Paris – March 18, 2021

RALLYE

Annual Results 2020

The consolidated and annual financial statements for 2020 were closed by de Board of Directors on March 18, 2021. They were drawn up in accordance with the going concern principle given estimates prepared for the next twelve months for Rallye. Cash position forecasts are consistent with future commitments taken within the safeguard proceedings.

The audit procedures on the consolidated financial statements have been performed by the statutory auditors and the certification report is about to be issued.

(in €m)	2020	2019 (restated)
Net Sales	**31,919**	**34,652**
EBITDA[1]	**2,725**	**2,623**
EBITDA margin	8,5%	7,6%
Trading profit	**1,409**	**1,305**
Trading profit margin	4.4%	3.8%
Net income from continuing operations, Group share	-40[2]	-420
Net underlying income from continuing operations, Group share	-40	-70
Net income, Group share	-303	-970

Rallye's consolidated net sales amounted to €31,9bn and trading profit reached €1,409m as at December 31, 2020.

Rallye's holding perimeter net financial debt, before IFRS 9 restatements, stood at €3,173m as of December 31, 2020, compared to €3,002m as at December 31, 2019. After taking into account IFRS[2] restatements, Rallye's holding perimeter net financial debt stood at €2,839m.

The net underlying income from continuing operations, Group share amounted to - €40m as at December 31, 2020.

The 2019 financial statements have been restated to reflect the retrospective application of IFRIC IC decision with regard to the enforceable period of lease and the amortisation period of fixtures in accordance with IFRS16 - Leases

[1] EBITDA = trading profit + current depreciation and amortization expense

[2] IFRS restatements relate to the assessment of IFRS 9 standard « financial instruments » after the Paris Commercial Court (Tribunal de Commerce de Paris) has approved Rallye's safeguard plan on February 28, 2020 (cf note 2.1 to the annual consolidated financial statements). The net income from continuing operations, Group share includes a €334m impact.

1. Holding perimeter[1]

- Rallye's holding perimeter net financial debt

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

In €m	12/31/2020	12/31/2019
Claims secured by pledges over Casino shares	1,194	1,165
Unsecured claims	1,658	1,600
Claims secured by pledges over shares of Rallye subsidiaries (other than Casino)	134	207
Total - claims under the safeguard plan	**2,986**	**2,972**
Refinancing of derivatives transactions	222	223
Total - gross financial debt	**3,208**	**3,195**
Cash and other financial assets	-34	-193
Total - net financial debt (before IFRS restatements)	**3,173**	**3,002**
IFRS restatements (including the impact of the approval of the safeguard plan)	-334	-2
Total - net financial debt	**2,839**	**3,000**

Rallye's holding perimeter gross financial debt stood at €3,208m as of December 31, 2020, up + €13m, mainly as a result of:

- Financial interests (excluding IFRS) of €127m over 2020, which will be repaid in accordance with the repayments undertakings approved by the Paris Commercial Court on February 28, 2020;
- Debt repayment for €114m following a netting of cash collateral by financial institutions secured by such form of security.

Rallye's holding perimeter net financial debt, before IFRS restatements, amounted to €3,173m as of December 31, 2020, compared to €3,002m as of December 31, 2019.

The change in Rallye's holding perimeter net financial debt over 2020 breaks down as follows:

In €m	12/31/2020	12/31/2019
Net financial debt (opening)	**3,000**	**2,899**
Financial interests (excluding IFRS)	127	95
Holding costs	38	22
Dividends received from Casino	-	-88
Dividends paid by Rallye	-	53
Other	6	-10
Variation of IFRS restatements (including the impact of the approval of the safeguard plan)	-333	31
Net financial debt (closing)	**2,839**	**3,000**

After taking into account the change in IFRS restatements for - €333m, Rallye's holding perimeter net financial debt amounted to €2,839m as of December 31, 2020.

IFRS restatements followed up on the analysis of the accounting treatment which stems from modification generated by the repayments undertakings and other changes made to financial liabilities, and more specifically to the occurrence of a substantial change under the IFRS 9 standard « financial instruments ».

[1] Rallye's holding perimeter is defined as Rallye and its subsidiaries that act as holding and the investment portfolio.

As a reminder, the company Rallye and its subsidiaries Cobivia, L'Habitation Moderne de Boulogne (HMB) and Alpétrol, as well as Rallye's holding mother companies Foncière Euris, Finatis, and Euris, requested and obtained the opening of safeguard proceedings by decisions rendered on May 23, 2019 and June 17, 2019.

