

Alternative Performance Indicators

The Management believes that these indicators, which are not defined by IFRS standards, provide additional information that is relevant for shareholders in their analysis of the underlying trends, performance, and financial position of the Group. These indicators are used for performance analysis by Management. Since they are not defined by IFRS standards, they are not directly comparable with indicators of other companies that are similarly named. Furthermore, they are not intended to replace or be presented with more importance than IFRS indicators as presented in the financial statements.

This note has been prepared in accordance with AMF position no. 2015-12 on alternative performance indicators.

Alternative Performance Indicators not presented in the Financial Statements

Changes in Accounting Methods and Restatement of Comparative Information as of 1 January 2023

The European Union has adopted the following texts, which are mandatory for the Group for its fiscal year beginning 1 January 2023, and have no significant impact on the Group's consolidated financial statements:

- *Amendments to IAS 1 and the practical guide on materiality - Information to provide on accounting policies and methods.*
- *Amendments to IAS 8 - Definition of an accounting estimate.*
- *Amendments to IAS 12 - Deferred taxes related to assets and liabilities arising from the same transaction.*

Normalized Financial Result

The normalized financial result corresponds to the financial result after adjustments for changes in the fair value of equity derivatives and the monetary discount effects on Brazilian tax liabilities. This indicator is used by the Group to assess recurring financial results.

The following table reconciles the normalized financial result with the consolidated financial statements:

(Euros in millions)	30 June 2022 restated	30 June 2023
Net cost of financial debt	(184)	(204)
Other financial income	109	82
Other financial expenses	(295)	(334)
Plus/(Minus):		
Interest on tax debts (GPA & Assai)	2	1
Normalized financial result	(368)	(455)

**Normalized Net Result,
Normalized Group Share Result,
Normalized Minority Interests,
Normalized EPS**

The normalized net result corresponds to the net result of continuing operations adjusted for (i) the effects of other operating income and expenses as defined in the “accounting principles” section of the annual notes to the consolidated accounts, (ii) the effects of non-recurring financial items, and (iii) the tax income and expenses related to these adjustments and the application of the IFRIC 23 “Uncertainty over Income Tax Treatments” rule.

Non-recurring financial items correspond to adjustments made for the determination of the normalized financial result.

Normalized minority interests correspond to the share of normalized net result attributable to non-controlling interests; they thus represent the share of non-controlling interests in the net result of continuing operations, adjusted for the effects of other operating income and expenses attributable to non-controlling interests and the effects of non-controlling interests in non-recurring financial items, as well as tax income and expenses related to these adjustments and the application of IFRIC 23.

The basic normalized earnings per share corresponds to the normalized net result, Group share, for the period divided by the weighted average number of shares outstanding during the period. The normalized diluted earnings per share is calculated by adjusting the result attributable to shareholders and the weighted average number of shares outstanding to account for the effects of all potentially dilutive instruments.

The Group uses these indicators to measure the evolution of recurring results from operations. The table below reconciles the normalized net result with the consolidated financial statements:

(Euros in millions)	30 June 2022 restated	30 June 2023
Net result from continuing operations	(327)	(2 837)
Plus/(Minus):		
Other operating income and expenses	235	1 665
Non-recurring financial income and expenses ⁽¹⁾	2	1
Tax effects related to the above adjustments and IFRIC 23	(69)	(174)
Normalized net result	(159)	(1 344)
o/w Non-controlling interests	(27)	(12)
o/w Group share	(133)	(1 332)

(1) See “normalized net financial income” indicator above.*

Group Free Cash Flow Excluding Disposal Plan

This measure corresponds to the cash flows generated by the activity as presented in the consolidated cash flow statement, reduced by net CAPEX, IFRS 16 lease payments, and adjusted for the effects of the disposal plan.

This concept allows the Group to measure the generation or consumption of cash flow from activities. Management believes that free cash flow provides investors with an important perspective on the liquidity available for shareholders, debt repayment, and acquisitions after making necessary capital investments to support ongoing business operations, remunerating financial debts, and creating long-term value. It uses free cash flow as a measure to evaluate the Group's performance and overall liquidity.

Free cash flow is also tracked by segment.

The free cash flow from continuing operations excluding disposals corresponds to the free cash flow as defined above, reduced by the free cash flow of discontinued operations.

