

Financial report

2024





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# Auchantés.

Toute l'équipe Auchan est ravie de vous accueillir.



# 1 Presentation of the Group

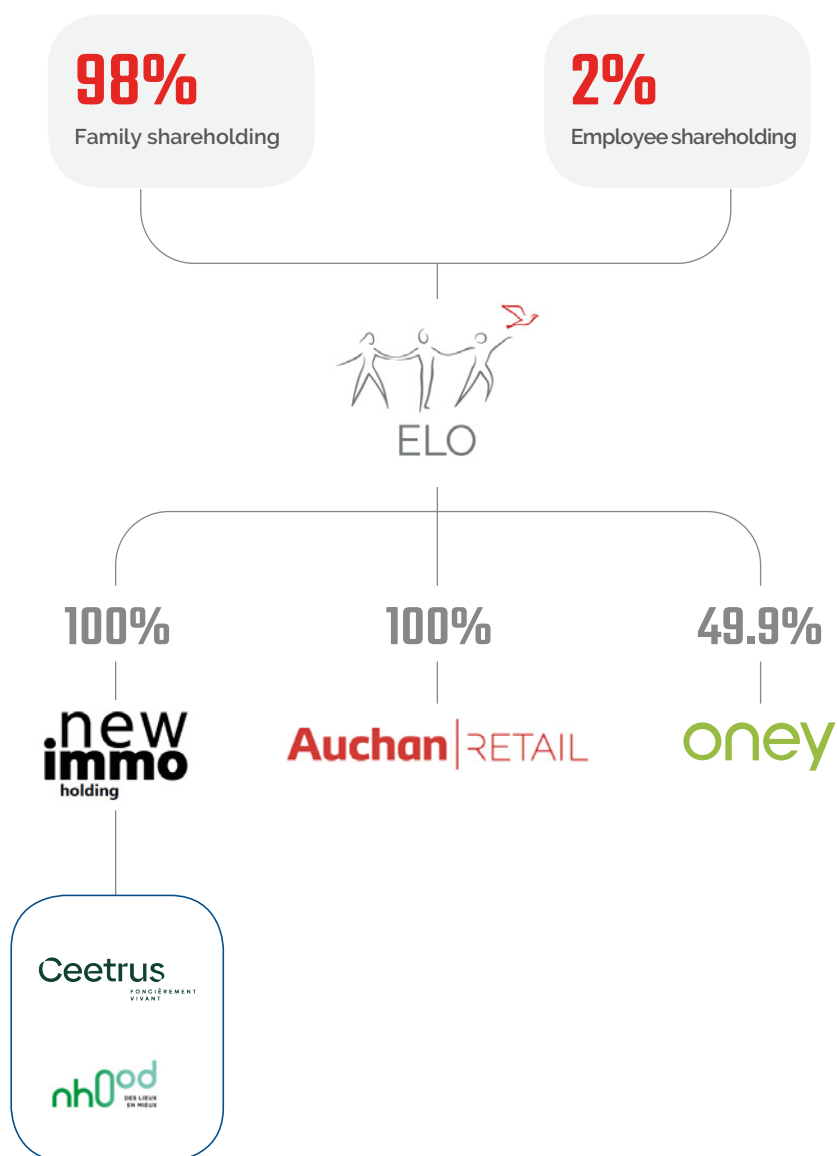
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# Structure of the ELO Group

A company made up of family and employee shareholding, **ELO** combines two complementary companies, **Auchan Retail** and **New Immo Holding**, and holds 49,9% in **Oney** alongside BPCE since 2019.



# Profile of the Group

1



ELO brings together two **companies** with complementary business lines:

- food and non-food retailing, with **Auchan Retail**;
- real estate with **New Immo Holding**.

With the support of ELO, they are strengthening their positions in their core markets, undertaking far-reaching transformations to achieve their vision, thanks to their 158,998 **employees**.

ELO also holds a 49.9% stake in **Oney**, which since 2019 has benefited from the joint expertise of BPCE and ELO to speed up its growth and increase its presence in Europe in payment, finance and digital identification solutions.



## Auchan | RETAIL

Present in 12 countries, **Auchan Retail** brings together all food retail formats (hypermarkets, supermarkets, convenience stores, click & collect, digital) with 2,896 points of sale. Auchan Retail places its customers at the heart of all its strategies by offering them an omnichannel shopping experience, which combines physical stores with the digital ecosystem, and exclusive, quality products at the best price. A player in the good, healthy and local and committed to the planet, Auchan Retail enables its customers, its 157,648 employees, its agricultural and industrial partners and all its stakeholders to live better through a responsible approach to its retail business.

## oney

Since 2019, ELO has owned 49.9% of the capital of **Oney**, alongside Groupe BPCE (50.1%). With a DNA combining the roots of commerce and banking, Oney supports retailers in their development by designing payment, financing, insurance and anti-fraud solutions.

Oney, which introduced split payments in 2008, is the market leader in France and a key player across the entire consumer credit value chain. Alongside its 37,000 merchant and e-merchant partners, Oney enables more than 7 million customers to make their plans a reality through fast, simple digital shopping experiences. In tune with new consumer habits and expectations, Oney contributes to the vitality of the retail sector.

## new immo holding

**New Immo Holding** is the holding company that brings together all the real estate business lines by separating real estate assets and services activities, into two distinct entities in order to broaden its growth and development prospects.

The first is the real estate company **Ceetrus**, which owns a portfolio of real estate assets of nearly 209 shopping centres, 2 million m<sup>2</sup> of gross leasing area (GLA), 1.4 m<sup>2</sup> of retail parks, offices and hypermarkets in Western, Central and Eastern Europe.

The second is **Nhood**, a real estate services and solutions company acting through service provision mandates entrusted by real estate companies such as Foncière Ceetrus, Auchan Retail or other companies, to manage, run, develop and transform existing sites into new living spaces with a triple positive impact. Nhood has €12.9 billion of real estate assets under management, 1,105 sites and 1,350 employees.

# 1 Key figures 2024

## Breakdown of revenues by business line

**€32.3 billion**



## Breakdown of revenues by geographical area

PRESENCE IN

**13 countries**

**54%**

France

**23%**

Central and Eastern Europe

**22%**

Western Europe (excluding France)

**1%**

Africa

### Employees



**158,998**

INCLUDING 80,900 EMPLOYEE SHAREHOLDERS

**157,648**

AUCHAN|RETAIL

**1,350**

new immo holding

**€1.2 billion**

EBITDA

**€0.8 billion**

CURRENT INVESTMENTS

**€2.9 billion**

NET FINANCIAL DEBT<sup>(1)</sup>

(1) Excluding IFRS 16 debt.



LOCATIONS AS OF DECEMBER 31<sup>st</sup> 2024

1

<div> <div>Auchan<sup>(1)</sup> RETAIL</div> <div>  Hypermarkets            Supermarkets            Convenience stores            Click &amp; Collect<sup>(2)</sup> </div> </div>						<div> <div>new immo</div> <div>holding</div> </div>
FRANCE	165	342	28	167	702	687
Spain	80	271	174	1	526	70
Portugal	31	19	517	36	603	13
Luxembourg	3		19	5	27	5
Italy						44
WESTERN EUROPE (excluding France)	114	290	710	42	1,156	132
Poland	72	56	104		232	54
Hungary	19	5	2	5	31	
Romania	33	9	408		450	24
Russia	93	137			230	178
Ukraine	17	4	13	1	35	30
CENTRAL AND EASTERN EUROPE	234	211	527	6	978	286
Senegal	1	31	12	1	45	
Côte d'Ivoire		10	5		15	
Tunisia <sup>(3)</sup>						
AFRICA	1	41	17	1	60	
	514	884	1,282	216	2,896	1,105

<sup>(1)</sup> Including franchisees.  
<sup>(2)</sup> Drives, Welcome stores.  
<sup>(3)</sup> 7% stake in Magasin Général.

# 1 Ambitions

## Auchan | RETAIL

Food, digital, environmental or economic transformations, mass distribution has been undergoing significant changes for several years. The proliferation of macro-economic, geopolitical or health crises and their direct consequences on the value chain have required continuous adaptation of people and processes.

To more fully meet the new expectations of consumers and citizens, **Auchan Retail** is adapting its model and practices to support its customers, in all its countries of operation, and to ensure its mission as close as possible to inhabitants, namely that of providing them with quality food at the fairest price.

Auchan offers its customers an omnichannel product range, combining the best of the physical and digital experience with a multiplicity of shopping pathways

**Auchan Retail** has created a vision, "Auchan 2032", whose mission is to:



### This vision is based on three ambitions



#### TASTY, HEALTHY AND LOCAL:

through the selection and design of a unique, fair and responsible offering. While promoting good, healthy and local food, the Group must also contribute to the food sovereignty of the countries where it operates. **Auchan-branded** products and fresh food are therefore given particular prominence in the company's stores.

The **supply chain products** embody this project through the company's proactive approach to respect for the environment and animal welfare, thanks to demanding, sustainable, balanced and fair agricultural partnerships that share value with producers.



#### FOR A MORE CARING WORLD:

with its values, inherited from its status as a family business, **Auchan Retail** works for thousands of inhabitants driven by the desire to #LiveBetter. Customers, partners, employees and shareholders are all affected by the company's ambition to pursue its investments and share value fairly, for the benefit of social protection, the transmission of knowledge and the right to work with dignity.



#### FOR THE PLANET:

with the contribution of employees, partners and customers, **Auchan Retail** is working to decarbonise its value chain, fight plastic pollution, reduce food waste and help protect biodiversity.

The preservation of the natural resources essential to **Auchan Retail's** activities is the only guarantee of their sustainable availability. The company works to develop more virtuous production and operating methods: using recycled and/or recyclable raw materials, reducing over-packaging, eco-design, second-hand products, reducing waste production, etc.



**New Immo Holding** is the holding company for all the Group's real estate business lines. Its creation in 2021 confirmed the separation of real estate assets and service activities into two separate entities. Firstly, the real estate company **Ceetrus**, which holds a portfolio of real estate assets. Secondly, **Nhood**, a real estate services and solutions company acting on behalf of owner companies. **Nhood** has 1,350 employees.

**New Immo Holding**, with its two distinct entities, is broadening its prospects for growth and development:

### Ceetrus

POUR LE BIEN  
VIVANT

The real estate company **Ceetrus** owns a portfolio of real estate assets of 209 shopping centres, 2 million m<sup>2</sup> of gross leasing area (GLA), 1.4 million m<sup>2</sup> of retail parks, offices and hypermarkets in Western, Central and Eastern Europe. In January 2021, the real estate company **Ceetrus** gave a mandate to the mixed-use real estate operator **Nhood**, with a focus on the triple positive impact (*people, planet, profit*).



**Nhood** manages, runs, develops and transforms existing sites into new living spaces with a triple positive impact.

**Nhood** brings together teams dedicated to marketing, asset management and development, transitional town planning and prefiguration that bring sites to life before they are handed over. Since the creation of these structures, the commitments have been met in terms of investment and the search for new mandates beyond the scope of the real estate company **Ceetrus**.

In 2024, **New Immo Holding** consolidated its existing assets:

- by continuing to invest and rotate its portfolio;
- by acting across the entire value creation chain, for investors, owners, residents and retailers;
- by developing our properties with a human perspective;
- by increasing the value of assets through key partnerships.

**New Immo Holding** is preparing for tomorrow:

- by enhancing assets under management with a triple positive impact: *people, planet, profit*;
- by developing the customer portfolio and the uniqueness of our offerings to speed up the transformation of our sites.
- by regenerating sites into better, more liveable, multi-use places. "



# Business model - Auchan Retail

## Inputs

### FINANCE AND ASSETS

Guaranteeing a solid economic, financial and non-financial structure

**€32 billion**

Total revenues

**€13 billion**

Total assets Auchan  
Retail assets

**€1,138 million**

CAPEX (including right-of-use  
assets)

### SUPPLIERS AND PARTNERS

Constructive relations with partners (suppliers, manufacturers, etc.) and in particular with the agricultural world

**23,000**

suppliers

**24%**

of revenues with  
Auchan-brand products

### MULTI-CHANNEL DISTRIBUTION NETWORK — DIGITAL

An omnichannel presence tailored to customer needs. Innovative digital services and apps

**2,896**

Points of sale in 12  
countries

**216**

click & collect points of  
sale

### EMPLOYEES HUMAN CAPITAL

Varied employment areas and profiles for which we encourage skills development, while respecting diversity

**157,648**

employees

### ENVIRONMENT & ENERGY

Natural resources, particularly the environment, to be considered and respected, to drive the Group's sustainable business model

**420**

Energy consumption KwH/m<sup>2</sup>

### CUSTOMERS & FRANCHISES

Maintaining confidence in our licence to operate and our reputation

**871 million**

checkouts in 2024

## Business model

### Our network



Operations in **12** countries



**2,896** physical contact points: HM, SM, Convenience stores



A **complete digital offering**:  
Click & Collect (pick-up & collection points, stores), home delivery

### Our business and our know-how



Designing and offering our customers an **attractive and responsible product range**



Selecting **reliable and efficient suppliers**



Developing **constructive relationships** with our suppliers and with the agricultural world



Continuously **optimising our value chain** through data management



Serving our customers and building their loyalty through **physical and digital points of sale tailored to their needs**



**Attracting and retaining talent; enhancing** the employability of our employees



Operating points of sale and competitive logistics to ensure **reliable, sustainable and regular sourcing** for our stores



## Outputs

## FINANCE AND REAL ESTATE ASSETS

**€0.9 billion**

EBITDA

**€5.9 billion**

REAL ESTATE ASSETS

## SUPPLIERS AND PARTNERS

**1,245**

Responsible agricultural supply chains

MULTI-CHANNEL  
DISTRIBUTION NETWORK — DIGITAL**+542**

points of sale in 2024

**7%**

of revenues online

## EMPLOYEES HUMAN CAPITAL

**46%**percentage of women  
in the top 750**73%**Engagement  
Satisfaction Survey  
(BES) score

## ENVIRONMENT &amp; ENERGY

**B**CDP Climate and Forest  
Score**36%**Electricity consumption  
from renewable  
sources

## CUSTOMERS &amp; FRANCHISES

**2pp**

NPS vs. 2023

**668**

franchises

## Expected benefits

## Economic

- The Group's **long-term future**
- **Satisfactory return on capital** for shareholders and investors. **Attractiveness for financing**

## Social

- **Safe working conditions** and respect for human rights throughout the **value chain**
- **Training, internal promotion** and **equal** opportunities
- Work-life **balance**
- **Social integration** through employment
- **Responsible, high-quality and accessible product offering**

## Environment

- **Reducing the company's environmental footprint** and complying with the Paris Agreements
- **Protection of biodiversity**
- Adoption of **circular practices** to **reduce** food waste and the use of plastic packaging
- Promoting **healthy eating that's good for the planet**

# Value chain - Auchan Retail

## External factors

### ECONOMIC CONTEXT

- Pressure on low prices
- Rising funding costs
- Strong competition between retail players
- Food sovereignty and economic support for the upstream production chain
- EU regulatory context (*Green Deal, SFDR, CSRD*)

### GEOPOLITICAL CONTEXT

- War in Ukraine
- Demographic and political developments in Africa
- Tension between the US and China in international trade
- Tension between China and Taiwan could impact international trade
- Geopolitical instability in Europe after the 2024 European elections

### FOOD CONTEXT

- Food traceability requirements
- Increasing consumer expectations for healthy food that helps protect the planet
- Reinforcing legislators' expectations for sustainable agriculture (*Farm to Fork strategy*)
- Food insecurity

### ECOLOGICAL CONTEXT

- Energy transition
- Agricultural transition
- Fighting global warming and adapting to global warming
- Preserving biodiversity
- Developing European regulatory framework (EUDR, MACF, etc.)

### SOCIAL CONTEXT

- Pressure on purchasing power
- Issues of diversity, inclusion and solidarity in the societies in which we operate
- Regulatory context (Duty of Care, CS3D)

### DIGITAL CONTEXT

- Digitisation of purchasing methods
- Diversification of shopping pathways (omnichannel)
- Personalising the shopping experience
- Transforming Auchan Retail's business lines in an increasingly digitised labour market

## Levers



### Purchasing products

- Repositioning prices with alliances
- Engaging with our suppliers to take **account of environmental and social impacts**
- **Eco-design** and **eco-selection** of own-brand products



### Use of products

- Optimising the product offering
- Promoting a **responsible offering**
- Developing **circular uses**



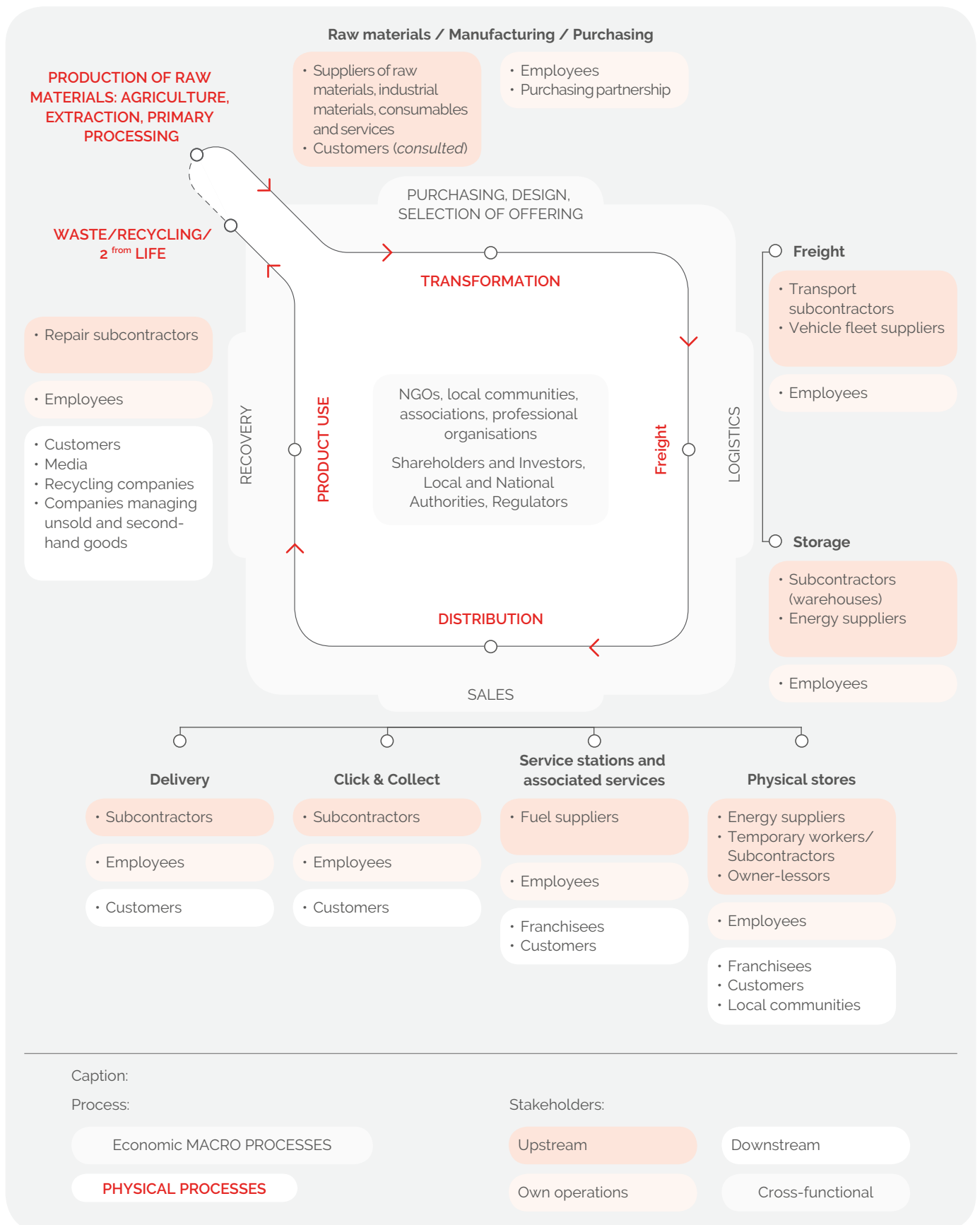
### Freight

- **Optimising and decarbonising** the supply chain



### Points of sale

- **Strengthening our strategic** markets
- **Adapting the hypermarket** model
- **Developing the franchise** model
- **Energy efficiency**
- Production and consumption of **renewable energy**
- Promoting the electrification of **customer vehicles**



1

# Business model - New Immo Holding

## Inputs

### FINANCIAL CAPITAL

**337**

Management mandates

**€2.9 billion**

Net financial debt

*NIH contribution to the ELO scope*

**1,105**

Sites under management

**€170 million\***

CAPEX (including right-of-use assets)

### REAL ESTATE CAPITAL

**1,508 Ha**

undeveloped land reserves

**€1.5 billion**

real estate assets

### HUMAN AND SOCIAL CAPITAL

**> 50%**

of employees

**€1,066k**

Training

### TECH CAPITAL / HARDWARE / DATA

- asset management/CRM tool
- a brand identified as an expert with a transformative vision

### RELATIONSHIP CAPITAL

**8,625**

leases

## Business model

### Our network



Operations in **11** European countries



**€6.6** billion of fully-owned real estate assets



**€12.9 billion** in real estate assets under management



An agile team of over **1,350** experts



**1,105** shopping centres/living spaces, office buildings, residential living spaces, agricultural land



**844** hectares of land reserves available to host projects that use less land in a way that is useful and sustainable for the community

### Our know-how



Developing our business through **new mandates and partners**



Developing and deploying an **asset management strategy**



Carrying out **real estate transactions**



Generating **attraction** on real estate sites



**Investing** in real estate assets, making real estate **acquisitions** and **disposals**



Transforming and regenerating real estate programmes with a **triple positive impact**



**Optimising the functioning** of residential and commercial spaces



**Creating** new living spaces and **improving** the mix of sites



**Regenerating** assets under management or ownership



# Transforming real estate and retail in a sustainable way to help people live better

## Our sustainability development objectives

- Creating value together
- Acting as a community, at the heart of the region
- Promoting employee commitment to solidarity

## Targeted key results

### Economic

- Promoting new services and activities
- Ensuring profitability for shareholders
- Promoting the attractiveness of retail premises and real estate developments

### Social

- Simplifying everyday life for residents, by offering paths that respond directly to their needs and desires in the city of tomorrow
- Developing good living, promoting inclusiveness and diversity, cooperating with local players

### Environmental

- Reconciling local needs and environmental challenges
- Aiming for land optimisation/efficiency
- Renaturation and desertification of land
- Reducing our carbon footprint

## Outputs

### FINANCIAL RESULTS

**€647 million**

Revenue  
(-1.7% vs 2023)

**€356 million**

EBITDA (-9.5% vs 2023)



### REAL ESTATE ASSETS

**91%**

BREEAM certified sites

**€6.6 billion**

fair value of assets



### HUMAN AND SOCIAL ASSETS

**21.4**

Employees trained in environmental issues

**8/10**

Engagement survey



### TECH ASSETS / HARDWARE / DATA

**1<sup>st</sup>**

Urban quality benchmark for mixed use



### ENVIRONMENTAL ASSETS

**46%**

reduction of the carbon footprint

**44**

renaturation projects



### RELATIONSHIP ASSETS

**647**

Annual visitors/daily footfall

**5.5%**

Vacancy rate for properties under management



Suppliers	Internal	Ecosystem	Principals	End customers
<ul style="list-style-type: none"> <li>• Tier 1 suppliers: Facility management/ renovation/ construction companies/ general contractors/ development/ green spaces</li> <li>• Tier 2 and next tier suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Partners (outsourced expertise)</li> <li>• Site management</li> </ul>	<ul style="list-style-type: none"> <li>• Co-owners</li> <li>• Local representatives</li> <li>• Neighbourhood</li> <li>• Representative associations</li> </ul>	<ul style="list-style-type: none"> <li>• Retailers</li> <li>• Brands</li> <li>• Owners</li> </ul>	<ul style="list-style-type: none"> <li>• Tenants</li> <li>• Site visitors</li> </ul>
<ul style="list-style-type: none"> <li>• Tier 1 suppliers: consultancy and engineering firms/ renovation/ construction companies/ general contractors/ landscaping/ green spaces</li> <li>• Tier 2 and next tier suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Partners (outsourced expertise)</li> <li>• Building sites</li> </ul>	<ul style="list-style-type: none"> <li>• Investors/ Developers</li> <li>• Banks</li> <li>• Cities/Local Representatives/ Neighbourhood</li> <li>• JV partners</li> <li>• Representative associations</li> </ul>	<ul style="list-style-type: none"> <li>• Retailers</li> <li>• Brands</li> <li>• Owners</li> </ul>	<ul style="list-style-type: none"> <li>• Residential buyers</li> <li>• Brands/Retailers</li> </ul>
<ul style="list-style-type: none"> <li>• Experts</li> <li>• Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Legal</li> <li>• IT</li> <li>• Financial accounting</li> <li>• Marketing communication</li> <li>• RH</li> <li>• Internal control</li> </ul>			<ul style="list-style-type: none"> <li>• Country</li> <li>• Asset management</li> <li>• Development</li> <li>• Property management</li> <li>• Sites</li> <li>• Projects</li> <li>• Offices</li> </ul>
<ul style="list-style-type: none"> <li>• Lawyers</li> <li>• Consultants</li> <li>• Suppliers for internal use</li> </ul>				

Site management  
Asset management

Development, Refurbishment,

real estate activities;

Back office services

# ELO significant events in 2024

1

25 March

**New Immo Holding** partially withdrew from **Russia**, through the sale of its Russian subsidiary Ceetrus LLC, owner of 19 shopping malls.

