Distribution Casino France in connection with its strategic transformation, change in store concepts, development of the E-commerce omni-channel model and digitalisation of customer relations, a Group project since 2016; and (ii) Latam Retail for €27m. Restructuring expenses in the first half of 2021 chiefly concerned the France Retail and Latam retail segments for €46m and €18m, respectively.
- (5) Provisions and expenses for litigation and risks represent a net expense of €22m in first-half 2022 and mainly concern the Latam Retail Segment. Provisions and expenses for litigation and risks represented a net expense of €12m in first-half 2021 and mainly concerned the France Retail Segment.

(6) Reconciliation of the breakdown of asset impairment losses with the tables of asset movements:

(€ millions)	First-half 2022	First-half 2021 (restated)
Goodwill impairment losses		
Impairment (losses) reversals on intangible assets, net	(4)	(1)
Impairment (losses) reversals on property, plant and equipment, net	(11)	(15)
Impairment (losses) reversals on investment property, net		
Impairment (losses) reversals on right-of-use assets, net	(8)	(13)
Impairment (losses) reversals on other assets, net (IFRS 5 and other)	(50)	58
<b>Total net impairment (losses) reversals</b>	<b>(73)</b>	<b>29</b>
Net impairment losses of discontinued operations	1	
<b>Net impairment (losses) reversals</b>	<b>(72)</b>	<b>29</b>
<i>Of which presented under "Restructuring provisions and expenses"</i>	<i>(10)</i>	<i>(8)</i>
<i>Of which presented under "Net impairment (losses) reversals on assets"</i>	<i>(63)</i>	<i>38</i>
<i>Of which presented under "Net income (expense) related to changes in scope of consolidation"</i>	<i>1</i>	<i>(1)</i>
<i>Of which presented under "Gains and losses on disposal of non-current assets"</i>		

## Note 7 • Income tax

The Group posted an income tax benefit of €112m in first-half 2022, compared to a expense of €44m in first-half 2021 (restated) from Casino Group.

## Note 8 • Goodwill, intangible assets, property, plant and equipment, investment property and right-of-use assets

Acquisitions of intangible assets, property, plant and equipment and investment property total €807m in first-half 2022, compared with €497m for the same period in 2021, mainly in connection with the Assai expansion. In addition, right-of-use assets recognised in first-half 2022 in respect of new leases amount to €315m versus €144m in the prior-year period. Currency fluctuations have a €801m positive impact on property, plant and equipment, intangible assets, investment property and right-of-use assets.

The Casino Group carried out a review of goodwill and other non-current assets at 30 June 2022 to determine whether there was any evidence of impairment, as defined in the notes to the 2021 consolidated financial statements. Impairment charges on intangible assets, property, plant and equipment, investment property and right-of-use assets were recognised in a total amount of €22m for the period (Note 6.5), mainly in relation to the France Retail segment.

During its review, the Casino Group identified evidence of impairment regarding goodwill assigned to the E-commerce CGU. Based on the market capitalisation of this business, no impairment loss was recognised at 30 June 2022.

Finally, with regard to an overall analysis of the various operational aggregates (revenue and EBITDA) of the Casino Group CGU, the Group has not identified any evidence that could lead to the recognition of an impairment on Casino goodwill at 30 June 2022.

### Sale-and-leaseback transaction in Brazil

In the first half of 2022, the Casino Group completed the sale-and-leaseback transaction planned as part of the operation to convert Extra hypermarkets into Assai stores and concerning 17 store properties (see Note 2 to the 2021 consolidated financial statements). At 30 June 2022, 16 assets had been sold. The impacts of this transaction on the Group's interim consolidated financial statements at 30 June 2022 resulted in:

- recognition of a right-of-use asset for BRL 480m (€87m) and a lease liability for BRL 675m (€122m);
- a decrease of BRL 574m (€103m) in the "assets held for sale" line (Note 4.4);
- recognition of a disposal gain of BRL 337m (€61m) within other operating income.

## Note 9 • Financial structure and finance costs

### 9.1. Net cash and cash equivalents

Net cash and cash equivalents break down as follows:

(€ millions)	30 June 2022	31 Dec. 2021
Cash equivalents	984	1,169
Cash	731	1,133
<b>Gross cash and cash equivalents</b>	<b>1,715</b>	<b>2,302</b>
Bank overdrafts	(261)	(59)
<b>Net cash and cash equivalents</b>	<b>1,454</b>	<b>2,243</b>

As of 30 June 2022, cash and cash equivalents are not subject to any material restrictions.

The cash and cash equivalents of at Rallye company level amounted to €25m at 30 June 2022 compared to €16m at 31 December 2021 and €20m at 30 June 2021. The change observed in the first half of 2022 includes the drawing made in June 2022 of the €15m in financing for general corporate needs concluded with Fimalac (see Rallye press release dated 2 March 2020).

## 9.2. Loans and borrowings

### 9.2.1. Breakdown of net debt

(€ millions)	Notes	30 June 2022			31 Dec. 2021		
		Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds <sup>(1)</sup>		6,106	414	<b>6,520</b>	5,983	492	<b>6,475</b>
Other loans and borrowings		4,358	1,368	<b>5,726</b>	4,303	876	<b>5,179</b>
Fair value hedges – liabilities <sup>(2)</sup>		138	2	<b>140</b>	9	1	<b>10</b>
<b>Gross financial liabilities<sup>(3)</sup></b>		<b>10,602</b>	<b>1,784</b>	<b>12,386</b>	<b>10,295</b>	<b>1,369</b>	<b>11,664</b>
Fair value hedges – assets <sup>(4)</sup>		(26)	(34)	<b>(60)</b>	(28)	(7)	<b>(35)</b>
Other financial assets <sup>(5)</sup>		(34)	(380)	<b>(414)</b>	(41)	(613)	<b>(654)</b>
<b>Loans and borrowings<sup>(6)</sup></b>	<b>9.2.2</b>	<b>10,542</b>	<b>1,370</b>	<b>11,912</b>	<b>10,226</b>	<b>749</b>	<b>10,975</b>
Net assets held for sale attributable to owners of the parent of the selling subsidiary	3.2.1		(821)	<b>(821)</b>		(798)	<b>(798)</b>
Cash and cash equivalents	9.1		(1,715)	<b>(1,715)</b>		(2,302)	<b>(2,302)</b>
<b>Cash and cash equivalents and net assets held for sale</b>			<b>(2,536)</b>	<b>(2,536)</b>		<b>(3,100)</b>	<b>(3,100)</b>
<b>Net debt</b>		<b>10,542</b>	<b>(1,166)</b>	<b>9,376</b>	<b>10,226</b>	<b>(2,351)</b>	<b>7,875</b>
Rallye				2,733			2,818
Casino, of which:				6,644			5,060
France Retail				3,811			3,737
Lotam Retail <sup>(7)</sup>				2,333			991
E-commerce				499			333