The following table reconciles the free cash flow excluding Group disposals with the consolidated financial statements:

(Euros in millions)	30 June 2022 restated	30 June 2023
Cash flows generated by activity - Continuing operations	(515)	(1 157)
Payments related to the acquisition of tangible, intangible, and investment property assets	(439)	(399)
Repayment of and financial interest paid on lease liabilities	(447)	(441)
Other repayments	(16)	(29)
Adjustments for the effects of the disposal plan	82	79
Group free cash flow excluding disposal plan	(1,335)	(1,946)
<i>Including France (including Cdiscount), excluding GreenYellow</i>	(312)	(1,575)

Gross and Net CAPEX

Gross CAPEX corresponds to "Cash outflows related to acquisitions of property, plant, and equipment, intangible assets, and investment property," as presented in the consolidated statement of cash flows.

Net CAPEX corresponds to Gross CAPEX plus (i) "Proceeds from disposals of property, plant, equipment, intangible assets, and investment property," as presented in the consolidated statement of cash flows and excluding those related to the Strategic Disposal Plan, and (ii) proceeds from the disposal of business assets included in the "changes in scope" line as presented in the consolidated statement of cash flows.

Investments in Financial Activities of Continuing Operations

Net financial investments are derived from the cash flow statement and correspond to the sum of acquisitions of financial assets, variations in loans and advances granted, and the impact of changes in the scope of consolidation involving changes in control or related to joint ventures and associated companies, minus disposals of financial assets. Adjustments are also made to isolate the impact of the disposal plan and changes in escrow accounts.

This aggregate may also be referred to as "Other Financial Investments."

This indicator reflects investments that are non-operational.

The table below reconciles net financial investments of continuing operations with the aggregates of the consolidated financial statements:

(Euros in millions)	30 June 2022 restated	30 June 2023
Payments related to acquisitions of financial assets	(35)	(76)
Receipts related to disposals of financial assets	397	93
Impact of changes in scope with control changes	(21)	(47)
Impact of changes in scope related to joint ventures and associated companies	300	14
Variation in loans and advances granted	(6)	2
Variation in escrow accounts	(317)	(63)
Effects of the disposal plan	(360)	(19)
Net financial investments of continuing operations	(41)	(95)
<i>Including France (including Cdiscount), excluding GreenYellow</i>	(11)	(99)

EBITDA After Lease Payments

EBITDA after lease payments is defined as earnings before interest and taxes (EBIT) plus operating depreciation and amortization included in EBIT, minus lease liabilities repayments and net financial interest paid on lease liabilities. This aggregate is used in the France scope for the calculation of certain banking covenants applicable to Casino, Guichard-Perrachon.

(Euros in millions)	30 June 2022 restated	30 June 2023
Earnings before interest and taxes	166	(233)
Operating depreciation and amortization	615	602
EBITDA	781	369
+ Lease liabilities repayments of continuing operations	(306)	(309)
+ Financial interest paid on lease liabilities of continuing operations	(141)	(131)
EBITDA after lease payments	334	(72)
<i>Including France retail excluding GreenYellow</i>	219	(170)

Free Cash Flow After Lease Payments of Continuing Operations

Free cash flow after lease payments corresponds to the total cash flow (see definition in the "Non-GAAP Indicators presented in the financial statements") minus (i) pre-tax income of discontinued operations, (ii) disposal result and adjustments related to discontinued operations, (iii) lease liabilities repayments and financial interest on lease liabilities of continuing operations, (iv) other repayments of continuing operations, and (v) other adjustments (effects of the disposal plan).

(Euros in millions)	30 June 2022 restated	30 June 2023
Free cash flow capacity	725	194
Pre-tax income of discontinued operations	(39)	(183)
Disposal results and adjustments related to discontinued operations	(212)	41
Lease liabilities repayments of continuing operations	(306)	(309)
Financial interest paid on lease liabilities of continuing operations	(141)	(131)
Other repayments of continuing operations	(16)	(29)
Adjustments related to the disposal plan	17	43
Free cash flow capacity of continuing operations	29	(375)
<i>Including France (including Cdiscount), excluding GreenYellow</i>	63	(379)

The Group also monitors the aggregate "Cash Flow minus Net CAPEX," which corresponds to the cash generation capacity minus net CAPEX.