10 April

ELO successfully placed a **€750 million** fixed-rate **bond issue** with a coupon of 5.875% and a maturity of 4 years.

30 April

**Auchan Portugal** completes the **acquisition of 100% of the DIA Group's activities** in Portugal, including 481 convenience stores.

29 August

Appointed Deputy CEO in February, **Guillaume Darrasse** becomes **Chief Executive Officer of Auchan Retail**. He succeeds Yves Claude, who remains Chairman. Guillaume Darrasse also retains his position as **Chairman of Auchan France**.

1 July

At the end of the <sup>third</sup> wave of store integrations, **Auchan France** completes the **acquisition of 68 supermarkets, 26 hypermarkets, 2 click & collect points of sale, 1 warehouse and 61 former Casino service stations**.

16 May

ELO's shareholders subscribed to a **capital increase of €300 million**, in order to support the Group in its development and transformation of its business lines.

18 September

As part of its asset rotation policy, **New Immo Holding** **sells** 60% of Petit Menin, which owns the **Promenade de Flandre** site in northern France.

23 September

Creation of the **Aura Retail** alliance, giving concrete form to the long-term purchasing partnership between **Auchan, Intermarché** and **Casino**.

21 October

As part of its asset rotation policy, **New Immo Holding** **sells** the Portuguese companies **Montijo** and **Brafero**.

23 December

As part of its asset rotation policy, **New Immo Holding** completes its 2024 disposal plan in Portugal and France, with the **sale of 50% of the Portuguese company Sintra Alegro**.

30 November

Auchan Retail **sells** control and 47% of the capital of **Auchan Hungary** to the Indotek group. On 20 December, the latter acquires **New Immo Holding's real estate activities** in Hungary.

5 November

Auchan Retail announces a **plan to return to growth in France**, structured around three areas (customer experience, prices and new store models) and involving the creation of a new organisation.







# 2

## Presentation of the business and management report on the consolidated financial statements

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A management report on the annual financial statements of ELO SA is also prepared. The financial statements for the financial year ended December 31<sup>st</sup> 2024 were approved by the Board of Directors on February 26<sup>th</sup> 2025.

## 2.1 Significant events and main changes in scope

### 2.1.1 Changes in the number of stores and shopping malls

The number of points of sale operated by Auchan Retail changed as follows in 2024:

- In Western Europe, the number of points of sale increased by 193 units, including, on a net basis, +6 in France (including +96 Casino stores and -81 pedestrian click & collect stores), -5 in Spain, +190 in Portugal (DIA takeover), +2 in Luxembourg;

- In Central and Eastern Europe, the number of points of sale fell by 1 in net terms, including -2 in Russia, +4 in Poland, -5 in Ukraine, +1 in Hungary and +1 in Romania;
- in Africa, the store network increased by 2 units, including +3 in Senegal and -1 in Côte d'Ivoire.

New Immo Holding's portfolio of mandates increased by 121 sites compared to 2023.

### 2.1.2 Changes in the consolidation scope

With the exception of the information provided below, the scope of consolidation did not change significantly during the financial year.

### 2.1.3 Significant events

#### 2.1.3.1 Impact of the Russian-Ukrainian conflict

As of December 31<sup>st</sup> 2024, Auchan Retail operated 230 stores in Russia and 35 stores in Ukraine and was developing an e-commerce and home delivery business in each country. The exposure of New Immo Holding is more limited. For the Group, Russia and Ukraine combined represented approximately 4 % of the total net carrying amount of the assets and 9 % of revenue as of December 31<sup>st</sup> 2024.

The Group scrupulously monitors compliance with the terms of the embargo and sanctions, particularly with regard to financial flows with Russia. Notably, Auchan Retail stopped all investment and financing activities for its Russian subsidiary in the early days of the conflict, leaving local management the ability to operate independently.

Under extremely uncertain conditions regarding the extent, outcome and consequences of the ongoing armed conflict, the outlook at present does not call into question ELO's financial situation.

#### ◦ Russia

The retail activity in Russia showed signs of a moderate recovery in 2024 after a marked slowdown over the whole of 2023, but is still heavily impacted by the fall in footfall, particularly in large shopping centres.

As at December 31<sup>st</sup> 2024, the currency translation reserve relating to operations in Russia corresponded to a debit of €693 million.

Auchan Retail Russia had a sufficient level of liquidity at the end of December (€153 million) enabling it to meet its commitments. It also has credit lines totalling RUB 10 billion with local banks.

In accordance with the European regulations currently in force, Auchan Retail Russia has not received any new financial support (investment, intragroup financing, etc.) from its parent company since February 24<sup>th</sup> 2022. It will not receive any support as long as the current conditions of the financial embargo are in place.

#### ◦ Ukraine

Retail activity in Ukraine continued to suffer in 2024, particularly from traffic disruption caused by alerts to the population and power cuts.

Since the start of the conflict in Ukraine, Auchan Retail has stood alongside the local civilian populations to fulfil its mission of providing healthy food for all at the best possible price, with the safety of its employees as a priority.

### 2.1.3.2 Other significant events

#### ◦ Sale of Sintra Retail Park in Portugal

Sintra Retail Park (New Immo Holding) was sold in January 2024, following the sale agreement signed in December 2023.

#### ◦ Partial disengagement in Russia

New Immo Holding partially withdrew from Russia through the sale, on March 25<sup>th</sup> 2024, of its Russian subsidiary Ceetrus LLC, which owned 19 shopping malls.

#### ◦ New Immo Holding - Gare du Nord dispute

Gare du Nord 2024, an associate, was placed in voluntary liquidation on 21 September 2021. New Immo Holding holds a receivable on Gare du Nord 2024, amounting to €206 million. On the basis of the proceedings initiated at the end of the 2021 financial year and which continued into 2024, the Group has set aside a provision that corresponds to its best estimate of the risk.

As part of the liquidation of Gare du Nord 2024, a dispute concerning a first-demand guarantee on the completion of the works had also been investigated between the two shareholders (New Immo Holding and SNCF Gares et Connexions).

On September 22<sup>nd</sup> 2023, the Commercial Court ordered New Immo Holding at first instance to pay SNCF Gares et Connexions €47 million in execution of the completion guarantee for the Gare du Nord 2024 project.

On March 27<sup>th</sup> 2024, the Paris Court of Appeal confirmed the ruling ordering New Immo Holding to honour this guarantee. A charge of €47 million was recognised in the Group's financial statements under "Non-recurring income and expenses". New Immo Holding has appealed to the French supreme court.

#### ◦ ELO SA bond issue

On April 10<sup>th</sup> 2024, ELO successfully placed a fixed-rate bond issue for a total amount of €750 million, with a coupon of 5.875 % and a maturity of 4 years. The cash raised was used to finance the Group's general requirements.

#### ◦ ELO SA capital increase

On May 16<sup>th</sup> 2024, the shareholders of ELO SA subscribed to a capital increase of €300 million, in order to support the Group in its development and transformation of its business lines.

#### ◦ Disposal plan for New Immo Holding in Portugal and France

As part of its asset portfolio rotation policy, New Immo Holding carried out several disposals in France and Portugal.

In particular, three significant transactions: the sale at the end of July 2024 of 60% of the shares in SCI Petit Menin, which owned the Promenade de Flandres site (a deal that generated a cash impact of €90 million), the sale of the Portuguese companies Montijo and Brafero in September 2024 (a deal that generated a capital loss of €(13) million in consolidated income and a cash inflow of €95 million) and finally the sale of 50% of the shares in the Portuguese company Sintra Alegro in December 2024 (a share deal that generated a capital loss of €(-7) million in consolidated income and a cash inflow of €124 million).

#### ◦ New governance for Auchan Retail

On August 29<sup>th</sup> 2024, Guillaume Darrasse was appointed Chief Executive Officer of Auchan Retail, succeeding Yves Claude who remains Chairman of Auchan Retail. Guillaume Darrasse joined Auchan Retail in April 2024 as Deputy Chief Executive Officer.

In addition, Patrice Moulin, who joined the Group in July 2024, was appointed Deputy Chief Executive Officer.

#### ◦ Restructuring of Auchan Retail France

On November 5<sup>th</sup> 2024, Auchan Retail announced a plan to return to growth in France, structured around three areas to support the actions of its customer-focused teams. Each format, hypermarket and supermarket, is being revitalised with a new sales plan that includes a clear choice of product ranges and markets, more attractive price positioning and an overhaul of its business model. At the heart of this plan, the hypermarket is taking on a new role. It is becoming a brand platform in each region, offering customers the essential of the product range in the format of their choice, in supermarkets, click & collect and home delivery. This recovery plan calls for responsible decisions and setting up a new organisation. This could have an impact on almost 2,400 jobs, as part of the launch of a job protection plan. The total cost of the restructuring amounted to €250 million at December 31<sup>st</sup> 2024, recognised in Other non-recurring income and expenses.

## 2

### ◦ Auchan Retail Hungary - Acquisition of a stake in Indotek and transfer of control

On November 30<sup>th</sup> 2024, Indotek Group, Hungary's leading real estate investment and development company, became a 47 % shareholder in Auchan Retail Hungary. The partnership signed between Auchan Retail and Indotek Group gives Indotek Group control of the Hungarian subsidiary.

In the consolidated financial statements for the year ended December 31<sup>st</sup> 2024, this transaction resulted in a net gain recorded under "Net income from assets held for sale and discontinued operations".

In accordance with the control analysis and the criteria set out in IFRS 5, the income statement items for 2023, and for 2024 up to the sales date, are presented on the line "Net income from assets held for sale and discontinued operations".

With effect from the transfer of control of Auchan Retail Hungary to Indotek on November 30<sup>th</sup> 2024, Auchan Retail Hungary and its subsidiaries are accounted for using the equity method in the consolidated financial statements of ELO, which retains significant influence over Auchan Retail Hungary.

### ◦ New Immo Holding Hungary

New Immo Holding entered into exclusive negotiations with Indotek Group on September 1<sup>st</sup> 2021 and finalised the negotiations in December 2024 on the basis of a total price of €173 million.

The sale of shares in two Group entities, Nhood Services Hungary and Ceetrus Hungary, had a negative impact of €(41) million on consolidated income, of which €(33) million had no impact on equity.

## 2.1.3.3 Activities

### ◦ Intermarché - Auchan Retail - Casino partnership

On September 23<sup>rd</sup> 2024, Intermarché, Auchan and Casino cemented their long-term purchasing partnership with the creation of the Aura Retail alliance. With a minimum duration of 10 years, it will capitalise on the strengths and complementarities of the three groups, enabling them to improve their costs and price attractiveness. Intermarché is in charge of the central purchasing centre for food products and Auchan Retail is in charge of the purchasing centre for non-food products.

### ◦ Integration of Casino stores in France

Announced on January 24<sup>th</sup> 2024, the acquisition of Casino stores was finalised in three successive waves in 2024:

- 16 hypermarkets, 15 supermarkets, 26 service stations and 1 warehouse on April 30<sup>th</sup>;
- 10 hypermarkets, 25 supermarkets and 20 service stations on May 31<sup>st</sup>;
- 28 supermarkets, 15 service stations and 2 click & collect stores on July 1<sup>st</sup>.

This transaction was treated as a business combination. The recognition mainly affects (provisional) goodwill (€360 million), property, plant and equipment (€159 million) and right-of-use assets (€303 million). Revenue for 2024 totalled €1,035 million.

In connection with the acquisition of the Casino stores, €19 million of expenses were reclassified under Other non-recurring income and expenses.

### ◦ Acquisition of DIA's activities in Portugal

On April 30<sup>th</sup> 2024, Auchan Retail Portugal completed the acquisition of 100 % of the DIA group's activities in Portugal. This transaction provides Auchan Retail Portugal with new assets: 481 stores, 3 warehouses and an e-commerce site.

This acquisition was treated as a business combination. The recognition mainly affects (provisional) goodwill (€73 million), property, plant and equipment (€95 million) and right-of-use assets (€135 million). Revenue as of December 31<sup>st</sup> 2024 totalled €382 million.

In connection with the acquisition of the DIA stores, €12 million of expenses were reclassified under Other non-recurring income and expenses.

## 2.2 Activities and results

In accordance with IFRS 5 and for comparability purposes, the figures extracted from the income statement that are presented in this section include the reclassifications of the contributions from the activities sold or held for sale (see note 3.2 to the consolidated financial statements).

### 2.2.1 Auchan Retail activity

As of December 31<sup>st</sup> 2024, Auchan Retail operated with own subsidiaries in 10 countries, and a partnership in Hungary, through 492 hypermarkets, 784 supermarkets, 745 convenience stores and 207 click & collect points of sale.

The consolidated store network excluding franchised stores as of December 31<sup>st</sup> 2024 was as follows:

Country	Hypermarkets	Supermarkets	Convenience stores	Digital
France	145	298	7	158
Spain	80	251	65	1
Portugal	31	5	236	36
Luxembourg	3		1	5
Poland	70	34	6	
Hungary	19	5	2	5
Romania	33	9	398	
Ukraine	17	4	13	1
Russia	93	137		
Senegal	1	31	12	1
Côte d'Ivoire		10	5	
<b>TOTAL</b>	<b>492</b>	<b>784</b>	<b>745</b>	<b>207</b>

Including the franchised store network (668, compared to 321 in 2023), the total number of points of sale at December 31<sup>st</sup> 2024 was 2,896.

- Auchan Retail's revenue in 2024, including sales of goods to franchisees, amounted to €31.7 billion (+1.8% compared to 2023). Auchan Retail's activities outside France accounted for 46.5% of total revenue. Auchan Retail's recurring operating income amounted to €(137) million in 2024 in a particularly difficult environment for the sector.

### 2.2.2 New Immo Holding Real Estate activity

As of December 31<sup>st</sup> 2024, the Real Estate management activity of the ELO group and its subsidiaries included the management by New Immo Holding of 1,060 commercial sites (shopping malls and retail parks), of which 181 were fully owned or leased, 28 in partnership and 851 were under management contracts, in 11 countries.

New Immo Holding's revenue represented €643 million in 2024, down 1.9% on 2023. New Immo Holding generated 49.6% of its revenue outside France.

New Immo Holding's recurring operating income increased by €2 million and amounted to €169 million.



## 2.2.3 Comments on the 2024 financial year

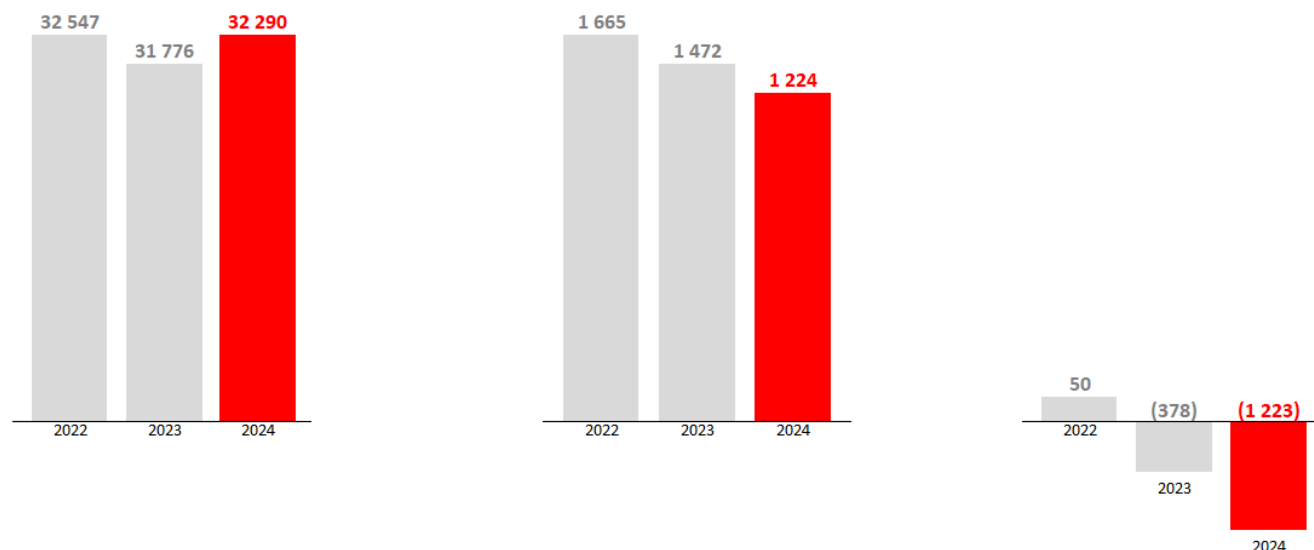
### Comments on the income statement

Revenues within the consolidation scope amounted to €32.3 billion, up 1.6% on 2023.

> REVENUE

> EBITDA

> NET INCOME



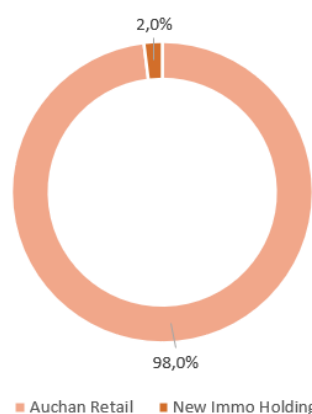
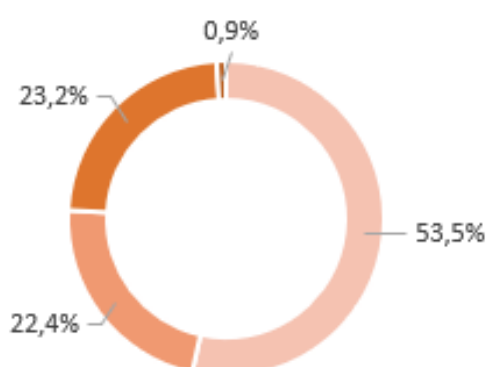
At constant exchange rates, revenue increased by 2.1%.

Auchan Retail's business represented 98% of the revenue, while the property management activity represented 2%.

By geographical area, 53.5% of the revenue was generated in France, 22.4% in Western Europe excluding France (Spain, Portugal, Italy and Luxembourg), 23.2% in Central and Eastern Europe (Poland, Romania, Hungary, Ukraine and Russia) and 0.9% in Africa (Senegal and Côte d'Ivoire).

> REVENUE BY GEOGRAPHICAL AREA IN 2024

> REVENUE BY ACTIVITY IN 2024



- France
- Western Europe excluding France
- Central and Eastern Europe
- Africa

The gross margin rose by 1.1% to €7,907 million; the margin rate decreased slightly to 24.5% in 2024 from 24.6% in 2023.

The recurring operating expenses (payroll expenses, external expenses, amortisation, depreciation, provisions and impairment, other operating income and expenses) increased by 5.4% and are mainly impacted by the increase in external expenses (+5.5%).

Other recurring income and expenses represent income of €6 million (compared to an expense of €13 million in 2023), and mainly include asset disposals, the amounts of which are not individually significant, as well as foreign exchange gains.

Recurring operating income fell from €320 million to €22 million. EBITDA fell by 16.9% to €1,224 million.

After taking into account "Non-recurring income and expenses", the operating income decreased markedly from €806 million to €(846) million. The change is mainly due to a high level of impairment of the goodwill of the Retail France activity in 2024 and the recognition of a restructuring provision for the same scope.

