INTERIM FINANCIAL REPORT AT 30 JUNE 2021

This document is a free translation into English of the original French “Rapport Financier Semestriel au 30 Juin 2021”, hereafter referred to as the “Interim Financial Report at 30 June 2021”. 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

Financial highlights

Financial highlights of the first half of 2021 were as follows:

(€ millions)	**H1 2020 (restated)[1]**	**H1 2021**	Reported change	Change at constant exchange rates
Consolidated net sales	**16,140**	**14,480**	-10.3%	-0.5%
Gross margin	3,983	3,633	-8.8%	
EBITDA[2]	**1,063**	**1,099**	**+3.3%**	**+11.1%**
Net depreciation and amortisation	(664)	(654)	-1.5%	
Trading profit	**399**	**444**	+11.4%	+23.5%
Other operating income and expenses	(246)	11	n.m.	
Net financial expense, o/w:	**(478)**	**(398)**	**+16.8%**	
Net finance costs	*(188)*	*(224)*	-19.1%	
Other financial income and expenses	*(291)*	*(175)*	+40.0%	
Profit (loss) before tax	**(325)**	**57**	**n.m.**	
Income tax benefit (expense)	15	(46)	n.m.	
Share of profit of equity-accounted investees	15	29	+94.5%	
Net profit (loss) from continuing operations	**(295)**	**41**	**n.m.**	
o/w Group share	*(340)*	*(35)*	+89.8%	
o/w attributable to non-controlling interests	*45*	*76*	+67.1%	
Net profit (loss) from discontinued operations	**(158)**	**(169)**	-7.2%	
o/w Group share	*(162)*	*(170)*	-5.3%	
o/w attributable to non-controlling interests	*4*	*2*	-64.5%	
Consolidated net profit (loss)	**(452)**	**(128)**	**+71.8%**	
o/w Group share	*(502)*	*(205)*	+59.2%	
o/w attributable to non-controlling interests	*50*	*77*	+55.7%	
Underlying net profit (loss), Group share[3]	**(95)**	**(72)**	**n.m.**	**n.m.**

[1] The financial statements for first-half 2020 have been restated to reflect the retrospective application of the IFRIC IC decision with regard to the enforceable period of a lease and the amortisation period of fixtures in accordance with IFRS 16 – *Leases*. Organic and same-store changes exclude fuel and calendar effects.
[2] EBITDA = Trading profit + amortisation and depreciation expense.
[3] From continuing operations (see definition on page 12).

Business report

1. Review of operations and results in first-half 2021

The comments in the Interim Financial Report reflect comparisons with first-half 2020 results from continuing operations.

Leader Price, which was sold on 30 November 2020, is presented as a discontinued operation in 2020 and 2021. The gradual conversion of the stores sold to Aldi is expected to be completed by 30 September 2021.

The financial statements for the first half of 2020 have been restated following the retrospective application of the IFRS IC decision on the determination of the lease term and the depreciation period for fixtures and fittings under IFRS 16 – Leases.

Organic and same-store changes exclude fuel and calendar effects.

Main changes in the scope of consolidation

- There were no material transactions affecting the scope of consolidation during the period.

Currency effects	Average exchange rates			Closing exchange rates		
	First-half 2020	First-half 2021	% change	30 June 2020	30 June 2021	% change
Colombia (EUR/COP) (x1,000)	4.0704	4.3671	-6.8%	4.2271	4.4669	-5.4%
Brazil (EUR/BRL)	5.4167	6.4912	-16.6%	6.1118	5.9050	+3.5%

Further increase in profitability

- Trading profit up +24% at constant exchange rates, of which +9% in France and +33% in Latin America
- Net sales for first half stable (-0.5%) on an organic basis
- In France, success in the transformation of banners with trading margin up +81 bps and 353 stores opened, laying the foundation for a strong return to growth in H2

	Contribution to consolidated EBITDA in €m					*Contribution to consolidated trading profit in €m*			
	H1 2020	**H1 2021**	***Change***	***% change***		**H1 2020**	**H1 2021**	***Change***	***% change***
Retail banners	501	543	*+43*	*+9%*	*Impact of transformation plans*	97	146	*+49*	*+50%*
Margin (%)	*6.8%*	*7.9%*	*+114 bps*	*-*		*1.3%*	*2.1%*	*+81 bps*	*-*
Vindémia	22	-	*-22*	*-*	*Sold in June 2020*	22	-	*-22*	*-*
GreenYellow	34	28	*-7*	*-20%*	*Change in business model*	31	19	*-12*	*-40%*
Property development	4	3	*-2*	*-41%*	-	4	2	*-2*	***-47%***
Total France Retail	**561**	**573**	***+12***	***+2%***		**154**	**166**	***+12***	***+8%***
Cdiscount	43	48	*+5*	*+13%*	-	6	7	*+1*	*+12%*
Total France	**604**	**622**	***+18***	***+3%***		**160**	**173**	***+13***	***+9%***
Margin (%)	*6.9%*	*8.0%*	*+105 bps*			*1.8%*	*2.2%*	*+39 bps*	

In France:

› **Retail banners[1]:**

- **Strong increase in profitability across all banners** with **trading margin up +81 bps to 2.1%. Trading profit rose by +50%[1] (+€49m) thanks to the Group's transformation plans and reduced Covid-related costs**, in a context of lower net sales relative to the very high basis of comparison due to the first lock-down during H1 2020.
- **Net sales** represented a same-store change of -8.4% in Q2 2021, due to the high basis of comparison in 2020 (+6.0% in Q2 2020), the temporary drop of tourism and public health restrictions in H1 2021 (closure of non-essential product sections, curfew). **Looking beyond these temporary challenges, the Group continued to activate its growth drivers[2]:**

[1] France Retail excluding GreenYellow, real estate development and Vindémia (sold on 30 June 2020).

- **Faster delivery on the strategic priorities of: (i) expansion, with the opening of 353 convenience stores** during H1 (initial target: 300 stores), **and (ii) E-commerce, with same-store sales up +103%** over two years, outperforming the market (+59%[1]), and continued roll-out of the Ocado and Amazon partnerships and **quick-commerce solutions from 800 stores**.

- **Outlook for H2 2021: growth in profitable formats, with (i) expansion of the store base** (400 openings in **local** formats Franprix, Vival, Naturalia, etc.) and **(ii) acceleration in E-commerce** thanks to our exclusive partnerships (Ocado, Amazon) and the solutions deployed at our stores.
  - **Inflection since early July** with sales down -4.0%[2] on a same-store basis vs. -8.4% in Q2, i.e., an improvement of +4.4 pts, and an increase in Cdiscount GMV of +13.5%.

› **Cdiscount: H1 2021 EBITDA of €48m[3]. Further growth in the marketplace in H1 of +33% over two years (+10% year-on-year)** and growth in **digital marketing of +72% over two years (+44% y-o-y).**
- **Outlook for H2 2021: further progress on priority strategic plans (marketplace, digital marketing, Octopia) resulting in strong EBITDA growth.**

› **GreenYellow: strong business momentum, with a photovoltaic pipeline of 809 MWp** (+85% vs. H1 2020) and 3.5 GWp in additional opportunities.
- **Outlook for H2 2021: growth in EBITDA.**

› **RelevanC: growth in net sales of +32% in Q2 2021. Signing of a commercial partnership with Google Cloud and Accenture.**
- **Outlook for H2 2021: accelerated expansion in France and internationally.**

› **Disposal plan: signing of a partnership and an agreement with BNPP for the disposal of Floa for a total amount of €179m[4] and securing of a €99m[5] earn-out**, bringing total disposals to **€3.1bn**.
- **The Group is maintaining its target of €4.5bn in asset disposals in France.**

› **Improved financial terms, revised covenants and extension of €1.8bn of Casino's main syndicated credit facility to July 2026. At 30 June 2021, the Group comfortably complied with the covenant, with headroom of €359m on EBITDA after lease payments (2.1x vs. limit of 3.5x[6]).**

In Latin America:

› Strong growth in profitability with **H1 EBITDA and trading profit up +21% and +33%** respectively at constant exchange rates. Organic growth in net sales of +5.5% in Q2, driven by Assaí (+22%[7]).

› **Two-fold increase in Latam asset value since the Assaí spin-off was announced[8].**

In €m	H1 2020	H1 2021	Change	Change at CER
Net sales – Group	**16,140**	**14,480**	**-10%**	**-0.5%[9]**
o/w France (incl. Cdiscount)	*8,739*	*7,810*	*-11%*	*-7.2%[9]*
o/w Latam	*7,401*	*6,670*	*-10%*	*+6.9%[9]*
EBITDA – Group	**1,063**	**1,099[10]**	**+3%**	**+11%**
o/w France (incl. Cdiscount)	*604*	*622*	*+3%*	*+3%*
Margin (%)	*6.9%*	*8.0%*	*+105 bps*	*+108 bps*
o/w Latam	*459*	*477[10]*	*+4%*	*+21%*
Margin (%)	*6.2%*	*7.2%*	*+96 bps*	*+91 bps*
EBITDA after lease payments – Group	**595**	**628[10]**	**+5%**	**+15%**
o/w France (incl. Cdiscount)	*287*	*296*	*+3%*	*+4%*
Margin (%)	*3.3%*	*3.8%*	*+51 bps*	*+54 bps*
o/w Latam	*308*	*331[10]*	*+7%*	*+25%*
Margin (%)	*4.2%*	*5.0%*	*+80 bps*	*+77 bps*
Trading profit – Group	**399**	**444[10]**	**+11%**	**+24%**
o/w France (incl. Cdiscount)	*160*	*173*	*+8%*	*+9%*
Margin (%)	1.8%	*2.2%*	*+39 bps*	*+41 bps*
o/w Latam	*239*	*271[10]*	*+13%*	*+33%*
Margin (%)	*3.2%*	*4.1%*	*+84 bps*	*+85 bps*
Underlying net profit, Group share	**(95)**	**(72)**	**+23**	**n.m.**
Profit (loss) from continuing operations, Group share	**(340)**	**(35)**	**+306**	**n.m.**

[1] Source: Nielsen, YTD P06 2021, over two years.
[2] Same-store change in sales for the four weeks to 25 July 2021.
[3] Contribution to consolidated EBITDA. Data published by the subsidiary: EBITDA of €49m (stable vs. H1 2020).
[4] 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.
[5] As part of the real estate disposals made in 2019.
[6] Secured gross debt to EBITDA after lease payments on France Retail + E-commerce scope excluding GreenYellow (see press release dated 19 July 2021).
[7] Data published by the subsidiary
[8] Announcement of the Assaí spin-off on 9 September 2020.
[9] Organic growth excluding fuel and calendar effects.
[10] Of which €6m in tax credits.

In €m	H1 2020	H1 2021	Change
FCF excl. disposals – Group	**(885)**	**(1,021)**	**-136**
o/w France (incl. Cdiscount, excl. GreenYellow)	*(297)*	*(346)*	*-50*
o/w Latam	*(629)*	*(615)*	*+14*
Gross debt – Group	**8,554**	**8,477**	**-77**
o/w France (incl. Cdiscount)	*5,542*	*5,105*	*-438*
o/w Latam	*3,012*	*3,372*	*+360*
Net debt before IFRS 5 – Group	**6,347**	**6,344**	**-3**
o/w France (incl. Cdiscount, excl. GreenYellow)	*4,792*	*4,633*	*-158*
o/w Latam	*1,726*	*1,767*	*+41*
Net debt after IFRS 5 – Group	**4,837**	**5,482**	**+644**
o/w France (incl. Cdiscount, excl. GreenYellow)	*3,395*	*3,837*	*+441*[1]
o/w Latam	*1,636*	*1,702*	*+66*

Free cash flow presented on the France Retail and E-commerce scope, excluding GreenYellow, in line with the new scope of banking covenants. GreenYellow's development and transition to an asset holding model is ensured by its own resources.

FIRST-HALF 2021 HIGHLIGHTS

■ Retail banners: increased profitability and progress in priority areas of expansion and E-commerce

Profitability continued to improve for the retail banners[2], with trading profit margin up +81 bps to 2.1% in H1 2021. Trading profit increased by +50% in H1 2021, to €146m (vs. €97m in H1 2020), supported by a **reduction in the cost base of €30m per quarter** thanks to the transformation plans initiated in Q3 2020, which drove productivity gains at the head office and in stores.

<u>**Expansion of the store base and digitalisation**</u>

› **Expansion of the Group's store base continued during the period, with 353 convenience stores opened in urban, semi-urban and rural areas**, of which 26 Naturalia. In Q2 2021, the Group opened 238 stores, in line with the initial target of 200 openings.

› The Group had **613 stores equipped with autonomous solutions** as of end-June 2021 (vs. 533 as of end-2020), facilitating evening and weekend openings. 63% of payments in Géant hypermarkets and 58% at Casino Supermarkets were made by smartphone or automatic check-out as of end-June 2021 (vs. 61% and 48% respectively as of end-2020). **CasinoMax** app users accounted for 24% of sales in hypermarkets and supermarkets in Q2 (vs. 22% as of end-2020).

<u>**Food E-commerce**</u>

› Food E-commerce[3] posted same-store sales growth of +15% for the period and **+103%** over two years, outperforming the market (+59%[4]). The expanded offering now covers the full spectrum of home delivery solutions, through partnerships with high-tech players that are leaders in their field:
  - **Next-day delivery** from the O'logistique warehouse (automated with Ocado technology) via Monoprix Plus (30,000 items) and Casino Plus (24,000 items)
  - **Same-day delivery/in-store click & collect solutions** picked up pace with the launch of an Amazon click & collect service within two hours from Géant Casino and Casino Supermarkets (target of 180 stores). In addition, new deployments of Amazon lockers are planned, in addition to the 600 already installed to date in the Group;
  - **Delivery within two hours**: extension of the **partnership with Amazon** to Montpellier and Strasbourg, in addition to Paris, Nice, Lyon and Bordeaux;
  - **Delivery within 30 minutes: roll-out of a quick-commerce offering across 800 stores** thanks to Franprix's delivery services and the partnerships with Deliveroo and Uber Eats
  - Launch of a **food marktetplace** on the Casino.fr website

[1] The difference compared to the change in net debt excluding IFRS 5 (-€158m) is mainly due to the decrease in IFRS 5 related to the sale of Leader Price, which was classified under IFRS 5 at June 30, 2020.
[2] France Retail operations excluding Vindémia, real estate development and GreenYellow.
[3] Food E-commerce = E-commerce France excluding Cdiscount.
[4] Source: Nielsen, YTD P06 2021, over two years.