(1) Including €4,307m in France and €2,341m in Brazil at 30 June 2022 (31 December 2021: €4,752m in France and €1,724m in Brazil).

(2) Including €124m in France and €16m in Brazil at 30 June 2022 (31 December 2021: €4m in France and €7m in Brazil).

(3) Including secured gross debt of €2,343m (net of the secured segregated account of €111m). At 31 December 2021, secured gross debt in the amount of €2,107m (net of the secured segregated account of €145m). Since 30 June 2021, this indicator is used to calculate the covenants following the amendment to the revolving credit facility (RCF).

(4) Including €30m in France and €30m in Brazil at 30 June 2022 (31 December 2021: €30m in France and €5m in Brazil).

(5) Including mainly €199m placed in segregated accounts and posted as collateral (including €111m in respect of the RCF refinancing) and €163m in financial assets further to the disposal of non-current assets at 30 June 2022, including (i) the receivable relating to the disposal of the 16 store properties concerned by the sale-and-leaseback transaction in Brazil (Note 8) for €99m and (ii) €32m (current portion) in respect of contingent consideration partly recognised in 2021 and €12m recognised in the first half of 2022 – see Note 6.5 (31 December 2021: €514m placed in segregated accounts and posted as collateral (of which €484m in respect of the revolving credit facility) and €122m in financial assets further to a major disposal of non-current assets comprising contingent consideration recognised in the period for €94m, of which €5m in non-current items).

(6) The Group defines “Loans and borrowings” as gross borrowings and debt adjusted for fair value hedges (assets) and other financial assets. Up to 31 March 2021, this indicator was used to calculate the covenants as defined in the revolving credit facility (RCF) prior to the signature of the amendment in July 2021.

(7) Including Segisor for €141m at 30 June 2022 (31 December 2021: €149m).

## 9.2.2. Change in financial liabilities

(€ millions)	Notes	2022	2021
Gross financial liabilities at beginning of period		11,664	10,930
Fair value hedges – assets		(35)	(92)
Other financial assets		(654)	(586)
<b>Loans and borrowings at beginning of period</b>		<b>10,975</b>	<b>10,252</b>
New borrowings <sup>(1)(3)(9)(10)</sup>		1,107	4,246
Repayments of borrowings <sup>(2)(3)(9)(10)</sup>		(1,102)	(3,698)
Change in fair value of hedged debt		(22)	(13)
Change in accrued interest <sup>(10)</sup>		108	168
Foreign currency translation reserves <sup>(4)</sup>		432	4
Changes in scope of consolidation <sup>(5)</sup>		86	62
Reclassification of financial liabilities associated with non-current assets held for sale <sup>(6)</sup>		(272)	
Impact of the safeguard plan for the Rallye scope <sup>(10)</sup>	2.1	72	(9)
Change in other financial assets <sup>(7)</sup>		247	(67)
Other and reclassifications <sup>(8)</sup>		281	30
<b>Loans and borrowings at end of period</b>	<b>9.2.1</b>	<b>11,912</b>	<b>10,975</b>
Gross financial liabilities at end of period	9.2.1	12,386	11,664
Fair value hedges – assets	9.2.1	(60)	(35)
Other financial assets	9.2.1	(414)	(654)

(1) New borrowings in first-half 2022 primarily include the following: (a) the use by Casino, Guichard-Perrachon of the revolving credit facility for €240m, (b) the issue by Sendas of debentures for BRL 2,250m (€405m) and of commercial paper for BRL 750m (€135m), (c) the issue by GreenYellow of bonds convertible into shares with warrants for €109m (Note 2), and (d) the use of confirmed bank lines and the issue of new bank loans by Exito for COP 440bn (€103m).

New borrowings in 2021 mainly included: (a) an unsecured bond issue by Casino, Guichard-Perrachon maturing in April 2027 and a new term loan ("Term Loan B") maturing in August 2025 for a total nominal amount of €1,950m, (b) issues by GPA of debentures for BRL 1,500m (€235m) and promissory notes for BRL 1,000m (€157m), along with new bank loans contracted for BRL 1,067m (€167m), (c) issues by Sendas of debentures for BRL 3,100m (€486m) and promissory notes for BRL 2,500m (€392m), along with new bank loans contracted for BRL 591m (€93m), (d) drawdowns on confirmed bank credit lines at Monoprix for €170m, (e) drawdowns on confirmed bank credit lines and new bank loans taken out by Exito for COP 810 billion (€183m), (f) the refinancing at Segisor of the €188m bank loan maturing in December 2021, resulting in the repayment of €188m in the period and a new liability contracted for the same amount (see below in (ii)), and (g) a new €30m bond issue at GreenYellow along with new bank loans and liabilities contracted with its subsidiaries' shareholders (€82m).

(2) Repayment of borrowings in first-half 2022 relate mainly to (i) Casino, Guichard-Perrachon (of which €259m in repayments of NEU CP negotiable short-term debt and €314m in redemptions of the 2022 bond issue), (ii) Quatrim with the partial redemption of secured high-yield bonds for €34m, and (iii) GPA with BRL 1,000m (€180m) in bond redemptions.