The non-recurring items recorded under "Non-recurring income and expenses" include:

(in €m)	12/31/24	12/31/23 <sup>(3)</sup>
<b>Net impairment of assets (excluding Russia and Ukraine)</b>	<b>(523)</b>	<b>(236)</b>
• of which impairment of Retail France goodwill	(395)	(190)
• of which impairment of net tangible assets	(128)	(46)
<b>Assets disposals</b>	<b>141</b>	<b>64</b>
• of which disposal of Retail activity assets	58	10
• of which disposals for Real Estate activity	84	54
<b>Russia - Ukraine</b>	<b>(107)</b>	<b>(124)</b>
• of which impairment of net property, plant and equipment	(16)	(123)
• of which asset disposals	(79)	(1)
• of which other	(12)	0
<b>Expenses on significant acquisitions <sup>(1)</sup></b>	<b>(32)</b>	<b>0</b>
<b>Gare du Nord - GAPD - New Immo Holding</b>	<b>(47)</b>	<b>0</b>
<b>Restructuring of Retail France <sup>(2)</sup></b>	<b>(250)</b>	<b>0</b>
<b>Other</b>	<b>(50)</b>	<b>(86)</b>
<b>TOTAL NON-RECURRING INCOME AND EXPENSES</b>	<b>(868)</b>	<b>(382)</b>

(1) Expenses relating to the acquisition and integration of Casino stores in France and DIA stores in Portugal.

(2) Provisions for restructuring of the Retail activity in France.

(3) Compared to the data published at December 31<sup>st</sup> 2023, the contribution of Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

Financial income is broken down into:

- the net cost of financial debt, which increased to €(191) million (compared to €(158) million in 2023);
- other financial income and expenses, down by €32 million to €163 million (compared with a financial expense of €131 million in 2023).

The income before tax of the consolidated companies was €(1,200) million (compared with a loss of €331 million in 2023), which resulted in an effective tax rate of -5.4% in 2024, compared to 2.4% in 2023.

The share of net income of associates was a loss of €19 million in 2024 compared to a loss of €56 million in 2023.

The net income from continuing operations represented a net loss of €1,338 million in 2024, compared with a net loss of €379 million in 2023.

The net income of discontinued operations was €116 million in 2024 (compared to €1 million in 2023). The 2024 figure mainly includes the capital gain on the disposal of Auchan Retail Hungary.

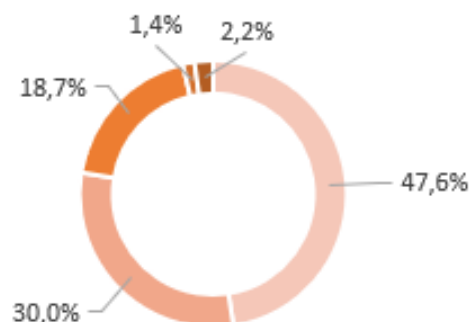
Taking into account the net income of discontinued operations or activities held for sale, the net income (Group share) amounted to €(1,220) million, compared to €(379) million in 2023. The cash flows from operations was €674 million in 2024 (€1,016 million in 2023).

## Comments on the statement of financial position

### ◦ Assets:

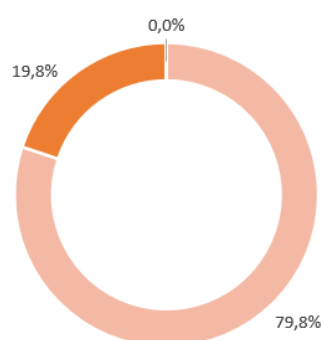
The current investments excluding business combinations (acquisitions of intangible assets, property, plant and equipment and investment properties) amounted to €1,421 million (rights-of-use included). The volume of current investments was stable compared to 2023 (€1,428 million) and confirmed the Group's commitment to the climate and also its desire to modernise its store network.

#### > CURRENT INVESTMENTS BY GEOGRAPHICAL AREA IN 2024



- France
- Western Europe excluding France
- Central and Eastern Europe
- Africa
- Other

#### > CURRENT INVESTMENTS BY ACTIVITY IN 2024



- Auchan Retail
- New Immo Holding
- Holding ELO

The breakdown of investments was 47.6% in France (29.6% in 2023), 30% in Western Europe excluding France (42.6% in 2023), 18.7% in Central and Eastern Europe (25.5% in 2023) and 1.4% in Africa (2.3% in 2023).

### ◦ Liabilities:

Equity stood at €4,948 million as of 31 December 2024, compared to €5,804 million as of December 31<sup>st</sup> 2023.

Equity (Group share) amounted to €4,778 million, down by €848 million. The main changes were as follows (in millions of euros):

Net income for 2024	(1,220)
Treasury shares	9
Other comprehensive income	75
Change in capital	281
Changes in put options granted to non-controlling interests and repurchase commitments	13
Changes in consolidation scope	(7)
Dividend distribution	0
Other	(1)

The non-controlling interests amounted to €170 million, compared to €178 million as of December 31<sup>st</sup> 2023.

The net financial debt, as defined in note 10.1 to the consolidated financial statements, amounted to €2,921 million as of December 31<sup>st</sup> 2024 compared to €2,917 million as of December 31<sup>st</sup> 2023. It represented 59% of equity, compared with 50.3% as of December 31<sup>st</sup> 2023, and 2.8 years of cash flows from operations and 2.4 years of EBITDA (4.3 years including IFRS 16 lease liabilities).

## 2.3 Corporate social responsibility

The company's non-financial performance is described in chapter 3 of this document - Sustainability report.

## 2.4 Subsequent events

None

## 2.5 Outlook

Even in this context of degraded results, ELO maintains a solid financial structure and has the necessary means to meet its financial obligations and to support the investment needs required by the development and transformation of its businesses.

The first signs of recovery at Auchan Retail were confirmed in the second half, with revenue growth at constant exchange rates of 4.2% and EBITDA, excluding acquisitions, up by €25 million. Having strengthened its position in these core markets (by acquiring Casino stores in France and DIA stores in Portugal), the company is continuing to implement its strategic priorities, with a repositioning on prices in France, the roll-out of a new sales plan, particularly for hypermarkets, and the creation of a new organisation to improve operational efficiency. The initiatives launched in 2024 will be continued and even intensified in 2025 to consolidate this momentum in results.

For its part, New Immo Holding will continue its strategy of serving a reinvented real estate sector, thereby strengthening the attractiveness of its sites through dynamic management of the assets it manages, primarily those shared with Auchan Retail.







# Chapter 3

## Sustainability report

- 3.1** General information
- 3.2** Environmental information
- 3.3** Social information
- 3.4** Business conduct
- 3.5** Auditor's statement regarding the statutory sustainability report





# 4 Risk management

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## 4.1 Risk factors

ELO and its business lines are subject to a certain number of risks: operational, strategic, compliance and financial, which are presented and updated each year in the EMTN prospectus available at: [www.groupe-elo.com](http://www.groupe-elo.com).

## 4.2 Activities in Russia and Ukraine

As at December 31<sup>st</sup> 2024, Auchan Retail operated 230 stores in Russia and 35 stores in Ukraine. The exposure of New Immo Holding is more limited. For the Group, Russia and Ukraine combined represented approximately 4% of fixed assets and 9% of revenue as of December 31<sup>st</sup> 2024.

From the first day of the conflict, the company set up an international crisis unit to monitor the situation on a daily basis with a single objective: to ensure the safety of employees, customers and activities.

Under extremely uncertain conditions regarding the extent, outcome and consequences of the ongoing armed conflict, the outlook at present does not call into question ELO's financial situation.

### Actions taken as part of the implementation of the sanctions policy

The restrictive measures adopted by the European Union with regard to Russia apply to ELO as well as to its subsidiaries established within the European Union. In this context, ELO and Auchan Retail, in particular, have put in place appropriate procedures to ensure full compliance with these measures.

#### ◦ Third parties

Under the French law no. 2016-1691 of December 9<sup>th</sup> 2016 known as "Sapin II" and Auchan Retail's internal sanctions policy, third parties in a business relationship with the company are subject to prior checks, including checks on the company itself but also on its executives, shareholders and ultimate beneficiaries. These checks are carried out by the Economic Security department and are based in particular on recognised international databases. Actions, on a case-by-case basis, are undertaken on the basis of alerts from screening tools, according to the principles set out in Auchan Retail's sanctions policy but also according to the evolution of international sanctions.

#### ◦ Goods, technology and services

Auchan Retail complies with the regulations prohibiting and restricting trade in goods, technologies or targeted services with Russia. A procedure for prior verification with suppliers of the compliance criteria for any equipment that may be exported to Russia has also been put in place.

In accordance with the provisions of Article 5 of Regulation (EU) No 833/2014, Auchan Retail and New Immo Holding have licences allowing the continuation of a certain number of services, in particular IT services, covered by said Regulation.

It should be noted that the vast majority of Auchan's business in Russia is based on local, regional and national supply chains, thus limiting the risk related to export controls.

#### ◦ Financing

The Group scrupulously monitors compliance with the sanctions concerning financial flows with Russia. Auchan Retail stopped all investment and financing activities for its Russian subsidiary in the early days of the conflict, leaving it to operate independently.

The Group also ensures compliance with the sanctions issued by jurisdictions other than the European Union that could indirectly affect its activities.

## 4.3 Financial risk management

ELO and its subsidiaries are exposed, as a result of their activity, to various risks: interest rates, foreign exchange, credit and liquidity risks. They use derivatives to mitigate these risks.

See note 10.5 to the financial statements for a fuller description of financial risk management, which is summarised below.

### 4.3.1 Credit risk

ELO and its subsidiaries only work with a list of banks authorised by the Finance Committee.

With regard to investments, the policy of ELO and its subsidiaries is to invest surpluses with authorised counterparties. Limits in terms of amounts and durations are set by the Finance Committee, according to a rating grid.

Trade and other receivables do not involve any significant risk.

### 4.3.2 Liquidity risk

The policy of ELO and its subsidiaries is to maintain adequate medium- and long-term funding at all times to cover their needs at the bottom of the seasonal cycle and provide themselves with a safety margin.

ELO and its subsidiaries adopt a policy aimed at diversifying the sources of refinancing (bond issuance, bank loans, etc.) and their counterparties in order to ensure satisfactory distribution of risk.

In addition, ELO and its subsidiaries have confirmed refinancing lines with banks to guarantee a minimal level of flexibility in the event of a liquidity crisis.

The medium- and long-term bank financing facilities contain the usual commitments and default clauses for this type of contract, i.e. undertaking to maintain the loan at its initial level of seniority (*pari passu*), limits on the collateral provided to other lenders (negative pledge), limitation on substantial disposal of assets that could constitute a material adverse event, cross-default and material adverse change clauses.

The ELO SA Euro Medium-Term Note (EMTN) programme, under which bonds are issued, contains an undertaking limiting the collateral provided to other bond holders (negative pledge) and a cross-default clause.

Certain medium- and long-term bank financing facilities (e.g. confirmed credit lines not used as of December 31<sup>st</sup> 2024) contain an accelerated repayment clause in the event of non-compliance, on the closing date, with certain ratios, including consolidated net financial debt/consolidated EBITDA of less than 3.5, which is raised to 3.75 in the event of a significant acquisition during the year. As of December 31<sup>st</sup> 2024, given the acquisition of the Casino stores in 2024, which is considered significant, ELO can benefit from the increase in the ratio at the end of 2024. This ratio (raised to 3.75) is complied with.

None of the financial borrowings include any default clause linked to a potential downgrade of ELO's ratings.

### 4.3.3 Interest rate risk

ELO and its subsidiaries use interest rate derivatives with the sole aim of reducing their exposure to the impact of changes in interest rates on their debt. Transactions on the derivative markets are undertaken solely for hedging purposes.

The interest rate transactions designated as fair value hedges concern transactions designed to change bond debt into floating rate debt.

Depending on expected interest rate trends, the Finance Committee may decide to issue bonds at either fixed or variable interest rates. The last bond issue in April 2024 was therefore not at a variable interest rate, as the yield curve already factored in expectations of a rate cut.

For ELO "stand alone", they consist of:

- either euro swaps in which ELO is a fixed-rate borrower and a floating-rate lender. These swaps qualify as cash flow hedges;
- or options (caps or swaptions), not recognised as hedges (trading).

As of December 31<sup>st</sup> 2024, no macro-hedge was in place for ELO on a stand-alone basis.

ELO's subsidiaries have the option of hedging their own debt on a stand-alone basis in respect of their contractual or management obligations, both in euros and in foreign currencies. ELO's Treasury department ensures that all the hedges put in place do not lead to over-hedging at the consolidated level.



#### 4.3.4 Foreign exchange risk

ELO and its subsidiaries are exposed to foreign exchange risk on:

- purchases of goods (transactional foreign exchange);
- internal and external financing denominated in a currency other than the euro (translation risk);
- the value of subsidiaries' net assets in foreign currencies (net investment hedges).

As of December 31<sup>st</sup> 2024, the main currencies concerned were the US dollar, the Polish zloty, the Hungarian forint and the Romanian leu.

Foreign exchange transactions that qualify as cash flow hedges consist of foreign exchange swaps, forward foreign exchange purchases or sales, and combinations of currency options. These transactions are used to hedge projected dividends, goods purchasing and rental flows denominated in foreign currencies.

The transactions to hedge translation risk concern foreign currency loans granted to foreign subsidiaries (outside the euro zone).

#### 4.3.5 Risks to physical assets related to societal change

Societal changes entail new consumer habits and preferences. Many consumers go to convenience stores, promote e-commerce or limit their consumption in general.

The amplification of these external societal changes to the company would result in a decrease in footfall within the assets owned or managed by the operators of New Immo Holding and therefore lower income for tenants. This would result in a decrease in rental income.

The company's current development strategy, which aims to add value to real estate assets and create mixed-use zones, limits our exposure to shopping centres. These projects tend to align the portfolio more closely with current consumer preferences, particularly in terms of brands and services. In addition, the various projects aimed at further diversifying the portfolio in the office and hotel market also contribute to limiting this risk.

#### 4.3.6 Financial risks related to the effects of climate change

There are two types of financial risks related to the effects of climate change: physical risks and transition risks. ELO's companies are exposed to these risks in different ways depending on their activities, the countries where their assets are located and their supply chains. The description of the risks identified, their effects and the work undertaken in response to these risks are detailed in Chapter 3, section 3.2.2 Climate change, of the sustainability report.

## 4.4 Internal control procedures

This section covers the internal control and risk management procedures implemented for all of the consolidated companies for the preparation and treatment of accounting and financial information.

### 4.4.1 Procedure for the production of financial statements

#### 4.4.1.1 Management and structure of the ELO Finance department

General Management relies on the Treasury, Accounting, Financial Control, Legal and departments of Auchan Retail International and New Immo Holding for the production of the financial statements.

The Finance department of ELO (the company), made up of the various departments mentioned above, establishes a timetable of:

- month-end closures and related analyses;
- half-yearly pre-closure meetings.

Financial forecasts, including the budget, are managed by the Financial Control team.

The business lines' Finance and Performance Departments produce the analytical information.

The company employs qualified accounting personnel who ensure appropriate accounting practices in line with generally accepted accounting principles. These employees are trained in the accounting systems used.

#### 4.4.1.2 Accounting IT systems

Accounting operations and events are entered either directly in the standard accounting software applications or via upstream applications (in-house or standard applications). This input generates accounting entries which are automatically or manually entered into the standard accounting applications. These interfaces and entries are subject to automatic or manual controls.

The standard accounting applications are developed and configured by functional and technical directors, who define the functionalities, the accounting basis and the financial statements that may be created.

#### 4.4.1.3 Accounting basis

ELO's consolidated financial statements are established in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board and approved by the European Union as of December 31<sup>st</sup> 2024.

These statements are prepared based on the information communicated by the business lines' finance departments. In this regard, a reporting and consolidation framework (manual of principles and accounting rules, chart of accounts) has been established and distributed to the business lines. It is updated regularly and can now be consulted online, including by the Statutory Auditors.

There is also an accounting basis by country. They are linked to the consolidation chart of accounts and featured in the accounting system, and contain mandatory accounting rules. The accounting basis by country is defined, updated and documented by the Country or International Methodology Department.

An international department that reports to Auchan Retail is responsible for the functional administration of the shared accounting application Oracle Financials (general ledger and sub-ledger accounting).

#### 4.4.1.4 Procedures for approving the statutory and consolidated financial statements

ELO and its subsidiaries prepare monthly financial statements for the Retail activity and quarterly statements for the Real Estate activity. The June 30<sup>th</sup> closure is subject to a limited review and the December 31<sup>st</sup> closure is subject to an audit by the Statutory Auditors. They are presented to the ELO Audit Committee and published. The statements dated March 31<sup>st</sup> and September 30<sup>th</sup> are sent to the members of the Board of directors, the Audit Committee and the Statutory Auditors, but they do not undergo an audit or limited review.

Since January 1<sup>st</sup> 2016, specific Audit Committees have been set up for Auchan Retail International and New Immo Holding. The role of these Audit Committees is to review the accounts and accounting closure options specific to each of the two business lines.

The Statutory Auditors' comments and findings are reported first to the local Finance departments, then in a more centralised manner to the General Management of ELO and to the Audit Committees of ELO and the two business lines. The main procedures to be carried out are as follows:

##### • Approval of the consolidated financial statements

The interim financial statements are prepared according to the same valuation and presentation methods as of December 31<sup>st</sup> of the previous year, taking into account, however, the changes in standards imposed by IFRS and approved by the European Union.

Since the 2022 financial year, consolidation has been carried out with the common IT tool OneStream (OS), which is rolled out in ELO's subsidiaries. It uses the shared consolidation chart of accounts, a methodology that is updated every quarter and IFRS-compliant accounting policies. The chart of accounts is defined and documented by ELO's Consolidation department, which configures the consolidation tool accordingly.

The half-yearly and annual consolidation and reporting process incorporates, via the same shared tool, the compilation of information for the notes to ELO's consolidated financial statements.

#### ◦ **Pre-closure meetings**

The closing process described above is supplemented by preparatory meetings for the half-yearly and annual closings, in May and November respectively.

The main Finance department heads of the relevant business lines attend these meetings along with the finance team of the country and business line concerned. These pre-closing meetings and the monthly closings make it possible to prepare the annual closing by anticipating the treatment of significant events and specific transactions that may have occurred. The valuation of the company's assets and its investment properties, as well as the identification and estimation of risks also take place during this period.

These closings and the options used are audited by our Statutory Auditors and are presented to the company's Audit Committee in June and December.

#### ◦ **Accounts closure meetings**

The consolidated annual financial statements are audited and are presented to the Audit Committee in February.

### **4.4.2 Procedures having an impact on accounting and financial information**

#### **4.4.2.1 Procedures for managing and monitoring inventories**

An inventory of "fresh products" is carried out physically at all stores every month, and adjustments are made where necessary.

A full physical inventory is carried out on all other products at least once a year or on a rolling basis, at all stores and warehouses. These inventories, along with the impairment entries, are monitored on a sample basis by the Statutory Auditors and Internal Audit Department.

#### **4.4.2.2 Procedures for monitoring inventory and evaluating non-current assets**

There is a procedure in place setting out the rules for approving investments for any project involving a significant amount. Agreement is given based on the Internal Rate of Return (IRR) and the return on capital employed.

The financial control department of each entity oversees budget monitoring of all major investment projects.

The recoverable value of property, plant and equipment and intangible assets is tested for impairment as soon as there is any indication of a loss of value. This test is carried out once a year for assets with an indefinite life span.

As regards investment properties, half-yearly and annual valuations are carried out by experts to determine their fair value. These valuations are exhaustive where New Immo Holding is concerned but carried out on a sample basis for each country where Auchan Retail International is concerned.

#### **4.4.2.3 Procedures for monitoring and recording employee benefits**

The company identifies and records all employee benefits. Each core business participates in the setting up of retirement plans for employees in accordance with the laws and practices of each country. The larger plans are assessed each year by independent actuaries and other plans are assessed regularly.

#### **4.4.2.4 Procedures for monitoring cash flows**

The analysis of the financial debt and the financial income is included in ELO's financials. These reports enable ELO's Treasury department and Financial Control department to monitor and respond quickly to changes in the financial debt and financial income in relation to the budget. The reports are communicated monthly to the governance of ELO.

Moreover, every month the subsidiaries send a report to ELO's Treasury department showing details of all credit facilities authorised, used and available, and all investments. These data are consolidated.

In line with the budget process and the construction of the business lines' strategic plans, a financial trajectory has been put in place to monitor changes in the main financial indicators (EBITDA, net financial debt, free cash flow and ratios). This document is communicated to all committees as well as to the Board of directors of ELO.

Lastly, a treasury report is prepared that takes into account all market risks (monthly for the interest rate and foreign exchange risks and quarterly for the counterparty risk).

#### **4.4.2.5 Legal and tax policies**

The legal and tax policies and key related operations are presented on a regular basis either to the Finance Committee or the Board of Directors. The validation of legal structures is overseen by the Legal and Tax department in collaboration with the business lines' Finance departments, and is updated quarterly.









# 5 Consolidated financial statements

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## 5.1 Consolidated financial statements

The financial statements for the financial year ended December 31<sup>st</sup>, 2024 were approved by the Board of Directors on February 26<sup>th</sup>, 2025.

### 5.1.1 Consolidated income statement

(in €m)	Notes	12/31/2024	12/31/2023 <sup>(2)</sup>
Revenue	4.1	32,290	31,776
Cost of sales	4.1	(24,383)	(23,958)
<b>Gross margin</b>	<b>4.1</b>	<b>7,907</b>	<b>7,818</b>
Payroll expenses	11.1	(4,421)	(4,229)
External expenses		(2,252)	(2,132)
Depreciation and amortisation	4.2	(1,115)	(1,045)
Provisions and impairments	4.2	(102)	(57)
Other recurring income and expenses	4.2	6	(13)
<b>RECURRING OPERATING INCOME</b>		<b>22</b>	<b>342</b>
Non-recurring income and expenses	4.3	(868)	(382)
<b>OPERATING INCOME</b>		<b>(846)</b>	<b>(40)</b>
Income from cash and cash equivalents		99	64
Gross cost of financial debt		(291)	(222)
Net cost of financial debt	10.2	(191)	(158)
Other financial income	10.3	21	29
Other financial expenses	10.3	(184)	(160)
<b>INCOME BEFORE TAX</b>		<b>(1,200)</b>	<b>(331)</b>
Share of net income of associates	7.2	(19)	(56)
Income tax expense	12.2	(120)	8
<b>NET INCOME FROM CONTINUING OPERATIONS</b>		<b>(1,338)</b>	<b>(379)</b>
Net income from assets held for sale and discontinued operations <sup>(1)</sup>	3.2	116	1
<b>NET INCOME</b>		<b>(1,223)</b>	<b>(378)</b>
• of which net income - Group share		(1,220)	(379)
• of which net income attributable to non-controlling interests		(3)	1
<b>EARNINGS PER SHARE FROM CONTINUING OPERATIONS - GROUP SHARE (IN €)</b>			
• basic	8.2	(45.57)	(13.41)
• diluted	8.2	(45.57)	(13.41)
<b>EBITDA</b>	<b>4.2</b>	<b>1,224</b>	<b>1,472</b>

(1) Contribution of Auchan Retail Hungary in 2023 and 2024.