By court decisions dated February 28, 2020, the Paris Commercial Court (*Tribunal de Commerce de Paris*) has approved the repayment undertakings of the gross financial debt which stipulates the following principles:

- For claims secured by pledges over Casino shares, a repayment of at least 85% of claims on the third payment date of the safeguard plan, and the residual balance on the fourth payment date;
- For claims that are not entitled to pledges over Casino shares, a repayment of claims over a 10-year schedule from the approval date of the plan, which breaks down as follow:
    - Annuity n°1: €100,000 to be distributed among all the creditors pro rate the amount of their claims definitely admitted ;
    - Annuity n°2: €100,000 to be distributed among all the creditors pro rate the amount of their claims definitely admitted ;
    - Annuity n°3 to n°9: 5% [1];
    - Annuity n°10: 65 % (reduced by the amounts paid in annuities n°1 and n°2).

When taking into account the specificities of the safeguard proceeding, the implementation of this standard triggered an adjustment on financial liabilities of €334m as of December 31, 2020 which was recorded as reduction of the consolidated financial debt.

This restatement breaks down as follows:

- For financial liabilities for which a change in financing conditions was unsubstantial, a gain recorded in the financial result for an amount of €28m was recorded against a reduction in financial debt. This reduction relates to the discrepancy between the net carrying amount on safeguard plan approval date and the sum of all payments undertakings discounted at the effective interest rate as required by the standard;
- For financial liabilities for which a change in financing conditions was substantial (quantitatively and qualitatively), this modification was recorded in run-off of the initial financial liability with a new financial liability recorded at its fair value as required by the standard. The fair value was determined on the basis of the value of the liability recorded on the secondary market or defined, if need be, by reference to those values when no secondary price was available. According to the financial liability, the recorded fair value range was 26% to 27% of the par value for a total notional amount of €306m.

This amount will be amortized on an actuarial basis (based on the effective interest rate) and gradually recovered via an increase of the net financial in accordance with the repayments undertakings (cf note 2.1 to the annual consolidated financial statements).

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.

[1] According to article L. 626-18, subparagraph 5 of the French Commercial Code, for each principal of a claim to be fully repaid on the date of the first annuity under the repayment schedule, its reimbursement will start at the annuity date set by the repayment schedule which immediately follows the contractual maturity date, as stipulated in the agreement signed between parties before the opening of Rallye's safeguard procedure. At that date, the principal amount and, if need be, associated ancillary amounts will be paid for an amount equal to what the given creditor should have received if he has been subject to the repayment schedule since the decision approving the payment undertakings. The principal amount repaid and, if need be, associated ancillary amounts subsequent to the next annuities, will be determined with respects to the payment undertakings.

- Rallye's holding perimeter streamlining

In order to streamline the shareholding structure of Rallye in Casino and Groupe GO Sport, the companies Cobivia, HMB, Alpétrol (as provided in their safeguard plan), and the company MFD were absorbed by Rallye. As a result of this operation, all Casino shares within the holding perimeter are now owned by the company Rallye.

- Refinancing of all derivatives transactions of Rallye's holding perimeter

The board of Rallye has approved on March 26, 2020, in the context of the financial markets developments relating Coronavirus (Covid-19) epidemic, an agreement with Fimalac (a company controlled by Marc Ladreit de Lacharrière) in view of refinancing the derivatives transactions of Rallye, Cobivia and HMB, as well as the financing of Rallye's day-to-day operations for an amount of €15m.

On July 17, 2020, Rallye issued 210,042,400 bonds with a par value of 1€, that were subscribed by Fimalac. The proceeds of this bond issuance were entirely used to repay all the derivatives transactions entered into by Rallye, Cobivia and HMB, which were not covered by the safeguard plans of such companies but had been the subject of specific agreements (see Rallye's press release dated November 25, 2019).

The bonds subscribed by Fimalac bear PIK interest and have a maturity of 4 years (with a one-year extension subject to agreement between Rallye and Fimalac). The events of default are customary for such type of financing, the main events being set out below:

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

As a guarantee of the bond financing, 9,468,255 Casino shares (i.e 8.73% of Casino's share capital), previously pledged to the benefit of the financial institutions parties to the derivatives transactions, have been transferred by Rallye to a fiduciary trust (*fiducie-sûreté*) for the benefit of Fimalac.

Both agreements (eg. refinancing of the derivatives transactions and financing of Rallye's day-to-day operations) have the same features. The financing of Rallye day-to-day operations has not yet been drawn.