Sales initiatives

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

› **Expansion of Monoprix's range of services** based on three key areas: (i) **health**, through Santé Au Quotidien spaces dedicated to health and well-being, with advice from a qualified pharmacist and a range of CBD products; (ii) **local products**, both food and non-food, from less than 100km away, and (iii) **a sustainable mobility offering** including bikes, kick scooters, a service station and a range of accessories (helmets, connected devices and fashion accessories)

› **Development of Franprix in suburban areas with 150 store openings scheduled over two years and specific customer services** (newspapers and magazines, parcel receipt, hot meals and cooked dishes for the evening, and electric bike rental in partnership with Véligo)

› **Evolution of concepts within Géant Casino and Casino Supermarkets**: both banners have introduced **artificial intelligence** into the operational management of their stores, and **partnerships have been signed with some fifteen brands and start-ups** to introduce innovative concepts (artisanal products in short circuits: juices, honeys, dairy products). Géant has deployed **expanded fruit and vegetable areas, cash & carry** spaces, developed **electric mobility corners** and will soon launch toy corners with La Grande Récré. In addition, **9 small, loss-making Géant stores have been converted into Casino Supermarkets** to provide an offering that better suits local needs.

Outlook for H2 2021: given the success of the banners' transformation plans and their profitability, strong return to growth in H2 in profitable formats with (i) the expansion of the store base (400 openings) and (ii) an acceleration in E-commerce

■ Cdiscount[1]: solid performance from the marketplace, digital marketing and Octopia in the first half of the year

Cdiscount generated €49m[2] in EBITDA, stable year-on-year (+148% over two years).

The marketplace recorded a half-yearly increase in gross merchandise volume (GMV) of +33% over two years (+10% year-on-year):

› The marketplace contribution to GMV rose by +4 pts year-on-year to 46%

› Marketplace revenues grew by +17% (+39% over two years) to €199m over the last 12 months

› Fulfilment by Cdiscount services accounted for 35% of marketplace GMV (up +7 pts year-on-year)

Digital marketing saw its revenues grow by +44% in H1 2021. It continued to be supported by the development of the Cdiscount Ads Retail Solution (CARS) digital marketing platform, where the number of sponsored products rose by +91% in H1 2021.

Turnkey marketplace solution **Octopia recorded rapid growth in H1 2021, with a +60% increase in GMV** (x3 over two years) in Products-as-a-Service and Fulfilment-as-a-Service solutions. Merchants-as-a-Service and Marketplace-as-a-Service solutions recorded a good start.

Outlook for H2 2021: further progress on priority strategic plans (marketplace, digital marketing, Octopia) resulting in strong EBITDA growth.

[1] Data published by the subsidiary.
[2] Data published by the subsidiary. Contribution to consolidated EBITDA: €48m (€43m in H1 2020).

GreenYellow: increase in photovoltaic pipeline of +85% year-on-year and expansion into Europe

For the six months to 30 June 2021, GreenYellow generated EBITDA of €37m[1]. Excluding gains on asset disposals, EBITDA increased by +40% in H1 2021 compared with H1 2020.

At 30 June 2021, GreenYellow had an advanced pipeline of 809 MWp in solar power projects, up a sharp +85% from 30 June 2020, and an additional prospective pipeline of 3.5 GWp. The advanced pipeline for the energy efficiency business came to 350 GWh, up +78% from 30 June 2020, with an additional prospective pipeline of nearly 900 GWh.

Expansion continued with the **launch of an initial 4 MWp solar project in Bulgaria** through a strategic partnership with Solarpro, a key player in the European photovoltaics market. GreenYellow has indicated that it intends to expand rapidly in Eastern Europe (Poland, Hungary, Bulgaria).

During the first half of the year, GreenYellow also **strengthened its positions in its traditional geographies** by supporting customers with their projects in both solar power and energy efficiency:

- In Africa, via the largest self-consumption solar power plant in Senegal (1.6 MWp) for a key player in the country's agrifood industry
- In Madagascar, through the extension of the country's largest solar power plant by 20 MWp to reach 40 MWp
- In France, with the start-up of the 4.7 MWp solar canopies in Magny-Cours and the partnership with Franprix, aimed at reducing the energy use of its refrigeration facilities (by 30%), as well as their carbon footprint
- In Asia, with the installation of photovoltaic systems at two sites for Thai particle board manufacturer Panel Plus Co., located in the suburbs of Bangkok and in the southern province of Songkhla
- In Colombia, with a "cold PPA" program in a building under construction for an international hotel group

Outlook for H2 2021: growth in EBITDA.

RelevanC

RelevanC continued to accelerate, with **growth in net sales of +32%** in the second quarter.

During the quarter, RelevanC strengthened its positioning with:

- A partnership with Google Cloud and Accenture to step up the development and commercialisation of RelevanC solutions
- The allocation of Premier Partner status to RelevanC, and the integration of RelevanC solutions into the Google Cloud's B2B marketplace

Outlook for H2 2021: (i) further implementation of the partnership strategy and (ii) accelerated growth in France and internationally thanks to partners, notably Google Cloud and Accenture

Successful spin-off of Assaí's activities in Latin America

The spin-off of Assaí's businesses was completed on 31 December 2020 and Assaí shares were admitted to trading on 1 March 2021. Assaí shares were distributed to GPA shareholders at a ratio of one Assaí share for each GPA share.

Each entity now operates autonomously and has direct access to the capital markets and different financing sources.

Casino's stake valuation in Latin America has doubled since the spin-off of Assaí was announced[2], rising from €1.1bn to €2.3bn.

[1] Data published by the subsidiary. Contribution to consolidated EBITDA: €28m (€34m in H1 2020).
[2]Announcement of the spin-off on 9 September 2020. Data as of 30 June 2021.

Reinforcement of the Group's CSR commitments

As well as being the top retailer in terms of CSR performance according to Vigeo Eiris[1], a subsidiary of Moody's, Casino Group maintained its AA rating from MSCI in June 2021.

Pursuing its climate action, the Group has committed to a **38% reduction in its greenhouse gas emissions by 2030[2]**, stepping up the commitment made in 2018 of an 18% reduction between 2015 and 2025[3], which was validated by the Science Based Targets initiative. The Group is **taking action to reduce carbon emissions in all its geographies** (Franprix/GreenYellow partnership to reduce the carbon footprint of refrigeration units, carbon-neutral refrigerant gases in Carulla FreshMarket stores in Colombia).
Cdiscount has now reached carbon-neutral status for its deliveries, by reducing emissions through 3D packaging and bulk loading and by capturing residual emissions.

With its strategy designed to **promote responsible consumption, t**he Group recorded an increase in the **share of organic products of +0.9 pt[3] in H1** and **deployed new bulk concepts** in partnership with national brands. Other initiatives carried out by the Group include the transition to **virtual discount coupons** for Casino banners since 2020, thanks to the Casino Max application, and to virtual receipts and vouchers in March 2021. At Cdiscount, the aim is to promote **reusable packaging**, which will be offered to all customers by end-2021. In addition, the Group has extended **Monoprix's syndicated credit facility** with an annual margin adjustment clause based on the achievement of **CSR objectives** (greenhouse gases, responsible label, vegetable protein products).

In addition, the Group continued to carry out **solidarity actions** during the first half of the year, **making commitments to numerous charities** including Secours Populaire with Franprix and Fondation des Femmes with Monoprix. Various **food drives for students in financial difficulty** were also organised at Casino banners during the period, in partnership with food banks. Lastly, the Group has decided to help **revitalise rural areas** by creating culture corners in Casino convenience stores, in partnership with Fondation Marc Ladreit de Lacharrière.

Asset disposal plan

On 27 July 2021, the Group signed a partnership and an agreement with BNPP for the sale of Floa for €179m[4]. This partnership provides for a collaboration in the development of the fractional payment activity "Floa Pay". In this context, Casino Group **will remain associated with the successful** development of Floa's payment activity for **30% of the future created value[5]**.

In addition, the Group has secured and recorded in advance a €99m earn-out in relation to the Apollo and Fortress JVs[6].
The total amount from signed or secured disposals comes to €3.1bn.

Refinancing plan

As announced, Casino Group has **improved the financial conditions and extended the maturity of its main syndicated credit facility from October 2023 to July 2026[7] for an amount of €1.8bn.**

To take into account the Group's improved financial position and GreenYellow's growth plan, the financial covenants have been eased. Consequently, as from 30 June 2021, the Group undertakes to comply on a quarterly basis with the following covenants, which replace the previous covenants, for the France Retail and E-commerce scope, excluding GreenYellow:

- a ratio of secured gross debt to EBITDA after lease payments of less than 3.5x;
  - **this covenant was comfortably complied with at 30 June 2021, with a ratio of 2.1x, with headroom of €359m on EBITDA**
- a ratio of EBITDA after lease payments to net finance costs of more than 2.5x;
  - **this covenant was comfortably complied with at 30 June 2021, with a ratio of 3.2x, with headroom of €199m on EBITDA**

In addition, **Monoprix obtained an extension to January 2026 for its €130m syndicated credit facility**, which includes a yearly margin adjustment clause based on the satisfaction of CSR objectives:

- Reduction in Scope 1 & 2 greenhouse gas emissions
- Proportion of net sales derived from products labelled "responsible"
- Net sales derived from vegetable protein products

[1] A subsidiary of rating agency Moody's (Vigeo Eiris rating, December 2020).
[2] Scopes 1 and 2.
[3] In France.
[4] 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.
[5] By 2025.
[6] As part of the real estate disposals made in 2019.
[7] May 2025 if Term Loan B, maturing in August 2025, is not repaid or refinanced at that date.

SECOND-QUARTER 2021 NET SALES

In the second quarter of 2021, the Group recorded net sales of €7,334m, down -6.5% in total due to exchange rates and consolidation scope impacts accounting respectively for -3.0% and -2.2%. The calendar effect was -0.5%. **The Group's quarterly same-store**[1] **growth came to +6.0% over two years** (-4.1% in Q2 2021, after +10.4% in Q2 2020). France (including Cdiscount) recorded a -1.2%[1] variation in its same-store sales over two years (-8.4% year-on-year).

For France Retail, same-store sales growth came to -8.4% for the quarter, impacted by an **unfavourable basis of comparison** (+6.0% in Q2 2020). The formats hardest hit were those that benefited the most from the surge in sales associated with the first lockdown last year, including the **convenience** format (-11.2%) and **Franprix** (-12.5%).
The second quarter of 2021 was shaped by a tightening of health restrictions with a curfew that led to an early closure of autonomous stores, France's third lockdown which temporarily reduced the number of people in Paris, a temporary drop in tourism and the closure of sections selling "non-essential" goods, which affected **Géant hypermarkets** (-9.9%) and **Monoprix** stores (-4.9%).

Cdiscount[2] reported growth in gross merchandise volume (GMV) of +16% over two years (-6% year-on-year). **Marketplace GMV** grew by +30% over a two-year period (-7% year-on-year).

In **Latin America**, sales rose by **+5.5% on an organic basis for the quarter**. On a same-store basis, sales were up **+12.3% over a two-year period** (stable year-on-year). Second quarter sales growth in Latin America was again driven by the **excellent performance of Assaí** (up +9.2%[2] on a same-store basis and +22%[2] on an organic basis), reflecting the commercial format's continued attractiveness and the success of the expansion strategy.

[1] Same-store change excluding fuel and calendar effects.
[2] Data published by the subsidiary.

FIRST-HALF 2021 RESULTS

Consolidated net sales amounted to **€14,480m** in H1 2021, stable (-0.5%) on an organic basis[1] 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 +0.4%.
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%**[2] (+14%[2] over two years), led by the expansion of the marketplace.
Sales in **Latin America** were up by +6.9% on an organic basis[1], mainly supported by the very good performance in the **cash & carry segment (Assaí), which grew by +22%**[2] on an organic basis.

Consolidated EBITDA came to **€1,099m**, an increase of +3% including currency effects and +11.1% at constant exchange rates.
France EBITDA (including Cdiscount) amounted to €622m, including €573m on the France Retail scope and €48m for Cdiscount. **France Retail banners EBITDA** (France Retail excluding GreenYellow, property development and Vindémia) was up +9%. **GreenYellow** generated EBITDA of €28m[3] and **property development operations** delivered €3m.
France EBITDA margin (including Cdiscount) came to 8.0%, an increase of +105 bps.
In **Latin America, EBITDA** rose by +21.1% excluding currency effects and including tax credits[4] for €6m. EBITDA excluding tax credits[4] was up +19.8%.

Consolidated trading profit came to **€444m** (€438m excluding tax credits[4]), 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%**. Trading profit came to €19m for **GreenYellow** and to €2m for **property development operations**.
Trading margin in France (including Cdiscount) was up +39 bps at **2.2%**, supported by an improvement from **France Retail**, which recorded a **+45 bps increase in trading margin to 2.4%**.
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**.

Underlying net financial expense and net profit, Group share[5]

Underlying net financial expense for the period came to **-€398m (-€244m excluding interest expense on lease liabilities)** vs. -€404m in H1 2020 (-€239m excluding interest expense on lease liabilities). **In France Retail**, net financial expense includes, as for the refinancing of the Term Loan B of April 2021, (i) a non-recurring expense of €40m, mainly non-cash, and (ii) **a permanent reduction in financial expenses of €9m** over the full year. **E-commerce** net financial expense was virtually stable compared with 2020. **In Latin America, financial expense was down.**

Underlying net profit, Group share was up **+€23m** versus H1 2020.
Diluted underlying earnings per share[6] stood at -€1.00, vs. -€1.20 in H1 2020.

The Group recorded a **sharp improvement in other operating income and expenses of +€257m** (+€11m in H1 2021 vs. -€246m in H1 2020). In **France**, excluding the asset disposal plan and GreenYellow, **non-recurring expenses declined by 29%** (from -€107m in H1 2020 to -€76m in H1 2021). In Latin America, other operating income and expenses amounted to a net expense of -€34m in H1 2021 (vs. -€18m in H1 2020).

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[1] Excluding fuel and calendar effects
[2] Data published by the subsidiary.
[3] Contribution to consolidated EBITDA. Data published by the subsidiary: EBITDA of €37m in H1 2021.
[4] Tax credits restated by subsidiaries in the calculation of adjusted EBITDA.
[5] See definition on page 12.
[6] Underlying diluted EPS includes the dilutive effect of TSSDI deeply-subordinated bond distributions.

Consolidated net profit (loss), Group share

Net profit (loss) from continuing operations, Group share improved by a sharp +€306m to -€35m, from -€340m in H1 2020.
Net profit (loss) from discontinued operations, Group share came out at -€170m in H1 2021, compared with -€162m in H1 2020.
Consolidated net profit (loss), Group share amounted to -€205m vs. -€502m in H1 2020.

Financial position at 30 June 2021

Consolidated net debt excluding the effect of IFRS 5 was stable 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, **the Group's liquidity in France (including Cdiscount) was €2.6bn**, with €528m in cash and cash equivalents and €2bn in confirmed undrawn lines of credit, available at any time. The Group also has **€339m in a segregated account** for gross debt redemptions.

Outlook for H2 2021 in France

- **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 our exclusive partnerships (Ocado, Amazon) and the solutions deployed in stores
- **Ongoing development of Cdiscount and GreenYellow**
  - Casino Group continues its preparatory work to finance the accelerated growth of GreenYellow and Cdiscount
- **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

The Board of Directors met on 28 July 2021 to approve the consolidated financial statements for first-half 2021. THESE FINANCIAL STATEMENTS HAVE BEEN REVIEWED BY THE STATUTORY AUDITORS.