Indicateurs non-gaap présentés dans les états financiers

Les indicateurs présentés ci-dessous sont inclus dans les états financiers consolidés. Nous rappelons uniquement ici leurs définitions sachant que leurs réconciliations sont présentées dans l'annexe aux comptes.

EBIT (Earnings before Interest and Taxes)

Operating income recurring (EBIT) corresponds to operating income before items which, by their very nature, are not included in the assessment of the recurring operating performance of business units, such as disposals of non-current assets, impairment of non-current assets and the impact of changes in scope of consolidation (notably costs and fees relating to takeovers, results of loss of control, revaluations of previously-held equity interests) and major items occurring during the accounting period which are likely to distort the reading of the performance of the company's recurring business (these are income and expenses which are limited in number, unusual, abnormal or infrequent, and of significant amounts, such as restructuring costs (including reorganization and change-of-concept costs) and provisions and charges for litigation and risks (including the effect of discounting)).

Operating margin before non-recurring items corresponds to operating income before non-recurring items divided by sales.

EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization)

EBITDA is defined as EBIT plus recurring depreciation and amortization expense included in EBIT. EBITDA margin corresponds to EBITDA divided by sales.

Operating Cash Flow

Cash flow from operations as shown in the cash flow statement corresponds to cash generated (used) by operating activities before changes in working capital requirements and tax paid. It is calculated on the basis of pre-tax income, from which are deducted expenses and income which have no impact on cash or which are unrelated to operations (such as depreciation, amortization and provisions, excluding those relating to current assets, changes in fair value, expenses relating to share-based payments, gains and losses on disposals of fixed assets, etc.), losses/(gains) relating to changes in interests in subsidiaries with/without control or non-controlling interests) and is restated for the cost of debt, non-drawing costs, the cost of mobilizing non-recourse receivables and similar transactions, financial interest on leases and dividends received from associates and joint ventures.

Net Cash

Net cash corresponds to cash and cash equivalents less bank overdrafts.

Net debt excluding IFRS 5

Net financial debt (NFD) excluding IFRS 5 comprises borrowings, including fair value hedging derivatives and trade payables, less (i) cash and cash equivalents, (ii) cash management assets and financial investments, (iii) fair value hedging derivatives, and (iv) financial assets arising from the disposal of non-current assets.

NFD excluding IFRS 5 is also monitored by segment.

Net financial debt including IFRS 5

Net financial debt (NFD) including IFRS 5 comprises borrowings, including fair value hedging derivatives and trade payables, less (i) cash and cash equivalents, (ii) cash management assets and financial investments, (iii) fair value hedging derivatives, (iv) financial assets resulting from a significant disposal of non-current assets, and (v) the Group share of the selling subsidiary's net assets held for sale.

NFD including IFRS 5 is also monitored by segment.

Other definitions

Constant exchange rates

The term “constant exchange rate” refers to the application of the previous year's exchange rates to the current year, all other things being equal.

Comparable sales (or comparable sales)

Comparable sales include e-commerce sales and sales of merchandise excluding petrol in stores open for at least 12 months. It is expressed at constant exchange rates.

Organic sales (or organic sales)

Organic sales correspond to consolidated sales on a like-for-like basis.

Gross Merchandise Volume (GMV)

For e-commerce, GMV ("Gross Merchandise Volume") corresponds to sales, including taxes, generated directly on the Cdiscount Group's websites and by independent sellers on marketplaces. For other retail activities (excluding petrol), it corresponds to sales generated by each banner for all its stores (integrated and franchised), excluding petrol.

Food sales

Food sales correspond to sales of convenience goods, industrial fresh produce and processed materials, excluding VAT.

Calendar effect

The calendar effect measures the theoretical impact on sales growth of calendar differences from one year to the next. It therefore includes :

- the impact generated by the variation in days of the week from one year to the next (number of days more or less vs. N-1 over a given period: month, quarter, year),
- the impact generated by the calendar shift of days with very strong upward or downward variations in sales (public holidays, school vacations, bridging periods, major promotions, sales, major festivals).

Customer traffic

Customer traffic corresponds to the number of checkouts.

Organic EBIT

Organic EBIT corresponds to consolidated EBIT on a like-for-like basis.