The transfer of the Casino shares, which were previously pledged to secure the derivatives transactions, into the fiduciary trust occurred on July 20, 2020 and triggered two thresholds crossings: one lower crossing by Rallye below 50% of the shareholding in Casino and one upper crossing by Equitis Gestion (the fiduciary) above 5% of the shareholding and voting rights in Casino. With respects to the fiduciary trust agreement, and as long as no event of default is notified to Equitis Gestion, the voting rights attached to the 9,468,255 Casino shares transferred into the fiduciary trust will be exercised by Equitis Gestion upon instructions from Rallye. Any distribution, including dividend, associated with the 9,468,255 Casino shares transferred into the fiduciary trust will be promptly used as an early repayment of the financing. Moreover, the transfer of the Casino shares into the fiduciary trust is neutral from an accounting and tax point of view and does not affect the equity percentage of Rallye in Casino's shareholding used for consolidation purpose.

- Global tender offer launched by Rallye on its unsecured debt

On January 22, 2021, Rallye has launched a global tender offer for its unsecured debt (including the bonds and commercial paper) as part of a modified Dutch auction procedure (the "Tender Offer").

Completion of the Tender Offer is, inter alia, subject to (i) the approval by the Paris Commercial Court of the amendment to the Rallye's safeguard plan in order to authorize the effective completion of the Tender Offer and the setting up of the new financing and (ii) the availability of the proceeds of the new financing.

On February 12, 2021, Rallye filed a request with the Paris Commercial Court to amend its safeguard plan.

Subject to the fulfillment of the conditions precedent Rallye will acquire a total amount of unsecured debt of approximately €195.4m for a total repurchase price of approximately €39.1m reducing the total amount of its net debt by approximately €156.3m.

As an indication, it is anticipated that the settlement of the Tender Offer will occur at the beginning of April 2021.

2. Results of the operating subsidiaries

- Casino

In France :

› Retail banners: following the Group's repositioning, all banners achieved a level of profitability including the hypermarkets, with a very satisfactory level for the other banners. France Retail EBITDA margin improved by +155 bps to 12% in second-half 2020, driven by the cost saving and operational efficiency plans
  - Outlook for 2021: priority is now given to growth and expansion, supported by (i) convenience store openings in urban, semi-urban and rural areas (100 in the first quarter and 200 in the second) and (ii) food e-commerce based on structurally profitable models (O'logistique automated warehouse, partnership with Amazon, click & collect and home delivery service offered by urban formats)

› Cdiscount: very strong profitability growth, with 2020 EBITDA up +63% to €133m[1] and accelerated growth in marketplace revenues to €182m (+23% for the year, +40% in the fourth quarter)
  - Outlook for 2021: ongoing implementation of the strategic plan focused on (i) marketplace growth, (ii) product mix adjustments, (iii) digital marketing solutions, and (iv) the new turnkey marketplace solution

› GreenYellow: excellent business momentum with accelerated growth in installed capacity to 335 MWp (+56%) and a +25% increase in the pipeline to 565 MWp at end-2020
  - Outlook for 2021: EBITDA target of €90m in 2021 (+40% vs 2020) and transition to a company-owned asset model, with an objective of adding 350 MWp to installed capacity in 2021, raising total installed capacity to nearly 700 MWp, with a target of 1 GWp in 2022

› RelevanC: data monetisation services for the Group and external retailers, with EBITDA growth of nearly +50% to €18m in 2020
  - Outlook for 2021: accelerated growth to be achieved by signing up new external clients

› Continued progress in paying down debt, with a -€1.3bn reduction in gross debt to €4.8bn[2], below the target of €5bn. Reduction in gross debt (including the GPA TRS and Forward) represents €2.8bn since the disposal plan launch. Free cash flow in 2020 amounted to €288m (+30%) before asset disposals and Rocade plan

In Latin America :

› The spin-off of Assaí was approved by GPA's shareholders at the General Meeting held in December 2020. The listing of Assaí took place on March 1, 2021. Assaí shares were distributed to GPA shareholders at a ratio of one Assaí share for each GPA share

› EBITDA rose by +36% at constant exchange rates, free cash flow before disposal proceeds increased by +€238m

[1] Data published by the subsidiary. In consolidated view, EBITDA of €129m and EBITDA after lease payments of €101m

[2] Gross debt included in the scope defined in the November 2019 refinancing documentation (mainly France Retail, Cdiscount and Segisor)

› Digital transformation and **+200%**[1] **growth in food e-commerce** in Brazil

- Groupe GO Sport

On March 10, 2021, Rallye announced it has entered into exclusive negotiations with Financière Immobilière Bordelaise for the sale of the entire share capital of Groupe Go Sport for a price of €1 without any representation and warranties given by Rallye.