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

Appendix: Alternative performance indicators

The definitions of key non-GAAP indicators are available on the Group's website (https://www.groupe-casino.fr/en/investors/regulated-information/), particularly the underlying net profit as shown 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 the application of IFRIC 23 – *Uncertainty over Income Tax Treatments*.

Non-recurring financial items include fair value adjustments to equity derivative instruments (such as total return swaps related to GPA shares) and the effects of discounting Brazilian tax liabilities.

Underlying profit is a measure of the Group's recurring profitability.

(€ millions)	**H1 2020 (restated)**	**Restated items**	**H1 2020 (underlying)**	**H1 2021**	**Restated items**	**H1 2021 (underlying)**
Trading profit	**399**	**0**	**399**	**444**	**0**	**444**
Other operating income and expenses	(246)	246	0	11	(11)	0
Operating profit (loss)	**153**	**246**	399	**455**	**(11)**	444
Net finance costs	(188)	0	(188)	(224)	0	(224)
Other financial income and expenses[1]	(291)	74	(217)	(175)	74	(174)
Income taxes[2]	15	(65)	(50)	(46)	(9)	(55)
Share of profit of equity-accounted investees	15	0	15	29	0	29
Net profit (loss) from continuing operations	**(295)**	**255**	**(40)**	**41**	**(20)**	**21**
o/w attributable to non-controlling interests[3]	45	9	55	*76*	18	93
o/w Group share	***(340)***	245	***95***	***(35)***	***(38)***	***(72)***

[1]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.
[2] Income taxes have been restated for the tax effects of other operating income and expenses and of the restatements of financial income and expenses described above, as well as for the effects of IFRIC 23 – *Uncertainty over Income Tax Treatments*.
[3] Non-controlling interests have been restated for the amounts relating to the restated items listed above.

2. Subsequent events

Extended RCF maturity

On 19 July 2021, Casino Group announced that it had extended the maturity and improved the financial conditions of its main syndicated credit line, originally set to mature in October 2023 (Notes 2 and 9.6). Monoprix’s syndicated credit facility which expired in July 2021 was also renewed (Note 9.6).

Sale-and-leaseback transaction at Sendas

On 19 July 2021, Sendas entered into a sale-and-leaseback transaction with investment fund BRL Trust Distribuidora de Titulos e Valores Mobiliarios S.A. The purpose of the transaction is the sale, construction and leasing of five stores located in São Paulo, Rio de Janeiro and Rondônia.This transaction includes the sale and leaseback of a store property and four plots of land on which construction will soon begin and represents a total price of BRL 364 million (i.e., €56 million). The transaction is subject to the waiver of the conditions precedent at 14 October 2021.
At 30 June 2021, the assets involved in the transaction were reclassified as "Assets held for sale" in accordance with IFRS 5 for an amount of BRL 147 million (i.e., €25 million).

Financing transactions at CBD

On 20 July 2021, the Board of Directors of CBD approved the fifth issue of its *Notas Promissórias* (promissory notes) in two tranches, each for an amount of BRL 500 million, totalling BRL 1,000 million (€169 million), maturing respectively on 30 July 2025 for the first tranche and on 30 July 2026 for the second

Financing transactions at Sendas

On 27 July 2021, the issue of *Certificados de Recebíveis Imobiliários* (CRI) for an amount of BRL 1,500 million (i.e., €254 million) and *Notas Promissórias* for an amount of BRL 2,500 million (i.e., €423 million), was approved. These issues have an average maturity of more than four years, and will serve to refinance issues maturing in 2022 to 2023.
The conclusion of the public offering is subject to full compliance with the conditions precedent set out in the documentation relating to the respective funding.

Exclusivity agreement signed for the sale of Floa to BNP Paribas

On 27 July 2021, Casino Group and Crédit Mutuel Alliance Fédérale announced (i) the signing of an exclusivity agreement for the sale of Floa to BNP Paribas and (ii) the setting up of a strategic partnership between BNP Paribas and Casino Group. The sale price amounts to €179 million (€129 million for the disposal of shares representing 50% of the capital of Floa, for an equity amounted to €184 million at 31 December 2020, and contingent consideration of €50 million, notably related to the renewal of commercial agreements between Cdiscount, the Casino banners and Floa [Cdiscount will continue to operate its bank card payments business with the support of Floa and BNP Paribas]).
BNP Paribas will become the exclusive provider and distributor of consumer credit solutions, including split payment solutions for Casino Group customers through a business partnership set up with the Casino Supermarkets, Géant and Cdiscount banners. The planned partnership will also lead to a collaborative venture between Casino Group and BNP Paribas to develop the Floa Pay split payment solution. Casino Group will remain invested in the successful development of the Floa payment business through a 30% stake in future created value (by 2025).
The transaction is still subject to consultation with the relevant employee representative bodies. It is expected to be completed in the coming quarters, subject to the necessary authorisations, in particular from France’s competition authority and the European Central Bank (ECB).

3. Description of key risks and uncertainties in first-half 2021

Risk factors are discussed in Chapter 4 of Casino Group’s 2020 Universal Registration Document, which is available on the Group’s website.

4. Related-party transactions

Related-party transactions in first-half 2021 are described in Note 12 – Related party transactions to the interim financial statements.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AT 30 JUNE 2021

CONTENTS

Condensed consolidated financial statements

CONSOLIDATED INCOME STATEMENT

(€ millions)	Notes	First-half 2021	First-half 2020 (restated)(i)
CONTINUING OPERATIONS			
Net sales	5 / 6.2	**14,480**	16,140
Other revenue	5 / 6.2	**224**	245
Total revenue	**5 / 6.2**	**14,704**	**16,385**
Cost of goods sold		**(11,071)**	(12,402)
Gross margin		**3,633**	**3,983**
Selling expenses	6.3	**(2,531)**	(2,928)
General and administrative expenses	6.3	**(657)**	(656)
Trading profit	**5.1**	**444**	**399**
As a % of net sales		***3.1%***	*2.5%*
Other operating income	6.5	**247**	225
Other operating expenses	6.5	**(236)**	(471)
Operating profit		**455**	**153**
As a % of net sales		***3.1%***	*1.0%*
Income from cash and cash equivalents	9.3.1	**8**	9
Finance costs	9.3.1	**(231)**	(197)
Net finance costs	9.3.1	**(224)**	**(188)**
Other financial income	9.3.2	**69**	87
Other financial expenses	9.3.2	**(243)**	(377)
Profit (loss) before tax		**57**	**(325)**
As a % of net sales		***0.4%***	*-2.0%*
Income tax benefit (expense)	7	**(46)**	15
Share of profit of equity-accounted investees		**29**	15
Net profit (loss) from continuing operations		**41**	**(295)**
As a % of net sales		***0.3%***	*-1.8%*
Attributable to owners of the parent		**(35)**	(340)
Attributable to non-controlling interests		**76**	45
DISCONTINUED OPERATIONS			
Net profit (loss) from discontinued operations	**3.2.2**	**(169)**	**(158)**
Attributable to owners of the parent	3.2.2	**(170)**	(162)
Attributable to non-controlling interests	3.2.2	**2**	4
CONTINUING AND DISCONTINUED OPERATIONS			
Consolidated net profit (loss)		**(128)**	**(452)**
Attributable to owners of the parent		**(205)**	(502)
Attributable to non-controlling interests		**77**	50

Earnings per share

(€)	Notes	First-half 2021	First-half 2020 (restated)(i)
From continuing operations, attributable to owners of the parent			
▪ Basic		**(0.66)**	(3.48)
▪ Diluted		**(0.66)**	(3.48)
From continuing and discontinued operations, attributable to owners of the parent			
▪ Basic		**(2.24)**	(4.98)
▪ Diluted		**(2.24)**	(4.98)

(i) Previously published comparative information has been restated (Note 1.3).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ millions)	First-half 2021	First-half 2020 (restated)[(i)]
Consolidated net profit (loss)	**(128)**	**(452)**
Items that may subsequently be reclassified to profit or loss	**137**	**(1,184)**
Cash flow hedges and cash flow hedge reserve[(ii)]	**20**	(14)
Foreign currency translation adjustments[(iii)]	**120**	(1,148)
Debt instruments at fair value through other comprehensive income (OCI)	**(1)**	-
Share of items of equity-accounted investees that may be subsequently reclassified to profit or loss	**3**	(26)
Income tax effects	**(5)**	4
Items that will never be reclassified to profit or loss	**(3)**	**2**
Equity instruments at fair value through other comprehensive income	**-**	-
Actuarial gains and losses	**(4)**	3
Share of items of equity-accounted investees that will never be subsequently reclassified to profit or loss	**-**	-
Income tax effects	**1**	(1)
Other comprehensive income (loss) for the period, net of tax	**134**	**(1,182)**
Total comprehensive income (loss) for the period, net of tax	**6**	**(1,634)**
Attributable to owners of the parent	***(127)***	*(979)*
Attributable to non-controlling interests	***133***	*(655)*

(i) Previously published comparative information has been restated (Note 1.3).
(ii) The change in the cash flow hedge reserve was not material in either first-half 2021 or first-half 2020.
(iii) The €120 million positive net translation adjustment in first-half 2021 arose primarily from the appreciation of the Brazilian currency for €218 million, partially offset by the depreciation of the Columbian currency for a negative €81 million. The €1,148 million negative net translation adjustment in first-half 2020 arose primarily from the depreciation of the Brazilian and Colombian currencies for €839 million and €259 million, respectively.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (€ millions)	Notes	30 June 2021	31 December 2020
Goodwill	8	**6,764**	6,656
Intangible assets	8	**2,126**	2,061
Property, plant and equipment	8	**4,457**	4,279
Investment property	8	**423**	428
Right-of-use assets	8	**4,862**	4,888
Investments in equity-accounted investees		**214**	191
Other non-current assets		**1,217**	1,217
Deferred tax assets		**1,111**	1,035
Total non-current assets		**21,174**	**20,754**
Inventories		**3,349**	3,209
Trade receivables		**860**	941
Other current assets		**1,967**	1,770
Current tax assets		**202**	167
Cash and cash equivalents	9	**2,133**	2,744
Assets held for sale	3.2	**1,064**	932
Total current assets		**9,574**	**9,763**
TOTAL ASSETS		**30,748**	**30,517**

EQUITY AND LIABILITIES (€ millions)	Notes	30 June 2021	31 December 2020
Share capital	10.1	**166**	**166**
Additional paid-in capital, treasury shares, retained earnings and consolidated net profit (loss)		**2,937**	**3,097**
Equity attributable to owners of the parent		**3,103**	**3,263**
Non-controlling interests		**2,998**	**2,856**
Total equity		**6,101**	**6,118**
Non-current provisions for employee benefits		**348**	351
Other non-current provisions	11.1	**380**	374
Non-current borrowings and debt, gross	9.2	**7,244**	6,701
Non-current lease liabilities		**4,260**	4,281
Non-current put options granted to owners of non-controlling interests		**53**	45
Other non-current liabilities		**173**	201
Deferred tax liabilities		**540**	508
Total non-current liabilities		**12,998**	**12,461**
Current provisions for employee benefits		**12**	12
Other current provisions	11.1	**163**	189
Trade payables		**5,392**	6,190
Current borrowings and debt, gross	9.2	**1,823**	1,355
Current lease liabilities		**706**	705
Current put options granted to owners of non-controlling interests		**119**	119
Current tax liabilities		**64**	98
Other current liabilities		**3,170**	3,059
Liabilities associated with assets held for sale	3.2	**201**	210
Total current liabilities		**11,650**	**11,937**
TOTAL EQUITY AND LIABILITIES		**30,748**	**30,517**

CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	Notes	First-half 2021	First-half 2020 (restated)[(i)]
Profit (loss) before tax from continuing operations		**57**	(325)
Profit (loss) before tax from discontinued operations	3.2.2	**(209)**	(104)
Consolidated profit (loss) before tax		**(151)**	**(429)**
Depreciation and amortisation expense	6.4	**654**	664
Provision and impairment expense	4.1	**(81)**	94
Losses (gains) arising from changes in fair value	9.3.2	**(4)**	73
Expenses (income) on share-based payment plans		**9**	6
Other non-cash items		**(13)**	(31)
(Gains) losses on disposals of non-current assets	4.4	**(97)**	(49)
(Gains) losses due to changes in percentage ownership of subsidiaries resulting in acquisition/loss of control		**11**	20
Dividends received from equity-accounted investees		**10**	15
Net finance costs	9.3.1	**224**	188
Interest paid on leases, net	9.3.2	**154**	165
Non-recourse factoring and associated transaction costs	9.3.2	**23**	32
Disposal gains and losses and adjustments related to discontinued operations		**90**	15
Net cash from operating activities before change in working capital, net finance costs and income tax		**829**	**764**
Income tax paid		**(87)**	(45)
Change in operating working capital	4.2	**(906)**	(766)
Income tax paid and change in operating working capital: discontinued operations		**(97)**	105
Net cash from (used in) operating activities		**(262)**	**58**
of which continuing operations		***(45)***	***42***
Cash outflows related to acquisitions of:			
▪ Property, plant and equipment, intangible assets and investment property	4.3	**(499)**	(447)
▪ Non-current financial assets	4.10	**(3)**	(472)
Cash inflows related to disposals of:			
▪ Property, plant and equipment, intangible assets and investment property	4.4	**19**	169
▪ Non-current financial assets	4.10	**158**	254
Effect of changes in scope of consolidation resulting in acquisition or loss of control	4.5	**(9)**	165
Effect of changes in scope of consolidation related to equity-accounted investees	4.6	**(6)**	(10)
Change in loans and advances granted		**(16)**	(21)
Net cash used in investing activities of discontinued operations		**(49)**	(14)
Net cash used in investing activities		**(404)**	**(375)**
of which continuing operations		***(355)***	***(361)***
Dividends paid:			
▪ to owners of the parent		**-**	-
▪ to non-controlling interests		**(77)**	(33)
▪ to holders of deeply-subordinated perpetual bonds	10.4	**(32)**	(33)
Increase (decrease) in the parent's share capital		**-**	-
Transactions between the Group and owners of non-controlling interests	4.7	**3**	(21)
(Purchases) sales of treasury shares		**-**	(1)
Additions to loans and borrowings	4.8	**2,636**	1,064
Repayments of loans and borrowings	4.8	**(1,998)**	(837)
Repayments of lease liabilities		**(321)**	(311)
Interest paid, net	4.9	**(335)**	(455)
Other repayments		**(13)**	(9)
Net cash used in financing activities of discontinued operations		**(6)**	(27)
Net cash used in financing activities		**(143)**	**(664)**
of which continuing operations		***(138)***	***(637)***
Effect of changes in exchange rates on cash and cash equivalents of continuing operations		**74**	(398)
Effect of changes in exchange rates on cash and cash equivalents of discontinued operations		**-**	-
Change in cash and cash equivalents	**4.8**	**(735)**	**(1,379)**
Net cash and cash equivalents at beginning of period		**2,675**	**3,530**
- of which net cash and cash equivalents of continuing operations	9	2,675	3,471
- of which net cash and cash equivalents of discontinued operations		(1)	59
Net cash and cash equivalents at end of period		**1,940**	**2,151**
- of which net cash and cash equivalents of continuing operations	9	1,941	2,086
- of which net cash and cash equivalents of discontinued operations		(1)	65