Repayments of borrowings in 2021 mainly concerned (i) Casino, Guichard-Perrachon (of which €1,225m relating to the early repayment of the initial Term Loan B, €148m relating to redemption of the 2021 and 2022 bonds and €165m to partial early redemptions of the January 2023, March 2024, February 2025 and August 2026 bonds in connection with public buyback offers launched at the end of the year, (ii) GPA (of which BRL 2,450m (€384m) in redemptions of bonds and BRL 902m (€141m) in repayments of bank loans), (iii) Sendas (of which BRL 5,796m (€908m) in redemptions of bonds and BRL 279m (€44m) in repayments of bank loans), (iv) Exito for COP 916bn (€207m) in repayments of confirmed credit lines and bank loans, and (v) Segisor for €226m.

(3) Cash flows relating to financing activities in first-half 2022 represented a net outflow of €230m, with new borrowings of €1,107m broadly offset by repayments of borrowings for €1,102m and net interest payments of €235m (excluding interest on lease liabilities).

Cash flows relating to financing activities in 2021 represented a net inflow of €135m, with new borrowings of €4,246m broadly offset by repayments of borrowings for €3,698m and net interest payments of €413m (excluding interest on lease liabilities).

(4) In first-half 2022, foreign currency translation adjustments primarily concern Brazil for €419m.

(5) In first-half 2022, including €86m relating to the TRS on Mercialis shares (Note 3.1).

(6) The reclassification of €272m in first-half 2022 is mainly due to the presentation of GreenYellow's debt within "Liabilities associated with assets held for sale" in accordance with IFRS 5.

(7) In first-half 2022, the change in other financial assets is mainly related to the use of the segregated account (Note 4.5), the collection of €74m in contingent consideration (earn-out) recognised in 2021, and the recognition of the receivable in connection with the sale-and-leaseback of store properties in Brazil (Note 8) for €99m.

In 2021, changes in other financial assets primarily resulted from the recognition of contingent consideration (earn-out) not collected, representing a negative €94m impact.

- (8) Including changes in current bank overdrafts for a positive €210m in first-half 2022 and a negative €11m in 2021.
- (9) Changes in negotiable European commercial paper ("NEU CP") are presented net in this table.
- (10) Through a global tender offer for its unsecured debt, carried out in first-half 2022, Rallye acquired a total amount of debt of €270m, for a total repurchase price of €36m, i.e. a reduction in the amount of debt of €234m (before IFRS restatements in the amount of €69m) (note 2.1). In 2021, through a global tender offer for its unsecured debt, Rallye acquired a total amount of debt of €195m, for a total repurchase price of €39m, i.e. a reduction in the amount of debt of €156m (before IFRS restatements in the amount of €43m).

### 9.3. Cost of net debt and other financial income and expenses, net

#### 9.3.1. Cost of net debt

(€ millions)	First-half 2022	First-half 2021
Gains (losses) on disposals of cash equivalents		
Income from cash and cash equivalents	27	8
<b>Income from cash and cash equivalents</b>	<b>27</b>	<b>8</b>
Interest expense on borrowings after hedging <sup>(1)</sup>	(315)	(292)
Impact of the safeguard plan for the Rallye scope	(4)	4
<b>Cost of gross debt</b>	<b>(319)</b>	<b>(288)</b>
<b>Cost of net debt</b>	<b>(292)</b>	<b>(280)</b>
Of which Holding scope	(40)	(57)
Of which France Retail <sup>(2)</sup>	(94)	(165)
Of which Latam Retail	(150)	(51)
Of which E-commerce	(7)	(8)

(1) The expense in first-half 2022 includes a positive impact of €27m corresponding to the cancellation of the interest calculated, since the start of the safeguard procedure, on Rallye's unsecured debt repurchased over the period (note 2.1).

(2) Including a negative €43m impact recognised in first-half 2021 in connection with the derecognition of the former Term Loan B.

#### 9.3.2. Other financial income and expenses

(€ millions)	First-half 2022	First-half 2021 (restated)
<b>Other financial income</b>	<b>229</b>	<b>182</b>
<b>Other financial expenses</b>	<b>(324)</b>	<b>(245)</b>
Net foreign currency exchange gains (losses) (other than on borrowings) <sup>(1)</sup>	(2)	(10)
Gains (losses) on remeasurement at fair value of non-hedging derivative instruments		7
Gains (losses) on remeasurement at fair value of financial assets	(1)	(3)
Interest expense on lease liabilities	(161)	(154)
No-drawdown credit lines costs, non-recourse factoring and associated transaction costs	(54)	(23)
Impact of applying IAS 29 to operations in Argentina	(17)	(4)
Net impact of the tender offers on unsecured debt <sup>(2)</sup>	139	113
Other <sup>(3)</sup>	1	11
<b>Other financial income and expenses</b>	<b>(95)</b>	<b>(63)</b>

(1) Including €31m in foreign currency exchange gains and €33m in foreign currency exchange losses in first-half 2022 (first-half 2021: €16m in foreign exchange gains and €26m in foreign exchange losses).

(2) Impact of the global tender offers on Rallye's unsecured debt (see note 2.1) net of IFRS restatements (i.e. the accelerated amortization of liabilities under the IFRS 9 standard for the acquired debt).

(3) In the first half of 2021, this item included BRL 22m (€3m) recognised by Sendas in connection with the exclusion of ICMS from the PIS/COFINS tax base and BRL 89m (€14m) recognised by GPA (Note 5.1)



#### 9.4. Fair value of financial instruments

The tables below compare the carrying amount and fair value of consolidated financial assets and liabilities, other than those for which the carrying amount corresponds to a reasonable approximation of fair value such as trade receivables, trade payables, contract assets and liabilities, and cash and cash equivalents. A definition of the different levels of the fair value hierarchy is provided in note 11.4.2 to the 2021 financial statements.

