Paris - July 29, 2021

RALLYE

2021 first-half results

The consolidated financial statements for the first half of 2021, established by the Board of Directors on July 29, 2021, were reviewed by the statutory auditors. 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 plan.

In €m	H1 2021	H1 2020 (restated)
Net Sales	**14,482**	**16,141**
EBITDA[1]	**1,092**	**1,051**
EBITDA margin	7.5%	6.5%
Trading profit	**438**	**387**
Trading profit margin	3.0%	2.4%
Net income from continuing operations, Group share	19	118
Net underlying income from continuing operations, Group share	-117	-138
Net income, Group share	-71	40

Rallye's consolidated net sales amounted to €14.5bn and trading profit reached €438m as at June 30, 2021.

Rallye's holding perimeter net financial debt, before IFRS restatements, stood at €3,092m as of June 30, 2021, compared to €3,173m as at December 31, 2020. After taking into account IFRS[2] restatements, Rallye's holding perimeter net financial debt stood at €2,796m.

The net underlying income from continuing operations, Group share amounted to - €117m as at June 30, 2021.

1. Holding perimeter [3]

- Global tender offer launched by Rallye on its unsecured debt as part of a modified Dutch auction procedure

Tender Offer

The purpose of the Tender Offer, the maximum amount of which was €75m, was to (i) provide holders of unsecured debt with the opportunity of having all or part of their claims repurchased at a price determined as part of a modified Dutch auction 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.

The H1 2020 financial statements have been restated to allowing their comparability with H1 2021 accounts. Restatements mainly refer to the retrospective application of IFRIC IC decision with regard to the enforceable period of lease and the amortization 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 -€38m impact for H1 2021

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

Tender Offer Financing

The Tender Offer was financed by a new financing repayable in fine, consisting of a bond issue and a bank loan, for a global total amount of €82.4m (including the arrangement fee due to the lenders), with Fimalac and banks.

This new financing, whose financial terms were presented in a press release dated January 22, 2021, has a maturity of 4 years, it being specified that drawdowns, subject to compliance with certain prior requirements, may be made until June 30, 2022 at the latest.

Determination of the purchase price of the global tender offer launched by Rallye on its unsecured debt

Rallye set the purchase price at 20% of the amount of the claim (i.e. the maximum purchase price initially set by Rallye).

On February 11, 2021 Rallye announced the results of the global tender offer.

Consequently, and after the fulfilment of the conditions' precedent:

- Rallye acquired a total amount of unsecured debt of €195.4m for a total repurchase price of €39.1m reducing the amount of its net debt by €156.3m; and
- the total amount of unsecured debt purchased under the Tender Offer was allocated between various instruments according to the breakdown set out in the press release dated May 4, 2021.

Approval of the amendment to Rallye's safeguard plan

Completion of the Tender Offer was, 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.

Rallye announced on May 4, 2021 that the court had approved the amendment to its safeguard plan, allowing therefore the effective completion of the global tender offer on its unsecured debt and the setting up of the financing of the Tender Offer. The Tender Offer was settled on May 18, 2021.

- Net financial debt of Rallye's holding perimeter

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

In €m	06/30/2021	12/31/2020
Claims secured by pledges over Casino shares	1,211	1,194
Unsecured claims	1,491	1,658
Claims secured by pledges over shares of Rallye subsidiaries (other than Casino)	136	134
Total - claims under the safeguard plans	**2,838**	**2,986**
Financings issued after the enforcement of the safeguard plan	279	222
Total - gross financial debt	**3,117**	**3,208**
Cash and other financial assets	(25)	(34)
Total - net financial debt (before IFRS restatements)	**3,092**	**3,173**
IFRS restatements (including the impact of the approval of the safeguard plan)	(296)	(334)
Total – net financial debt	**2,796**	**2,839**

Rallye's holding perimeter gross financial debt stood at €3,117m as of June 30, 2021, down - €91m over the first semester, mainly as a result of:

- Financial interests (excluding IFRS) of €63m over H1 2021, which will be repaid in accordance with the repayments undertakings approved by the Paris Commercial Court on February 28, 2020;
- Unsecured debt tendered for a total amount of €195.4m for a total repurchase price of €39.1m reducing the total amount of its net debt by €156.3m.