(i) Previously published comparative information has been restated (Note 1.3).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ millions) (before allocation of profit)	Share capital	Additional paid-in capital[i]	Treasury shares	Deeply-subordinated perpetual bonds (TSSDI)	Retained earnings and profit for the period	Other reserves[ii]	Equity attributable to owners of the parent[iii]	Non-controlling interests	Total equity
At 1 January 2020 (reported)	**166**	**3,901**	**(28)**	**1,350**	**1,919**	**(2,539)**	**4,769**	**3,488**	**8,256**
Other comprehensive income (loss) for the period (restated)[*]	-	-	-	-	-	(477)	(477)	(704)	(1,182)
Net profit (loss) for the period (restated)[*]	-	-	-	-	(502)	-	(502)	50	(452)
Consolidated comprehensive income (loss) for the period (restated)(*)	**-**	**-**	**-**	**-**	**(502)**	**(477)**	**(979)**	**(655)**	**(1,634)**
Issue of share capital	-	-	-	-	-	-	-	-	-
Purchases and sales of treasury shares[iv]	-	-	5	-	(6)	-	(1)	-	(1)
Dividends paid/payable to shareholders[v]	-	-	-	-	-	-	-	(14)	(14)
Dividends paid/payable to holders of deeply-subordinated perpetual bonds[v]	-	-	-	-	(34)	-	(34)	-	(34)
Share-based payments	-	-	-	-	3	-	3	4	7
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	-	-	-	-	(19)	-	(19)	12	(7)
Other movements	-	-	-	-	6	(1)	5	10	15
At 30 June 2020 (restated)(*)	**166**	**3,901**	**(23)**	**1,350**	**1,366**	**(3,018)**	**3,743**	**2,846**	**6,589**
At 1 January 2021	**166**	**3,901**	**(22)**	**1,350**	**976**	**(3,109)**	**3,263**	**2,856**	**6,118**
Other comprehensive income (loss) for the period	-	-	-	-	**-**	**78**	**78**	**56**	**134**
Net profit (loss) for the period	-	-	-	-	**(205)**	**-**	**(205)**	**77**	**(128)**
Consolidated comprehensive income (loss) for the period	**-**	**-**	**-**	**-**	**(205)**	**78**	**(127)**	**133**	**6**
Issue of share capital	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Purchases and sales of treasury shares[iv]	**-**	**-**	**5**	**-**	**(6)**	**-**	**(1)**	**-**	**(1)**
Dividends paid/payable to shareholders[v]	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(22)**	**(22)**
Dividends paid/payable to holders of deeply-subordinated perpetual bonds[v]	**-**	**-**	**-**	**-**	**(36)**	**-**	**(36)**	**-**	**(36)**
Share-based payments	**-**	**-**	**-**	**-**	**4**	**-**	**4**	**9**	**13**
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	**-**	**-**	**-**	**-**	**(13)**	**-**	**(13)**	**2**	**(10)**
Other movements	**-**	**-**	**-**	**-**	**13**	**-**	**13**	**19**	**32**
At 30 June 2021	**166**	**3,901**	**(16)**	**1,350**	**733**	**(3,031)**	**3,103**	**2,998**	**6,101**

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

(i) Additional paid-in capital includes (a) premiums on shares issued for cash or for contributions in kind, or in connection with mergers or acquisitions, and (b) legal reserves.
(ii) See Note 10.2.
(iii) Attributable to the shareholders of Casino, Guichard-Perrachon.
(iv) See Note 10.1 for information about treasury share transactions.
(v) See Note 10.4 for coupons paid and payable to holders of ordinary shares and deeply-subordinated perpetual bonds. Dividends paid and payable to non-controlling interests during the period primarily concern Brazil for €13 million and Uruguay for €7 million (first-half 2020: Éxito and Uruguay for €11 million and €2 million, respectively).

CONSOLIDATED FINANCIAL STATEMENTS

DETAILED SUMMARY OF NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

INFORMATION ABOUT THE CASINO, GUICHARD-PERRACHON GROUP

Casino, Guichard-Perrachon ("the Company") is a French *société anonyme* listed in compartment A of Euronext Paris. The Company and its subsidiaries are hereinafter referred to as "the Group" or "Casino Group". The Company's registered office is at 1, Cours Antoine Guichard, 42008 Saint-Étienne, France.

The interim consolidated financial statements for the six months ended 30 June 2021 reflect the accounting situation of the Company and its subsidiaries as well as the Group's interests in associates and joint ventures.

The consolidated financial statements of Casino, Guichard-Perrachon for the six months ended 30 June 2021 were approved for publication by the Board of Directors on 28 July 2021.

Note 1 Significant accounting policies

1.1 Accounting standards

Pursuant to European Commission Regulation 1606/2002 of 19 July 2002, the consolidated financial statements of Casino 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 as of the date of approval of the financial statements by the Board of Directors and applicable at 30 June 2021.

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.

The interim consolidated financial statements, presented here in condensed form, have been prepared in accordance with 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 2020, which are available upon request from the Company's registered office, or can be downloaded from the Group's website, https://www.groupe-casino.fr/en/.

Standards, amendments to standards, and interpretations adopted by the European Union and mandatory for financial years beginning on or after 1 January 2021

The accounting principles used to prepare the condensed consolidated financial statements for the six months ended 30 June 2021 are identical to those applied in the annual consolidated financial statements for the year ended 31 December 2020.

Amendments to IFRS 9, IAS 39, IFRS 7 and IFRS 16 – *Interest Rate Benchmark Reform (phase II)* published on 27 August 2020 and mandatory for financial years beginning on or after 1 January 2021 were early adopted by the Group as of 1 January 2020.
These amendments address issues that might affect the financial statements when an existing interest rate benchmark is replaced with an alternative benchmark as part of an interest rate benchmark reform, and offer practical expedients for recognising changes in contractual cash flows.

IFRS IC agenda decision – *Attributing Benefit to Periods of Service (IAS 19 – Employee Benefits)*

In April 2021, the IFRS IC published an agenda decision concerning the periods of service to which an entity attributes benefit for a defined benefit plan with the following characteristics:
- employees are entitled to a lump sum benefit payment when they reach a particular retirement age, provided they are employed by the entity when they reach that retirement age;
- the amount of the retirement benefit to which an employee is entitled depends on the length of employee service before the retirement age and is capped at a specified number of consecutive years of service.

In its decision, the IFRS IC specifies that when (i) employees are entitled to a retirement benefit only when they reach retirement age and (ii) the benefits are capped after a specified number of years of service (N), the retirement benefit is calculated using only the last years of employee service (N) immediately before retirement age.
Applying this agenda decision will reduce obligations for defined benefit plans under which benefits are capped at a specified number of consecutive years of service, and the fewer the years of service at which benefits are capped, the larger the reduction in the benefit obligation.

Since this decision was only recently published, the Group is in the process of identifying its collective agreements and specific pension plans 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 Basis of measurement

The consolidated financial statements are presented in euros, which is the functional currency of the Group's parent company. The figures in the tables have been rounded to the nearest million euros and include individually rounded data. Consequently, the totals and sub-totals shown may not correspond exactly to the sum of the reported amounts.

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);
- valuation 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 tables below show the impact on the consolidated income statement and consolidated statement of cash flows published at 30 June 2020 of the retrospective application of the IFRS IC agenda decision on the enforceable period of a lease and the useful life of non-removable leasehold improvements under IFRS 16 – *Leases* (see Note 1.3.2 to the consolidated financial statements at 31 December 2020).

Impact on the main consolidated income statement indicators in first-half 2020

(€ millions)	First-half 2020 (reported)	Impact of the IFRS IC decision	First-half 2020 (restated)
Net sales	16,140	-	16,140
Other revenue	245	-	245
Total revenue	**16,385**	**-**	**16,385**
Cost of goods sold	(12,403)	2	(12,402)
Selling expenses	(2,939)	11	(2,928)
General and administrative expenses	(656)	-	(656)
Trading profit	**386**	**13**(i)	**399**
Operating profit	**137**	**16**	**153**
Net finance costs	(188)	-	(188)
Other financial income and expenses	(264)	(27)(ii)	(291)
Profit (loss) before tax	**(314)**	**(10)**	**(325)**
Income tax benefit (expense)	12	3	15
Share of profit of equity-accounted investees	15	-	15
Net profit (loss) from continuing operations	**(287)**	**(8)**	**(295)**
Attributable to owners of the parent	*(334)*	*(6)*	*(340)*
Attributable to non-controlling interests	*47*	*(2)*	*45*
Net profit (loss) from discontinued operations	**(158)**	**-**	**(158)**
Attributable to owners of the parent	*(162)*	-	*(162)*
Attributable to non-controlling interests	*4*	-	*4*
Consolidated net profit (loss)	**(445)**	**(8)**	**(452)**
Attributable to owners of the parent	*(496)*	*(6)*	*(502)*
Attributable to non-controlling interests	*52*	*(2)*	*50*

(i) Of which €6 million relating to the France Retail segment and €7 million relating to the Latam Retail segment.
(ii) Of which negative €15 million relating to the France Retail segment and negative €11 million relating to the Latam Retail segment.

Impact on the main consolidated statement of cash flow indicators in first-half 2020

(€ millions)	First-half 2020 (reported)	Impact of the IFRS IC decision	First-half 2020 (restated)
Net cash from (used in) operating activities	**60**	***(3)***	**58**
of which consolidated profit (loss) before tax	*(419)*	*(10)*	*(429)*
of which other components of cash flow	*1,186*	*8*	*1,193*
of which change in operating working capital and income tax paid	*(811)*	-	*(811)*
of which income taxes paid and change in operating working capital: discontinued operations	*105*	-	*105*
Net cash used in investing activities	**(375)**	**-**	**(375)**
Net cash from (used in) financing activities	**(667)**	***3***	**(664)**
of which repayments of lease liabilities	*(340)*	*29*	*(311)*
of which interest paid, net	*(428)*	*(26)*	*(455)*
of which cash used in discontinued operations	*(27)*	-	*(27)*
Effect of changes in exchange rates on cash and cash equivalents	(398)	-	(398)
Change in cash and cash equivalents	**(1,379)**	**-**	**(1,379)**
Net cash and cash equivalents at beginning of period	3,530	-	3,530
Net cash and cash equivalents at end of period	2,151	-	2,151

Note 2 Significant events of the period

Significant events during the period are the following:

Impact of the Covid-19 global pandemic

The impact of the Covid-19 crisis is having a lasting effect across the globe, and uncertainties remain as to how the pandemic will evolve going forward. The impacts for the Group in first-half 2021 were similar to those observed in second-half 2020 from both an operating and a financial perspective. These varying impacts are set out in Note 2 to the 2020 consolidated financial statements.

Disposal plan for non-strategic assets

In mid-2018, the Group initiated a plan to dispose of certain non-strategic assets, under which a total of €2.8 billion in assets had been sold at 31 December 2020. The Group continued with its plan in 2021, reaching an agreement for the sale of Floa on 27 July 2021 (Note 13) and recognising contingent consideration in connection with the sale-and-leaseback transactions carried out in 2019 (Note 6.5). As a result, the Group had sold a total of €3.1 billion in non-strategic assets out of an announced €4.5 billion disposal plan.

Assaí listing in Brazil

On 19 February 2021, GPA announced that it had received (i) on 10 February 2021, approval to list the shares issued by Sendas Distribuidora SA (Assaí) on the Novo Mercado segment of the B3 SA – Brasil, Bolsa, Balcão, and (ii) on 12 February 2021, approval to list the American Depositary Securities (ADSs) of Assaí on the New York Stock Exchange. These operations are part of the transactions announced at the end of 2020 to restructure and spin off certain GPA assets. Assaí shares were distributed to GPA shareholders at a ratio of one Assaí share for each GPA share. The trading of Assaí shares and ADSs began on 1 March 2021.
Following the listing, Casino Group – which holds a 41.2% stake in GPA and an identical stake in Assaí – continues to exercise *de facto* control of these two companies. Fees relating to these transactions were recognised within "Other operating expenses" for €19 million (Note 6.5)

Operations carried out to strengthen the Group's financial structure

In first-half 2021, the Group continued to strengthen its financial structure through two operations:

- a new €1 billion term loan ("Term Loan B") maturing in August 2025, issued at a price representing 99.75% of the nominal amount. The loan bears interest at Euribor +4.0% and the collateral posted is the same as for the existing term loan;
- a new €525 million unsecured debt issue, maturing in April 2027 and with a 5.25% coupon.

The funds raised from these instruments were used to repay ahead of term the existing €1.225 billion term loan ("Term Loan B") maturing in January 2024 and bearing interest at Euribor +5.5%. This early repayment was made at 101% of the nominal amount, representing a repayment premium of €12 million.

The repayment was treated as a settlement of a financial liability. The resulting accounting impacts were (i) derecognition of the initial Term Loan B and (ii) recognition of the new Term Loan B. The difference between the repayment price of the initial Term Loan B (€1,237 million) and its carrying amount at the repayment date was immediately expensed within "Net finance costs" for €43 million. The corresponding fees for this operation amounted to €10 million.

On 19 July 2021, the Group also announced that it had extended the maturity of its syndicated credit facility ("RCF") and improved its financial conditions (Note 9.6). The amendment to the loan documentation effective 22 July 2021 provides for:

- an extension of the maturity of the facility from October 2023 to July 2026 (May 2025 if the Term Loan B maturing in August 2025 is not repaid or refinanced at that date) for an amount of €1.8 billion;
- a review of the financial covenants, in line with the improvement in the Group's financial position and GreenYellow's growth plan (see below). Consequently, as from 30 June 2021, the Group has undertaken to comply, on a quarterly basis, with the following covenants, which supersede the previous covenants, for the France Retail and E-commerce scope (excluding GreenYellow):
  - a ratio of secured gross debt to EBITDA (after lease payments) not in excess of 3.5x;
  - a ratio of EBITDA (after lease payments) to net finance costs not less than 2.5x.

The security interests and collateral initially granted to the lenders remain unchanged. The dividend restrictions provided for in the financing raised since November 2019 (see Note 11.5.4 to the Group's 2020 consolidated financial statements) also remain unchanged.

Outstanding fees relating to the amended RCF will be amortised on a yield-to-maturity basis over the residual term of the amended facility.

Lastly, Monoprix's syndicated credit facility, which expired in July 2021, was also renewed after the reporting date. The new €130 million syndicated facility matures in January 2026 and has a yearly margin adjustment clause based on the achievement of CSR targets.

As a result of these two operations, the amount of the Group's undrawn lines of credit available at any time in the France Retail segment stands at €2.2 billion, with an average maturity of 4.6 years (versus 2.2 years prior to the operations).