(€ millions)	Carrying amount	Fair value	Fair value level		
			level 1	level 2	level 3
At 30 June 2022					
Assets recognised at fair value:					
Financial assets at fair value through profit or loss <sup>(1)</sup>	22	22			22
Financial assets at fair value through other comprehensive income <sup>(1)</sup>	133	133	15	101	17
Fair value hedges – assets <sup>(2)</sup>	60	60		60	
Cash flow hedges and net investment hedges – assets <sup>(2)</sup>	16	16		16	
Other derivative instruments – assets	5	5		5	
At 31 December 2021					
Assets recognised at fair value:					
Financial assets at fair value through profit or loss <sup>(1)</sup>	33	33			33
Financial assets at fair value through other comprehensive income <sup>(1)</sup>	108	108	11	80	17
Fair value hedges – assets <sup>(2)</sup>	35	35		35	
Cash flow hedges and net investment hedges – assets <sup>(2)</sup>	8	8		8	
Other derivative instruments – assets	5	5		5	

(1) Financial assets recognised at fair value are generally measured using standard valuation techniques. In particular, they correspond to investments in private equity funds, which are valued using the most recent data provided by the managers of said funds. These fair value measurements are generally level 3. If their fair value cannot be determined reliably, they are not included in this note.

(2) Derivative financial instruments are valued (internally or externally) on the basis of the widely used valuation techniques for this type of instrument. Valuation models are based on observable market inputs (mainly the yield curve) and counterparty quality. Derivatives held as fair value hedges are almost fully backed by borrowings.

(€ millions)	Carrying amount	Fair value	Fair value level		
level 1			level 2	level 3	
At 30 June 2022					
<b>Liabilities recognised at fair value:</b>					
Fair value hedges – liabilities <sup>(1)</sup>	140	<b>140</b>		140	
Cash flow hedges and net investment hedges – liabilities <sup>(1)</sup>					
Other derivative instruments – liabilities <sup>(1)</sup>					
Put options granted to owners of non-controlling interests <sup>(2)</sup>	233	<b>233</b>			233
<b>Liabilities not recognised at fair value:</b>					
Bonds <sup>(3)</sup>	6,520	<b>5,446</b>	2,712	2,734	
Other loans and borrowings <sup>(4)</sup>	5,726	<b>5,619</b>	39	5,580	
Lease liabilities	5,265	<b>5,265</b>		5,265	
At 31 December 2021					
<b>Liabilities recognised at fair value:</b>					
Fair value hedges – liabilities <sup>(1)</sup>	11	<b>11</b>		11	
Cash flow hedges and net investment hedges – liabilities <sup>(1)</sup>	25	<b>25</b>		25	
Other derivative instruments – liabilities <sup>(1)</sup>					
Put options granted to owners of non-controlling interests <sup>(2)</sup>	195	<b>195</b>			195
<b>Liabilities not recognised at fair value:</b>					
Bonds <sup>(3)</sup>	6,475	<b>6,015</b>	3,891	2,124	
Other loans and borrowings <sup>(4)</sup>	5,179	<b>5,157</b>	18	5,136	3
Lease liabilities	4,892	<b>4,892</b>		4,892	

(1) Derivative financial instruments are valued (internally or externally) on the basis of the widely used valuation techniques for this type of instrument. Valuation models are based on observable market inputs (mainly the yield curve) and counterparty quality. Derivatives held as fair value hedges are almost fully backed by borrowings.

(2) The fair value of put options granted to owners of non-controlling interests is measured by applying the contract's calculation formulas and is discounted, if necessary. These formulas are considered to be representative of fair value and notably use net income multiples.

(3) The fair value of bonds is based on the latest quoted price on the reporting date.

(4) The fair value of other borrowings has been measured using other valuation techniques such as the discounted cash flow method, taking into account the Group's credit risk and interest rate conditions at the reporting date.

## 9.5. Casino Group customer credit risk

The table below shows the credit risk exposure and the estimated risk of a loss in value of trade receivables:

(€ millions)	Not yet due	Past-due trade receivables at the reporting date				Total
		Up to one month past due	Between one and six months past due	More than six months past due	Total past-due trade receivables	
At 30 June 2022						
Trade receivables	531	72	75	135	283	814
Allowance for lifetime expected losses	(3)	(8)	(13)	(77)	(98)	(101)
Total, net	528	64	63	58	185	713
At 31 December 2021						
Trade receivables	503	135	93	150	378	881
Allowance for lifetime expected losses	(5)	(10)	(8)	(88)	(106)	(111)
Total, net	498	125	85	62	272	770

## 9.6. Liquidity risk

### — Rallye financing

The terms and conditions of the settlement of liabilities and the risks associated with the implementation of Rallye's safeguard plan are described in notes 11.5.5 and 11.5.6 of Rallye's 2021 Universal Registration Document.

By decisions dated 28 January 2020 and 26 October 2021, the Paris Commercial Court (Tribunal de Commerce de Paris) has approved the repayment undertakings included in the liabilities repayment proposals as described in Rallye's press release dated 27 October 2021. The repayment profiles of debt resulting from the undertakings related to securities pledges are described in the management report section of Rallye's 2021 Universal Registration Document. The execution of the safeguards plans of Rallye and its parent companies depends mainly on Casino's distributive capacity as well as various refinancing options. The distributive capacity of Casino is framed by its financial documentation which authorises the distribution of dividends<sup>1</sup> when the ratio of gross financial debt to EBITDA including leases (France Retail + E-commerce) is below 3.5x. At 30 June 2022, the gross financial debt to EBITDA including leases ratio was 7.12x versus 6.47x at 31 December 2021 and 5.50x at 30 June 2021. The safeguard plans involve refinancing at Rallye's level between 2030 and 2032, the realization of which will depend in particular on the market conditions in this horizon and on the value of Casino in the long term.

The situation of pledges is identical to that observed at 31 December 2021 (see note 11.5.4 of the 2021 URD).

### — Casino Group financing

As described in the notes to the 2021 consolidated financial statements, the Casino Group's liquidity policy is to ensure that it has sufficient liquid assets to settle its liabilities as they fall due, in either normal or impaired market conditions.