(2) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

## 5.1.2 Consolidated statement of comprehensive income

(in €m)	12/31/2024			12/31/2023 <sup>(1)</sup>		
	Gross amount	Income tax	Net	Gross amount	Income tax	Net
<b>Net income for the period</b>			<b>(1,223)</b>			<b>(378)</b>
Change in equity instruments at fair value through other comprehensive income	(13)	(19)	(32)	(19)	5	(14)
Revaluation of net liabilities in respect of defined benefits plans <sup>(2)</sup>	40	(11)	29	(5)	1	(4)
<b>TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO NET INCOME</b>	<b>26</b>	<b>(30)</b>	<b>(4)</b>	<b>(24)</b>	<b>6</b>	<b>(18)</b>
Exchange differences on translating foreign operations <sup>(3)</sup>	92		92	(35)		(35)
<b>Change in fair value</b>						
• of net foreign investment hedges	1	(0)	1	(22)	6	(17)
• of cash flow and forex hedges	(17)	3	(14)	(67)	17	(50)
<b>TOTAL ITEMS THAT MAY BE RECLASSIFIED TO NET INCOME</b>	<b>75</b>	<b>3</b>	<b>78</b>	<b>(125)</b>	<b>23</b>	<b>(101)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>102</b>	<b>(27)</b>	<b>75</b>	<b>(148)</b>	<b>29</b>	<b>(120)</b>
<b>Total comprehensive income for the period</b>			<b>(1,148)</b>			<b>(497)</b>
<i>Attributable to:</i>						
• Group share			(1,144)			(498)
• non-controlling interests			(4)			0

(1) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

(2) Includes the impact of the restructuring plan (see note 11.2).

(3) Of which translation differences recycled to net income following the disposal of Ceetrus Russia, Auchan Retail Hungary and New Immo Holding Hungary.

### 5.1.3 Consolidated statement of financial position

ASSETS (in €m)	Notes	12/31/2024	12/31/2023
Goodwill	6.1	1,540	1,553
Other intangible assets	6.2	98	128
Property, plant and equipment	6.3	4,818	4,954
Right-of-use assets	6.4	1,636	1,235
Investment property	6.5	2,851	3,454
Investments in associates	7.1	808	647
Non-current financial assets	10.6	484	410
Non-current derivative instruments	10.4	102	140
Deferred tax assets	12.1	369	371
Other non-current assets	10.6	96	104
<b>NON-CURRENT ASSETS</b>		<b>12,802</b>	<b>12,998</b>
Inventories	4.4	2,596	2,533
Trade receivables	10.6	521	433
Current tax assets	12.1	26	60
Trade and other receivables	10.6	1,315	1,369
Current financial assets	10.6	395	419
Current derivative instruments	10.4	81	80
Cash and cash equivalents	10.1	2,884	2,741
Assets classified as held for sale	3.2	120	150
<b>CURRENT ASSETS</b>		<b>7,939</b>	<b>7,786</b>
<b>TOTAL ASSETS</b>		<b>20,741</b>	<b>20,784</b>

<b>EQUITY AND LIABILITIES</b> (in €M)	<b>Notes</b>	<b>12/31/2024</b>	<b>12/31/2023</b>
Share capital	8.1.2	599	580
Share premiums		2,287	2,007
Reserves and net income - Group share		1,892	3,039
<b>EQUITY - GROUP SHARE</b>		<b>4,778</b>	<b>5,626</b>
Non-controlling interests	8.1.6	170	178
<b>TOTAL EQUITY</b>		<b>4,948</b>	<b>5,804</b>
Non-current provisions	9.1	231	198
Non-current borrowings and other financial liabilities	10.7.1	5,007	4,927
Non-current derivative instruments	10.4	86	147
Non-current lease liabilities		1,568	1,099
Deferred tax liabilities	12.2	2	47
Other non-current liabilities	10.8	254	164
<b>NON-CURRENT LIABILITIES</b>		<b>7,148</b>	<b>6,583</b>
Current provisions	9.1	341	184
Current borrowings and other financial liabilities	10.7.1	929	1,070
Current derivative instruments	10.4	8	15
Current lease liabilities		400	324
Trade payables	10.7.2	5,176	4,979
Current tax liabilities	12.1	53	58
Other current liabilities	10.8	1,735	1,752
Liabilities associated with assets classified as held for sale	3.2	4	14
<b>CURRENT LIABILITIES</b>		<b>8,646</b>	<b>8,397</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,741</b>	<b>20,784</b>



## 5.1.4 Consolidated statement of cash flows

(in €m)

	Notes	12/31/2024	12/31/2023
<b>Consolidated net income (including non-controlling interests)</b>		<b>(1,223)</b>	<b>(378)</b>
Share of net income of associates		19	56
Dividends received (non-consolidated investments)		(3)	(3)
Net cost of financial debt and lease interests <sup>(1)</sup>		321	271
Income tax expense (including deferred taxes)		121	(6)
Net amortisation, depreciation, provisions and impairment expenses (other than on current assets)		2,045	1,526
Expenses and income related to share-based payments without cash consideration		(1)	(7)
Capital gains and losses net of tax and goodwill		(228)	(70)
<b>Cash flows from operations before net cost of financial debt, lease interest and tax</b>		<b>1,050</b>	<b>1,387</b>
Income tax paid		(89)	(112)
Interest paid and lease interest <sup>(1)</sup>		(387)	(327)
Other financial items		100	67
<b>Cash flows from operations after net cost of financial debt and tax</b>		<b>674</b>	<b>1,016</b>
Changes in working capital requirement	15	82	219
<b>Net cash from (used in) operating activities</b>		<b>756</b>	<b>1,235</b>
Disbursements related to acquisitions of property, plant and equipment, intangible assets and investment properties		(815)	(1,081)
Proceeds from disposals of property, plant and equipment, intangible assets and investment properties		155	226
Disbursements related to shares in non-consolidated companies including investments in associates		(70)	(117)
Proceeds from sales of shares in non-consolidated companies including investments in associates		6	1
Disbursements related to business combinations net of cash acquired		(560)	1
Disposals of operations net of cash sold		622	
Dividends received (non-consolidated investments)		17	6
Changes in loans and advances granted	15	(268)	(110)
<b>Net cash from (used in) investing activities</b>		<b>(912)</b>	<b>(1,074)</b>
Proceeds from capital increases		300	100
Purchases and sales of treasury shares		(11)	(29)
Dividends paid during the financial year	15	(4)	(103)
Acquisitions and disposals of interests without change in control	15	(14)	(9)
Payment of lease liabilities		(405)	(331)
Change in net financial debt	15	412	1,019
<b>Net cash from (used in) financing activities</b>		<b>278</b>	<b>647</b>
Effect of changes in foreign exchange rates <sup>(2)</sup>		(13)	(11)
Cash and cash equivalents classified under IFRS 5		(13)	(50)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>96</b>	<b>746</b>
Cash and cash equivalents at the beginning of period	15	2,730	1,984
Cash and cash equivalents at the end of period	15	2,826	2,730
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>96</b>	<b>746</b>

<sup>(1)</sup> Including financial interest under IFRS 16 for €120 million included in other financial expenses (vs. €91 million at December 31<sup>st</sup>, 2023).

<sup>(2)</sup> Impact of the zloty for €(6) million, the rouble for €(7) million, the forint for €(2) million and the hryvnia for €2 million at December 31<sup>st</sup>, 2024.

## 5.1.5 Consolidated statement of changes in equity

	Equity							
	Share capital	Share premiums <sup>(1)</sup>	Treasury shares <sup>(2)</sup>	Currency translation reserves, financial instrument revaluation reserves and actuarial gains and losses <sup>(3)</sup>	Reserves and consolidated income	Group share	Non-controlling interests	Total
(in €m)								
<b>As of 01/01/2023</b>	<b>574</b>	<b>1,914</b>	<b>(115)</b>	<b>(928)</b>	<b>4,686</b>	<b>6,129</b>	<b>194</b>	<b>6,323</b>
Net income for the period					(379)	(379)	1	(378)
Total other comprehensive income				(119)		(119)	(1)	(120)
<b>Total comprehensive income for the period</b>				<b>(119)</b>	<b>(379)</b>	<b>(498)</b>	<b>0</b>	<b>(497)</b>
Capital increase	7	93				100		100
Capital reduction	(1)				(17)	(18)		(18)
Treasury shares			2			2		2
Dividend distributions					(100)	(100)	(3)	(103)
Changes in consolidation scope					5	5	(11)	(7)
Changes in put options granted to non-controlling interests and repurchase commitments					10	10	(2)	9
Other					(5)	(5)	(0)	(6)
<b>As of 01/01/2024</b>	<b>580</b>	<b>2,007</b>	<b>(113)</b>	<b>(1,047)</b>	<b>4,200</b>	<b>5,626</b>	<b>178</b>	<b>5,804</b>
Net income for the period					(1,220)	(1,220)	(3)	(1,223)
Total other comprehensive income				75		75	(0)	75
<b>Total comprehensive income for the period</b>				<b>75</b>	<b>(1,220)</b>	<b>(1,144)</b>	<b>(4)</b>	<b>(1,148)</b>
Capital increase	20	280				300		300
Capital reduction	(1)				(17)	(19)		(19)
Treasury shares			9			9		9
Dividend distributions					0	0	(4)	(4)
Changes in consolidation scope					(7)	(7)	(3)	(10)
Changes in put options granted to non-controlling interests and repurchase commitments					13	13	3	16
Other					(1)	(1)	0	(1)
<b>AS OF 31/12/2024</b>	<b>599</b>	<b>2,287</b>	<b>(103)</b>	<b>(971)</b>	<b>2,968</b>	<b>4,778</b>	<b>170</b>	<b>4,948</b>

(1) The share premiums include the premiums paid for stock issued, mergers and other capital contributions.

(2) See note 8.1.3

(3) See note 8.1.5

## 5.2 Notes to the consolidated financial statements

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## NOTE 1 Basis for the preparation of the financial statements

ELO's consolidated financial statements were approved by the Board of directors on February 26<sup>th</sup>, 2025. They will not be finalised until they have been approved by the Ordinary General Meeting of Shareholders scheduled for May 6<sup>th</sup>, 2025.

The consolidated financial statements are presented in euros and are rounded up or down to the nearest million.

### 1.1 STATEMENT OF COMPLIANCE

ELO's consolidated financial statements have been prepared in compliance with international accounting standards, comprising the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS), and the interpretations thereof issued by the International Accounting Standards Board (IASB) and by the International Financial Reporting Standards Interpretations committee (IFRIC), as approved by the European Union as of December 31<sup>st</sup>, 2024.

### 1.2 STANDARDS APPLIED

The accounting policies applied by ELO and its subsidiaries for the consolidated financial statements as of December 31<sup>st</sup>, 2024 are identical to those used for the consolidated financial statements as of December 31<sup>st</sup>, 2023 with the exception of the changes, amendments and interpretations of standards with mandatory application as of January 1<sup>st</sup>, 2024.

#### Amendments and standards adopted by the European Union, applicable from financial years beginning on January 1<sup>st</sup>, 2024

The application of the following amendments, mandatory from January 1<sup>st</sup>, 2024, did not have a material impact on the Group's consolidated financial statements:

- Amendments to IAS 1, "Classification of Liabilities as Current or Non-current" and "Non-current Liabilities with Covenants";
- Amendments to IAS 7 and IFRS 7, "Supplier Finance Arrangements";
- Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback".

#### Standards and interpretations published by the IASB, applicable after January 1<sup>st</sup>, 2025 and not applied early

The Group has not applied any standards, amendments to standards or interpretations applicable in advance from January 1<sup>st</sup>, 2024, whether or not adopted by the European Union. The application of the following amendments is not expected to have a material impact on the consolidated financial statements:

- Amendments to IAS 21, "Lack of Exchangeability";
- Amendment to IFRS 7 and IFRS 9, "Classification and Measurement of Financial Instruments";
- IFRS 19, "Subsidiaries without Public Accountability: Disclosures".

IFRS 18, "Presentation and disclosures in financial statements" is currently being analysed to determine the impact on the presentation of the Group's financial statements.

#### International tax reform (Pillar II)

In December 2021, the OECD published the Global Anti-Base Erosion Rules (GloBE), subsequently substantially included in a directive adopted by the European Union in December 2022. This system came into effect for the 2024 financial year.

The ELO Group has therefore applied these rules. Initially, it carried out the transitional measures test known as the "Safe Harbor Test", which means that if one of the three tests is met for a jurisdiction, no income tax expense is recognised for that jurisdiction and no detailed calculation is required.

In almost all the jurisdictions where ELO operates, the Safe Harbor tests have been met. Only a few jurisdictions have been calculated in detail. After performing the detailed calculations, it appears that no additional income tax expense needs to be recognised.

### 1.3 USE OF JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements requires Management to make judgements and estimates and use assumptions that could affect the carrying amounts of certain assets and liabilities and revenue and expenses as well as the information provided in the notes to the financial statements.

In preparing the consolidated financial statements, the following items were the subject of significant judgements and estimates made by Management in applying ELO's accounting policies:

- the period over which non-current assets are depreciated (see note 6.3);
- the terms of leases falling within the scope of IFRS 16 (see note 6.4);
- assessments of provisions (in particular, for the forthcoming redundancy plan for the Retail activity in France) and supplier receivables (see note 9);
- the measurement of retirement benefit obligations (see note 11.2);
- the assumptions used to calculate the recoverable amounts in the context of impairment tests on property, plant and equipment, intangible assets and goodwill (see note 6.6);
- the measurement of the total deferred tax assets (including those relating to tax losses carried forward) (see note 12.1);
- the fair value measurement of the identifiable assets and liabilities in the context of business combinations (see note 1.5);
- the information on the fair value of the investment properties provided in the notes to the financial statements (see note 6.5);

These estimates may be revised if the circumstances on which they were based change or as the result of new information. The actual values may be different from the estimated amounts.

### 1.4 CLIMATE

The risks resulting from climate change are considered to have moderate consequences on the Group's activities. These various risks and the short-term projects initiated by the Group in this regard have been included in the strategic plans and are described in note 6.6. In view of the risks faced, no significant provision of this kind has been recognised in the financial statements.

The Group believes that the long-term consequences of climate change, such as the exposure of its activities to extreme weather events, the scarcity or increase in the price of raw materials and the resulting changes in behaviour, are not yet measurable. A macroeconomic assessment of the financial consequences, both in terms of physical risks and transition risks, is underway. These estimates assume the business is a going concern and are based on past experience and other factors considered reasonable in the circumstances and using the information available at the time.

### Taking into account Auchan Retail's carbon footprint reduction objectives in the external financing subscribed by ELO

When ELO calls on the financial markets, it may decide to incorporate Auchan Retail's carbon footprint reduction objectives into the terms of the financing it takes out. For example:

- Sustainability-Linked Bond (SLB): in September 2023, ELO placed a bond issue on the market for a total amount of €750 million which, based on ELO's new Sustainability-Linked Framework, is indexed on Auchan Retail's carbon footprint reduction targets:
  - 46 % reduction in greenhouse gas emissions on Auchan Retail's Scopes 1 and 2 in 2030 compared to 2019;
  - 25% reduction in greenhouse gas emissions on Auchan Retail's Scope 3 in 2030 compared to 2020.
- Sustainability-Linked Loan (SLL): in December 2022, ELO also took out a bank loan and a bank credit line, for a maximum amount of €1.25 billion, maturing in 2028, indexed to two types of Auchan Retail societal and environmental objectives:
  - KPI 1a: GHG emissions in scopes 1 and 2, aligned with the SBTi objectives;
  - KPI 1b: GHG emissions in scope 3, aligned with the SBTi objectives (from 2025)
  - KPI 2: number of responsible supply chains.



## Integration of Auchan Retail's carbon footprint reduction targets in compensation

The Group has set up bonus share plans for some of its employees and executives whose performance criteria include carbon footprint reduction targets.

In addition, the variable compensation of Group employees takes ESG criteria into account.

## Climate risks to which the Group is exposed

The description of climate risks, their effects and the work undertaken in response to these risks are detailed in Chapter 3, section 3.2.2 Climate change, of the sustainability report.

## 1.5 CONSOLIDATION SCOPE AND METHODS

The accounts of companies directly or indirectly controlled by ELO are consolidated in our financial statements. Control exists when ELO has the power to direct, directly or indirectly, the strategic, financial and operational policies of the entity, is exposed to or has rights to the variable returns of the entity, and has the ability to act on these returns, i.e. there is a link between returns and power. The existence and effect of potential voting rights that are substantively exercisable or convertible are taken into account for determining control. The companies over which ELO directly, indirectly or jointly exercises significant influence on management and financial policies, without exercising control, are accounted for using the equity method. ELO's share of the net income of associates is recognised in the income statement under the heading "Share of net income of associates". If ELO's share of the losses of an associate is equal to or exceeds its shareholding, in its consolidated financial statements, ELO ceases to recognise its share of the losses unless it has a legal or implicit obligation to do so, or must make payments on behalf of the associate.

Consolidation is based on the financial statements for the year ended December 31<sup>st</sup> for all the entities included in the consolidation scope. The consolidated financial statements include the financial statements of the acquired companies from the date on which control is transferred to ELO and those of the companies sold up to the date of loss of control.

All transactions and balances between companies that are included within the consolidation scope are eliminated.

## 1.6 BUSINESS COMBINATIONS

In the context of a business combination, as defined by IFRS 3 - Business Combinations, all identifiable elements of the assets acquired, liabilities and contingent liabilities assumed are measured and recognised at fair value on the date control is acquired. The consideration transferred is measured at the fair value of the assets, equity and liabilities at the acquisition date. The costs arising directly from the business combination are recorded as an expense for the period. The excess of the consideration transferred over ELO's share of the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired entity are recognised as an asset under goodwill on the balance sheet.

At the date of acquisition of control and for each business combination, ELO can opt to record either partial goodwill (corresponding to the share acquired by ELO and its subsidiaries) or full goodwill in its consolidated financial statements. In the latter case, the non-controlling interests are measured at fair value and ELO records goodwill on the totality of the identifiable assets and liabilities in its consolidated financial statements. The goodwill is measured on the date control is acquired and is not adjusted after the end of the valuation period. Subsequent changes in percentage interests in a subsidiary without change in control are recorded directly in Group equity. Any negative goodwill is recognised immediately in the income statement.

In the case of step acquisitions, the share previously held by ELO and its subsidiaries is remeasured at its fair value. The difference between the fair value and the net carrying amount of the interest is recognised in comprehensive income when a step results in the acquisition of control. In the case of loss of control of an entity, any interest retained directly or indirectly by ELO is remeasured at fair value through profit or loss.

In its consolidated financial statements, ELO has a period of twelve months from the date of acquisition of control to finalise the initial assessment of identifiable assets, liabilities and contingent liabilities, the consideration transferred and non-controlling interests on condition that the elements used to adjust these amounts correspond to new information that has come to the acquiring company's knowledge but arising from events and circumstances prior to the acquisition date. Earn-outs are included in the consideration transferred at their fair value at the date of acquisition of control, even if they are of a conditional nature, and charged against equity or debt (depending on the payment method). During the valuation period, subsequent adjustments to these additional payments are recognised in goodwill when they relate to events and circumstances prior to the acquisition date; otherwise, they are recognised in the income statement unless they had an equity instrument as a counter-entry. Any deferred tax assets of the acquired entity not recognised at the date control was acquired or during the assessment period are subsequently recognised in the income statement without any goodwill adjustment.

## 1.7 DETAILS OF THE MAIN ACQUISITIONS

### Casino in France

Announced on January 24<sup>th</sup>, 2024, the acquisition of Casino stores was finalised in three successive waves in 2024 (see note 2.3).

The determination of the acquisition price and the valuation of the assets and liabilities at their fair value at the acquisition date lead to the following provisional allocation of the acquisition price as at December 31<sup>st</sup>, 2024. This allocation will be final on June 30<sup>th</sup>, 2025.

(in €m)	12/31/2024
Property, plant and equipment	159
Lease liability, net <sup>(1)</sup>	(107)
Other (including working capital requirements)	60
<b>NET ASSETS ACQUIRED</b>	<b>112</b>
<b>GOODWILL</b>	<b>360</b>

(1) Net of right-of-use assets valued on the basis of market rents.

Revenue from the acquired assets totalled €1,042 million from the date of first-time consolidation according to the consolidation waves (from end-April to end-June 2024), until December 31<sup>st</sup>, 2024.

### DIA Portugal

On April 30<sup>th</sup>, 2024, Auchan Retail Portugal completed the acquisition of 100% of the DIA group's activities in Portugal (see note 2.3).

The determination of the acquisition price and the valuation of the assets and liabilities at their fair value at the acquisition date lead to the following provisional allocation of the acquisition price as at December 31<sup>st</sup>, 2024. This allocation will be final on June 30<sup>th</sup>, 2025.

(in €m)	12/31/2024
Property, plant and equipment	95
Other (including working capital requirements)	(80)
<b>NET ASSETS ACQUIRED</b>	<b>15</b>
<b>GOODWILL</b>	<b>73</b>

Revenue from the acquired assets totalled €391 million from April 30<sup>th</sup> to December 31<sup>st</sup>, 2024.

## 1.8 FOREIGN CURRENCY TRANSACTIONS

The functional currency of ELO and the presentation currency of the consolidated financial statements is the euro.

### Translation of the financial statements of foreign subsidiaries

ELO has no subsidiaries operating in a hyperinflationary economy. The financial statements of all entities whose operating currency is not the euro are therefore translated into euros using the following method:

- balance sheet assets and liabilities, except for equity, which is maintained at the historical exchange rate, are translated at the exchange rate applicable on the reporting date;
- income and expense items are translated at the average exchange rate for the period;
- cash flows are translated at the average exchange rate for the period.

The translation differences resulting from the application of this method are recognised under "Translation differences" in other comprehensive income in the consolidated statement of comprehensive income and are recognised in the income statement on disposal of the net investment in question. The goodwill and fair value adjustments resulting from a business combination with an activity whose operating currency is not the euro are considered as part of the subsidiary's assets and liabilities. They are expressed in the operating currency of the acquired entity and translated into euros at the closing rates. Any resulting currency translation differences are recognised under "Exchange differences on translating foreign operations" in the consolidated statement of comprehensive income.