End of the purchasing agreement with Auchan Retail, Dia, Metro and the Schiever group

The groups jointly decided not to renew their cooperation agreement for the 2022 purchasing negotiations. All commitments undertaken with suppliers and partners within the scope of finalized negotiations involving the "Horizon Achats et Appels d'offres" and "Horizon International Services" organisations will be met through to the end of 2021. The end of this cooperation has no material accounting impact.

Partnership with Intermarché in purchasing for leading brand products and in digital

On 15 April, Intermarché and Casino Group announced that they had entered into a five-year partnership covering three distinct areas:

- purchasing, with the creation of (i) a centralised purchasing unit for food, to be managed by Intermarché, (ii) a centralised purchasing unit in the non-food sector to be managed by Casino Group, and (iii) a joint international organisation to sell international services to large industrial groups operating in their territories (Europe and Latin America);
- development of digital services in marketing and advertising fields, with the creation of a joint venture to market a Retail Media offering to food producers and their agents in France;
- the food industry, with a cooperation agreement.

These agreements will be effective for 2022 purchasing negotiations, after being submitted to the competent regulatory authorities.

Potential market operations being studied for Cdiscount and GreenYellow subsidiaries

On 12 April 2021, the Group announced that it had actively launched a preliminary review of potential additional capital raising for GreenYellow and Cdiscount. The capital raising could take the form of (i) market operations and (ii) secondary placements of shares held by the Group, with Casino nevertheless retaining the control of these strategic subsidiaries.

On 14 May 2021, GreenYellow subsequently announced that it had decided with its shareholders to explore the possibility of an IPO on Euronext Paris, subject to market conditions and regulatory approvals. The transaction would chiefly consist of a capital increase. Casino Group would remain as GreenYellow's majority shareholder.

Lastly, on 1 June 2021, Cnova announced that it was considering a private placement of new shares for approximately €300 million before the end of the year. Certain existing shareholders could also sell a portion of their shares to increase the free float.

Note 3 Scope of consolidation

3.1 Transactions affecting the scope of consolidation

There were no material transactions affecting the scope of consolidation during the period.

Supermercados Disco del Uruguay SA is controlled by way of a shareholder agreement signed in April 2015, giving Éxito 75% of the voting rights it needs in order to exercise control. This agreement expired on 1 July 2021. At the reporting date, there were no changes in control of this company. Business continues as usual and the Group is in the process of considering its next steps together with the shareholders, along with any associated impacts.

3.2 Non-current 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 2021		31 December 2020	
		Assets	Liabilities	Assets	Liabilities
Other France Retail[(i)]		**998**	**201**	914	210
Other Latam Retail		**66**	**-**	19	-
Total		**1,064**	**201**	**932**	**210**
Net assets		**863**		722	
of which attributable to owners of the parent of the selling subsidiary	*9.2.1*	***862***		*720*	

(i) At 30 June 2021 and 31 December 2020, this line corresponds mainly to stores, property assets and the shareholding in Floa in connection with asset disposal plans and plans to optimise the store base.

3.2.2 Discontinued operations

In first-half 2021, the net loss from discontinued operations essentially reflects (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. In first-half 2020, the loss from discontinued operations essentially reflected the contribution of Leader Price to the Group's earnings prior to its sale on 30 November 2020.

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

(€ millions)	First-half 2021	First-half 2020
Net sales	**279**	**862**
Net expenses[(i)]	**(488)**	**(967)**
Net profit (loss) before tax from discontinued operations	**(209)**	**(104)**
Income tax benefit (expense)	**41**	**(13)**
Share of profit (loss) of equity-accounted investees	**(1)**	**(40)**
Net profit (loss) from discontinued operations	**(169)**	**(158)**
Attributable to owners of the parent	***(170)***	***(162)***
Attributable to non-controlling interests	***2***	***4***

(i) Including a gross amount of BRL 158 million (€29 million) in first-half 2020, corresponding to GPA's right to receive a portion of the profit resulting from the exclusion of ICMS tax from the PIS/COFINS tax base of its former subsidiary Globex, following the court ruling handed down in respect of Via Varejo for the 2007-2010 period. Pending substantiating legal documentation from Via Varejo regarding tax credits for fiscal years 2003 to 2007, GPA's right to receive tax credits is considered a contingent asset estimated at around BRL 277 million, or €47 million (Note 11.3).

3.3 Investments in equity-accounted investees

3.3.1 Share of contingent liabilities of equity-accounted investees

At 30 June 2021 and 31 December 2020, 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.

(€ millions)	2021		2020	
	Associates	Joint ventures	Associates	Joint ventures
Closing balance at 30 June 2021 and 31 December 2020				
Loans	**97**	**16**	60	7
o/w impairment	*(2)*	-	*(2)*	-
Receivables	**24**	**26**	20	22
o/w impairment	-	*(1)*	-	*(1)*
Payables	**123**(i)	**227**(iii)	160(i)	143
First-half transactions				
Expenses	**4**(ii)	**411**(iii)	4(ii)	373(iii)
Income	**80**(iv)	**23**	110(iv)	29

(i) Including lease liabilities in favour of Mercialys for property assets amounting to €117 million at 30 June 2021, of which €30 million due within one year (31 December 2020: €150 million, of which €32 million due within one year).
(ii) Following the application of IFRS 16, the above amounts do not include the lease payments associated with the 52 leases signed with Mercialys. These payments represented €20 million in first-half 2021 (first-half 2020: 63 leases for €25 million).
(iii) Including €395 million in fuel purchases from Distridyn in first-half 2021 (first-half 2020: €355 million). At 30 June 2021, the Group had a current account with Distridyn for €30 million.
(iv) Income of €80 million in first-half 2021 (first-half 2020: €110 million) also includes sales of goods by Franprix and Distribution Casino France to master-franchisees accounted for by the equity method, for €48 million (first-half 2020: €54 million). The income figure also includes proceeds from property development transactions with Mercialys reported under "Other revenue" for €3 million, including an EBITDA impact of €2 million in first-half 2021, compared to €18 million reported under "Other revenue" in first-half 2020 including an EBITDA impact of €11 million.

Note 4 Additional cash flow disclosures

4.1 Reconciliation of provision expense

(€ millions)	Notes	First-half 2021	First-half 2020 (restated)
Goodwill impairment	8	**-**	(15)
Impairment of intangible assets		**(1)**	(7)
Impairment of property, plant and equipment		**(15)**	(18)
Impairment of investment property		**-**	-
Impairment of right-of-use assets		**(13)**	(6)
Impairment of other assets		**59**	(49)
Net (additions to)/reversals of provisions for risks and charges	11.1	**51**	(1)
Total provisions		**80**	**(94)**
Provision expense reported within discontinued operations		**1**	-
Provision expense adjustment in the statement of cash flows		**81**	**(94)**

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

(€ millions)	1 January 2021	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	Reclassifi-cations and other	30 June 2021
Goods inventories	**(3,059)**	**(85)**	**-**	**6**	**-**	**(3)**	**(65)**	**3**	**(3,203)**
Property development work in progress	**(150)**	**10**	**-**	**-**	**-**	**(1)**	**1**	**(7)**	**(146)**
Trade payables	**6,190**	**(654)**	**-**	**(145)**	**-**	**(4)**	**47**	**(41)**	**5,392**
Trade receivables	**(941)**	**41**	**-**	**18**	**-**	**6**	**(2)**	**18**	**(860)**
Other (receivables)/payables	**274**	**(218)**	**93**	**24**	**(58)**	**103**	**(63)**	**5**	**160**
TOTAL	**2,314**	**(906)**	**93**	**(97)**	**(58)**	**102**	**(82)**	**(23)**	**1,343**

(€ millions)	1 January 2020	Cash flows from operating activities	Other cash flows	Changes in scope of consolidation	Effect of movements in exchange rates	Reclassif-ications and other	30 June 2020
Goods inventories	(3,485)	(63)	-	(6)	419	15	(3,119)
Property development work in progress	(290)	(5)	-	15	27	1	(252)
Trade payables	6,580	(868)	-	(2)	(606)	(14)	5,090
Trade receivables	(836)	(31)	-	(2)	33	29	(807)
Other (receivables)/payables	302	200	(290)[i]	(46)	125	22	313
TOTAL	**2,272**	**(766)**	**(290)**	**(41)**	**(2)**	**52**	**1,224**

(i) Including €248 million paid on unwinding the total return swap (TRS) on GPA shares (Note 4.10).

4.3 Reconciliation of acquisitions of non-current assets

(€ millions)	First-half 2021	First-half 2020
Additions to and acquisitions of intangible assets	**(118)**	(102)
Additions to and acquisitions of property, plant and equipment	**(370)**	(357)
Additions to and acquisitions of investment property	**(14)**	(2)
Additions to and acquisitions of lease premiums included in right-of-use assets	**(2)**	(1)
Changes in amounts due to suppliers of non-current assets	**4**	14
Neutralisation of capitalised borrowing costs (IAS 23)[i]	**2**	1
Effect of discontinued operations	**-**	-
Cash used in acquisitions of intangible assets, property, plant and equipment and investment property	**(499)**	**(447)**

(i) Non-cash movements.

4.4 Reconciliation of disposals of non-current assets

(€ millions)	First-half 2021	First-half 2020
Disposals of intangible assets	**1**	1
Disposals of property, plant and equipment	**17**	18
Disposals of investment property	**-**	-
Disposals of lease premiums included in right-of-use assets	**1**	2
Gains on disposals of non-current assets[i]	**98**	65
Changes in receivables related to non-current assets	**(98)**	2
Reclassification of non-current assets as "Assets held for sale"	**1**	80
Effect of discontinued operations	**-**	-
Cash from disposals of intangible assets, property, plant and equipment and investment property	**19**	**169**

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

4.5 Effect on cash and cash equivalents of changes in scope of consolidation resulting in acquisition or loss of control

(€ millions)	First-half 2021	First-half 2020
Amount paid for acquisitions of control	**(6)**	(3)
Cash acquired/(bank overdrafts assumed) in acquisitions of control	**-**	(1)
Proceeds from losses of control	**(3)**	212
(Cash sold)/bank overdrafts transferred in losses of control	**-**	(43)
Effect of changes in scope of consolidation resulting in acquisition or loss of control	**(9)**	**165**

In first-half 2020, the net impact of these transactions on the Group's cash and cash equivalents was mainly due to the loss of control of Vindémia.

4.6 Effect of changes in scope of consolidation related to equity-accounted investees

(€ millions)	First-half 2021	First-half 2020
Amount paid for the acquisition of shares in equity-accounted investees	**(8)**	(8)
Amount received from the sale of shares in equity-accounted investees	**1**	(2)
Effect of changes in scope of consolidation related to equity-accounted investees	**(6)**	**(10)**

4.7 Effect on cash and cash equivalents of transactions with non-controlling interests

(€ millions)	Notes	First-half 2021	First-half 2020
GPA – costs related to the acquisition of 41.27% of Éxito shares in 2019		**-**	(22)
GPA – exercise of stock options		**4**	-
Other		**(1)**	1
Effect on cash and cash equivalents of transactions with non-controlling interests		**3**	**(21)**

4.8 Reconciliation between change in cash and cash equivalents and change in net debt

(€ millions)	Notes	First-half 2021	First-half 2020 (restated)
Change in cash and cash equivalents		**(735)**	(1,379)
Additions to loans and borrowings[(i)]		**(2,636)**	(1,064)
Repayments of loans and borrowings[(i)]		**1,998**	837
Allocation to/(use of) segregated account	4.10	**(148)**	(7)
Outflows/(inflows) of financial assets		**(1)**	(1)
Non-cash changes in debt[(i)]		**157**	154
Change in net assets held for sale attributable to owners of the parent		***138***	*62*
Change in other financial assets		***94***	*(7)*
Effect of changes in scope of consolidation		***(16)***	*20*
Change in fair value hedges		***9***	*5*
Change in accrued interest		***(36)***	*63*
Other		***(31)***	*10*
Effect of movements in exchange rates[(i)]		**(201)**	813
Change in loans and borrowings of discontinued operations		**(3)**	(136)
Change in net debt		**(1,568)**	**(782)**
Net debt at beginning of period		**3,914**	4,055
Net debt at end of period	9.2	**5,482**	4,837

(i) These impacts relate exclusively to continuing operations.

4.9 Reconciliation of net interest paid

(€ millions)	Notes	First-half 2021	First-half 2020 (restated)
Net finance costs reported in the income statement	**9.3.1**	**(224)**	**(188)**
Neutralisation of unrealised exchange gains and losses		**9**	1
Neutralisation of amortisation of debt issuance/redemption costs and premiums		**49**	23
Capitalised borrowing costs		**(2)**	(1)
Change in accrued interest and in fair value hedges of borrowings		**7**	(94)
Interest on lease liabilities		**(152)**	(164)
Non-recourse factoring and associated transaction costs	9.3.2	**(23)**	(32)
Interest paid, net as presented in the statement of cash flows		**(335)**	**(455)**

4.10 Cash flows in investing activities related to financial assets

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

In first-half 2020:

- Cash outflows related to acquisitions of financial assets amounted to €472 million, mainly breaking down as (i) a payment of €248 million relating to unwinding the total return swap (TRS) on GPA shares and (ii) the allocation of €186 million collected on the disposal of Vindémia to the segregated account.
- Cash inflows related to acquisitions of financial assets amounted to €254 million and mainly reflect the use of €193 million from the segregated account to redeem the residual bond debt maturing in 2020.

Note 5 Segment information

5.1 Key indicators by reportable segment

The segment information presented below is based on the internal reporting used by General Management (the chief operating decision maker) to evaluate performance and allocate resources. It includes in particular the allocation of the holding company costs to all of the Group's Business Units.

(€ millions)	France Retail	Latam Retail	E-commerce	First-half 2021
External net sales (Notes 5.2 and 6.2)	**6,863**	**6,670[(iii)]**	**947**	**14,480**
EBITDA[(i)]	**573[(ii)]**	**477[(iii)]**	**48**	**1,099**
Recurring depreciation and amortisation (Notes 6.3 and 6.4)	**(407)**	**(205)**	**(42)**	**(654)**
Trading profit	**166[(ii)]**	**271[(iii)]**	**7**	**444**

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

(ii) Of which €3 million 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 Mercialys following the decrease in Casino's stake in Mercialys (Note 3.3.2).

(iii) 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 62 million (€10 million) tax credit, of which BRL 40 million (€6 million) was recognised in sales and BRL 22 million (€3 million) in other financial income (Note 9.3.2), representing the amount which could be reliably estimated. In first-half 2021, CBD also revalued the tax credits recognised in 2020 and, as a result, recognised an additional BRL 195 million (€30 million), of which BRL 106 million (€16 million) in sales and BRL 89 million (€14 million) in other financial income (Note 9.3.2)

(€ millions)	France Retail	Latam Retail	E-commerce	First-half 2020 (restated)
External net sales (Notes 5.2 and 6.2)	7,791	7,401	948	16,140
EBITDA[(i)]	561[(ii)]	459	43	1,063
Recurring depreciation and amortisation (Notes 6.3 and 6.4)	(408)	(219)	(37)	(664)
Trading profit	154[(ii)]	239	6	399

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

(ii) Of which €4 million in respect of property deals carried out in France, corresponding in 2020 to the recognition of previously eliminated margins on property development transactions involving Casino and Mercialys following the decrease in Casino's stake in Mercialys (Note 3.3.2).