Completion of the sale is notably subject to the consultation of Groupe GO Sport employee representative bodies (instances représentatives du personnel), the approval of the transaction by the relevant antitrust authorities, the waiver by the Paris Commercial Court of the non-transferability of Groupe GO Sport shares, and the agreement of Groupe GO Sport banks to maintain and amend their current outstanding loans.

Completion of the sale may occur before the end of the first semester of 2021.

3. Outlook for 2021

- Casino

› **Sharply improved profitability**, continuing the trend established in the second half of 2020

› **Having completed its refocusing on buoyant formats, the Group is now giving priority to growth**
  - **Expansion in the urban, semi-urban and rural convenience formats** (100 stores to be opened in the first quarter and 200 in the second)
  - **Development of e-commerce based on structurally profitable models** (O'logistique automated warehouse, partnership with Amazon, click & collect and home delivery service offered by urban formats)

› **Ongoing development of Cdiscount, GreenYellow and RelevanC**

› **Ongoing growth in cash flow from continuing operations and free cash flow**[2]
  - Continued **EBITDA growth**
  - Continued **reduction in non-recurring costs**
  - **Expansion** on convenience and food e-commerce formats, which require low Capex

› **Ongoing deleveraging**
  - In view of the successful development of its broad portfolio of activities in France, the Group has a greater flexibility in implementing its **disposal plan for which the €4.5bn objective is confirmed**
  - In light of the priority given to the deleveraging plan, the Board of Directors of Casino will recommend to the 2021 Annual General Meeting **not to pay a dividend** in 2021 in respect of 2020

- Rallye

The Board of Directors of Rallye will recommend to the 2021 Annual General Meeting **not to pay a dividend** in 2021 in respect of 2020.

To the company's knowledge, we do not have any elements to report on the closing date that may call into question the repayments undertakings provided in the safeguard.

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[1] Data published by the subsidiary
[2] France scope excluding GreenYellow for which development and transition to a company-owned asset model is ensured by its own resources

Press contact: Citigate Dewe Rogerson
Annelot Huijgen - +33 6 22 93 03 19 / Annelot.Huijgen@citigatedewerogerson.com

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APPENDICES

ANNUAL RESULTS 2020

(CONSOLIDATED DATA)

In €m	2020	2019 (restated)
Net Sales	**31,919**	**34,652**
EBITDA	**2,725**	**2,623**
Trading profit	**1,409**	**1,305**
Other operational income and expenses	-798	-743
Cost of net financial debt	-151	-476
Other financial income and expenses	-394	-477
Profit (loss) before tax	**66**	**-391**
Income taxes	-82	-132
Income from associated companies	44	54
Net profit (loss) from continuing operation, Group share	**-40**	**-420**
Net profit (loss) underlying income from continuing operations, Group share	**-40**	**-70**
Net profit (loss), Group share	**-303**	**-970**

SIMPLIFIED BALANCE SHEET 2020

(CONSOLIDATED DATA)

In €m	2020	*2019 (restated)*
Non-current assets	21,795	24,359
Current assets	10,099	13,125
Total assets	**31,894**	**37,484**
Equity	4,290	6,251
Non-current financial liabilities	9,575	8,318
Other non-current liabilities	5,771	6,403
Current liabilities	12,258	16,512
Total equity and liabilities	**31,894**	**37,484**

RECONCILIATION OF REPORTED PROFIT TO UNDERLYING PROFIT

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 (such as total return swaps and forward instruments related to GPA shares), the effects of discounting Brazilian tax liabilities, the impact of the IFRS 9 standard after the court approved Rallye's safeguard plan.

In €m	2020	Restated items	2020 Underlying	2019	Restated items	2019 Underlying
Trading profit	1,409	-	1,409	1,305	-	1,305
Other operating income and expenses	(798)	798	-	(743)	743	-
Operating profit	611	798	1,409	562	743	1,305
Cost of net financial debt (1)	(151)	(335)	(486)	(476)	-	(476)
Other financial income and expenses (2)	(394)	67	(327)	(477)	42	(435)
Income taxes (3)	(82)	(180)	(262)	(132)	(114)	(246)
Income from associated companies	44	-	44	54	-	54
Net profit (loss) from continuing operations	28	350	378	(469)	671	202
of which minority interests (4)	69	349	417	(49)	321	272
of which Group share	(40)	-	(40)	(420)	350	(70)

(1) Cost of net financial debt has been restated pursuant to the application of IFRS 9 standard « financial instruments » after the court approved Rallye's safeguard plan

(2) Other financial income and expenses have been restated, primarily for the impact of discounting tax liabilities, as well as for changes in the fair value of the total return swaps on GPA shares and the GPA forward

(3) Income taxes have been restated for the tax effects corresponding to the above restated financial items and the tax effects of the restatements

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