## Recognition of foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rate on the transaction date. The monetary assets and liabilities denominated in a foreign currency, whether hedged or not, are translated into euros at the exchange rate at year-end and the resulting exchange differences are recognised in net income for the period. The foreign currency-denominated non-monetary assets and liabilities valued at historical cost are translated at the exchange rate prevailing on the initial transaction date. The foreign currency-denominated non-monetary assets and liabilities valued at fair value are translated at the exchange rate prevailing on the date the fair value was determined.

## 1.9 PRESENTATION OF FINANCIAL INFORMATION

The arithmetic calculations based on rounded items may differ from the aggregates or subtotals displayed.

### Statement of financial position

The assets and liabilities involved in the normal cycle of operations are classified as current items. The other assets and liabilities are classified as current or non-current depending on whether their expected date of recovery or payment is within twelve months from the accounts closing date. ELO's statement of cash flows is prepared in compliance with IAS 7, using the indirect method, based on the net income of all companies in the consolidation scope, and is broken down into three categories:

- cash flows from operations (including taxes);
- cash flows from investing activities (in particular the purchase and sale of equity investments, and non-current assets);
- cash flows from financing activities (in particular debt issuance and redemptions, treasury share buybacks, dividend payments, payments of lease liabilities).

## 1.10 ALTERNATIVE PERFORMANCE INDICATORS

### EBITDA

EBITDA now corresponds to recurring operating income, minus amortisation, depreciation and other recurring income and expenses.

### Non-recurring income and expenses

Non-recurring transactions in significant amounts which could distort recurring operating performance are recorded under Non-recurring income and expenses in accordance with Recommendation No. 2020-R.01 of the French Accounting Standards Authority (ANC - Autorité des normes comptables). This item includes, in particular, impairment of goodwill, impairment of property, plant and equipment, capital gains or losses on asset disposals, as well as items that are unusual, abnormal, significant and not relevant to current operations, such as major restructuring costs, exceptional contract termination compensation and costs arising on major acquisitions.

### Net financial indebtedness

The net financial indebtedness consists of current and non-current borrowings and other financial liabilities, the fair value of derivatives that qualify as hedging instruments for an item of net financial debt, plus related accrued interest and minus net cash and cash equivalents and positive margin calls on derivatives that qualify as hedging instruments for an item of net financial debt. The negative margin calls (which correspond to the margins received from counterparties) are included in current borrowings and other financial liabilities.

The net financial indebtedness does not include the liabilities related to put options granted to non-controlling interests.

### Net financial debt

ELO defines net financial debt as net financial indebtedness plus the fair value of the derivatives that do not qualify as hedging instruments for an item of financial debt. It also includes margin calls on derivatives that do not qualify as hedging instruments and short-term cash investments not covered by the definition of "Cash and cash equivalents".

## NOTE 2 Significant events

### 2.1 IMPACT OF THE RUSSIAN-UKRAINIAN CONFLICT

As of December 31<sup>st</sup>, 2024, Auchan Retail operated 230 stores in Russia and 35 stores in Ukraine. New Immo Holding's exposure has been more limited since the disposal of the shopping malls (Ceetrus) in Russia in the first half of 2024. These two countries generated around 9% of the Group's revenues in financial year 2024 and accounted for 4% of fixed assets at December 31<sup>st</sup>, 2024.

The Group scrupulously monitors compliance with the terms of the embargo and sanctions, particularly with regard to financial flows with Russia. Auchan Retail stopped all investment and financing activities for its Russian subsidiary in the early days of the conflict, leaving it to operate independently.

Under extremely uncertain conditions regarding the extent, outcome and consequences of the ongoing armed conflict, the outlook at present does not call into question ELO's financial situation.

#### Russia

The Retail activity in Russia showed signs of a moderate recovery in 2024 after a marked slowdown over the whole of 2023, but is still heavily impacted by the fall in footfall, particularly in large shopping centres.

As at December 31<sup>st</sup>, 2024, the currency translation reserve relating to operations in Russia corresponded to a debit of €693 million.

Auchan Retail Russia had a sufficient level of liquidity at the end of December (€153 million) enabling it to meet its commitments. It also has credit lines totalling RUB 10 billion with local banks.

In accordance with the European regulations currently in force, Auchan Retail Russia has not received any new financial support (investment, intragroup financing, etc.) from its parent company since February 24<sup>th</sup>, 2022. It will not receive any support as long as the current conditions of the financial embargo are in place.

#### Ukraine

The Retail activity in Ukraine continued to suffer in 2024, notably due to traffic disruption caused by alerts to the population and power cuts.

Since the start of the conflict in Ukraine, Auchan Retail has stood alongside the local civilian populations to fulfil its mission of providing healthy food for all at the best possible price, with the safety of its employees as a priority.

### 2.2 OTHER SIGNIFICANT EVENTS

#### Sale of Sintra Retail Park in Portugal

Sintra Retail Park (Portugal), whose assets and liabilities were presented under "Assets classified as held for sale" and "Liabilities associated with assets classified as held for sale" in accordance with IFRS 5, was sold in January 2024, following the sale agreement signed in December 2023. This share deal generated a capital loss of €5 million in consolidated income and a cash inflow of €42 million.

#### Partial disengagement in Russia

New Immo Holding has been operating in Russia for over 15 years.

As part of its regular arbitrages of assets and geographical locations, the Group partially withdrew from the country through the sale of its Russian subsidiary, Ceetrus LLC, which owned 19 shopping malls.

This disposal had a negative impact of €68 million on the consolidated income statement, of which €70 million had no impact on equity as it arose from the recycling of translation differences.

## New Immo Holding - Gare du Nord dispute

Gare du Nord 2024, an associate, was placed in voluntary liquidation on September 21<sup>st</sup>, 2021. New Immo Holding holds a receivable on Gare du Nord 2024, amounting to €206 million. On the basis of the proceedings initiated at the end of the 2021 financial year and which continued into 2024, the Group has set aside a provision that corresponds to its best estimate of the risk;

As part of the liquidation of Gare du Nord 2024, a dispute concerning a first-demand guarantee on the completion of the works had also been investigated between the two shareholders (New Immo Holding and SNCF Gares et Connexions).

On September 22<sup>nd</sup>, 2023, the Commercial Court ordered New Immo Holding at first instance to pay SNCF Gares et Connexions €47 million in execution of the completion guarantee for the Gare du Nord 2024 project.

On March 27<sup>th</sup>, 2024, the Paris Court of Appeal confirmed the ruling ordering New Immo Holding to honour this guarantee. A charge of €47 million was recognised in the Group's financial statements under "Non-recurring income and expenses" (**see note 4.3**). New Immo Holding has appealed to the French supreme court.

## ELO SA bond issue

On April 10<sup>th</sup>, 2024, ELO successfully placed a fixed-rate bond issue for a total amount of €750 million, with a coupon of 5.875 % and a maturity of 4 years. The cash raised was used to finance the Group's general requirements.

## ELO SA capital increase

On May 16<sup>th</sup>, 2024, the shareholders of ELO SA subscribed to a capital increase of €300 million, in order to support the Group in its development and transformation of its business lines.

## Disposal plan for New Immo Holding in Portugal and France

As part of its asset portfolio rotation policy, New Immo Holding carried out several disposals in France and Portugal.

In particular, three significant transactions: the sale at the end of July 2024 of 60% of the shares in SCI Petit Menin, which owned the Promenade de Flandres site (a deal that generated a cash impact of €90 million), the sale of the Portuguese companies Montijo and Brafero in September 2024 (a deal that generated a capital loss of €(13) million in consolidated income and a cash inflow of €95 million) and finally the sale of 50% of the shares in the Portuguese company Sintra Alegro in December 2024 (a share deal that generated a capital loss of €(7) million in consolidated income and a cash inflow of €124 million).

## New governance for Auchan Retail

On August 29<sup>th</sup>, 2024, Guillaume Darrasse was appointed Chief Executive Officer of Auchan Retail, succeeding Yves Claude who remains Chairman of Auchan Retail. Guillaume Darrasse joined Auchan Retail in April 2024 as Deputy Chief Executive Officer.

In addition, Patrice Moulin, who joined the Group in July 2024, was appointed Deputy Chief Executive Officer.

## Restructuring of Auchan Retail France

On November 5<sup>th</sup>, 2024, Auchan Retail announced a plan to return to growth in France, structured around three areas to support the actions of its customer-focused teams. Each format, hypermarket and supermarket, is being revitalised with a new sales plan that includes a clear choice of product ranges and markets, more attractive price positioning and an overhaul of its business model. At the heart of this plan, the hypermarket is taking on a new role. It is becoming a brand platform in each region, offering customers the essential of the product range in the format of their choice, in supermarkets, click & collect and home delivery. This recovery plan calls for responsible decisions and setting up a new organisation. This could have an impact on almost 2,400 jobs, as part of the launch of a job protection plan. The total cost of the restructuring amounted to €250 million at December 31<sup>st</sup>, 2024, recognised in Other non-recurring income and expenses (**see note 4.3**).



## Auchan Retail Hungary - Acquisition of a stake in Indotek and transfer of control

On November 30<sup>th</sup>, 2024, Indotek Group, Hungary's leading real estate investment and development company, became a 47% shareholder in Auchan Retail Hungary. The partnership signed between Auchan Retail and Indotek Group gives Indotek Group control of the Hungarian subsidiary.

In the consolidated financial statements for the year ended December 31<sup>st</sup>, 2024, this transaction resulted in a net gain recorded under "Net income from assets held for sale and discontinued operations" (**see note 3.2**).

In accordance with the control analysis and the criteria set out in IFRS 5, the income statement items for 2023, and for 2024 up to the sales date, are presented on the line "Net income from assets held for sale and discontinued operations".

With effect from the transfer of control of Auchan Retail Hungary to Indotek Group on November 30<sup>th</sup>, 2024, Auchan Retail Hungary and its subsidiaries are accounted for using the equity method in the consolidated financial statements of ELO, which retains significant influence over Auchan Retail Hungary (**see note 7**).

## New Immo Holding Hungary

New Immo Holding entered into exclusive negotiations with Indotek Group on September 1<sup>st</sup>, 2021 and finalised the negotiations in December 2024 on the basis of a total price of €173 million.

The sale of shares in two Group entities, Nhood Services Hungary and Ceetrus Hungary, had a negative impact of €(41) million on consolidated income, of which €(33) million had no impact on equity as it arose from the recycling of translation differences from previous years.

In accordance with IFRS 5, the assets and liabilities of the entities involved in the transaction were presented in 2023 on specific lines in the consolidated balance sheet under "Assets classified as held for sale" and "Liabilities associated with assets classified as held for sale".

## 2.3 ACTIVITIES

### Intermarché - Auchan Retail - Casino partnership

On September 23<sup>rd</sup>, 2024, Intermarché, Auchan and Casino cemented their long-term purchasing partnership with the creation of the Aura Retail alliance. With a minimum duration of 10 years, it will capitalise on the strengths and complementarities of the three groups, enabling them to improve their costs and price attractiveness. Intermarché is in charge of the central purchasing centre for food products and Auchan Retail is in charge of the purchasing centre for non-food products.

### Integration of Casino stores in France

Announced on January 24<sup>th</sup>, 2024, the acquisition of Casino stores was finalised in three successive waves in 2024:

- 16 hypermarkets, 15 supermarkets, 26 service stations and 1 warehouse on April 30<sup>th</sup>;
- 10 hypermarkets, 25 supermarkets and 20 service stations on May 31<sup>st</sup>;
- 28 supermarkets, 15 service stations and 2 click & collect stores on July 1<sup>st</sup>.

This acquisition was treated as a business combination (**see note 1.7**).

In connection with the acquisition of the Casino stores, €19 million of expenses were recognised under Other non-recurring income and expenses (**see note 4.3**).

### Acquisition of DIA's activities in Portugal

On April 30<sup>th</sup>, 2024, Auchan Retail Portugal completed the acquisition of 100% of the DIA group's activities in Portugal. This transaction provides Auchan Retail Portugal with new assets: 481 stores, 3 warehouses and an e-commerce site.

This acquisition was treated as a business combination (**see note 1.7**).

In connection with the acquisition of the DIA stores, €12 million of expenses were recognised under Other non-recurring income and expenses (**see note 4.3**).

## NOTE 3 Scope of consolidation

### 3.1 GENERAL DESCRIPTION OF THE CONSOLIDATION SCOPE

ELO SA, the holding company of the consolidated entities, is a French company with its registered office located at 40, avenue de Flandre, Croix, France. ELO SA is present in 13 countries and employs 158,998 people through the companies included in the consolidation scope.

At December 31<sup>st</sup>, 2024, ELO and its subsidiaries comprise two business lines:

- Auchan Retail International, a food and non-food retailer that consolidates 492 hypermarkets, 784 supermarkets, 745 convenience stores and 207 integrated digital points of sale, as well as e-commerce and click & collect activities (Chronodrive and Auchan Drive);
- New Immo Holding and its subsidiaries providing property management (1,105 sites, mainly shopping centres with shopping malls and retail parks).

In addition, ELO SA holds a stake of 49.9% in Oney Bank, a specialist in payment, financing and digital identification solutions. Oney Bank is accounted for using the equity method in ELO's consolidated financial statements (**see note 3.3**).

#### Changes in the store network and real estate assets

##### • New Immo Holding - Changes in real estate assets

New Immo Holding's portfolio of mandates has increased by 121 sites compared to 2023.

##### • Auchan Retail - Changes in the store network

The number of integrated points of sale operated by Auchan Retail International changed as follows during the financial year:

- In Western Europe, the number of points of sale increased by 193 units, including, on a net basis, +6 in France (including +96 Casino stores and -81 pedestrian click & collect stores), -5 in Spain, +190 in Portugal (DIA takeover), +2 in Luxembourg;
- In Central and Eastern Europe, the number of points of sale fell by 1 on a net basis, including -2 in Russia, +4 in Poland, -5 in Ukraine, +1 in Hungary and +1 in Romania.
- in Africa, the store network increased by 2 units, including +3 in Senegal and -1 in Côte d'Ivoire.

#### Changes in the consolidation scope

With the exception of the information provided below and in note 1.7, the consolidation scope did not change significantly during the financial year.

### 3.2 DISCONTINUED OPERATIONS, OPERATIONS BEING SOLD AND ASSETS HELD FOR SALE

#### Auchan Retail Hungary

In the consolidated financial statements for the year ended December 31<sup>st</sup>, 2024, the group formed by Auchan Retail Hungary and its subsidiaries was fully consolidated until the loss of control on November 30<sup>th</sup>, 2024 when 47% of Auchan Retail Hungary shares were sold to Indotek (**see note 2.2**).

For the period from January 1<sup>st</sup>, 2024 to November 30<sup>th</sup>, 2024, in accordance with IFRS 5, Auchan Retail Hungary and its subsidiaries have been classified as "Operation held for sale".

The line item "Net income from assets held for sale and discontinued operations" in the consolidated income statement includes:

- \* net income from the activities of Auchan Retail Hungary and its subsidiaries until November 30<sup>th</sup>, 2024;
- \* the consolidation gain resulting from the sale of 47% of the shares in the subsidiary, and the recognition of the 53% stake, accounted for using the equity method at fair value.

Since November 30<sup>th</sup>, 2024, Auchan Retail Hungary and its subsidiaries have been accounted for using the equity method in ELO's financial statements, given the significant influence exercised by ELO over Auchan Retail Hungary (**see note 7**).

### Ceetrus France

On November 20<sup>th</sup>, 2024, Ceetrus appointed Nhood as financial advisor to help it structure a real estate fund in partnership with the Banque des Territoires (CDC). The aim of the fund is to invest in assets and land where urban transformation is at stake.

The partnership provides for a capital split of 60% for Ceetrus and 40% for CDC, with governance agreements allowing Ceetrus to deconsolidate the fair value (joint venture consolidated using the equity method).

In addition, in accordance with the criteria set out in IFRS 5, the assets and liabilities of Holden SAS, QG SAS, Le Compact and Foncière du Breucq are presented on the "Assets classified as held for sale" and "Liabilities associated with assets classified as held for sale" lines of the balance sheet as of December 31<sup>st</sup>, 2024.

### Ceetrus Italy

In November 2024, Ceetrus Italy signed a binding offer with WRM for the sale of the Bilpo, Vimodrone and Venaria malls in Italy. However, this transaction had not been finalised by December 31<sup>st</sup>, 2024.

In accordance with the criteria defined by IFRS 5, the real estate assets of these malls (totalling €65 million) are therefore classified as "Assets classified as held for sale" in the balance sheet as of December 31<sup>st</sup>, 2024.

### Breakdown of net income from assets held for sale and discontinued operations in the financial statements

(in €m)	12/31/2024	12/31/2023
Revenue	949	1,126
Gross margin	218	264
<b>RECURRING OPERATING INCOME</b>	<b>(0)</b>	<b>26</b>
Non-recurring income and expenses	130	(1)
<b>OPERATING INCOME</b>	<b>129</b>	<b>25</b>
Net cost of financial debt	(10)	(22)
Other financial income and expenses	(2)	(1)
<b>INCOME BEFORE TAX</b>	<b>117</b>	<b>3</b>
Income tax expense	(1)	(2)
<b>NET INCOME</b>	<b>116</b>	<b>1</b>
<b>EBITDA</b>	<b>24</b>	<b>55</b>

Where appropriate, income from activities sold are shown in the line "Other non-recurring income and expenses" of the income statement presented above. As of December 31<sup>st</sup>, 2024, the figures correspond mainly to the result of the sale of the Retail activity in Hungary, i.e. €117 million.

## Details of assets and liabilities held for sale

<i>(in €m)</i>	12/31/2024	12/31/2023
<b>NON-CURRENT ASSETS</b>	<b>96</b>	<b>90</b>
<i>of which investment property</i>	83	83
<b>CURRENT ASSETS</b>	<b>24</b>	<b>60</b>
<i>of which cash</i>	2	58
<b>TOTAL ASSETS</b>	<b>120</b>	<b>150</b>
<b>NON-CURRENT LIABILITIES</b>	<b>1</b>	<b>8</b>
<i>of which deferred taxes</i>	0	5
<b>CURRENT LIABILITIES</b>	<b>3</b>	<b>6</b>
<i>of which trade payables</i>	2	4
<b>TOTAL LIABILITIES</b>	<b>4</b>	<b>14</b>

At December 31<sup>st</sup>, 2024, the figures correspond to the assets and liabilities held by New Immo Holding in France and Italy.

As of December 31<sup>st</sup>, 2023, the figures correspond to the assets and liabilities held by New Immo Holding in Hungary and Portugal (Sintra Retail Park), which were sold during 2024.

## Breakdown of cash flows in the cash flow statement

<i>(in €m)</i>	12/31/2024	12/31/2023
Net cash from (used in) operating activities	11	(30)
Net cash from (used in) investing activities	204	(44)
<i>Of which disposal price net of cash sold</i>	187	0
Net cash from (used in) financing activities	(29)	24
Effect of changes in foreign exchange rates	0	(0)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>186</b>	<b>(50)</b>

## 3.3 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

The line "Investments in associates" presented in the balance sheet includes the 49.9% stake in Oney Bank (Oney Bank specialises in payment, financing and digital identification solutions) for €319 million at December 31<sup>st</sup>, 2024, and New Immo Holding's investments in companies that own real estate assets in France and Europe (€376 million compared with €317 million at December 31<sup>st</sup>, 2023).

It also includes the 53% stake in Auchan Retail Hungary following the sale of 47% to Indotek Group for €104 million. Based on the analysis of control and the contractual terms, the Hungary Retail activity is accounted for using the equity method (see note 2.2).

Details of investments are provided in note 7.

## NOTE 4 Operating data

## 4.1 REVENUE/GROSS MARGIN

## Accounting principles

Revenue consists of *pre-tax revenues* and *other income*. Revenues include sales of goods and services from stores and service stations, on e-commerce sites, revenue from franchise activities and rental income from the property management activity.

Other revenue includes franchise fees, lease premiums collected by the shopping malls and retail parks, commissions for the sale of services and warranty extension premiums.

Revenue is assessed on the basis of the contractual price corresponding to the amount of compensation to which the Group expects to be entitled, in exchange for providing goods or services. The cost of the transaction is allocated to each of the performance obligations in the contract, which constitutes the unit of account for recognising income. Revenue is recognised when the performance obligation is fulfilled, i.e. when the customer obtains control of the good or service. Revenue can therefore be recognised at a given moment or continuously (i.e. percentage of completion).

The breakdown of the Group's main sources of revenue is as follows :

- sales of goods: in this case, the Group has only one performance obligation, which is the delivery of the good to the customer. Revenue from these sales is recognised at the moment when the control of the good has been transferred to the customer, generally at the time of delivery. Given the Group's activities, the transfer of control takes place:
  - when customers go through checkout for in-store sales,
  - when goods are received by franchisees and affiliates,
  - when goods are received by the customer for e-commerce sales;
- provision of services, such as franchise fees, logistics services, property income (rental income, rental management fees): in this case, the Group has only one performance obligation, namely delivery of the service. Revenue from these services is recognised continuously over the period in which the services are provided;

- revenue from real estate development activities: in this case, the Group generally has several performance obligations, some of which may be met at a given moment and others continuously according to the percentage of completion method. Percentage-of-completion income is calculated on the basis of the projected margin on completion, weighted by the percentage-of-completion rate determined on the basis of the costs incurred.

The Group offers customers loyalty programmes through which they enjoy reductions or other benefits when they make subsequent purchases. The benefits accumulated by customers from loyalty programmes constitute a performance obligation that is separate from the initial sale. For this reason, a contract liability is recognised in respect of this performance obligation. The revenue from these rights accorded is deferred until the date on which the customers use the benefits.

The *cost of sales* comprises the cost of purchases net of rebates and commercial cooperation fees received by the Group, changes in inventories net of any impairment loss, logistics costs, cash discounts obtained and foreign exchange gains and losses on the purchase of goods.

The rebates and commercial cooperations, recognised as a deduction from the cost of sales, result from contractual agreements signed by the Group companies with their suppliers. These agreements, which are specific to each supplier, include rebates calculated according to the volume of purchases of goods made, as well as rebates for commercial cooperation actions invoiced to suppliers. These commercial cooperation actions are the subject of contractual agreements.

Rebates are obtained when the associated performance conditions are met. These performance conditions generally require the Group to comply with certain volume thresholds. Discounts under commercial cooperation agreements are recognised over the period in which they are incurred. They are recorded in accordance with the terms and conditions provided for in the contractual agreements signed with the Group's suppliers until they expire.

The gross margin is the difference between the revenue and the *cost of sales*.