5.2 Key indicators by geographic area

(€ millions)	France	Latin America	Other regions	Total
External net sales for the six months ended 30 June 2021	**7,799**	**6,670**	**12**	**14,480**
External net sales for the six months ended 30 June 2020	8,738	7,393	10	16,140

(€ millions)	France	Latin America	Other regions	Total
Non-current assets at 30 June 2021[(i)]	**10,372**	**8,404**	**83**	**18,859**
Non-current assets at 31 December 2020[(i)]	10,559	7,898	56	18,512

(i) Non-current assets include goodwill, intangible assets and 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 Activity data

6.1 Seasonality of operations

Across all businesses, seasonal fluctuations on the income statement are minor in terms of net sales (first-half 2020 represented 51% of full-year 2020, or 49% based on the average 2020 exchange rate), but are more significant in terms of trading profit (28% based on the average exchange rate for first-half 2020 and 27% based on the average exchange rate for full-year 2020). The seasonality observed in 2020 was affected by the health crisis. In 2021, seasonal trends should get back to normal, with sales in the first half of the year expected to represent around 49% of annual sales, and trading profit around 35% to 40%.

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 revenue

The following tables present a breakdown of revenue:

(€ millions)	France Retail	Latam Retail	E-commerce	First-half 2021
Net sales	**6,863**	**6,670**	**947**	**14,480**
Other revenue	**135**	**88**	**-**	**224**
Total revenue	**6,999**	**6,758**	**947**	**14,704**

(€ millions)	France Retail	Latam Retail	E-commerce	First-half 2020
Net sales	7,791	7,401	948	16,140
Other revenue	172	73	-	245
Total revenue	**7,963**	**7,474**	**948**	**16,385**

6.3 Expenses by nature and function

(€ millions)	Logistics costs[i]	Selling expenses	General and administrative expenses	First-half 2021
Employee benefits expense	**(245)**	**(1,076)**	**(349)**	**(1,670)**
Other expenses	**(360)**	**(980)**	**(198)**	**(1,539)**
Depreciation and amortisation (Notes 5.1/6.4)	**(70)**	**(474)**	**(110)**	**(654)**
Total	**(675)**	**(2,531)**	**(657)**	**(3,864)**

(€ millions)	Logistics costs[i]	Selling expenses	General and administrative expenses	First-half 2020 (restated)
Employee benefits expense	(261)	(1,339)	(372)	**(1,973)**
Other expenses	(392)	(1,094)	(184)	**(1,670)**
Depreciation and amortisation (Notes 5.1/6.4)	(70)	(494)	(99)	**(664)**
Total	**(723)**	**(2,928)**	**(656)**	**(4,307)**

(i) Logistics costs are reported under “Cost of goods sold”.

6.4 Depreciation and amortisation

(€ millions)	Notes	First-half 2021	First-half 2020 (restated)
Amortisation of intangible assets		**(106)**	(92)
Depreciation of property, plant and equipment		**(214)**	(228)
Depreciation of investment property		**(7)**	(6)
Depreciation of right-of-use assets		**(327)**	(338)
Total depreciation and amortisation expense		**(654)**	**(664)**
Depreciation and amortisation reported under "Profit from discontinued operations"		**-**	-
Depreciation and amortisation of continuing operations	**5.1/6.3**	**(654)**	**(664)**

6.5 Other operating income and expenses

(€ millions)	First-half 2021	First-half 2020 (restated)
Total other operating income	**247**	226
Total other operating expenses	**(236)**	(471)
	11	**(246)**
Breakdown by type		
Gains and losses on disposal of non-current assets (i) (vi)	**102**	45
Net asset impairment losses (ii) (vi)	**38**	(70)
Net income/(expense) related to changes in scope of consolidation(iii) (vi)	**(33)**	(74)
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	**108**	**(100)**
Restructuring provisions and expenses (iii) (iv) (vi)	**(65)**	(110)
Provisions and expenses for litigation and risks (v)	**(12)**	(30)
Other	**(20)**	(6)
Sub-total	**(97)**	**(146)**
Total net other operating income (expenses)	**11**	**(246)**

(i) Net gains on disposal of non-current assets in first-half 2021 primarily reflect 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 (Note 9.2.2). Net gains on disposal of non-current assets in the first half of 2020 primarily concerned GPA in connection with sale-and-leaseback transactions and asset disposals.

(ii) The net reversal of impairment losses recognised in first-half 2021 mainly concerns the France Retail segment and relates to the asset disposal plan. The impairment loss recognised in first-half 2020 mainly concerned the France Retail segment and related to the asset disposal plan.

(iii) The net expense of €33 million related to changes in the scope of consolidation in first-half 2021 is mainly attributable to fees incurred in relation to the Assai spin-off (Note 2). The expense relating to the store optimisation plan in the France Retail segment, including employee costs, store closure costs, inventory reduction costs and impairment, totalled €43 million in first-half 2020 (of which €2 million corresponding to changes in scope, €39 million classified as restructuring costs and €1 million classified within litigation and risks).

(iv) Restructuring costs in the first half of 2021 chiefly concern the France Retail and Latam retail segments for €46 million and €18 million, respectively. Excluding the impact of the store optimisation plan set out in the previous footnote, restructuring provisions and expenses in first-half 2020 mainly concerned the France Retail and Latam Retail segments for €30 million and €38 million, respectively.

(v) Provisions and expenses for litigation and risks represent a net expense of €12 million in first-half 2021 and mainly concern the France Retail Segment. Provisions and expenses for litigation and risks represented a net expense of €30 million in first-half 2020, including €11 million for tax risks at GPA.

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

(€ millions)	First-half 2021	First-half 2020 (restated)
Goodwill impairment losses	**-**	(15)
Impairment (losses)/reversals on intangible assets, net	**(1)**	(7)
Impairment (losses)/reversals on property, plant and equipment, net	**(15)**	(18)
Impairment (losses)/reversals on investment property, net	**-**	-
Impairment (losses)/reversals on right-of-use assets, net	**(13)**	(6)
Impairment (losses)/reversals on other assets, net (IFRS 5 and other)	**59**	(49)
Total net impairment losses	**30**	**(94)**
Net impairment losses of discontinued operations	**-**	-
Net impairment losses of continuing operations	**30**	**(94)**
Of which presented under "Restructuring provisions and expenses"	***(8)***	*(23)*
Of which presented under "Net impairment (losses)/reversals on assets"	***38***	*(70)*
Of which presented under "Net income/(expense) related to changes in scope of consolidation"	***(1)***	-
Of which presented under "Gains and losses on disposal of non-current assets"	***-***	*(1)*

Note 7 Income taxes

The effective tax rate for the half-year ended 30 June 2021 was -79.2% versus -4.6% for first-half 2020. The tax proof is presented below:

(€ millions)	First-half 2021		First-half 2020 (restated)	
Profit (loss) before tax	**57**		**(325)**	
Theoretical income tax benefit (expense)[i]	**(16)**	**-28.41%**	**104**	**-32.02%**
Reconciliation of the theoretical income tax benefit (expense) to the actual income tax benefit (expense)				
Impact of differences in foreign tax rates	**(7)**	**-12.1%**	2	-0.5%
Recognition of previously unrecognised tax benefits on tax losses and other deductible temporary differences[ii]	**2**	**4.2%**	9	-2.8%
Unrecognised deferred tax assets/valuation allowances on recognised deferred tax assets on tax loss carryforwards or other deductible temporary differences[iii]	**(17)**	**-29.8%**	(22)	6.9%
Change in corporate tax rate[iv]	**(7)**	**-13.0%**	(16)	4.9%
CVAE net of income tax	**(12)**	**-21.7%**	(21)	6.5%
Non-deductible interest expense[v]	**(12)**	**-21.2%**	(14)	4.2%
Non-deductible asset impairment losses	**17**	**29.9%**	(19)	5.9%
Other taxes on distributed earnings[vi]	**(2)**	**-3.0%**	(4)	1.2%
Deductible interest on deeply-subordinated perpetual bonds	**6**	**10.5%**	6	-1.9%
Taxation of Mercialys shares	**(3)**	**-5.8%**	-	0.1%
Reduced-rate asset disposals and changes in scope of consolidation	**3**	**5.6%**	(3)	0.9%
Other	**3**	**5.6%**	(7)	2.1%
Actual income tax benefit (expense)/Effective tax rate	**(46)**	**-79.2%**	**15**	**-4.6%**

(i) The reconciliation of the effective tax rate paid by the Group is based on the current French rate of 28.41% in 2021 (32.02% in 2020).

(ii) In first-half 2021, this mainly concerns the France Retail segment. In first-half 2020, this concerned the E-commerce segment for €6 million and the France Retail segment for €5 million.

(iii) In first-half 2021, this concerns the France Retail segment for a negative €4 million, the Latam Retail segment for a negative €7 million and the E-commerce segment for a negative €6 million. In first-half 2020, this concerned the E-commerce segment for a negative €11 million and the France Retail segment for a negative €9 million.

(iv) Corresponding mainly to the impact of adjusting the timing of recovery for deferred taxes.

(v) Tax laws in some countries cap the deductibility of interest paid by companies. The impact on the two periods presented essentially concerns the France scope.

(vi) Corresponding to taxation of intra-group dividends.

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 €502 million in first-half 2021, compared with €462 million for the same period in 2020. In addition, right-of-use assets recognised in first-half 2021 in respect of new leases amount to €144 million versus €142 million in the prior-year period. Currency fluctuations have a €209 million positive impact on property, plant and equipment, intangible assets, investment property and right-of-use assets.

The Group carried out a review of goodwill and other non-current assets at 30 June 2021 to determine whether there was any evidence of impairment, as defined in the notes to the 2020 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 €29 million for the period (Note 6.5), mainly in relation to the France Retail segment.

Note that the Extra banner in Brazil, which owns the brand with a net carrying amount of €303 million at 30 June 2021, was tested for impairment. No impairment was recognised as a result of this test. This would also have been the case in the event of the following changes in the key assumptions used: a 100-basis point increase in discount rates, a 25-basis point decrease in the perpetual growth rate used to calculate terminal value, and a 50-basis point decrease in the EBITDA margin for the cash flow projection used to calculate terminal value.

The only goodwill CGU presenting evidence of impairment is Multivarejo in Brazil. However, no impairment loss was recognised based on the tests carried out. Based on the sensitivity tests (see above), no impairment losses would have been recognised.

Note 9 Financial structure and finance costs

9.1 Net cash and cash equivalents

(€ millions)	30 June 2021	31 December 2020
Cash equivalents	1,290	1,383
Cash	842	1,362
Cash and cash equivalents	**2,133**	**2,744**
Bank overdrafts	(192)	(69)
Net cash and cash equivalents	**1,941**	**2,675**

As of 30 June 2021, cash and cash equivalents are not subject to any material restrictions.

9.2 Loans and borrowings

9.2.1 Breakdown

Gross borrowings and debt amount to €9,068 million at 30 June 2021 (31 December 2020: €8,056 million), breaking down as follows:

(€ millions)	Notes	30 June 2021			31 December 2020		
		Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds[(i)]		5,141	944	6,085	4,663	615	5,278
Other loans and borrowings		2,091	878	2,969	2,034	732	2,766
Fair value hedges – liabilities[(ii)]		13	1	13	3	8	11
Gross borrowings and debt[(iii)]		**7,244**	**1,823**	**9,068**	**6,701**	**1,355**	**8,056**
Fair value hedges – assets[(iv)]		(56)	(6)	(61)	(77)	(15)	(92)
Other financial assets[(v)]		(83)	(447)	(530)	(68)	(518)	(586)
Loans and borrowings[(vi)]	**9.2.2**	**7,105**	**1,371**	**8,477**	**6,555**	**823**	**7,378**
Of which France Retail		*4,467*	*187*	*4,654*	*4,504*	*(163)*	*4,341*
Of which Latam Retail [(vii)]		*2,518*	*854*	*3,372*	*1,932*	*876*	*2,808*
Of which E-commerce		*120*	*330*	*450*	*120*	*109*	*229*
Net assets held for sale attributable to owners of the parent of the selling subsidiary	3.2	-	(862)	(862)	-	(720)	(720)
Cash and cash equivalents	9.1	-	(2,133)	(2,133)	-	(2,744)	(2,744)
Of which France Retail				*(506)*			*(803)*
Of which Latam Retail				*(1,605)*			*(1,926)*
Of which E-commerce				*(22)*			*(16)*
Cash and cash equivalents and net assets held for sale		**-**	**(2,995)**	**(2,995)**	**-**	**(3,464)**	**(3,464)**
NET DEBT		**7,105**	**(1,624)**	**5,482**	**6,555**	**(2,642)**	**3,914**
Of which France Retail				*3,352*			*2,835*
Of which Latam Retail				*1,702*			*866*
Of which E-commerce				*428*			*213*

(i) Including €3,897 million in France and €2,188 million in Brazil at 30 June 2021 (31 December 2020: €3,551 million in France and €1,727 million in Brazil).
(ii) Including €2 million in France and €11 million in Brazil at 30 June 2021 (31 December 2020: €8 million in France and €3 million in Brazil).
(iii) Including secured gross debt of €1,930 million. As from 30 June 2021, this indicator is used to calculate the covenants following the amendment to the revolving credit facility (RCF) (Notes 2 and 9.6).
(iv) Of which €59 million in France and €2 million in Brazil at 30 June 2021 (31 December 2020: €79 million in France and €12 million in Brazil).
(v) Including mainly €352 million placed in escrow and posted as collateral (of which €339 million in a segregated account – Note 9.6) and €161 million in financial assets further to a disposal of non-current assets at 30 June 2021, comprising contingent consideration recognised in the period for €99 million, of which €16 million in non-current items (Note 6.5) (31 December 2020: €505 million placed in escrow and posted as collateral [of which €487 million in a segregated account] and €60 million in financial assets further to a major disposal of non-current assets).
(vi) 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.
(vii) Including Segisor amounting to €171 million at 30 June 2021 (31 December 2020: €188 million).

