

## 7.3. SHARE BUYBACK PROGRAMME

### 7.3.1. Current share buyback programme

The Ordinary General Meeting of 7 May 2019 authorised the Board of Directors to buy back, or to order the buyback of, Company shares as provided in Articles L. 225-209 *et seq.* of the French Commercial Code (*Code de commerce*), Articles 241-1 to 241-7 of the General Regulations of France's securities regulator (*Autorité des marchés financiers* – AMF) and European Union regulations on market abuse (particularly Regulation (EU) No. 596/2014 of 16 April 2014), notably in order:

- to ensure the liquidity of and make a market for the Company's shares through an independent investment services provider acting independently in the name and on behalf of the Company, under the terms of a liquidity agreement that complies with a Code of Conduct recognised by the AMF;
- to implement any Company stock option plan under Articles L. 225-177 *et seq.* of the French Commercial Code, any savings plan in accordance with Articles L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*), or any grant of free shares made under Articles L. 225-197-1 *et seq.* of the French Commercial Code, or any other share-based compensation mechanism;
- to deliver shares in connection with the exercise of rights attached to securities redeemable, convertible or exchangeable for shares or exercisable for shares upon presentation of a warrant or debt security convertible or exchangeable for shares, or otherwise;
- to hold shares for later use as payment or consideration in the context of or following any external growth transactions;
- to cancel all or some of these shares in order to optimise earnings per share through a share capital reduction under the conditions provided for by law;
- to implement any future market practice authorised by the AMF and, generally, carry out any transaction that complies with the applicable regulations.

These shares may be acquired, sold, transferred, or exchanged by any method and, in particular, on regulated markets or over the counter markets, including via block trades. These methods include the use of any derivative financial instrument traded on a regulated market or over the counter and the implementation of option-based strategies under the conditions authorised by the relevant markets' regulator, provided said methods do not cause a significant increase in the price volatility of the shares. The shares may also be loaned, pursuant to Articles L. 211-22 *et seq.* of the French Monetary and Financial Code (*Code monétaire et financier*).

The share buyback price may not exceed €100 (excluding transaction costs) for each share with a par value of €1.53.

This authorisation may only be used in respect of a number of shares no greater than 10% of the Company's share capital as of the date of the Annual General Meeting of 7 May 2019, it being specified that, whenever the Company shares are purchased in connection with a liquidity agreement, the number of shares used to calculate the aforementioned 10% limit will correspond to the number of shares purchased less the number of shares sold during the authorisation

period under the terms of the liquidity agreement. However, the number of shares purchased by the Company and intended to be held and subsequently used as payment or consideration in the context of an external growth transaction, may not exceed 5% of the share capital. The acquisitions made by the Company shall not at any time or under any circumstance result in the Company holding more than 10% of the shares constituting its share capital.

In the event of a public tender offer for the shares or other securities issued by the Company, the Company may only use this authorisation for the purpose of meeting securities delivery commitments, notably in the context of free share plans, or strategic transactions, initiated and announced prior to the launch of said public tender offer.

### TRANSACTIONS COMPLETED IN 2019 AND UNTIL 31 MARCH 2020

#### ■ Liquidity agreement

In February 2005, Casino mandated Rothschild & Cie Banque to implement a liquidity agreement to ensure a wide market and regular quotations for its shares. The agreement complies with the Code of Conduct of the French financial markets association (*Association Française des Marchés Financiers* – AMAFI) approved by the AMF on 1 October 2008.

Casino allocated 700,000 ordinary shares and the sum of €40 million to the liquidity account.

Additional allocations were made on 25 September 2015 (€30 million) and 28 December 2015 (€50 million), bringing the total allocated to the liquidity account to €120 million.

The Company withdrew 580,000 shares from the liquidity account on 16 May 2016 and 120,000 shares on 23 May 2016. The 700,000 shares were subsequently cancelled by decision of the Board of Directors on 14 June 2016.

In January 2019, the Company signed a new liquidity agreement with Rothschild Martin Maurel to take account of the changes in regulations governing these agreements (AMF decision No. 2018-01 dated 2 July 2018). The new contract, which came into effect on 1 January 2019, replaces the previous one dated 11 February 2005. As of the January 2019 contract signature date, the liquidity account held zero shares and €30 million.

In 2019, a total of 1,766,080 shares were purchased at an average price of €41.10 per share and 1,766,080 shares were sold at an average price of €41.07 per share. At 31 December 2019, the liquidity account held zero shares and €29.8 million.

From 1 January 2020 to 31 March 2020, a total of 217,212 shares were purchased at an average price of €37.15 per share and 215,662 shares were sold at an average price of €37.30 per share. At 31 March 2020, the liquidity account held 1,550 shares and €29.8 million.

### ■ Other stock transactions

In 2019, the Company purchased 1,303,186 shares at an average price of €30.55 per share through an investment service provider acting in the name and on behalf of the Company on an arm's length basis.

No shares were bought back between 1 January 2020 and 31 March 2020.

The Annual General Meeting of 7 May 2019 authorised the Board of Directors to reduce the share capital by cancelling shares bought back by the Company, by 24-month periods. On 13 June 2019, the Board of Directors used the authorisation to cancel 1,303,186 shares.