(in €m)	12/31/2024	31/12/2023 <sup>(1)</sup>
Revenues	32,022	31,544
Other revenue	268	232
<b>Revenue</b>	<b>32,290</b>	<b>31,776</b>
Purchases net of rebates, commercial cooperation services and ancillary and logistics costs	(24,496)	(23,824)
Change in inventories (net of impairment)	113	(134)
<b>Cost of sales</b>	<b>(24,383)</b>	<b>(23,958)</b>
<b>Gross margin</b>	<b>7,907</b>	<b>7,818</b>

(1) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".



## 4.2 EBITDA

### Accounting principles

The Group includes in its EBITDA the change in the impairment of trade receivables as well as the provisions and reversals for risks and charges. As a result, EBITDA now corresponds to recurring operating income, minus amortisation, depreciation and other recurring income and expenses.

*Other operating income and expenses* mainly include disposals of assets for which the amounts are not individually significant. Store pre-opening costs are recognised in operating expenses when they occur.

(in €m)	12/31/2024	31/12/2023 <sup>(3)</sup>
Recurring operating income	22	342
• Other recurring income and expenses <sup>(1)</sup>	6	(13)
• Depreciation and amortisation	(1,115)	(1,045)
• Impairment of assets <sup>(2)</sup>	5	12
• Depreciation and amortisation included in logistics costs deducted from gross margin	(97)	(84)
<b>EBITDA</b>	<b>1,224</b>	<b>1,472</b>

(1) Mainly capital gains or losses on various asset disposals and effects of exchange rate variations.

(2) Excluding impairment on inventories and trade receivables.

(3) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

## 4.3 OTHER NON-RECURRING INCOME AND EXPENSES

### Accounting principles

Non-recurring transactions in significant amounts which could have a negative impact on recurring operating performance are recorded under *Other non-recurring income and expenses* in accordance with Recommendation No. 2020-01 of the French Accounting Standards Authority (ANC - Autorité des normes comptables).

This item includes, in particular, impairment of goodwill, impairment of property, plant and equipment, capital gains or losses on asset disposals, as well as items that are unusual, abnormal, significant and not relevant to current operations, such as major restructuring costs, exceptional contract termination compensation and costs arising on major acquisitions.

(in €m)	12/31/2024	31/12/2023 <sup>(3)</sup>
<b>Net impairment of assets (excluding Russia and Ukraine)</b>	<b>(523)</b>	<b>(236)</b>
• of which impairment of Retail France goodwill	(395)	(190)
• of which impairment of net tangible assets	(128)	(46)
<b>Assets disposals</b>	<b>141</b>	<b>64</b>
• of which disposals for Retail activity	58	10
• of which disposals for Real Estate activity	84	54
<b>Russia - Ukraine</b>	<b>(107)</b>	<b>(124)</b>
• of which impairment of net property, plant and equipment	(16)	(123)
• of which asset disposals	(79)	(1)
• of which other	(12)	0
<b>Expenses on significant acquisitions <sup>(1)</sup></b>	<b>(32)</b>	<b>0</b>
<b>Gare du Nord - GAPD - New Immo Holding</b>	<b>(47)</b>	<b>0</b>
Restructuring of Retail France <sup>(2)</sup>	(250)	0
<b>Other</b>	<b>(50)</b>	<b>(86)</b>
<b>TOTAL NON-RECURRING INCOME AND EXPENSES</b>	<b>(868)</b>	<b>(382)</b>

(1) Expenses relating to the acquisition and integration of Casino stores in France and DIA stores in Portugal.

(2) Provisions for restructuring of the Retail activity in France.

(3) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

### 4.4 INVENTORIES

#### Accounting principles

Inventories are measured at the lower of cost and net realisable value. Their cost is net of end-of-year rebates and commercial cooperation fees and includes handling and warehousing costs directly attributable to the acquisition of the products, and the transport costs incurred in bringing the products to the stores. Inventories are valued either on the basis of the last purchase price, a method similar to the FIFO ("First in, First out") used for rapidly moving inventories, or at the weighted average unit cost or at the selling price less the profit margin. Inventories are written down if their net realisable value is below cost.

<i>(in €m)</i>	12/31/2024	12/31/2023
Gross carrying amount	2,697	2,624
Impairment	(101)	(90)
<b>NET CARRYING AMOUNT</b>	<b>2,596</b>	<b>2,533</b>

No inventory has been pledged to secure liabilities. Allocations and reversals are included in the cost of sales.

## NOTE 5 Operating segments

### Accounting principles

Pursuant to *IFRS 8 - Operating Segments*, the operating segments are determined based on the information provided to management for assessing the activities and performances of the Group made up of ELO and its subsidiaries and those of the various segments it includes. The segments presented are operating segments or groups of similar operating segments.

An operating segment is a component of the consolidation scope that engages in activities from which it is likely to generate revenue or incur expenses, including revenue and expenses related to transactions with other components (determined on an arm's length basis) and whose operating results are regularly reviewed by the main operational decision-maker in order to allow the allocation of resources to the various segments and the assessment of their performance. For each operating segment, separate financial information is available internally.

In light of the IFRS 8 criteria, the Group has defined its operating segments as distinct business lines, which are themselves groupings of distinct geographical areas.

The measurement of each operating segment's performance, used by the key operational decision-makers, is based on *recurring operating income*.

The segment assets include goodwill, other intangible assets and property, plant and equipment, right-of-use assets, investment properties, investments in associates, inventories, trade receivables, receivables and other debtors as well as current financial assets.

The segment liabilities comprise provisions, trade payables, other current liabilities and lease liabilities.

### 5.1 SEGMENT INFORMATION BY BUSINESS ACTIVITY

	Auchan Retail		New Immo Holding		Holdings		Total	
Segment revenue and income as of December 31 <sup>st</sup> (in €m)	2024	2023 <sup>(2)</sup>	2024	2023	2024	2023	2024	2023 <sup>(2)</sup>
<b>REVENUE</b>	<b>31,666</b>	<b>31,130</b>	<b>643</b>	<b>655</b>	<b>(19)</b>	<b>(10)</b>	<b>32,290</b>	<b>31,775</b>
Depreciation and amortisation	(912)	(818)	(202)	(227)	(0)	(0)	(1,115)	(1,045)
Provisions and impairment	(59)	(28)	(42)	(29)	(0)	(0)	(102)	(57)
Other recurring income and expenses <sup>(1)</sup>	(10)	(13)	15	1	(0)	0	6	(13)
<b>Recurring operating income</b>	<b>(137)</b>	<b>181</b>	<b>169</b>	<b>167</b>	<b>(10)</b>	<b>(6)</b>	<b>22</b>	<b>342</b>
Share of net income of associates	1	(1)	(19)	(7)	0	(49)	(19)	(56)
<b>Gross investments</b>	<b>1,138</b>	<b>1,223</b>	<b>283</b>	<b>197</b>	<b>0</b>	<b>8</b>	<b>1,421</b>	<b>1,428</b>

(1) Significant expenses: provisions and/or reversals of provisions and impairments other than impairment losses on assets (mainly impairment of current assets and provisions for risks and charges).

(2) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

	Auchan Retail		New Immo Holding		Holdings		Total	
SEGMENT ASSETS AND LIABILITIES AS OF DECEMBER 31 <sup>ST</sup> (in €m)	2024	2023	2024	2023	2024	2023	2024	2023
Segment assets	12,174	11,630	4,051	4,522	353	574	16,578	16,726
Segment liabilities	8,948	8,048	483	468	20	20	9,451	8,537

## 5.2 SEGMENT INFORMATION BY GEOGRAPHICAL AREA

	France		Western Europe excluding France		Central and Eastern Europe		Africa		Total	
AS OF DECEMBER 31 <sup>ST</sup> (in €m)	2024	2023	2024	2023	2024	2023 <sup>(1)</sup>	2024	2023	2024	2023 <sup>(1)</sup>
Revenue	17,260	17,050	7,232	6,876	7,492	7,583	305	266	32,290	31,775
Non-current segment assets excluding tax and financial assets	5,175	5,011	3,212	3,387	2,464	2,837	92	91	10,943	11,325

(1) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

## 5.3 SECTOR BALANCE SHEETS

The total segment assets are reconciled to the total assets of ELO and its subsidiaries as follows:

(in €m)	12/31/2024	12/31/2023
Goodwill	1,540	1,553
Other intangible assets	98	128
Property, plant and equipment	4,818	4,954
Right-of-use assets	1,636	1,235
Investment property	2,851	3,454
<b>Non-current segment assets excluding tax and financial assets</b>	<b>10,943</b>	<b>11,325</b>
Investments in associates	808	647
Inventories	2,596	2,533
Trade receivables	521	433
Trade and other receivables	1,315	1,369
Current financial assets	395	419
<b>Segment assets</b>	<b>16,578</b>	<b>16,726</b>
Other non-current financial assets	484	410
Other non-current assets	96	104
Non-current derivative instruments	102	140
Deferred tax assets	369	371
Current tax assets	26	60
Current derivative instruments	81	80
Cash and cash equivalents	2,884	2,741
Assets classified as held for sale	120	150
<b>TOTAL ASSETS</b>	<b>20,741</b>	<b>20,784</b>

Total segment liabilities are reconciled in the total liabilities of ELO and its subsidiaries as follows:

<i>(in €m)</i>	12/31/2024	12/31/2023
Non-current provisions	231	198
Current provisions	341	184
Trade payables	5,176	4,979
Other current liabilities	1,735	1,752
Non-current lease liabilities	1,568	1,099
Current lease liabilities	400	324
<b>Segment liabilities</b>	<b>9,451</b>	<b>8,537</b>
Equity	4,948	5,804
Non-current borrowings and other financial liabilities	5,007	4,927
Non-current derivative instruments	86	147
Other non-current liabilities	254	164
Deferred tax liabilities	2	47
Current borrowings and other financial liabilities	929	1,070
Current derivative instruments	8	15
Current tax liabilities	53	58
Liabilities associated with assets classified as held for sale	4	14
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20,741</b>	<b>20,784</b>



## NOTE 6 Intangible assets and property, plant and equipment

### 6.1 GOODWILL

#### Accounting principles

The accounting principles for goodwill are described in note 1.6.

Goodwill is tested for impairment at each year-end and more often if events or circumstances indicate that it may be impaired. Such events or circumstances relate to significant, adverse and lasting changes with an impact on economic conditions or on the assumptions and objectives adopted at the acquisition date.

Impairment losses are recognised as part of operating income in the income statement under "Non-recurring income and expenses".

The assets to be tested for impairment are grouped within cash generating units (CGUs). The CGU is a group of assets whose continuing use generates cash inflows that are largely independent of the cash flows from other groups of assets. ELO defines each store or shopping mall as a CGU. An impairment loss is recognised when the carrying amount of an asset, or of the CGU to which it belongs, exceeds the recoverable amount. Goodwill is tested by country, and the CGU's assets then include the property, plant and equipment, intangible assets and goodwill allocated to the country and to the activity, and its working capital requirements.

The methods of these impairment tests, as well as the information relating to the sensitivity analyses of the impairment tests carried out in respect of the goodwill, are detailed in note 6.6.

(in €m)

	12/31/2024	12/31/2023
<b>Goodwill value as of January 1<sup>st</sup></b>	<b>1,553</b>	<b>1,743</b>
Impairment <sup>(1)</sup>	(395)	(206)
Changes in consolidation scope	378	(1)
Transfers between items	0	(3)
Translation differences	4	20
<b>GOODWILL VALUE AS OF DECEMBER 31<sup>ST</sup></b>	<b>1,540</b>	<b>1,553</b>

(1) Concerns the impairment of Retail France goodwill in 2024 and 2023.

Provisional goodwill was recognised at December 31<sup>st</sup>, 2024 following an analysis of the fair value of the assets and liabilities resulting from the integration of Casino stores in France and DIA activities in Portugal, for €360 million and €73 million respectively. In addition, an impairment of €395 million on Retail France goodwill (see note 6.5), a decrease of €(55) million relating to the disposals of New Immo Holding in France and Portugal, and the foreign exchange impact of €4 million resulted in an overall decrease in goodwill of €13 million in 2024.

The goodwill by country/business line was as follows:

(in €m)

	12/31/2024	12/31/2023
Retail France	774	811
Retail Spain	156	156
Retail Portugal	251	178
Retail Poland	276	272
Retail - Others	72	74
New Immo Holding France	5	13
New Immo Holding Italy	2	2
New Immo Holding Portugal	0	40
New Immo Holding - Others	3	5
Others	2	2
<b>TOTAL</b>	<b>1,540</b>	<b>1,553</b>

## 6.2 OTHER INTANGIBLE ASSETS

### Accounting principles

The other intangible assets mainly include software applications acquired or developed internally, and acquired leasehold rights and brands. The intangible assets acquired separately by consolidated companies are recognised at their cost price and those acquired through business combinations are recognised at their fair value. Brands that are created and developed internally are not recognised in the balance sheet.

The intangible assets with an indefinite useful life (including mainly leasehold rights in France and brands acquired) are not amortised and are subject to a review of their valuation at the occurrence of events likely to call into question their value and in any case at least once a year. When their recoverable amount based on criteria applied at the time of acquisition falls below their net carrying amount, an impairment loss is recognised (see note 6.6).

Other intangible assets with a defined useful life are amortised using the straight-line method over their expected useful lives.

Accordingly, acquired software and licences and internally developed software that meet all the criteria set out by IAS 38 are capitalised and amortised over a useful life of three years. As an exception, ERP software is amortised over five years as it has a highly structuring role for the business and a functional and technical architecture with a longer probable useful life.

### Change in gross carrying amount

<i>(in €m)</i>	Licences, brands and leaseholds rights	Internal IT development costs	Total
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>290</b>	<b>558</b>	<b>848</b>
Acquisitions and internal developments	21	37	58
Disposals	(22)	(34)	(56)
Changes in consolidation scope	(2)	1	(1)
Translation differences	2	(1)	1
Transfers between items	8	2	10
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>297</b>	<b>564</b>	<b>861</b>
Acquisitions and internal developments	12	27	39
Disposals	(5)	(24)	(29)
Changes in consolidation scope	(7)	(8)	(15)
Translation differences	(0)	(1)	(2)
Transfers between items	10	7	17
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>307</b>	<b>564</b>	<b>871</b>

## Change in depreciation, amortisation and impairment

<i>(in €m)</i>	Licences, brands and leaseholds rights	Internal IT development costs	Total
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>242</b>	<b>451</b>	<b>693</b>
Depreciation and amortisation for the financial year	25	62	86
Impairment	1	0	1
Assets sold or scrapped	(20)	(25)	(46)
Changes in consolidation scope	1	(0)	1
Translation differences	2	(1)	1
Transfers between items	(3)	0	(3)
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>247</b>	<b>486</b>	<b>733</b>
Depreciation and amortisation for the financial year	27	52	79
Impairment	1	0	1
Assets sold or scrapped	(9)	(17)	(26)
Changes in consolidation scope	7	(8)	(1)
Translation differences	(0)	(1)	(1)
Transfers between items	(12)	0	(12)
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>260</b>	<b>513</b>	<b>774</b>

## Net carrying amount

<i>(in €m)</i>	Licences, brands and leaseholds rights	Internal IT development costs	Total
As of 12/31/2022	48	107	155
As of 12/31/2023	50	78	128
<b>AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>47</b>	<b>51</b>	<b>98</b>

No intangible assets have been pledged to secure liabilities.

## 6.3 PROPERTY, PLANT AND EQUIPMENT

### Accounting principles

Property, plant and equipment acquired under a business combination are recorded at fair value (see note 1.6).

Property, plant and equipment acquired separately are recorded at cost less cumulative depreciation and any cumulative impairment loss, with the exception of land, which is carried at cost less any impairment loss. The various components of an item of property, plant or equipment are recognised separately when their estimated useful lives, and thus their depreciation periods, are significantly different. The cost of a fixed asset includes all expenditure directly attributable to the acquisition of this asset. It includes, where applicable, the borrowing costs.

Subsequent costs are included in the carrying amount of an item of property, plant or equipment or recognised as a separate component, if appropriate, when it is probable that ELO or one of its consolidated companies will receive the future economic benefits linked to the asset and if the cost of the asset can be measured reliably. All other maintenance costs are recognised as expenses for the financial year in which they are incurred.

With the exception of land, property, plant and equipment are depreciated over their useful lives using the straight-line method, on a components basis, from the date on which they are brought into service, generally with no residual value.

Depreciation is calculated based on the following useful lives:

- buildings (structure) - 30 years;
- roof waterproofing, drainage and floor covering - 20 years;
- fixtures and fittings - 6 2/3 years and 8 years;
- technical facilities, machinery and equipment - 3 to 10 years;
- other fixed assets - 3 to 5 years.

The residual values are generally zero, however, depending on certain local specificities, some residual values are retained.

The depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

### Change in gross carrying amount

(in €m)	Land, buildings and facilities	Materials and other assets	Property, plant and equipment under construction <sup>(1)</sup>	Total
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>11,215</b>	<b>2,924</b>	<b>640</b>	<b>14,780</b>
Acquisitions	256	207	115	577
Assets sold or scrapped	(136)	(203)	(10)	(349)
Translation differences	(165)	(79)	(10)	(254)
Reclassifications to investment property <sup>(2)</sup>	(23)	0	32	10
Other movements and transfers between items	121	69	(228)	(38)
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>11,268</b>	<b>2,917</b>	<b>540</b>	<b>14,725</b>
Acquisitions	136	191	191	518
Assets sold or scrapped	(123)	(166)	(43)	(331)
Translation differences	(116)	(54)	(4)	(175)
Reclassifications to investment property <sup>(2)</sup>	(10)	56	(64)	(18)
Other movements and transfers between items	66	56	(136)	(15)
Changes in consolidation scope	(72)	(96)	(12)	(180)
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>11,149</b>	<b>2,905</b>	<b>471</b>	<b>14,524</b>

(1) The assets in progress concerned the Retail activity for €455 million at December 31<sup>st</sup>, 2024 and €507 million at December 31<sup>st</sup>, 2023.

(2) Reclassification of assets meeting the definition of investment property.

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### Change in depreciation, amortisation and impairment

(in €m)	Land, buildings and facilities	Materials and other assets	Property, plant and equipment under construction	Total
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>7,268</b>	<b>2,308</b>	<b>22</b>	<b>9,598</b>
Depreciation and amortisation for the financial year	331	238	0	569
Impairment <sup>(1)</sup>	100	6	0	107
Reversals of impairment provisions	(16)	(8)	(0)	(24)
Assets sold or scrapped	(89)	(200)	0	(289)
Translation differences	(113)	(68)	(2)	(183)
Reclassifications to investment property	(13)	(0)	0	(13)
Other movements and transfers between items	32	(27)	0	5
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>7,502</b>	<b>2,250</b>	<b>20</b>	<b>9,772</b>
Depreciation and amortisation for the financial year	350	272	0	622
Impairment <sup>(1)</sup>	91	14	0	105
Reversals of impairment provisions	(16)	(7)	(0)	(23)
Assets sold or scrapped	(114)	(170)	(0)	(284)
Translation differences	(86)	(46)	(1)	(132)
Reclassifications to investment property	(7)	(1)	0	(8)
Other movements and transfers between items	12	(1)	(0)	11
Changes in consolidation scope	(255)	(101)	0	(356)
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>7,477</b>	<b>2,211</b>	<b>19</b>	<b>9,707</b>

(1) In 2023 and 2024, the impairment losses were recognised under "Other non-recurring income and expenses" (see note 4.3).

### Net carrying amount

(in €m)	Land, buildings and facilities	Materials and other assets	Property, plant and equipment under construction	Total
As of 12/31/2022	3,947	616	619	5,181
As of 12/31/2023	3,766	667	520	4,954
<b>AS OF 12/31/2024</b>	<b>3,672</b>	<b>694</b>	<b>452</b>	<b>4,818</b>

No property, plant and equipment have been pledged to secure liabilities.



## 6.4 RIGHT-OF-USE ASSETS

### Accounting principles

The Group is mainly the lessee of property intended for its retail and warehouse activities. Furthermore, IFRS 16 leases also cover vehicles and equipment. At the start of a contract, the Group determines whether a contract is or contains a lease. The contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

To determine whether a contract conveys the right to control an identified asset throughout the period of use of the asset, the Group assesses whether:

- the contract involves the use of an identified asset - this can be specified explicitly or implicitly and must be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- the Group has the right to decide how to use the asset. The Group has this right when it has the decision-making rights most relevant to changing how and for what purpose the asset is used.

The term of the lease is defined contract by contract. In regard to real estate assets, lease terms have been determined based on the format and performance of each point of sale, and taking into consideration the lease termination and renewal options that the Group is reasonably certain to exercise. The depreciation period and the value of non-removable fixtures, as well as economic incentives, are also taken into account in determining the lease term.

The duration of tacitly renewed contracts is assessed on the basis of the economic interest of each of the parties in renewing the contract.

The Group recognises a right-of-use asset and a lease liability at the beginning of the lease.

### Short-term leases and leases of low-value assets

The Group has chosen not to recognise right-of-use assets and lease liabilities for short-term leases of 12 months or less and leases of low-value assets. The Group recognises rents related to these leases as expenses.

### Discount rates

The discount rates applied are based on ELO's marginal borrowing rate plus a spread to take into account the subsidiary's debt profile and the economic environments specific to each country and each activity. Discount rates are updated every quarter so that they can be used for any new lease having undergone the following changes:

The right-of-use asset is initially measured at actual cost, which includes the initial amount of the lease liability adjusted for the lease payments made on or before the commissioning date, and added to all the direct incremental costs incurred, and an estimate of the dismantling and removal costs of the underlying asset or restoration of it or the site where it is located, net of rental incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease starting date until the estimated lease expiration date. In addition, the value of the right-of-use asset is adjusted to take into account certain revaluations of the lease liability and, where applicable, reduced in the event of impairment losses, in accordance with IAS 36.

The lease liability is initially measured at the present value of the lease payments that are not paid as of the lease commencement date, discounted using the lessee's incremental borrowing rate that would be obtained for a term equivalent to that of the estimated lease term. The measurement of the lease liability includes the following types of lease payments:

- fixed payments, including in-substance fixed payments;
- variable lease payments indexed to an index or a rate, initially measured using the index or rate as of the commencement date;
- the exercise price of a call option that the Group is reasonably certain to exercise;
- the rent paid during the renewal period if the Group is reasonably certain to exercise an extension option;
- early termination penalties, unless the Group is reasonably certain not to terminate the lease early.

The lease liability is remeasured in the event of a change in future rents following a change in an index or rate or if the Group reassesses the lease term in the case of a significant event, as provided by IFRS 16.

- revised estimate of the term upon remeasurement of the exercise of extension or the non-exercise of a termination option (which then becomes reasonably certain);
- change in the estimate of the exercise of a call option, which then becomes reasonably certain;
- contractual lengthening or shortening of the term or contractual amendment of the rents;
- addition or deletion of one or more underlying assets.