9.2.2 Change in financial liabilities

(€ millions)	First-half 2021	2020
Gross borrowings and debt at 1 January	*8,056*	*9,649*
Fair value hedges – assets	*(92)*	*(78)*
Other financial assets	*(586)*	*(342)*
Loans and borrowings at beginning of period	**7,378**	**9,229**
New borrowings(i) (iii) (viii)	**2,636**	2,066
Repayments of borrowings(ii) (iii) (viii)	**(1,998)**	(2,632)
Change in fair value of hedged debt	**(9)**	27
Change in accrued interest	**36**	32
Foreign currency translation adjustments(iv)	**210**	(915)
Changes in scope of consolidation(v)	**17**	(101)
Reclassification of financial liabilities associated with non-current assets held for sale	**-**	-
Change in other financial assets(vi)	**54**	(247)
Other and reclassifications(vii)	**154**	(81)
Loans and borrowings at end of period	**8,477**	**7,378**
Gross borrowings and debt at end of period (Note 9.2.1)	*9,068*	*8,056*
Fair value hedges – assets (Note 9.2.1)	*(61)*	*(92)*
Other financial assets (see Note 9.2.1)	*(530)*	*(586)*

(i) New borrowings in first-half 2021 primarily include the following: (a) an unsecured bond issue by Casino, Guichard-Perrachon maturing in April 2027 and a new term loan ("Term Loan B") for a total nominal amount of €1,525 million (Note 2), (b) a debenture issue by CBD for BRL 1,500 million (€231 million) along with new bank loans totalling BRL 400 million (€62 million), (c) a debenture issue by Sendas for BRL 1,600 million (€246 million) and new bank loans for BRL 291 million (€45 million), (d) drawdowns on confirmed bank credit lines and new bank loans taken out by Éxito for COP 810 billion (€185 million), and (e) the refinancing by Segisor of the €188 million bank loan maturing in December 2021, resulting in the repayment of €188 million in the period, and a new liability contracted for the same amount (see below in (ii)).
New borrowings in 2020 mainly included: (a) an unsecured bond issue by Casino, Guichard-Perrachon maturing in January 2026 and the Term Loan B tap for a total amount of €625 million; (b) a debenture issue by GPA for BRL 2,000 million (€339 million) along with new bank borrowings for BRL 3,070 million (€521 million); (c) new bank loans taken out by Éxito for COP 1,025 billion (€243 million); and (d) a government-backed loan granted to Cdiscount for €120 million.

(ii) In first-half 2021, repayments of borrowings mainly concerned (i) Casino, Guichard-Perrachon (of which €1,225 million relating to the early repayment of the initial Term Loan B [Note 2] and €148 million in redemptions of the 2021 and 2022 bond issues), (ii) CBD (of which BRL 1,136 million [€175 million] in redemptions of bonds and BRL 401 million [€62 million] in repayments of bank loans), (iii) Éxito for COP 602 billion [€141 million] in repayments of confirmed facilities and bank loans, and (iv) Segisor for €188 million.
Repayments of borrowings in 2020 mainly concerned (i) Casino, Guichard-Perrachon (of which €257 million in redemptions of bonds maturing in March 2020 and €1,400 million in early bond redemptions); (ii) GPA (of which BRL 2,734 million [€464 million] in redemptions of bonds and BRL 1,186 million [€201 million] in repayments of bank loans); and (iii) Éxito for COP 786 billion (€186 million) in repayments of confirmed credit facilities and bank loans.

(iii) Cash flows relating to financing activities in first-half 2021 represent a net inflow of €454 million, with new borrowings of €2,636 million offset by repayments of borrowings for €1,998 million and net interest payments of €184 million (excluding interest on lease liabilities) (Note 4.9).
In 2020, cash flows relating to financing activities could be summarised as a net inflow of €966 million, consisting of repayments of borrowings for €2,632 million and net interest paid (excluding on lease liabilities) for €400 million (Note 4.9), offset by new borrowings in an amount of €2,066 million.

(iv) In first-half 2021 and full-year 2020, foreign currency translation adjustments primarily concerned Brazil.

(v) In 2020, changes in scope of consolidation included an outflow of €102 million related to the total return swap (TRS) on Mercialys shares.

(vi) In first-half 2021, changes in other financial assets primarily result from the use of the segregated account representing a positive €148 million impact (Note 4.10) and the recognition of contingent consideration not yet collected, representing a negative €99 million impact (Notes 9.2.1 and 6.5).
In 2020, changes in other financial assets essentially related to changes in the segregated account.

(vii) Including changes in current bank overdrafts for a positive €139 million in first-half 2021 and a negative €58 million in 2020.

(viii) Changes in negotiable European commercial paper ("NEU CP") are presented net in this table.

9.3 Net financial income (expense)

9.3.1 Net finance costs

(€ millions)	First-half 2021	First-half 2020
Gains (losses) on disposals of cash equivalents	**-**	-
Income from cash and cash equivalents	**8**	9
Income from cash and cash equivalents	**8**	**9**
Interest expense on borrowings after hedging	**(231)**	(197)
Finance costs	**(231)**	**(197)**
Net finance costs	**(224)**	**(188)**
Of which France Retail(i)	***(165)***	*(125)*
Of which Latam Retail	***(51)***	*(58)*
Of which E-commerce	***(8)***	*(5)*

(i) Including a negative €43 million impact recognised in the period in connection with the derecognition of the former Term Loan B (Note 2).

9.3.2 Other financial income and expenses

(€ millions)	First-half 2021	First-half 2020 (restated)
Total other financial income	**69**	**87**
Total other financial expenses	**(243)**	**(377)**
Net foreign currency exchange gains (losses) (other than on borrowings)(i)	**(10)**	(14)
Gains (losses) on remeasurement at fair value of non-hedging derivative instruments(ii)	**7**	(70)
Gains (losses) on remeasurement at fair value of financial assets	**(3)**	(3)
Interest expense on lease liabilities	**(154)**	(165)
Non-recourse factoring and associated transaction costs	**(23)**	(32)
Impact of applying IAS 29 to operations in Argentina	**(4)**	(2)
Other(iii)	**13**	(4)
Net other financial expense	**(175)**	**(291)**

(i) Including €16 million in foreign currency exchange gains and €26 million in foreign currency exchange losses in first-half 2021 (first-half 2020: €33 million in foreign exchange gains and €47 million in foreign exchange losses).

(ii) At 30 June 2020, the €70 million net expense primarily reflected impact of the fair value adjustment of the GPA total return swap. This swap was unwound during first-half 2020, generating a cash outflow of €248 million (Note 4.10).

(iii) Including BRL 22 million (€3 million) recognised by Sendas in first-half 2021 with regard to the exclusion of ICMS from the PIS/COFINS tax base and BRL 89 million (€14 million) recognised by CBD (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.

			Fair value hierarchy		
As at 30 June 2021 (€ millions)	**Carrying amount**	**Fair value**	**Market price = Level 1**	**Models with observable inputs = Level 2**	**Models with unobservable inputs = Level 3**
Assets	**145**	**145**	**4**	**105**	**35**
Financial assets at fair value through profit or loss(i)	35	35	-	-	35
Financial assets at fair value through other comprehensive income(i)	45	45	4	41	-
Fair value hedges – assets(ii)	61	61	-	61	-
Cash flow hedges and net investment hedges – assets(ii)	1	1	-	1	-
Other derivative instruments – assets	2	2	-	2	-
Liabilities	**14,243**	**14,051**	**3,969**	**9,910**	**171**
Bonds(iii)	6,085	5,893	3,969	1,923	-
Other borrowings(iv)	2,969	2,969	-	2,969	-
Lease liabilities	4,966	4,966	-	4,966	-
Fair value hedges – liabilities(ii)	13	13	-	13	-
Cash flow hedges and net investment hedges – liabilities(ii)	36	36	-	36	-
Other derivative instruments – liabilities(ii)	3	3	-	3	-
Put options granted to owners of non-controlling interests(v)	171	171	-	-	171

			Fair value hierarchy		
At 31 December 2020 (€ millions)	**Carrying amount**	**Fair value**	**Market price = Level 1**	**Models with observable inputs = Level 2**	**Models with unobservable inputs = Level 3**
Assets	**169**	**169**	**4**	**126**	**39**
Financial assets at fair value through profit or loss(i)	39	39	-	-	39
Financial assets at fair value through other comprehensive income(i)	38	38	4	34	-
Fair value hedges – assets(ii)	92	92	-	92	-
Cash flow hedges and net investment hedges – assets(ii)	-	-	-	-	-
Other derivative instruments – assets	-	-	-	-	-
Liabilities	**13,271**	**13,290**	**3,505**	**9,622**	**163**
Bonds(iii)	5,278	5,298	3,505	1,793	-
Other borrowings(iv)	2,766	2,766	-	2,766	-
Lease liabilities	4,987	4,987	-	4,987	-
Fair value hedges – liabilities(ii)	11	11	-	11	-
Cash flow hedges and net investment hedges – liabilities(ii)	56	56	-	56	-
Other derivative instruments – liabilities(ii)	9	9	-	9	-
Put options granted to owners of non-controlling interests(v)	163	163	-	-	163

(i) Financial assets recognised at fair value are generally measured using standard valuation techniques. If their fair value cannot be determined reliably, they are not included in this note.
(ii) 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.
(iii) The fair value of bonds is based on the latest quoted price on the reporting date.
(iv) 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.
(v) 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 profit multiples.

9.5 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 2021						
Trade receivables	**729**	**19**	**71**	**147**	**237**	**966**
Allowance for lifetime expected losses	**(5)**	**-**	**(18)**	**(84)**	**(102)**	**(107)**
Total, net	**725**	**19**	**53**	**63**	**135**	**860**
At 31 December 2020						
Trade receivables	709	104	78	150	**332**	**1,041**
Allowance for lifetime expected losses	(11)	(2)	(13)	(75)	**(89)**	**(100)**
Total, net	**698**	**102**	**65**	**75**	**243**	**941**

9.6 Liquidity risk

As described in the notes to the 2020 consolidated financial statements, the 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 2021, the Group's liquidity position comprises:
- confirmed, undrawn lines of credit for a total of €2,143 million (of which a non-current portion of €1,921 million for France);
- gross cash and cash equivalents totalling €2,133 million (of which €528 million available in France);
- €339 million held in a segregated account in France and able to be used at any time to pay down debt.

Casino, Guichard-Perrachon has the following financing facilities at 30 June 2021 (France Retail):
- unsecured bonds amounting to €2,999 million, of which €400 million in high-yield bonds maturing in January 2026 and €525 million in high-yield bonds maturing in April 2027 (Note 2);
- secured high-yield bonds for €800 million maturing in January 2024;
- a term loan ("Term Loan B") for €1,000 million, maturing in August 2025.

Casino, Guichard-Perrachon also raises funds through negotiable European commercial paper issues (NEU CP), under which €255 million was outstanding at 30 June 2021 (France Retail); these issues are made under a programme capped at €2,000 million, 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 Group carries out non-recourse discounting without continuing involvement, within the meaning of IFRS 7, as well as reverse factoring.
At 30 June 2021, trade payables totalling €935 million (including €448 million in France Retail payables, €458 million in Latam Retail payables and €29 million in E-commerce payables) had been reverse factored, versus €1,181 million at 31 December 2020 (€434 million, €709 million, and €38 million, respectively).

Management of medium- and long-term debt

In first-half 2021, the Group continued to strengthen its financial structure through two operations:
- a new €1 billion term loan ("Term Loan B") maturing in August 2025, issued at a price representing 99.75% of the nominal amount. The loan bears interest at Euribor +4.0% and the collateral posted is the same as for the existing term loan;
- a new €525 million unsecured debt issue, maturing in April 2027 and with a 5.25% coupon.

The funds raised from these instruments were used to repay ahead of term the existing €1.225 billion term loan ("Term Loan B") maturing in January 2024 and bearing interest at Euribor +5.5%.

Lastly, on 19 July 2021, the Group announced that it had extended the maturity of its syndicated credit facility ("RCF") and improved its financial conditions. The amendment to the loan documentation effective 22 July 2021 provides for:
- an extension of the maturity of the facility from October 2023 to July 2026 (May 2025 if the Term Loan B maturing in August 2025 is not repaid or refinanced at that date) for an amount of €1.8 billion;

- a review of the covenants, in line with the improvement in the Group's financial position and GreenYellow's growth plan. Consequently, as from 30 June 2021, the Group has undertaken to comply, on a quarterly basis, with the following covenants, which supersede the previous covenants, for the France Retail and E-commerce scope (excluding GreenYellow):
  - a ratio of secured gross debt to EBITDA (after lease payments) not in excess of 3.5x;
  - a ratio of EBITDA (after lease payments) to net finance costs not less than 2.5x.

The security interests and collateral initially granted to the lenders remain unchanged. The dividend restrictions provided for in the financing raised since November 2019 (see Note 11.5.4 to the Group's 2020 consolidated financial statements) also remain unchanged.

Monoprix's syndicated credit facility which expired in July 2021 was also renewed after the reporting date. The new €130 million syndicated facility matures in January 2026 and has a yearly margin adjustment clause based on the achievement of CSR targets.

As a result of these two operations, the amount of the Group's undrawn lines of credit available at any time in the France Retail segment stands at €2.2 billion, with an average maturity of 4.6 years (versus 2.2 years prior to the operations).

Casino, Guichard-Perrachon debt covenants at 30 June 2021

Following the July 2021 signature of the amendment to the RCF, applicable as from 30 June 2021 in terms of the covenants (see above), Casino, Guichard-Perrachon is required to comply with the following covenants in the France Retail (excluding GreenYellow) and E-commerce scope, 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 2021
Secured gross debt(1)/EBITDA(2) not more than 3.5x.	▪ RCF for €2,051 million	Quarterly	**2.12**
EBITDA(2)/net finance costs(3) not less than 2.5x.			**3.20**

(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 holding companies reported in the Latam Retail segment (notably Segisor). At 30 June 2021, the debt concerned was mainly (i) the Term Loan B for €1,000 million, (ii) high-yield bonds for €800 million, and (iii) the drawn portion of the RCF facility amounting to €100 million.

(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 agreements represent net finance costs for the France Retail (excluding GreenYellow) and E-commerce scope.

There was no change in the covenants applicable to other Casino, Guichard-Perrachon financing facilities (syndicated credit lines totalling USD 25 million) compared to 31 December 2020, or in the covenants applicable to financing contracted by the Group's subsidiaries.

Note 10 Equity

10.1 Share capital and treasury shares

At 30 June 2021, the Company's share capital amounted to €165,892,132 and was composed of 108,426,230 ordinary shares issued and fully paid (unchanged from 31 December 2020). The shares have a par value of €1.53.

At 30 June 2021, a total of 459,869 shares were held in treasury, representing €15 million. The shares were purchased primarily for allocation upon exercise of the rights under free share plans.
In addition, 25,000 treasury shares were held under the liquidity agreement at that date, representing €1 million (31 December 2020: 0 shares).
In total, 484,869 million treasury shares were held by the Group at 30 June 2021, representing €16 million (642,414 treasury shares representing €22 million at 31 December 2020).