At 30 June 2022, the Casino Group's liquidity position comprised:

- confirmed, undrawn lines of credit for a total of €1,959m (of which a non-current portion of €1,811m for France);
- gross cash and cash equivalents totalling €1,688m (of which €405m available in France);
- a balance of €111m in segregated accounts in France that can be used at any time to repay debt, of which the total is placed in a secured segregated account.

Casino, Guichard-Perrachon had the following financing facilities at 30 June 2022 (France Retail):

- unsecured bonds amounting to €2,661m, of which €400m in high-yield bonds maturing in January 2026 and €525m in high-yield bonds maturing in April 2027;
- secured high-yield bonds for €766m maturing in January 2024;
- a term loan ("Term Loan B") for €1,425m, maturing in August 2025.

<sup>1</sup> Beyond ordinary dividend representing 50% of net profit attributable to owners to the parent, with a minimum of €100m per year from 2021 and an additional €100m that may be used for one or several distributions during the life of the debt instruments.

Casino, Guichard-Perrachon also raises funds through negotiable European commercial paper issues (NEU CP), under which €48m was outstanding at 30 June 2022 (France Retail); these issues are made under a programme capped at €2,000m, with the availability of funds depending on market conditions and investor appetite. These issues are not subject to any covenants.

### Management of short-term debt

As well as its aforementioned NEU CP financing, the Casino Group carries out non-recourse discounting without continuing involvement, within the meaning of IFRS 7, as well as reverse factoring.

At 30 June 2022, trade payables totalling €947m (including €502m in France Retail payables, €418m in Latam Retail payables and €28m in E-commerce payables) had been reverse factored, versus €1,158m at 31 December 2021 (€509m, €604m, and €45m, respectively).

### Management of medium- and long-term debt

Since 1 January 2022, the Group has cancelled €20m of the bond maturing in January 2023 and €50m of the secured bond maturing in January 2024.

The Casino Group continues to proactively manage its debt maturities through buybacks and early repayments, and by accessing the market for new loan and bond issues. The form, availability and timing of these operations are dependent on market conditions.

### Casino, Guichard-Perrachon debt covenants at 30 June 2022

Casino, Guichard-Perrachon is required to comply with the following covenants in its France Retail (excluding GreenYellow) and E-commerce segments, calculated each quarter (on a rolling 12-month basis):

Type of covenant (France [excluding GreenYellow] and E-commerce)	Main types of debt subject to covenant	Frequency of tests	Ratio at 30 June 2022
Secured gross debt <sup>(1)</sup> /EBITDA <sup>(2)</sup> not more than 3.5x	▪ RCF for €2,051m	Quarterly	3.19
EBITDA <sup>(2)</sup> /net finance costs <sup>(3)</sup> not less than 2.5x			3.54

(1) Gross debt as defined in the loan documentation only concerns loans and borrowings for which collateral has been posted for the France Retail (excluding GreenYellow) and E-commerce segments as presented in Note 9.2.1, and certain GPA and Sendas holding companies reported in the Latam Retail segment (notably Segisor). At 30 June 2022, the debt concerned was mainly (i) the Term Loan B for €1,425m, (ii) high-yield bonds for €766m, and (iii) the drawn portion of the RCF facility in the amount of €240m at 30 June 2022.

(2) EBITDA as defined in the loan agreements reflects trading profit/loss for the France Retail (excluding GreenYellow) and E-commerce segments, adjusted for (i) net depreciation, amortisation and provision expense, (ii) repayments of lease liabilities, and (iii) interest expense on lease liabilities for the France Retail (excluding GreenYellow) and E-commerce scope.

(3) Net finance costs as defined in the loan agreement represent net finance costs for the France Retail (excluding GreenYellow) and E-commerce scope.

## Note 10 • Equity

### 10.1. Share capital

The share capital is made up of ordinary fully paid-up shares with a par value of €3 each. At 30 June 2022, the share capital consisted of 52,925,203 shares representing a total nominal value of €159m.

### 10.2. Breakdown of other reserves

(€ millions)	Cash flow hedges	Net investment hedges	Foreign currency translation reserves	Actuarial gains and losses	Equity instruments <sup>(1)</sup>	Debt instruments <sup>(1)</sup>	Total other reserves
<b>At 1 January 2021</b>	<b>(23)</b>	<b>(10)</b>	<b>(1,545)</b>	<b>(56)</b>	<b>(59)</b>	<b>(1)</b>	<b>(1,694)</b>
Movements for the period	16	3	(14)	2	5	1	13
<b>At 31 December 2021</b>	<b>(7)</b>	<b>(7)</b>	<b>(1,559)</b>	<b>(54)</b>	<b>(54)</b>		<b>(1,681)</b>
Movements for the period	11		127	19	(1)		156
<b>At 30 June 2022</b>	<b>4</b>	<b>(7)</b>	<b>(1,432)</b>	<b>(35)</b>	<b>(55)</b>		<b>(1,525)</b>

(1) Financial instruments at fair value through other comprehensive income.

### 10.3. Material non-controlling interests

The table below presents the summarised financial information of the main subsidiary (Casino) in which the Rallye Group has material non-controlling interests. These disclosures are presented in accordance with IFRS, adjusted if necessary to reflect fair value re-measurements on the date control was taken or lost, and restatements to ensure consistency of accounting principles with those of the Group. The amounts are shown before intragroup eliminations:

(€ millions)	Casino Group	
	2022	2021 (restated)
% ownership interests held by non-controlling interests at 30 June 2022 and 31 December 2021	47.49%	47.49%
% voting rights held by non-controlling interests at 30 June 2022 and 31 December 2021	37.64%	37.79%
<b><u>For the first half-year:</u></b>		
Net sales	15,903	14,480
Net income (loss) from continuing operations	(272)	37
Net income (loss) from discontinued operations	(5)	(169)
<b>Consolidated net income (loss)</b>	<b>(277)</b>	<b>(132)</b>
Attributable to non-controlling interests in Casino subsidiaries	(17)	77
Attributable to non-controlling interests in Casino	(115)	(90)
<b>Attributable to non-controlling interests in Casino Group</b>	<b>(132)</b>	<b>(13)</b>
Other comprehensive income (loss)	664	134
<b>Total comprehensive income (loss) for the period</b>	<b>387</b>	<b>2</b>
Attributable to non-controlling interests in Casino subsidiaries	347	133
Attributable to non-controlling interests in Casino	28	(54)
<b>Attributable to non-controlling interests in Casino Group</b>	<b>375</b>	<b>79</b>
<b><u>At 30 June 2022 and 31 December 2021:</u></b>		
Non-current assets	22,439	21,053
Current assets	10,109	9,470
Non-current liabilities	(13,719)	(12,975)
Current liabilities	(12,834)	(11,926)
<b>Net assets</b>	<b>5,995</b>	<b>5,622</b>
Attributable to non-controlling interests in Casino subsidiaries	3,250	2,880
Attributable to non-controlling interests in Casino <sup>(1)</sup>	2,015	2,021
<b>Attributable to non-controlling interests in Casino Group</b>	<b>5,265</b>	<b>4,900</b>
<b><u>For the first half-year:</u></b>		
Net cash from (used in) operating activities	(324)	(266)
Net cash from (used in) investing activities	20	(399)
Net cash from (used in) financing activities	(682)	(143)
Effect of changes in exchange rates on cash and cash equivalents	237	74
<b>Change in cash and cash equivalents</b>	<b>(750)</b>	<b>(735)</b>
Dividends paid during the period to:		
Non-controlling interests in Casino subsidiaries	(15)	(22)
Non-controlling interests in Casino		
<b>Total dividends paid by Casino and its subsidiaries to non-controlling interests</b>	<b>(15)</b>	<b>(22)</b>

(1) Including €1,350m relating to issues of deeply-subordinated perpetual bonds (TSSDI) by Casino.

## 10.4. Dividends

The Annual Shareholders' Meeting of 17 May 2022 approved the decision not to pay any dividend for 2021.

The coupons payable on Casino's deeply-subordinated perpetual bonds are as follows:

<i>(€ millions)</i>	First-half 2022	First-half 2021
<b>Coupons payable on deeply-subordinated perpetual bonds (TSSDI)</b>	<b>43</b>	<b>36</b>
of which amount paid during the period	32	31
of which amount payable in the following period	11	5
<b>Impact on the statement of cash flows</b>	<b>34</b>	<b>32</b>
of which coupons awarded and paid during the period	32	31
of which coupons awarded in the prior period and paid during the period	2	1

## Note 11 • Other provisions

### 11.1. Breakdown of and movements in provisions

(€ millions)	1 January 2022	Additions 2022	Reversals used 2022	Reversals not used 2022	Changes in scope of consolidation	Effect of move-ments in exchange rates	Other	30 June 2022
Claims and litigation	381	98	(34)	(18)		58		<b>485</b>
Other risks and expenses	99	18	(8)	(8)			1	<b>102</b>
Restructuring	112	17	(31)	(4)			(3)	<b>91</b>
<b>Total other provisions</b>	<b>592</b>	<b>133</b>	<b>(73)</b>	<b>(30)</b>		<b>58</b>	<b>(2)</b>	<b>678</b>
... of which non-current	376	83	(22)	(15)		58	(7)	<b>473</b>
... of which current	216	50	(51)	(15)			5	<b>205</b>

Provisions for claims and litigation, and for other risks and expenses are composed of a wide variety of provisions for employee-related disputes (before a labour court), property disputes (concerning construction or refurbishment work, rents, tenant evictions, etc.), tax disputes and business claims (trademark infringement, etc.) or indirect taxation disputes.

Provisions for claims and litigation amount to €485m and include €446m for Brazil (Note 11.2). Of this amount, additions to provisions, reversals of utilised provisions and reversals of surplus provisions, respectively amounted to €79m, €22m, and €14m.

### 11.2. Breakdown of provisions for claims and litigation in Brazil

(€ millions)	PIS/COFINS/CPMF disputes <sup>(1)</sup>	Other tax disputes <sup>(2)</sup>	Employee disputes	Civil litigation	Total
30 June 2022	73	233	96	44	<b>446</b>
o/w CBD (GPA)	58	227	81	40	<b>406</b>
o/w Sendas (Assai)	15	6	15	4	<b>40</b>
31 December 2021	45	197	66	37	<b>345</b>
o/w CBD (GPA)	33	192	55	33	<b>313</b>
o/w Sendas (Assai)	12	5	11	4	<b>32</b>

(1) VAT and similar taxes.

(2) Indirect taxes (mainly ICMS tax on sales and services in Brazil).

In the context of the litigation disclosed above and below in Note 11.3, GPA and Sendas are contesting the payment of certain taxes, contributions and payroll obligations. The bonds posted by CBD and Sendas pending final rulings from the administrative courts on these various disputes are included in "Other non-current assets". GPA and Sendas has also provided various guarantees in addition to these bonds, reported as off-balance sheet commitments.

(€ millions)	30 June 2022					
	Bonds posted		Assets pledged as collateral		Bank guarantees	
	GPA	Sendas	GPA	Sendas	GPA	Sendas
Tax disputes	90	13	86		1,796	119
Employee disputes	38	9			242	17
Civil and other litigation	6	1	2		71	70
<b>Total</b>	<b>134</b>	<b>23</b>	<b>88</b>		<b>2,109</b>	<b>206</b>



(€ millions)	31 December 2021					
	Bonds posted		Assets pledged as collateral		Bank guarantees	
	GPA	Sendas	GPA	Sendas	GPA	Sendas
Tax disputes	79	10	115		1,573	100
Employee disputes	33	8			183	16
Civil and other litigation	4	1	1		78	35
<b>Total</b>	<b>116</b>	<b>19</b>	<b>116</b>		<b>1,834</b>	<b>151</b>

### 11.3. Contingent assets and liabilities

In the normal course of its business, the Casino Group is involved in a number of legal or arbitration proceedings with third parties, social security bodies or tax authorities in certain countries (mainly Brazil – see below – and France Retail concerning disputes with the customs authorities and URSSAF representing a risk of €41m).