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### Change in gross carrying amount

(in €m)	Rights-of-use of land, buildings and fixtures	Rights-of-use of equipment and other fixed assets	Total
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>2,090</b>	<b>115</b>	<b>2,203</b>
Acquisitions <sup>(1)</sup>	577	33	610
Assets sold or scrapped	(0)	(11)	(11)
Translation differences	(72)	0	(71)
Other movements and transfers between items	(113)	(17)	(130)
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>2,482</b>	<b>120</b>	<b>2,602</b>
Acquisitions <sup>(1)</sup>	434	69	503
Assets sold or scrapped	(18)	(9)	(27)
Translation differences	(54)	(0)	(54)
Other movements and transfers between items	(182)	(67)	(250)
Changes in consolidation scope <sup>(2)</sup>	433	6	439
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>3,096</b>	<b>118</b>	<b>3,214</b>

(1) The acquisitions of right-of-use assets include lease renewals and lease modifications (rent increases).

(2) The integration of Casino stores in France and DIA stores in Portugal in 2024 generated right-of-use assets of €297 million and €135 million respectively at the acquisition date (see note 2.3).

### Change in depreciation, amortisation and impairment

(in €m)	Rights-of-use of land, buildings and fixtures	Rights-of-use of equipment and other fixed assets	Total
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>1,045</b>	<b>77</b>	<b>1,122</b>
Depreciation and amortisation for the financial year	278	20	298
Impairment <sup>(1)</sup>	56	0	56
Reversals of impairment provisions	(10)	0	(10)
Assets sold or scrapped	(0)	(10)	(11)
Translation differences	(42)	0	(42)
Other movements and transfers between items	(34)	(12)	(46)
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>1,293</b>	<b>74</b>	<b>1,367</b>
Depreciation and amortisation for the financial year	344	22	366
Impairment <sup>(1)</sup>	57	0	57
Reversals of impairment provisions	(4)	0	(4)
Assets sold or scrapped	(17)	(9)	(27)
Translation differences	(36)	(0)	(36)
Other movements and transfers between items	(126)	(19)	(145)
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>1,511</b>	<b>67</b>	<b>1,578</b>

(1) In 2023 and 2024, the impairment losses were recognised under "Other non-recurring income and expenses" (see note 4.3).

## Net carrying amount

(in €m)	Rights-of-use of land, buildings and fixtures	Rights-of-use of equipment and other fixed assets	Total
As of 12/31/2022	1,044	38	1,082
As of 12/31/2023	1,189	46	1,235
<b>AS OF 12/31/2024</b>	<b>1,585</b>	<b>51</b>	<b>1,636</b>

## Analysis of expiration of lease liabilities

The table below shows the undiscounted lease liabilities resulting from leases and service contracts capitalised in accordance with IFRS 16.

(in €m)	<1 year	1 to 3 years	3 to 5 years	More than 5 years	Total
Lease liabilities	396	623	384	505	1,908

## Amounts recognised in the income statement - Other lease expenses

The table below shows the rents arising from leases and service agreements:

(in €m)	12/31/2024
Variable lease payments not included in the measurement of lease liabilities	(32)
Expenses related to short-term leases	(5)
Expenses related to leases of low-value assets, excluding short-term leases of low-value assets	(18)
Other	(14)
<b>TOTAL</b>	<b>(69)</b>

## ◦ Operating leases as lessor

When the Group acts as a lessor, it determines at the conclusion of each contract whether it constitutes a finance lease or an operating lease.

To qualify each contract, the Group assesses globally whether the contract transfers substantially all of the risks and rewards associated with the ownership of the underlying asset. If this is the case, then it is a finance lease. Otherwise, it is an operating lease. For this valuation, the Group takes into account certain factors, such as the fact that the contract covers the major part of the economic life of the asset.

The analysis below shows the minimum future payments to be received on non-cancellable leases:

(in €m)	12/31/2024	12/31/2023
Less than one year	285	381
1 to 5 years	749	1,102
More than 5 years	674	712
<b>TOTAL</b>	<b>1,708</b>	<b>2,195</b>

## ◦ Assets received as guarantees

The consolidated entities receive security deposits for the investment properties that they lease out.

The total amount received as security deposits was €52 million at December 31<sup>st</sup>, 2024, compared with €51 million at December 31<sup>st</sup>, 2023.

The conditions of use are generally: a guarantee deposit corresponding to three months of rent. This amount is reviewed annually. The deposit is held by the lessor until the lessee departs, and is reimbursed in full subject to payment of the amounts due.

## 6.5 INVESTMENT PROPERTY

### Accounting principles

Investment property is property held as a source of rental revenue or appreciation of capital or both. Investment property is recorded, from the outset, on a separate line on the asset side of the balance sheet.

Shopping malls, retail parks and undeveloped land are recognised as investment property based on the cost model. It measures investment property at cost less accumulated depreciation and any impairment loss, in the same way as property, plant and equipment.

In accordance with IAS 40, a property valuation process has been put in place to estimate the fair value of the investment properties twice a year. The fair value measurements correspond to a Level 3 hierarchy as defined in note 10.8. Three independent real estate experts intervene, dividing the work on the valuation of investment properties in the whole group. For all assets, the fair value is determined by reference to external valuations based mainly on the 10-year discounted cash flow method ("DCF method") for shopping malls and retail parks and on the sales comparison approach or promoter's balance sheet method according to ongoing development projects for undeveloped land.

This estimation exercise requires significant judgements to determine the appropriate assumptions, in particular discount rates, market rental values, estimates of works to be carried out and estimated date of completion (in particular for assets in the development phase) and any supporting measures by benefits to be granted to lessees. Specific information such as the type and/or location of the property is also taken into account. Given the estimated nature of this type of valuation, the gain or loss on disposal of certain real estate assets may differ from the valuation performed.

Most of the investment properties were valued as of December 31<sup>st</sup>, 2024. The Group considers that the fair value estimated by the appraisers reflect reasonably the fair value of the property portfolio.

#### ◦ Recognition of eviction indemnities paid to shopping mall and retail park lessees

If the lessor cancels a running lease, it must pay an eviction indemnity to the lessee concerned. This indemnity is recognised in the cost of the asset if the payment leads to a change in the asset's performance (new lease on better financial conditions following recovery of the premises for extension works or the transfer of the former lessees to a new site). In all other cases, eviction indemnities are recognised as prepaid expenses spread over the term of the leases.

### Change in gross carrying amount

(in €m)	Investment property	Right-of-use of investment property	Total
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>6,261</b>	<b>149</b>	<b>6,410</b>
Acquisitions	177	7	184
Assets sold or scrapped	(105)	(1)	(106)
Translation differences	(14)	0	(14)
Transfer from "Property, plant and equipment"	(46)	1	(45)
Other movements and transfers between items	83	(9)	74
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>6,355</b>	<b>147</b>	<b>6,502</b>
Acquisitions	248	0	248
Assets sold or scrapped	(231)	0	(231)
Translation differences	(6)	0	(5)
Transfer from "Property, plant and equipment"	(3)	(0)	(3)
Other movements and transfers between items	(138)	(6)	(145)
Changes in consolidation scope <sup>(1)</sup>	(724)	(6)	(731)
<b>GROSS CARRYING AMOUNT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>5,501</b>	<b>135</b>	<b>5,636</b>

(1) Changes in the consolidation scope mainly concern New Immo Holding Portugal and Ceetrus Russia for €(370) million and €(251) million respectively.

## Change in depreciation, amortisation and impairment

(in €m)	Investment property	Right-of-use of investment property	Total
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2022</b>	<b>2,797</b>	<b>57</b>	<b>2,854</b>
Depreciation and amortisation for the financial year	199	12	211
Impairment <sup>(1)</sup>	34	0	34
Reversals of impairment provisions	(32)	(0)	(32)
Assets sold or scrapped	(35)	(0)	(35)
Translation differences	(22)	1	(21)
Transfer from "Property, plant and equipment"	(47)	(0)	(47)
Other movements and transfers between items	86	(2)	84
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>2,981</b>	<b>67</b>	<b>3,047</b>
Depreciation and amortisation for the financial year	175	10	185
Impairment <sup>(1)</sup>	27	2	29
Reversals of impairment provisions	(39)	(0)	(40)
Assets sold or scrapped	(100)	0	(100)
Translation differences	(3)	0	(3)
Transfer from "Property, plant and equipment"	(3)	(0)	(3)
Other movements and transfers between items	(54)	(4)	(58)
Changes in consolidation scope	(272)	(1)	(273)
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>2,711</b>	<b>74</b>	<b>2,785</b>

(1) In 2023 and 2024, the impairment losses were recognised under "Other non-recurring income and expenses" (see note 4.3).

## Net carrying amount

(in €m)	Investment property	Right-of-use of investment property	Total
As of January 1 <sup>st</sup> , 2022	3,464	92	3,555
As of 12/31/2023	3,374	80	3,454
<b>AS OF 12/31/2024</b>	<b>2,790</b>	<b>61</b>	<b>2,851</b>

In 2024, the investment properties generated rental income of €574 million (€619 million in 2023) and direct operating expenses of €328 million (of which €26 million generated no rental income). In 2023, these direct operating expenses amounted to €282 million of which €57 million without any related rental income.

As of December 31<sup>st</sup>, 2024, the investment properties had a fair value (excluding transfer taxes) estimated at €6,760 million for a net carrying amount recorded in the balance sheet of €2,851 million (respectively €7,264 million and €3,454 million in 2023).



## 6.6 IMPAIRMENT

### Accounting principles

IAS 36 - Impairment of assets defines the procedures that a company must apply to ensure that the net carrying amount of its property, plant and equipment, intangible assets including right-of-use assets and goodwill does not exceed their recoverable amount, i.e. the amount that will be recovered through their use or sale.

The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell is the amount obtained from the sale of an asset in an orderly transaction between market participants at the measurement date, less the costs of disposal. The value in use is defined as the present value of the future cash flows expected to be derived from continuing use of an asset and from its ultimate disposal.

The recoverable amount of property, plant and equipment (including right-of-use assets) and intangible assets (including goodwill) is tested for impairment as soon as there is any indication of a loss of value. For the stores owned by Auchan, the Group may use heritage asset values. This test is also performed at least once a year (on December 31<sup>st</sup> given the seasonal nature of the business) for assets with an indefinite life.

The cash flows after income tax are estimated based on 3-year forecasts updated for the past year. These budgets and plans are prepared by Management and then presented to and approved by the Board of directors. Cash flows beyond this period are extrapolated for six years by applying a constant growth rate over a period corresponding to useful life of the property, plant and equipment and the right-of-use assets. In particular, cash flow forecasts for Retail France were

determined over six years (and beyond that, cash flows were extrapolated for three years by applying a constant growth rate) in line with the transformation plan. To test the impairment of assets in a given country (including goodwill), cash flows are estimated over a period of nine years, taking into account a terminal value calculated by discounting year-9 data to infinity.

Cash flows are discounted using the weighted average cost of capital after tax, plus a risk premium specific to each country.

Assets to be tested for impairment are grouped within cash generating units (CGUs). The CGU is a group of assets whose continuing use generates cash inflows that are largely independent of the cash flows from other groups of assets. ELO defines each store as a CGU for the Retail activity and each shopping centre as a CGU for the Real Estate activity. An impairment loss is recognised when the carrying amount of an asset, or of the CGU to which it belongs, exceeds the recoverable amount. Goodwill is tested by country and activity, and the CGU assets then include property, plant and equipment, intangible assets and goodwill allocated to the country and to the activity, and its working capital requirements.

Any impairment loss is generally allocated in priority to goodwill. Any impairment loss recognised on a goodwill item is irreversible. Impairment losses recognised for other assets are reversed if there has been a change in the estimates used to determine the asset's recoverable amount. The increased carrying amount of an asset attributable to a reversal of impairment loss may not exceed the carrying amount that would have been determined, net of amortisation or depreciation, had no impairment loss been recognised.

### Inflation

The provisional flows of purchases and revenues have been established using inflation rates from external sources projected over the years 2025 and 2026.

In addition, energy-related expenses have been included in the forecasts taking into account the anticipated energy purchases made by the Group, as well as the power purchase agreements which are currently being negotiated and will be effective for the years 2025 and 2026.

### Climate

The risks resulting from climate change are considered to have moderate consequences on the Group's activities in view of the very nature of its activities and their geographical location.

The short- and medium-term impacts have been reflected in future cash flows through the increase in the prices of distribution, raw materials and energy when said increase had not been hedged contractually or by the actions undertaken by the Group.

Through its Climate Plan 2030, the Group has committed to carry out actions to reduce its exposure to this type of risk: optimisation of goods transport, signature of an international partnership with Voltaia and Helexia, which covers both the supply of renewable energy and the management and optimisation of energy consumption.

The investments related to the Group's climate ambitions have also been taken into account (renewal of heating and ventilation systems, replacement of refrigeration circuits and elimination of harmful refrigerants). These modernisation investments are part of the Group's strong desire to respond with ambition to the climate challenge.

As far as the commercial offering is concerned, through its responsible supply chains, Auchan Retail is developing a sustainable and balanced partnership with producers, breeders and processors in the food and living chain aimed at reconciling the pleasure of eating well, respect for the environment and animal welfare. The projections we have made take account of this quality offering, which meets the new expectations of today's consumers.

## Activity in Russia

Retail Activity in Russia was subject to impairment tests for which a cautious approach was adopted on the growth parameters as well as on the discount rate. Impairment charges amounted to €15 million on the Retail activity in 2024.

Impairments at December 31<sup>st</sup>, 2024 break down as follows:

(in €m)	Goodwill	Other intangible assets	Property, plant and equipment	Right-of- use assets	Investment property	12/31/2024	12/31/2023
Impairment:							
- provision expenses	(395)	(1)	(105)	(57)	(29)	(586)	(403)
- reversal	0	0	23	4	40	66	65
- net	(395)	(0)	(82)	(53)	11	(519)	(338)
Reversal of impairment on sold assets	0	0	0	0	0	0	2
<b>TOTAL</b>	<b>(395)</b>	<b>(0)</b>	<b>(81)</b>	<b>(53)</b>	<b>11</b>	<b>(519)</b>	<b>(336)</b>

Depending on the CGUs or groups of CGUs, the recoverable amount of assets applied by ELO is either the value in use or the market value, according to the comparable data available on the market.

The impairment tests for 2024 led to the recognition of impairment of €529 million on the assets of Auchan Retail and €9 million on the assets of New Immo Holding (respectively, €352 million and €7 million in 2023). The goodwill of Retail France was subject to an impairment of €395 million. This impairment was calculated on the basis of new future cash flow projections, incorporating in particular a deterioration in the economic climate in France, investment flows for the renovation of the store network, expected synergies from current projects, and the effects of the forthcoming restructuring plan.

To make the income statement easier to understand, impairment losses were classified under "Non-recurring income and expenses" (see note 4.3).

In 2023 and 2024, ELO determined differentiated discount rates for its Retail activity, as follows:

	12/31/2024	12/31/2023
	Retail	Retail
France	7.26%	7.21%
Luxembourg	6.75%	6.62%
Spain	7.97%	7.48%
Portugal	7.54%	7.65%
Poland	8.81%	8.46%
Romania	11.27%	10.51%
Ukraine	19.40%	20.77%
Russia	19.55%	22.10%
Senegal	11.91%	13.00%

As in 2023, the discount rates used in 2024 by New Immo Holding were those used for the appraisals of the entire property portfolio and broken down by category of assets within the countries.

Sensitivity analyses carried out on the main values tested, based on a +50bp change in the discount rate, would lead to an additional impairment of €256 million on Retail France goodwill. A 10bp fall in the EBITDA rate would lead to an additional impairment of €142 million.

## NOTE 7 Investments in associates

## Accounting principles

The companies over which ELO directly, indirectly or jointly exercises significant influence on management and financial policies, without exercising control, are accounted for using the equity method. The ELO group's share of the net income of associates is recognised in the income statement under the heading *Share of net income of associates*. The share of other comprehensive income from associates is recorded on a separate line in the consolidated statement of comprehensive income. If ELO's share of the losses of an associate is equal to or exceeds its shareholding, in its consolidated financial statements, ELO ceases to recognise its share of the losses unless it has a legal or implicit obligation to do so, or must make payments on behalf of the associate.

## 7.1 MAIN INVESTMENTS IN ASSOCIATES

The main investments in associates are as follows:

Business line	Company	Country	% interest		Equity value	
			12/31/2024	12/31/2023	12/31/2024	12/31/2023
<b>Auchan Retail</b>	<b>mainly including:</b>				<b>112</b>	<b>11</b>
	AUCHAN MAGYAR <sup>(1)</sup>	Hungary	53%		104	
	SYNEDIS SAS	France	20%	20%	11	9
	SMG <sup>(2)</sup>	Tunisia	7%	7%	2	1
<b>New Immo Holding</b>	<b>mainly including:</b>				<b>376</b>	<b>317</b>
	MISAR (formerly Galleria Comerciari Sardegna)	Italy	50%	50%	98	108
	GALLERIA CINISELLO, SRL	Italy	50%	50%	79	69
	ALEGRO SINTRA <sup>(3)</sup>	Portugal	50%		45	
	IMMAUCOM, SPPICAV	France	20%	20%	31	32
	C.C. ZENIA, SL	Spain	50%	48%	18	21
	ALEGRO ALFRAGIDE	Portugal	50%	49%	15	18
	GALERIE COMMERCIALE DE KIRCHBERG, SA	Luxembourg	20%	20%	15	17
	PATRIMONIO REAL ESTATE, SPA	Italy	50%	50%	11	12
	ALEGRO SETUBAL	Portugal	50%	49%	5	5
<b>Oney Bank</b>	<b>Oney GROUPE</b>	<b>Oney Bank</b>	<b>50%</b>	<b>50%</b>	<b>319</b>	<b>319</b>
<b>TOTAL INVESTMENTS IN ASSOCIATES</b>					<b>808</b>	<b>647</b>

(1) Loss of control of Auchan Retail Hungary on November 30<sup>th</sup>, 2024, when 47% of Auchan Retail Hungary shares were sold to Indotek, in accordance with the control analysis.

(2) Auchan Retail International has significant influence over SMG, although the shareholding only represents 7% of the share capital and voting rights, having representation on the Board of Directors and participating in the policy-making process, especially as regards commercial and strategic matters.

(3) Sale of a 50% stake in Portuguese company Sintra Alegro in December 2024.

## 7.2 CHANGE IN INVESTMENTS IN ASSOCIATES

(in €m)

	12/31/2024	12/31/2023
<b>As of January 1<sup>st</sup></b>	<b>647</b>	<b>625</b>
Results for the financial year (share of net income and impairment loss)	(19)	(56)
Capital distribution and return of capital	(16)	(9)
Acquisitions and capital increases	32	107
Loss of control and change in percentage of capital held <sup>(1)</sup>	175	(6)
Translation differences and other changes	(12)	(13)
<b>AS OF DECEMBER 31<sup>ST</sup></b>	<b>808</b>	<b>647</b>

(1) Transfer of control of Auchan Retail Hungary to Indotek on November 30<sup>th</sup>, 2024. Indotek Group became a 47% shareholder.

## 7.3 MAIN FINANCIAL DATA OF ASSOCIATES

(at 100%, excluding goodwill, and in millions of euros)

	12/31/2024			12/31/2023		
	Oney Bank <sup>(1)</sup>	Auchan Retail	New Immo Holding	Oney Bank <sup>(1)</sup>	Auchan Retail	New Immo Holding
Non-current assets		73	2,388		80	1,988
Current assets	4,702	500	505	4,995	441	517
<b>TOTAL ASSETS</b>	<b>4,702</b>	<b>573</b>	<b>2,893</b>	<b>4,995</b>	<b>521</b>	<b>2,505</b>
<b>Equity</b>	<b>602</b>	<b>75</b>	<b>517</b>	<b>601</b>	<b>15</b>	<b>495</b>
Non-current liabilities		42	1,469		58	1,331
Current liabilities	4,100	456	907	4,394	448	680
<b>TOTAL LIABILITIES</b>	<b>4,702</b>	<b>573</b>	<b>2,893</b>	<b>4,995</b>	<b>521</b>	<b>2,505</b>
Revenue	382	510	145	353	376	137
Operating income	130	21	(40)	81	15	35
<b>NET INCOME</b>	<b>0</b>	<b>14</b>	<b>(88)</b>	<b>(98)</b>	<b>8</b>	<b>(20)</b>

(1) The main stake accounted for using the equity method is the one in Oney Bank, held at 49.9%. Oney Bank does not distinguish between current and non-current items in its balance sheet.

## NOTE 8 Equity and earnings per share

### 8.1 EQUITY

#### 8.1.1 Shareholders

As of December 31<sup>st</sup>, 2024, Aumarché held a majority stake in ELO.

Employees indirectly own nearly 2% of the company's capital via the Valauchan and Valfrance mutual funds and via the companies included in the employee share ownership plans outside of France (Valauchan Sopaneer International, Valespaña SCA, Valpoland SCA, Valhungary International SCA and Valportugal SCA). Only companies included in the employee share ownership plans outside France are fully consolidated.

The Articles of Association of Valauchan Sopaneer International, Valespaña SCA, Valpoland SCA, Valhungary International SCA and Valportugal SCA set out the terms and conditions governing share ownership. Shareholders buy and sell shares in these companies throughout the year, based on a price that is calculated annually according to a financial valuation method defined by a recognised body of valuation experts and applied consistently over time.

#### 8.1.2 Number of shares comprising the share capital

As of December 31<sup>st</sup>, 2024, the share capital amounted to €598,743,460. It comprised 29,937,173 fully paid-up shares with a par value of €20 each. As of December 31<sup>st</sup>, 2023, the share capital amounted to €579,520,940. A capital increase of €300 million was carried out on May 16<sup>th</sup>, 2024, resulting in the issue of 1,024,765 new shares.

	12/31/2024	12/31/2023
<b>As of January 1<sup>st</sup></b>	<b>28,976,047</b>	<b>28,709,207</b>
Issue of new shares for cash	1,024,765	324,862
Capital reduction	(63,639)	(58,022)
<b>AS OF DECEMBER 31<sup>ST</sup></b>	<b>29,937,173</b>	<b>28,976,047</b>

#### 8.1.3 Treasury shares

All treasury shares held by ELO and the other companies within the consolidation scope are deducted from equity at cost. The gain or loss, net of tax, from any sale of treasury shares is recognised directly in equity, so that any gains or losses on disposal have no impact on the net income for the financial year.