10.2 Breakdown of other reserves

(€ millions)	Cash flow hedges	Net investment hedges	Foreign currency translation adjustments	Actuarial gains and losses	Equity instruments(i)	Debt instruments(i)	Total other reserves
At 1 January 2020	**(32)**	**(1)**	**(2,385)**	**(118)**	**(3)**	**(1)**	**(2,539)**
Movements for the period	(12)	-	(548)	(10)	-	-	(569)
At 31 December 2020	**(43)**	**(1)**	**(2,933)**	**(127)**	**(3)**	**(1)**	**(3,109)**
Movements for the period	15	-	65	(3)	-	-	78
At 30 June 2021	**(28)**	**(1)**	**(2,868)**	**(130)**	**(4)**	**(1)**	**(3,031)**

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

10.3 Non-controlling interests

SUMMARISED FINANCIAL INFORMATION ON THE MAIN SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

The information presented in the table below is based on the IFRS financial statements, adjusted where applicable to reflect the remeasurement at fair value on the date of acquisition or loss of control, and to align accounting policies with those applied by the Group. The amounts are shown before intragroup eliminations.

(€ millions)	2021		2020 (restated)
	CBD(i)	Sendas	GPA(ii)
Country	*Brazil*	*Brazil*	*Brazil*
For the first half-year			
Net sales	**3,662**	**3,007**	7,393
Net profit from continuing operations	**41**	**84**	60
Net profit from discontinued operations	**-**	**-**	10
Consolidated net profit	**40**	**84**	**70**
Attributable to non-controlling interests in continuing operations	***27***	***50***	*41*
Attributable to non-controlling interests in discontinued operations	***-***	***-***	*6*
Other comprehensive income (loss)	**102**	**24**	(972)
Total comprehensive income (loss) for the period	**143**	**108**	**(902)**
Attributable to non-controlling interests	***72***	***64***	*(650)*
Net cash from (used in) operating activities	**(305)**	**64**	(250)
Net cash used in investing activities	**(94)**	**(116)**	(102)
Net cash from (used in) financing activities	**(133)**	**204**	239
Effect of changes in exchange rates on cash and cash equivalents	**4**	**57**	(398)
Change in cash and cash equivalents	**(529)**	**210**	**(510)**
Dividends paid to the Group(iii)	***37***	***5***	*12*
Dividends paid to owners of non-controlling interests during the period(iii)	***68***	***8***	*28*
At 30 June 2021 and 31 December 2020			
% of ownership interests held by non-controlling interests(iv)	***58.9%***	***58.9%***	*58.8%*
% of voting rights held by non-controlling interests(iv)	***58.9%***	***58.9%***	*58.8%*
Non-current assets	**7,416**	**1,848**	8,767
Current assets	**2,501**	**1,587**	4,100
Non-current liabilities	**(3,012)**	**(1,801)**	(4,165)
Current liabilities	**(2,534)**	**(1,345)**	(4,258)
Net assets	**4,371**	**290**	**4,443**
Attributable to non-controlling interests	***2,756***	***173***	*2,782*
Average % of ownership interests held by the Group in the first half-year	***41.2%***	***41.2%***	*41.3%*
% of ownership interests held by the Group at 30 June	***41.1%***	***41.1%***	*41.3%*

(i) CBD after the asset spin-off (Note 2) and including Éxito, Uruguay and Argentina.
(ii) CBD before the asset spin-off (Note 2) and including Éxito, Uruguay and Argentina.
(iii) CBD, Sendas and Éxito have an obligation to pay out 25%, 25% and 50% respectively of annual net profit in dividends.
(iv) The percentages of non-controlling interests set out in this table cover the scope of Casino Group and do not include the Group's own non-controlling interests in sub-groups.

10.4 Dividends

The Annual General Meeting of 12 May 2021 approved the decision not to pay any dividend in 2021 in respect of 2020. Decisions on future payouts will be taken in light of the Group's financial position, and will take account of the interests of the Company and compliance with its loan and bond agreements.

The coupon payable on deeply-subordinated perpetual bonds is as follows:

(€ millions)	First-half 2021	First-half 2020
Coupons payable on deeply-subordinated perpetual bonds (impact on equity)	**36**	**34**
of which amount paid during the period	31	30
of which amount payable in the following period	5	4
Impact on the statement of cash flows for the period	**32**	**33**
of which coupons awarded and paid during the period	31	30
of which coupons awarded in the prior year and paid during the period	1	3

Note 11 Other provisions

11.1 Breakdown of provisions and movements

(€ millions)	1 January 2021	Additions 2021	Reversals (used) 2021	Reversals (not used) 2021	Changes in scope of consolidation	Effect of movements in exchange rates	Other	30 June 2021
Claims and litigation	409	52	(29)	(56)	-	26	-	**402**
Other risks and expenses	98	13	(14)	(8)	-	-	(1)	**88**
Restructuring	57	18	(21)	(6)	-	-	5	**53**
Total provisions	**563**	**83**	**(64)**	**(70)**	**-**	**26**	**4**	**543**
of which non-current	*374*	*44*	*(10)*	*(52)*	-	*26*	*(2)*	***380***
of which current	*189*	*39*	*(54)*	*(18)*	-	-	*6*	***163***

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 €402 million and include €365 million for Brazil (Note 11.2). Of this amount, additions to provisions, reversals of used provisions and reversals of not used provisions, respectively, amount to €42 million, €10 million and €45 million.

11.2 Breakdown of provisions for Brazil

(€ millions)	PIS/Cofins/CPMF disputes[(i)]	Other tax disputes[(ii)]	Employee disputes	Civil litigation	Total
30 June 2021	**52**	**217**	**65**	**30**	**365**
o/w CBD (GPA)	*39*	*207*	*53*	*23*	***323***
o/w Sendas (Assaí)	*13*	*10*	*12*	*7*	***42***
31 December 2020	48	224	55	25	351

(i) VAT and similar taxes.
(ii) 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, CBD 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”. CBD and Sendas have also provided various guarantees in addition to these bonds, reported as off-balance sheet commitments.

(€ millions)	30 June 2021						31 December 2020		
	Legal deposit paid		Assets pledged as collateral		Bank guarantees		Legal deposit paid	Assets pledged as collateral	Bank guarantees
	CBD	Sendas	CBD	Sendas	CBD	Sendas			
Tax disputes	20	11	127	-	1,613	77	29	118	1,618
Employee disputes	79	11	-	-	181	18	74	-	112
Civil and other litigation	5	1	2	-	96	9	5	1	91
Total	**103**	**22**	**129**	**-**	**1,890**	**104**	**109**	**119**	**1,821**

11.3 Contingent assets and liabilities

In the normal course of its business, the Group is involved in a number of legal or arbitration proceedings with third parties or with the tax authorities in certain countries (mainly involving Brazil– see below).

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**

On 28 February 2017, the French Ministry of the Economy, represented by the Department of Competition Policy, Consumer Affairs and Fraud Control (DGCCRF), brought an action against Casino in the Paris Commercial Court. The case involves a series of credit notes totalling €22 million issued in 2013 and 2014 by 41 suppliers. The DGCCRF is seeking repayment of this sum to the suppliers concerned together with a fine of €2 million.
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 DGCCRF's claims of unlawful behaviour concerning 34 suppliers. It partly accepted the DGCCRF's claims concerning the other seven suppliers. Casino Group was ordered to refund a series of credit notes issued in 2013 and 2014 by the seven suppliers for a total of €2 million, and to pay a fine of €1 million.
In early January 2021, the DGCCRF filed an appeal against the Paris Commercial Court's decision. As no application was made for provisional enforcement, the appeal has suspensive effect.
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 counsel, the 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 €2 million.
On 31 May 2021, the Paris Commercial Court handed down its decision, ordering Casino to pay a fine of €2 million. On 12 July 2021, the 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.

At the end of February 2017, representatives of the European Commission raided the premises of Casino, Guichard-Perrachon Achats Marchandises Casino – A.M.C. (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 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 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. The Group is not currently able to predict the outcome of this matter.

- **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 Peninsula ("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 N.V. ("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 65 million (€11 million), 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. Accordingly, Cnova remains unable to determine the extent of the risk and/or of its liability, if any.

- **Brazil tax, social and civil contingent liabilities**

(€ millions)	**30 June 2021**	*o/w CBD*	*o/w Sendas*	**31 December 2020**
INSS (employer's social security contributions)	**84**	*80*	*4*	78
IRPJ – IRRF and CSLL (corporate income taxes)	**193**	*114*	*79*	163
PIS, COFINS and CPMF (VAT and similar taxes)	**594**	*487*	*106*	560
ISS, IPTU and ITBI (service tax, urban property tax and tax on property transactions)	**30**	*28*	*2*	24
ICMS (state VAT)	**1,011**	*820*	*190*	967
Civil litigation	**76**	*68*	*7*	65
Total	**1,988**	**1,598**	**389**	**1,858**

CBD 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 2021, the estimated amount totalled €40 million, comprising €26 million for CBD and €14 million for Sendas (31 December 2020: €30 million).

Moreover, Casino has given a specific guarantee to CBD concerning notifications of tax adjustments received from the tax administration, for a total amount of BRL 1,442 million at 30 June 2021 (31 December 2020: BRL 1,432 million), 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 721 million (€122 million) (31 December 2020: BRL 716 million, representing €112 million). 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, CBD and Sendas have challenged the right to deduct ICMS taxes from the calculation basis for PIS and COFINS taxes. CBD and Senda's 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, CBD was notified of a final favourable ruling on its main claim initially filed in 2003. Based on this court decision, CBD 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 second-half 2020 it recognised a tax credit for BRL 1,608 million (€273 million).

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 first-half 2021 it recognised a tax credit for BRL 62 million (€10 million). This amount represents the best estimate of Sendas' management at the reporting date. Owing to the sheer volume of data for all periods and the complexity of the calculations to be made, the final amount of the tax credits will be calculated in the next reporting period, and additional tax credits may be recognised.

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 2021, 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 this regard, GPA had recognised a gross amount of BRL 231 million (€39 million) in its 2020 income statement, of which BRL 158 million (€29 million) in the first half of that year (Note 3.2.2). Pending full legal documentation from Via Varejo for the 2003-2007 period, GPA considers these tax credits as a contingent asset with an estimated value of BRL 277 million (€47 million) at 30 June 2021.

Note 12 Related-party transactions

Casino, Guichard-Perrachon is controlled by Rallye, which in turn is owned by Foncière Euris. At 30 June 2021, the Rallye group held 52.3% of the Company's capital and 62.2% of the voting rights (based on the actual number of voting rights held excluding treasury shares), comprising 11.74% of the capital held in fiduciary trust by Fiducie Rallye/Equities Gestion (8.73% of voting rights).

The Company maintains normal relations with all of its subsidiaries in its day-to-day management of the Group. The Company and its subsidiaries receive strategic advice from Euris, the ultimate holding company, under strategic advice and assistance agreements. The Company also receives other recurring services from Euris and Foncière Euris (provision of staff and premises). These relations have not changed compared with the previous period. The amount expensed over the period in relation to these agreements with Casino and its subsidiaries totalled €2.3 million, of which €2 million for strategic advisory services and €0.3 million for the provision of staff and premises.

Relations with other related parties, including remuneration of managers, remained comparable to those of the 2020 financial year, and there have been no unusual transactions, in terms of either nature or amount, during the period.

Transactions with associates and joint ventures are discussed in Note 3.3.2.

Note 13 Subsequent events

Extended RCF maturity

On 19 July 2021, Casino Group announced that it had extended the maturity and improved the financial conditions of its main syndicated credit line, originally set to mature in October 2023 (Notes 2 and 9.6).
Monoprix's syndicated credit facility which expired in July 2021 was also renewed (Note 9.6).

Sale-and-leaseback transaction at Sendas

On 19 July 2021, Sendas entered into a sale-and-leaseback transaction with investment fund BRL Trust Distribuidora de Titulos e Valores Mobiliarios S.A. The purpose of the transaction is the sale, construction and leasing of five stores located in São Paulo, Rio de Janeiro and Rondônia.This transaction includes the sale and leaseback of a store property and four plots of land on which construction will soon begin and represents a total price of BRL 364 million (i.e., €56 million). The transaction is subject to the waiver of the conditions precedent at 14 October 2021.
At 30 June 2021, the assets involved in the transaction were reclassified as "Assets held for sale" in accordance with IFRS 5 for an amount of BRL 147 million (i.e., €25 million).

Financing transactions at CBD

On 20 July 2021, the Board of Directors of CBD approved the fifth issue of its *Notas Promissórias* (promissory notes) in two tranches, each for an amount of BRL 500 million, totalling BRL 1,000 million (€169 million), maturing respectively on 30 July 2025 for the first tranche and on 30 July 2026 for the second

Financing transactions at Sendas

On 27 July 2021, the issue of *Certificados de Recebíveis Imobiliários* (CRI) for an amount of BRL 1,500 million (i.e., €254 million) and *Notas Promissórias* for an amount of BRL 2,500 million (i.e., €423 million), was approved. These issues have an average maturity of more than four years, and will serve to refinance issues maturing in 2022 to 2023. The conclusion of the public offering is subject to full compliance with the conditions precedent set out in the documentation relating to the respective funding.

Exclusivity agreement signed for the sale of Floa to BNP Paribas

On 27 July 2021, Casino Group and Crédit Mutuel Alliance Fédérale announced (i) the signing of an exclusivity agreement for the sale of Floa to BNP Paribas and (ii) the setting up of a strategic partnership between BNP Paribas and Casino Group. The sale price amounts to €179 million (€129 million for the disposal of shares representing 50% of the capital of Floa, for an equity amounted to €184 million at 31 December 2020, and contingent consideration of €50 million, notably related to the renewal of commercial agreements between Cdiscount, the Casino banners and Floa [Cdiscount will continue to operate its bank card payments business with the support of Floa and BNP Paribas]).
BNP Paribas will become the exclusive provider and distributor of consumer credit solutions, including split payment solutions for Casino Group customers through a business partnership set up with the Casino Supermarkets, Géant and Cdiscount banners. The planned partnership will also lead to a collaborative venture between Casino Group and BNP Paribas to develop the Floa Pay split payment solution. Casino Group will remain invested in the successful development of the Floa payment business through a 30% stake in future created value (by 2025).
The transaction is still subject to consultation with the relevant employee representative bodies. It is expected to be completed in the coming quarters, subject to the necessary authorisations, in particular from France's competition authority and the European Central Bank (ECB).

Casino, Guichard-Perrachon

For the six months ended 30 June 2021

Statutory Auditors' review report on the half-yearly financial information

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 the general meeting of shareholders 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 Casino, Guichard-Perrachon, for the period from January 1 to June 30, 2021,
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

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 29, 2021

The Statutory Auditors
French original signed by

DELOITTE & ASSOCIES		ERNST & YOUNG et Autres	
Frédéric Moulin	Patrice Choquet	Alexis Hurtrel	Pierre Jouanne

Statement by the persons responsible

I certify, to the best of my knowledge, that the condensed financial statements for the past half-year have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and of all the undertakings included in the consolidation and that the management report (included on pages 3 to 14 hereof) presents a true and fair review of the main events which occurred during the first six months of the financial year, their impact on the financial statements and the main related-party transactions, as well as a description of the main risks and uncertainties for the remaining six months of the financial year.

29 July 2021
Jean-Charles Naouri
Chairman and Chief Executive Officer