Rallye's holding perimeter net financial debt, before IFRS restatements, amounted to €3,092m as of June 30, 2021, compared to €3,173m as of December 31, 2020.

The change in Rallye's holding perimeter net financial debt over H1 2021 breaks down as follows:

In €m	06/30/2021	12/31/2020
Net financial debt (opening)	**2,839**	**3,000**
Financial interests (excluding IFRS)	63	127
Holding costs	12	38
Net impact of the liability management offer	(113)[1]	-
Other	(1)	6
Variation of IFRS restatements (including the impact of the approval of the safeguard plan)	(4)	(333)
Net financial debt (closing)	**2,796**	**2,839**

After taking into account the change in IFRS restatements for - €296m, Rallye's holding perimeter net financial debt amounted to €2,796m as of June 30, 2021.

2. Results of the operating subsidiaries

- Casino

Casino consolidated net sales amounted to €14,480m in H1 2021, stable (-0.5%) on an organic basis[2] and down - 10.3% after taking into account the effects of exchange rates and hyperinflation for -7.2%, changes in scope for -2.2% and fuel for +0.5%:

- On the France Retail scope, net sales were down -7.3% on a same-store basis. Including Cdiscount, same-store growth in France came to -6.3%.
- E-commerce (Cdiscount) gross merchandise volume (GMV) came to nearly €2bn, a year-on-year increase of +2.3%[3] (+14%[3] over two years), led by the expansion of the marketplace.
- Sales in Latin America were up by +6.9% on an organic basis[2], mainly supported by the very good performance in the cash & carry segment (Assaí), which grew by +22%[3] on an organic basis.

Consolidated trading profit for Casino came to €444m (€438m excluding tax credits), an increase of +11.4% including currency effects and +23.5% at constant exchange rates (+22% excluding tax credits):

- In France (including Cdiscount), trading profit stood at €173m, including €166m on the France Retail scope and €7m for Cdiscount. France Retail banners trading profit (France Retail excluding GreenYellow, property development and Vindémia) grew by a strong +50% to €146m. Trading profit came to €19m for GreenYellow and to €2m for property development operations.
- In Latin America, trading profit totalled €271m, an increase of +13.5% (+29.9% excluding tax credits and currency effects), driven by the continued strong sales momentum at Assaí, the transfer of sales to E-commerce and the repositioning of hypermarkets at Multivarejo, and the continued profitability and positive effect of real estate development at Éxito.

[1] Excluding IFRS restatements, (i.e the accelerated amortization of liabilities under the IFRS 9 standard for the acquired debt), the net impact of the Tender Offer would amount to €156m.
[2] Excluding fuel and calendar effects
[3] Data published by the subsidiary

Consolidated net debt excluding the effect of IFRS 5 was stable at Casino level compared with 30 June 2020, at €6.3bn, reflecting stable net debt in both France and the Latam region. Including the impact of IFRS 5, consolidated net debt came to €5.5bn versus €4.8bn in H1 2020. At 30 June 2021, liquidity of Casino in France (including Cdiscount) was €2.6bn, with €528m in cash and cash equivalents and €2bn confirmed undrawn lines of credit, available at any time. Casino also has €339m in a segregated account for gross debt redemptions.

On 27 July 2021, Casino signed with BNP Paribas a partnership and an agreement for the sale of Floa for €179m[1]. This partnership plans the development of the fractional payment activity "Floa Pay". In this context, Casino will remain associated with the successful development of Floa's payment activity for 30% of the future created value[2]. In addition, the Casino has secured and recorded in advance a €99m earn-out in relation to the Apollo and Fortress JVs[3]. The total amount from signed or secured disposals comes to €3.1bn. Casino is maintaining its target of €4.5bn in asset disposals in France.

Finaly, Casino has improved the financial conditions, revised the covenants and extended the maturity of its main syndicated credit facility from October 2023 to July 2026[4] for an amount of €1.8bn.