As stated in Note 3.3.1, no associates or joint ventures have any significant contingent liabilities.

#### Proceedings brought by the DGCCRF (French competition authority) against AMC and INCAA and investigations by the French and European competition authorities

In February 2017, the Minister of the Economy, represented by the Department for Competition Policy, Consumer Affairs and Fraud Control (DGCCRF), brought an action against Casino Group companies before the Paris Commercial Court. The DGCCRF is seeking repayment to 41 suppliers of a total of €22m relating to a series of credit notes issued in 2013 and 2014, together with a fine of €2m.

On 27 April 2020, the Paris Commercial Court handed down its decision, dismissing most of the DGCCRF's claims. The Court considered that there was no evidence to support the DGCCRF's claims of unlawful behaviour concerning 34 suppliers. It partly accepted the DGCCRF's claims concerning the other 7 suppliers. AMC was ultimately ordered to refund credit notes issued in 2013 and 2014 by the 7 suppliers for a total of €2m, and to pay a fine of €1m.

However, the DGCCRF appealed this decision in January 2021. As no application was made for provisional enforcement, the appeal has suspensive effect.

The proceedings are still in progress. Casino Group maintains that it acted in accordance with applicable regulations in its negotiations with the suppliers concerned. Based on this and on the advice of its legal counsel, the Casino Group considers that the associated risk on its financial statements is limited.

On 11 April 2017, the common purchasing entity INCA Achats, and its parent companies Intermarché and Casino, were prosecuted for economic imbalance and abusive commercial practices that allegedly took place in 2015 against 13 multinational companies in the hygiene and fragrance industry, with a fine of €2m.

On 31 May 2021, the Paris Commercial Court handed down its decision, ordering Casino to pay a fine of €2m. On 12 July 2021, the Casino Group appealed the decision before the Paris Court of Appeal, maintaining that it acted in accordance with applicable regulations in its negotiations with the suppliers concerned. Nevertheless, as a provisional enforcement request was granted, the fine had to be paid in December 2021 but the appeal procedure is still pending, with no timetable yet set.

Lastly, in February 2017, representatives of the European Commission raided the premises of Casino, Guichard-Perrachon, Achats Marchandises Casino – AMC (formerly E.M.C. Distribution) and Intermarché-Casino Achats (INCA-A), in connection with an investigation into fast-moving consumer goods supply contracts, contracts for the sale of services to manufacturers of branded products and contracts for the sale of fast-moving consumer goods to consumers.

In addition, in May 2019, representatives of the European Commission conducted additional raids of the premises of the same companies (except for INCA-A, which has since ceased operations and is in the process of being liquidated).

The European Commission has not issued any complaint at this stage.

On 5 October 2020, the General Court of the European Union ruled that the raids conducted by the Commission in February 2017 were partially unlawful. The case is currently being appealed by the plaintiffs before the Court of Justice of the European Union, seeking to have all of the 2017 raids classified as unlawful; proceedings are also currently pending before the General Court of the European Union in respect of the raids carried out in May 2019. On 14 July 2022, the Advocate General delivered their opinion recommending that the Court categorically annul the Commission's 2017 investigation and hence the 2019 investigation. The procedure remains pending until the Court of Justice delivers its judgement in the coming months.

### Arbitration between GPA and Península

On 12 September 2017, GPA received a request for arbitration from Fundo de Investimento Imobiliário Península (“Península”) in order to discuss the calculation of rental charges and other operational matters related to leasing agreements concerning stores owned by Península and operated by GPA. The agreements have a duration of 20 years as from 2005 and are renewable for another 20-year period at the sole discretion of GPA. They set out the method for calculating rental charges.

On 7 July 2021, GPA announced that it had reached an out-of-court settlement with Fundo de Investimento Imobiliário Península (“Península”), enabling the various amounts outstanding between the parties to be closed out, while maintaining the long-term leases and amending the terms and conditions of the agreements in order to more closely reflect the current market environment. From an accounting perspective, this out-of-court settlement led to a remeasurement of right-of-use assets under these lease agreements and of the lease liability.

### Dispute between Cnova and Via Varejo

On 31 October 2016, ahead of the GPA’s announcement of its decision to start negotiations for the sale of its stake in Via Varejo, Via Varejo completed its combination with Cnova Brazil, responsible for the Group’s e-commerce business in the country. The combination involved the acquisition by Via Varejo of 100% of Cnova Brazil’s shares from Cnova NV (“Cnova”). The combination agreement included the usual vendor warranty compensation clauses.

In September 2019, Via Varejo notified Cnova of a guarantee call for an undocumented amount of around BRL 65m (€11m), concerning litigation with employees and customers. Following this notification, Cnova and Via Varejo exchanged information in order to determine the substance and, where appropriate, the scope of the compensation claim. In light of the extensive analyses currently in progress and the discussions that are likely to result from the analyses, Cnova is unable to determine the extent of its exposure to this risk. On 20 July 2020, Cnova received notification that Via Varejo had commenced arbitration proceedings. On 22 January 2021, Via Varejo submitted its declaration in connection with these proceedings but no additional evidence has been provided. At the beginning of March 2022, Cnova received a report from the court-appointed expert indicating that (i) a significant number of claims did not meet the eligibility criteria as described in the agreement, and (ii) the amount of BRL 65m should be reduced by Via Varejo’s 22% contribution and by approximately BRL 25m of deductible. The court’s final decision is expected by the end of 2022. Cnova management and its counsel have analysed the expert’s report and do not consider the residual risk to be material.