Over the 24-month period beginning 30 March 2018 and ending 31 March 2020, the Board of Directors cancelled 2,570,794 shares: (i) 413,622 shares on 7 March 2018, (ii) 335,909 shares on 15 May 2018, (iii) 518,077 shares on 25 July 2018 and (iv) 1,303,186 shares on 13 June 2019, representing 2.37% of the Company's capital.

## SUMMARY OF STOCK TRANSACTIONS

The table below shows details of treasury shares bought and sold between 1 January 2019 and 31 December 2019 and between 1 January 2020 and 31 March 2020, together with the number of treasury shares held by the Company:

	Number of shares	% of share capital represented by the total number of shares
<b>Number of shares held at 31 December 2018</b>	<b>961,791</b>	<b>0.88</b>
Shares purchased under the liquidity agreement	1,766,080	
Shares sold under the liquidity agreement	(1,766,080)	
Shares purchased	1,303,186	
Shares sold	0	
Shares cancelled	(1,303,186)	
Shares granted	(132,462)	
<b>Number of shares held at 31 December 2019</b>	<b>829,329</b>	<b>0.76</b>
Shares purchased under the liquidity agreement	217,212	
Shares sold under the liquidity agreement	(215,662)	
Shares purchased	0	
Shares sold	0	
Shares cancelled	0	
Shares granted	(6,619)	
<b>Number of shares held at 31 March 2020</b>	<b>824,260</b>	<b>0.76</b>

At 31 December 2019, the Company owned 829,329 shares (purchase cost: €28 million) with a par value of €1.53. Based on the closing price at 31 December 2019 (€41.70), their market value totalled €34.6 million.

At 31 March 2020, the Company owned 824,260 shares (purchase cost: €27.9 million) with a par value of €1.53. Based on the closing price at 31 March 2020 (€35.11), their market value totalled €28.9 million.

Treasury shares are allocated for the following purposes:

- 1,550 shares to the liquidity agreement;
- 822,710 shares to cover stock option plans, employee share ownership plans or share grant plans for Group employees.

On 31 December 2019, Germinal SNC, an indirectly controlled wholly-owned company, held 928 ordinary shares.

## 7.3.2. Share buyback programme submitted to the Annual General Meeting for approval

The 2020 Annual General Meeting will be asked to renew the authorisation granted to the Board of Directors to buy back, or order the buyback of, Company shares as provided in Articles L. 225-209 *et seq.* of the French Commercial Code, Articles 241-1 to 241-7 of the AMF General Regulations and European Union regulations on market abuse (particularly Regulation (EU) No. 596/2014 of 16 April 2014), notably in order:

- to ensure the liquidity of and make a market for the Company's shares through an independent investment services provider acting independently in the name and on behalf of the Company, under the terms of a liquidity agreement that complies with a Code of Conduct recognised by the AMF;
- to implement any Company stock option plan under Articles L. 225-177 *et seq.* of the French Commercial Code, any savings plan in accordance with Articles L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*), or any grant of free shares made under Articles L. 225-197-1 *et seq.* of the French Commercial Code, or any other share-based compensation mechanism;
- to deliver shares in connection with the exercise of rights attached to securities redeemable, convertible or exchangeable for shares or exercisable for shares on presentation of a warrant or a debt security convertible or exchangeable for shares, or otherwise;
- to hold shares for later use as payment or consideration in the context of or following any external growth transactions;
- to cancel all or some of these shares in order to optimise earnings per share through a share capital reduction under the conditions provided for by law;
- to implement any future market practice authorised by the AMF and, generally, carry out any transaction that complies with the applicable regulations.

These shares may be acquired, sold, transferred, or exchanged by any method and, in particular, on regulated markets or over the counter, including via block trades. These methods include the use of

any derivative financial instrument traded on a regulated market or over the counter and the implementation of option-based strategies under the conditions authorised by the relevant markets' regulator, provided said methods do not cause a significant increase in the price volatility of the shares. The shares may also be loaned, pursuant to Articles L. 211-22 *et seq.* of the French Monetary and Financial Code.

The share buyback price may not exceed €100 (excluding transaction costs) for each share with a par value of €1.53.

This authorisation may only be used in respect of a number of shares no greater than 10% of the Company's share capital as of the date of this Annual General Meeting. Based on the share capital as of 31 March 2020, after deducting the 824,260 own shares held by the Company, this would correspond to 10,018,363 shares and a maximum amount of €1,002 million, it being specified that, whenever the Company shares are purchased in connection with a liquidity agreement, the number of shares used to calculate the aforementioned 10% limit will correspond to the number of shares purchased less the number of shares sold during the authorisation period under the terms of the liquidity agreement. However, the number of shares purchased by the Company and intended to be held and subsequently used as payment or consideration in the context of an external growth transaction, may not exceed 5% of the share capital. The acquisitions made by the Company shall not at any time or under any circumstance result in the Company holding more than 10% of the shares constituting its share capital.

The authorisation is granted to the Board of Directors for 18 months. It supersedes the unused portion of the authorisation previously granted by the 11<sup>th</sup> resolution of the Ordinary General Meeting of 7 May 2019.

In the event of a public tender offer for the shares or other securities issued by the Company, the Company may only use this authorisation for the purpose of meeting securities delivery commitments, notably in the context of free share plans, or strategic transactions, initiated and announced prior to the launch of said public tender offer.