- Groupe GO Sport

On March 10, 2021, Rallye 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 disposal, which has been approved by Groupe GO Sport’s employee representative bodies and the relevant antitrust authority, is still subject to a waiver by the Paris Commercial Court for the non-transferability of Groupe GO Sport share and the agreement of Groupe GO Sport banks to maintain and amend their current outstanding loans.
In a context of restrictive measures further to the continuation of the sanitary crisis in 2021, Groupe GO Sport raised a second loan secured by the French state (under the so called “PGE” program) on June 28, 2021 for €20m, increasing the total notional amount of loans secured by the French state to secure Groupe GO Sport’s liquidity to €55m.
In the context of the ongoing disposal process, Groupe Go Sport is classified under IFRS 5 and is no longer recorded in Group’s net sales.

3. Outlook

Casino's priorities in France for the second half of the year 2021 are:

- With very satisfactory levels of profitability in all formats, priority focus on growth via the expansion of the store base and acceleration in E-commerce:
  - Opening of 400 convenience stores in H2 2021 (Franprix, Vival, Naturalia, etc.), bringing the total to 750 openings over the year
  - Acceleration of E-commerce based on structurally profitable models thanks to exclusive partnerships (Ocado, Amazon) and the solutions deployed in stores

- Ongoing development of Cdiscount, RelevanC and GreenYellow
  - Casino continues its preparatory work to finance the accelerated growth of GreenYellow and Cdiscount

[1] Including €129m relating to the sale of shares and an additional €50m notably linked to the renewal of commercial agreements between Cdiscount, Casino banners and FLOA
[2] By 2025
[3] As part of the real estate disposals made in 2019
[4] May 2025 if Term Loan B, maturing in August 2025, is not repaid or refinanced at that date

- Growth in cash flow from continuing operations[1]
  - Continued EBITDA growth
  - Sharp reduction in non-recurring expenses
  - Expansion on convenience and food E-commerce formats, which require low Capex

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

APPENDICES

H1 2021 RESULTS

(CONSOLIDATED DATA)

In €m	H1 2021	H1 2020 (restated)
Net Sales	**14,482**	**16,141**
EBITDA	**1,092**	**1,051**
Trading profit	**438**	**387**
Other operational income and expenses	10	-245
Cost of net financial debt	-280	132
Other financial income and expenses	-63	-289
Profit (loss) before tax	**105**	**-15**
Income taxes	-46	15
Income from associated companies	29	14
Net profit (loss) from continuing operation, Group share	**19**	**118**
Net profit (loss) underlying income from continuing operations, Group share	-117	-138
Net profit (loss), Group share	**-71**	**40**

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 the application of IFRIC 23 "Uncertainties about Tax Treatment".

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, impacts and restatements of the implementation of IFRS 9 « financial instruments » standard following Rallye's safeguard plan. This item is used to measure the performance of group's recurring result.

In €m	H1 2021	Adjusted items	H1 2021 underlying	H1 2020 restated	Adjusted items	H1 2020 restated underlying
Trading profit	**438**	**-**	**438**	**387**	**-**	**387**
Other operating income and expenses	10	-10	-	-245	245	-
Operating profit	**448**	**-10**	**438**	**142**	**245**	**387**
Cost of net financial debt[1]	-280	-4	-284	132	-385	-253
Other financial income and expenses [2]	-63	-113	-176	-289	74	-215
Income taxes[3]	-46	-9	-55	15	-65	-50
Income from associated companies	29	-	29	14	-	14
Net profit (loss) from continuing operations	**88**	**-136**	**-48**	**14**	**-131**	**-117**
of which minority interests[4]	69	-	69	-104	125	21
of which Group share	**19**	**-136**	**-117**	**118**	**-256**	**-138**

[1] Cost of net financial debt restatements mainly relates to the implementation of IFRS 9 « financial instruments » standard following Rallye's safeguard plan.
[2] Other financial income and expenses for 2021 have been restated for the positive impact of the liability management offer.
[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.