### Brazil tax, social and civil contingent liabilities

(€ millions)	30 June 2022	o/w GPA	o/w Sendas	31 Decem- ber 2021	o/w GPA	o/w Sendas
INSS (employer’s social security contributions)	121	110	11	100	91	9
IRPJ – IRRF and CSLL (corporate income taxes)	251	142	108	195	119	76
PIS, COFINS and CPMF (VAT and similar taxes)	1,008	893	115	835	739	96
ISS, IPTU and ITBI (service tax, urban property tax and tax on property transactions)	32	29	3	25	23	2
ICMS (state VAT)	1,166	968	198	974	795	179
Civil litigation	72	63	9	59	52	7
<b>Total</b>	<b>2,649</b>	<b>2,204</b>	<b>444</b>	<b>2,188</b>	<b>1,819</b>	<b>369</b>

GPA and Sendas employ consulting firms to advise them in tax disputes, whose fees are contingent on the disputes being settled in the company’s favour. At 30 June 2022, the estimated amount totalled €26m, comprising €24m for GPA and €2m for Sendas (31 December 2021: €25 and €2m, respectively, for a total €27m).

Moreover, Casino has given a specific guarantee to GPA concerning notifications of tax adjustments received from the tax administration, for a total amount of BRL 1,511m (€279m) at 30 June 2022 (31 December 2021: BRL 1,467m), including penalties and interest. Under the terms of the guarantee, Casino has undertaken to indemnify its subsidiary for 50% of any damages incurred, provided those damages are definitive. Based on the commitment given by Casino to its subsidiary, the risk exposure amounts to BRL 756m (€139m) (31 December 2021: BRL 734m, representing €116m). As the risks of liability are only considered possible, Casino has not recognised a provision in its financial statements for this amount.

## Brazil contingent assets

### Exclusion of ICMS from the PIS/COFINS tax base

Since the adoption of non-cumulative regime to calculate PIS and COFINS tax credits, GPA and Sendas have challenged the right to deduct ICMS taxes from the calculation basis for PIS and COFINS taxes. GPA and Sendas' position was supported by a Brazilian federal supreme court (STF) ruling on 15 March 2017 that the ICMS tax should be excluded from the PIS and COFINS tax base.

On 29 October 2020, GPA was notified of a final favourable ruling on its main claim initially filed in 2003. Based on this court decision, GPA considered that the uncertainty that had previously led it to consider this asset as "contingent" within the meaning of IAS 37 had resolved. Accordingly, it recognised a tax credit in 2020, net of provisions, amounting to BRL 1,608m (income of €273m), of which BRL 995m (€169m) recognised in net sales and BRL 613m (€104m) recognised in "Other financial income". For 2021, GPA reassessed the amount of tax credits recognised in 2020 and reversed the provision that had been set aside in 2020 for BRL 280m (€44m), of which BRL 195m (€30m) in first-half 2021 (Note 5.1).

On 16 July 2021, a ruling was handed down in favour of Sendas. In light of this ruling, associated with the ruling of the Brazilian federal supreme court (STF) of May 2021 (see Note 5.1), Sendas considered that the uncertainty that had previously led it to consider this asset as "contingent" within the meaning of IAS 37 had resolved. Accordingly, in 2021 it recognised a tax credit for BRL 216m (€34m), of which BRL 62m (€10m) in first-half 2021 (Note 5.1).

Pursuant to the shareholder agreements between GPA and the Klein family following the creation of Via Varejo, which were still in force at 30 June 2022, GPA has a legal right to obtain from Via Varejo the aforementioned tax credits in respect of its former subsidiary Globex for the 2003-2010 period. As a result of the final ruling obtained by Via Varejo on its proceedings with the tax authorities in May 2020, GPA has an unconditional right to obtain a refund of these tax credits from Via Varejo. In 2020, GPA had recognised a gross amount of BRL 231m (€39m) in its income statement in this respect. Following full justification by Via Varejo, GPA no longer considers these tax credits as a contingent asset, and accordingly recognised an additional amount of BRL 278m (€50m) at 30 June 2022, shown in profit (loss) from discontinued operations.

## Note 12 • Related-party transactions

Rallye is controlled by Foncière Euris which in turn is held by Finatis then by Euris.

At 30 June 2022, Foncière Euris held 57.56% of the capital of Rallye and 71.42% of the voting rights.

The Company has relations with all of its subsidiaries in its day-to-day management of the Group. The Group also receives other routine services from Euris and Foncière Euris (technical assistance, provision of staff and premises). The expenses recorded during the period in respect of these agreements totalled €3.0m, of which €2.7m for administrative and strategic advisory services and €0.3m for the provision of staff and premises.

Relations with other related parties, including remuneration of senior managers, remained comparable to those of the 2021 financial year, and no unusual transactions, in terms of either nature or amount, took place during the period.

Transactions with related equity-accounted investees are presented in note 3.3.2.

## Note 13 • Subsequent events

### — *Ardian and Casino Group sign an agreement for the sale of GreenYellow for an enterprise value of €1.4bn*

On 28 July 2022, Casino Group, Tikehau Capital and Bpifrance signed a unilateral purchase agreement with Ardian, via its Infrastructure business, with a view to selling a controlling interest in GreenYellow, Casino Group's energy subsidiary, for an enterprise value of €1.4bn and an equity value of €1.1bn. GreenYellow's shareholders would continue to have a stake in the company's value creation through a reinvestment totalling €165m for Casino Group.

Net of the reinvestment, disposal proceeds for Casino Group would amount to €600m (including €30m paid at closing into a segregated account contingent on achievement of certain operating indicators). The proposed operation is subject to consultation with the relevant employee representative bodies. It is expected to be completed in the fourth quarter of 2022, provided the necessary regulatory approvals for merger control and foreign investment are obtained.

# STATUTORY AUDITORS' REVIEW REPORT

*on the half-yearly financial information*

**For the six months ended 30 June 2022**

*This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual Shareholders' Meetings and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code ("code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Rallye, for the period from January 1st to June 30th, 2022;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

## 1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

## 2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-la-Défense, July 29th, 2022

The Statutory Auditors  
French original signed by

KPMG Audit  
Département de KPMG S.A.

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