As of December 31<sup>st</sup>, 2024, the Valauchan and Valfrance mutual funds had sold 37,351 of their own shares to ELO S.A., Valespaña SCA, Valportugal SCA and Valpoland SCA. As of December 31<sup>st</sup>, 2024, the Valauchan Sopaneer International, Valespaña SCA, Valportugal SCA and Monicole mutual funds had sold 45,203 of their own shares to ELO SA. On November 27<sup>th</sup>, 2024, ELO SA cancelled 63,639 treasury shares, and ELO SA did not hold any treasury shares as of December 31<sup>st</sup>, 2024 (as in 2023). As of December 31<sup>st</sup>, 2024, the total number of treasury shares held by ELO SA and its subsidiaries was 296,897 (compared to 323,185 at the end of 2023). The treasury shares are held by Valauchan Sopaneer International, Valportugal SCA, Valpoland SCA, Valhungary International SCA and Valespaña SCA for an acquisition cost of €103 million, in the context of employee share ownership.

#### 8.1.4 Legal reserve

ELO SA's legal reserve amounted to €61 million as of December 31<sup>st</sup>, 2024, unchanged from December 31<sup>st</sup>, 2023.



### 8.1.5 Currency translation reserves, financial instrument revaluation reserves and actuarial gains and losses (Group share)

(in €m)	Currency translation reserve	Available-for-sale financial assets revaluation reserve	Cash flow hedge reserve	Net foreign investment hedge reserve	Actuarial gains and losses on defined-benefit plans	Total
As of January 1 <sup>st</sup> , 2023	(953)	(88)	107	(3)	10	(928)
Change	(35)	(14)	(49)	(17)	(4)	(119)
<b>AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>(987)</b>	<b>(102)</b>	<b>58</b>	<b>(20)</b>	<b>6</b>	<b>(1,047)</b>
As of January 1 <sup>st</sup> , 2024	(987)	(102)	58	(20)	6	(1,047)
Change	92	(32)	(14)	1	29	75
<b>AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>(895)</b>	<b>(134)</b>	<b>44</b>	<b>(19)</b>	<b>35</b>	<b>(971)</b>

The currency translation reserve (Group share) breaks down as follows by country:

(in €m)	12/31/2024	12/31/2023
Poland	9	0
Hungary	(12)	(76)
Russia	(693)	(712)
Ukraine	(148)	(148)
Romania	(47)	(47)
Tunisia	(5)	(6)
<b>TOTAL</b>	<b>(895)</b>	<b>(988)</b>

### 8.1.6 Non-controlling interests

The non-controlling interests amounting to €170 million consist mainly of interests in the capital of Valauchan Sopaneer International, Val Portugal SCA, Valpoland SCA, Valhungary International SCA and Valespaña SCA for €154 million.

### 8.1.7 Dividends

No dividend was paid in 2024 for the 2023 financial year.

## 8.2 EARNINGS PER SHARE

### Accounting principles

In its consolidated financial statements, ELO presents basic earnings per share and diluted earnings per share, calculated based on the net income from continuing and discontinued operations. This information is also presented based on the net income.

The basic earnings per share are calculated by dividing the net income (Group share) for the financial year by the weighted average number of capital shares outstanding during the year, less treasury shares. The average number of shares outstanding during the financial year is the number of outstanding shares at the beginning of the year adjusted by the number of shares issued during the year.

The diluted earnings per share are calculated by dividing the net income (Group share) for the financial year by the weighted average number of outstanding shares, plus potentially dilutive shares to be created. For ELO, this concerns share purchase and subscription options and bonus share plans. The dilution linked to these options or bonus shares is determined using the share purchase method.

#### 8.2.1 Calculation of the weighted average number of shares

	12/31/2024	12/31/2023
Number of outstanding shares as of January 1 <sup>st</sup>	28,976,047	28,709,207
Number of treasury shares as of January 1 <sup>st</sup>	(323,185)	(330,731)
Weighted average number of other capital increases	641,178	9,790
Weighted average number of treasury shares acquired	(7,398)	(28,516)
Weighted average number of treasury shares sold or cancelled	5,912	8,179
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (EXCLUDING TREASURY SHARES) USED TO CALCULATE DILUTED EARNINGS PER SHARE</b>	<b>29,292,554</b>	<b>28,367,929</b>

#### 8.2.2 Calculation of earnings per share

<b>Basic earnings per share</b>	12/31/2024	31/12/2023 <sup>(1)</sup>
Weighted average number of outstanding shares	29,292,554	28,367,929
Net income - Group share (in €m)	(1,220)	(379)
Per share (in €)	(41.63)	(13.36)
Net income from assets held for sale and discontinued operations - Group share (in €m)	115	1
Per share (in €)	3.93	0.05
Net income from continuing operations - Group share (in €m)	(1,335)	(380)
Per share (in €)	(45.57)	(13.41)

(1) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

<b>Diluted earnings per share</b>	12/31/2024	31/12/2023 <sup>(1)</sup>
Weighted average number of diluted shares	29,292,554	28,367,929
Net income - Group share (in €m)	(1,220)	(379)
Per share (in €)	(41.63)	(13.36)
Net income from assets held for sale and discontinued operations - Group share (in €m)	115	1
Per share (in €)	3.93	0.05
Net income from continuing operations - Group share (in €m)	(1,335)	(380)
Per share (in €)	(45.57)	(13.41)

(1) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

## NOTE 9 Provisions and contingent liabilities

### 9.1 PROVISIONS

#### Accounting principles

The provisions are recorded when, at year-end, ELO SA or one of its subsidiaries has an obligation to a third party as a result of a past event and this obligation is likely or certain to result in an outflow of funds representing economic benefits for the third party, the amount of which can be reliably estimated. The obligation may be legal, regulatory or contractual. These provisions are estimated according to their nature based on the most probable assumptions.

The provisions for restructuring are recognised when a consolidated entity has a detailed formal plan for the restructuring and it has been communicated to the interested parties. Some consolidated companies offer warranty extension contracts, for which income and margin are recognised over the length of the service delivered. The foreseeable expenses relating to the warranty are accrued when the corresponding sales are recorded, based on prior-year expense data. The provisions linked directly to the normal operating cycle of the business, and the portion of other provisions that matures in less than one year, are classified as current liabilities. The provisions that do not meet these criteria are classified as non-current liabilities.

#### Non-current provisions

(in €m)	Commercial litigation	Labour disputes	Tax disputes	Restructuring <sup>(a)</sup>	IFRS 16	Employee benefits (retirement indemnities)	Miscellaneous	Total
<b>As of 31/12/2023</b>	<b>52</b>	<b>1</b>	<b>26</b>	<b>0</b>	<b>0</b>	<b>98</b>	<b>21</b>	<b>198</b>
Provision expenses	4	0	0	44	0	26	21	94
Reversals of used provisions	(1)	0	(9)	0	0	(5)	(16)	(31)
Reversals of unused provisions	(1)	0	0	0	0	0	(0)	(1)
Reclassifications and other movements	1	0	(1)	0	0	(21)	(8)	(30)
<b>AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>55</b>	<b>1</b>	<b>16</b>	<b>44</b>	<b>0</b>	<b>98</b>	<b>18</b>	<b>231</b>

### Current provisions

(in €m)	Commercial litigation	Labour disputes	Tax disputes	Restructuring <sup>(1)</sup>	IFRS 16	Miscellaneous	Total
<b>As of 31/12/2023</b>	<b>57</b>	<b>34</b>	<b>7</b>	<b>0</b>	<b>19</b>	<b>67</b>	<b>184</b>
Provision expenses	19	15	1	189	1	15	239
Reversals of used provisions	(29)	(7)	0	0	(1)	(13)	(51)
Reversals of unused provisions	(11)	(8)	0	0	0	(20)	(39)
Reclassifications and other movements	(0)	(0)	(0)	0	(0)	9	8
<b>AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>35</b>	<b>33</b>	<b>8</b>	<b>189</b>	<b>19</b>	<b>57</b>	<b>341</b>

(1) Future restructuring plan for Retail France

In commercial disputes, the provision for guarantees is fully reversed at each closing date and the expense is mainly recognised in "External expenses".

### 9.2 CONTINGENT LIABILITIES

Consolidated companies are involved in a certain number of lawsuits or disputes in the normal course of their business, including procedures with the tax and competition authorities. Provisions have been made for any resulting costs, which ELO and/or its subsidiaries and their experts consider likely. To the best of the knowledge of ELO and its subsidiaries, there are no other exceptional events or disputes that could substantially affect the activity, results, assets, or financial position of ELO and/or its subsidiaries, which are not adequately covered by provisions at year-end.

## NOTE 10 Financing and financial instruments

### 10.1 NET FINANCIAL DEBT

#### Accounting principles

The net financial indebtedness consists of current and non-current borrowings and other financial liabilities, the fair value of derivatives that qualify as hedging instruments for an item of net financial debt, plus related accrued interest and minus net cash and cash equivalents and positive margin calls on derivatives that qualify as hedging instruments for an item of net financial debt. The negative margin calls (which correspond to the margins received from counterparties) are included in current borrowings and other financial liabilities.

ELO defines net financial debt as net financial indebtedness plus the fair value of the derivatives that do not qualify as hedging instruments for an item of financial debt. It also includes margin calls on derivatives that do not qualify as hedging instruments and short-term cash investments not covered by the definition of "Cash and cash equivalents".

The calculation of the net financial debt does not therefore include the liabilities related to put options granted to non-controlling interests for €35 million at December 31<sup>st</sup>, 2024 and €53 million at December 31<sup>st</sup>, 2023.

#### 10.1.1 Net financial debt

(in €m)

	12/31/2024	12/31/2023
Borrowings and other financial liabilities <sup>(1) (2)</sup>	5,901	5,945
• non-current	4,972	4,875
• current	929	1,070
Cash and cash equivalents	(2,884)	(2,741)
Derivative assets and liabilities qualifying as hedging instruments for an item of net financial debt	(102)	(140)
Margin call assets on derivatives qualifying as hedging instruments	(6)	(16)
<b>Net financial indebtedness</b>	<b>2,908</b>	<b>3,046</b>
Derivative assets and liabilities not qualifying as hedging instruments for an item of net financial debt	12	82
Other short-term investment assets	(0)	(212)
<b>NET FINANCIAL DEBT</b>	<b>2,921</b>	<b>2,917</b>

(1) A number of margin call agreements have been implemented to reduce counterparty risk. The amounts relating to margin calls received (liabilities) or paid (assets) are included in the net financial debt. As of December 31<sup>st</sup>, 2024, they represented a zero liability under "Borrowings and other financial liabilities" and €22 million as of December 31<sup>st</sup>, 2023.

(2) of which €169 million related to finance leases.

#### 10.1.2 Change in net financial debt

(in €m)

	12/31/2023	Change in cash and cash equivalents	Effects of exchange rate variations	Changes in consolidation scope	Reclassifications and other	12/31/2024
Borrowings and other financial liabilities	5,945	114	(1)	(166)	9	5,901
• non-current	4,875	984	0	(152)	(735)	4,972
• current	1,070	(870)	(1)	(14)	744	929
Cash and cash equivalents	(2,741)	(216)	28	43	2	(2,884)
Derivative assets and liabilities qualifying as hedging instruments for an item of net financial debt	(140)	20	0	0	18	(102)
Margin call assets on derivatives qualifying as hedging instruments	(16)	10	0	0	0	(6)
<b>NET FINANCIAL INDEBTEDNESS</b>	<b>3,046</b>	<b>(71)</b>	<b>27</b>	<b>(123)</b>	<b>29</b>	<b>2,908</b>
Derivative assets and liabilities not qualifying as hedging instruments for an item of net financial debt	82	(80)	(0)	0	10	12
Other short-term investment assets	(212)	211	0	0	0	(0)
<b>NET FINANCIAL DEBT</b>	<b>2,917</b>	<b>59</b>	<b>27</b>	<b>(123)</b>	<b>40</b>	<b>2,921</b>



### 10.2 NET COST FINANCIAL DEBT

Net cost of financial debt includes:

- gross cost of financial debt, which includes interest expenses, and gains and losses on interest rate and foreign exchange hedges covering the debt;
- the item "Income from cash and cash equivalents", which includes income from short-term cash investments.

(in €m)	12/31/2024	31/12/2023 <sup>(1)</sup>
Income from cash and cash equivalents	99	64
Gross cost of financial debt	(291)	(222)
- Interest expenses	(251)	(166)
- Hedging results	(39)	(55)
<b>NET COST OF FINANCIAL DEBT</b>	<b>(191)</b>	<b>(158)</b>

(1) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

The net cost of financial debt amounted to €191 million (compared to €158 million in 2023). The change was mainly due to new borrowing at a higher interest rate.

### 10.3 OTHER FINANCIAL INCOME AND EXPENSES

It includes financial income and expenses that are not part of the net cost of financial debt.

It consists mainly of dividends from non-consolidated companies, gains and losses arising from the measurement at fair value of financial assets other than cash and cash equivalents, gains and losses on disposal of financial assets other than cash and cash equivalents, impact of discounting adjustments and exchange gains and losses on items not included in the net financial debt and cost of sales and interest expenses related to IFRS 16.

(in €m)	12/31/2024	31/12/2023 <sup>(2)</sup>
Gains and losses on financial transactions not eligible for hedge accounting <sup>(1)</sup>	(8)	(31)
Provisions and impairment, net of reversals:	(10)	(18)
- Reversal of provisions for impairment of other financial assets	0	1
- Impairment of other financial assets	(10)	(19)
Cost of discounting retirement obligations net of the expected return on plan assets	(3)	(3)
Income from associates	3	3
Interest expenses related to IFRS 16	(115)	(85)
Translation differences related to IFRS 16	(3)	8
Other	(27)	(5)
<b>OTHER FINANCIAL INCOME AND EXPENSES</b>	<b>(163)</b>	<b>(131)</b>

(1) The gains and losses on financial transactions not eligible for hedge accounting include, in particular, foreign exchange and other gains and losses on derivatives used to hedge foreign exchange and/or interest rate risks on intragroup loans, or to guarantee a given interest rate level for the global debt of ELO and the consolidated companies (macro-hedging swaps).

(2) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

## 10.4 DERIVATIVES AND HEDGES

### Accounting principles

Derivatives are measured and recognised at fair value on the balance sheet and their changes are always recorded in net income, except for future cash flow hedging relationships and net investments.

Derivatives with a residual maturity of more than one year are recorded in the balance sheet as non-current assets or liabilities. Other derivatives are recorded as current assets or liabilities. The accounting date for derivatives is the transaction date.

Hedging accounting applies only if three criteria are met:

- the hedging relationship consists only of eligible hedging instruments and eligible hedged items;
- at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
- the hedging relationship meets all the following hedge effectiveness requirements:
  - there is an economic relationship between the hedged item and the hedging instrument,
  - the effect of the credit risk does not dominate the value changes that result from that economic relationship; and
  - the hedge ratio between the hedged item and the hedging instrument is suitable.

Most of the derivatives used by ELO are eligible for hedge accounting.

For derivatives eligible for hedge accounting, recognition as hedging instruments allows to reduce earnings volatility linked to changes in the value of the derivatives concerned.

There are three hedge accounting models under IFRS 9: fair value hedge, cash flow hedge, and hedge of a net investment in a foreign operation.

### Fair value hedges

For derivatives documented as hedges of assets or liabilities recognised in the balance sheet (fair value hedges), the hedge accounting allows to recognise changes in the fair value of the derivatives through the income statement; the change is offset by the impact in the income statement of the change in fair value of the hedged item recognised in the balance sheet in respect of the hedged risk. These two values offset each other on the same line in the income statement and cancel each other out if the hedge is completely effective.

### Hedges of future cash flows

For derivatives documented as hedges of highly probable future cash flows, changes in the value of the derivative are recognised in "Other comprehensive income" (cash flow hedge reserve) for the effective portion of the hedge. These reserves are recycled in net income when the hedged transaction impacts the net income or are incorporated into non-financial assets or liabilities when the latter are recognised in the balance sheet. The changes in the value of the ineffective portion are recognised in net income.

### Net investment hedge

For the derivative instruments documented as hedges of net foreign investments, the change in value of the hedging instruments is recorded in other comprehensive income, the objective of these hedges being to neutralise the change in value in euros of a portion of the net assets of subsidiaries denominated in foreign currencies.

For derivatives that are not documented as hedging instruments, any change in the fair value is recognised in other financial income and expenses in the case of interest rate derivatives, or in operating income in the case of currency options used as an economic hedge of future gross margin.

The change in the fair value of the basis spread is not considered as a hedging component. It is recognised in the hedge reserve and is amortised through the income statement over the hedging period.

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### Items recognised in other comprehensive income (after deferred taxes)

(in €m)	12/31/2024	12/31/2023
Cash flow hedge - effective portion of the change in fair value	44	58
Cash flow hedge - reclassified to net income	(58)	(107)
Net foreign investment hedge	(19)	(20)

(in €m)	12/31/2024	12/31/2023
Change in fair value reserve	(32)	(14)
Change in cash flow hedge reserve	(14)	(49)
Change in net foreign investment hedge	1	(17)

### Hedging instruments

As of December 31 <sup>st</sup> , 2024 <i>(in €m)</i>	Type of hedging instrument	Notional amount of the hedging instruments	Carrying amount of the hedging instrument		Item in the statement of financial position in which the hedging instrument is included	Change in the fair value of the financial instrument used	Change in OCI reserve
			Assets	Liabilities			
FAIR VALUE HEDGE							
Interest rate risk							
Bonds in EUR	Interest rate swaps	3,050	31	66	Derivatives (assets and liabilities)	71	
Bonds in CHF	Cross-currency swap					(31)	0

As of December 31 <sup>st</sup> , 2024 (in €m)	Type of hedging instrument	Notional amount of the hedging instruments	Carrying amount of the hedging instrument		Item in the statement of financial position in which the hedging instrument is included	Change in fair value through net income	Change in OCI reserve
			Assets	Liabilities			
CASH FLOW HEDGE							
Interest rate risk							
Variable rates of bank borrowings	EUR interest rate swaps	3,395	70	(24)	Derivatives (assets and liabilities)	(1)	(31)
	Swaptions						
	Cap						
Foreign exchange risk							
Currency hedges of future sales	Forward foreign exchange	442	22		Derivatives (assets and liabilities)		(19)
	Foreign exchange swaps	(44)	2	4			

### NET INVESTMENT HEDGE

Foreign exchange risk							
Hedging of net investment in foreign currencies (RUB)	Cross-currency swap				Derivatives (assets and liabilities)		(26)

At the reporting date, the amounts for items designated as hedged items were as follows:

> HEDGED ITEMS

As of December 31 <sup>st</sup> , 2024 <i>(in €m)</i>	Carrying amount of the hedged item		Accumulated FVH adjustments included in the carrying amount of the hedged item		Item in the statement of financial position in which the hedged item is included	Change in the fair value of the hedged item	Ineffectiveness recognised in the income statement	Heading that includes the hedge ineffectiveness
	Assets	Liabilities	Assets	Liabilities				
FAIR VALUE HEDGE								
Interest rate risk								
Fixed-rate bonds denominated in euros		3,010	20		Borrowings and other financial liabilities	(67)	4	Net cost of financial debt
Fixed-rate bonds denominated in CHF						31	1	

As of December 31 <sup>st</sup> 2024 (in €m)	Nominal value of the hedged item	Amount	Income item affected by reclassification from OCI	Change in OCI reserve
		reclassified from the reserve to income		
<b>CASH FLOW HEDGE</b>				
<b>Interest rate risk</b>				
Variable rates on variable-interest bonds	3,280		Cost of financial debt	(31)
Foreign exchange risk	398	3		
Currency hedges of future sales			Other recurring expenses	19

CASH FLOW HEDGE				
Interest rate risk	3,280			
Variable rates on variable-interest bonds			Cost of financial debt	(31)
Foreign exchange risk	398	3		
Currency hedges of future sales			Other recurring expenses	19

The Group's net investment in its Russian subsidiary, whose functional currency is the rouble (RUB), generates a foreign exchange risk resulting from fluctuations in the exchange rate between the rouble and the euro. This risk is no longer hedged. Derivatives qualifying as hedges were terminated in 2024 in exchange for a net cash payment of €13.6 million.

The loan to the subsidiary in Hungary, whose functional currency is the forint (HUF), is hedged between the forint and the euro.

## Derivative positions not subject to offsetting

ELO enters into International Swap and Derivatives Association (ISDA) agreements or French Banking Federation (Fédération bancaire française - FBF) agreements as part of its trading activities. These contracts do not meet the same offsetting conditions as derivative positions in the balance sheet. The table below shows the recognised amounts that are subject to these agreements, solely for derivatives qualifying as interest rate and currency hedges.

	12/31/2024			12/31/2023		
	Financial instruments in the financial statements	Related unsettled financial instruments	Net amount	Financial instruments in the financial statements	Related unsettled financial instruments	Net amount
<b>Financial assets</b>						
Derivatives	183	178	5	220	187	33
<b>TOTAL</b>	<b>183</b>	<b>178</b>	<b>5</b>	<b>220</b>	<b>187</b>	<b>33</b>
<b>Financial liabilities</b>						
Derivatives	93	83	10	162	135	27
<b>TOTAL</b>	<b>93</b>	<b>83</b>	<b>10</b>	<b>162</b>	<b>135</b>	<b>27</b>

## 10.5 FINANCIAL RISK MANAGEMENT

During the usual course of their business, ELO and the consolidated companies are exposed to interest rate, foreign exchange, credit and liquidity risks. They use derivatives to mitigate these risks.

ELO and the companies in the consolidation scope have put in place an organisation to centrally manage market risks.

The market risk is controlled and monitored by the Finance Committee, which meets at least four times a year. ELO's Board of Directors and General Management are represented in this body whose duties include in particular the assessment of the quality of counterparties, the level of the hedges put in place and their appropriateness with regard to the underlying assets, as well as the liquidity risk.

### 10.5.1 Credit risk

The credit risk represents the Group's risk of financial loss in the event that a customer or a counterparty to a financial instrument fails to meet their contractual obligations.

With regard to investments, the policy of ELO and the consolidated companies, other than in exceptional circumstances, is to invest cash surpluses with counterparties authorised and approved by the Finance Committee based on a rating grid.

ELO only works with a list of banks authorised by ELO's Management for financing and foreign exchange derivative transactions.

ISDA and FBF contracts have been signed with most of the bank counterparties to ensure that financial instrument operating rules are in place. In particular, these contracts set out the procedures for terminating transactions and for netting in the event of a change in the initial contractual balance, including default by the counterparty.

The measurement of the fair value of derivative instruments carried by ELO and the companies within the scope of consolidation includes a counterparty risk component (CVA) for derivative assets and an own credit risk component (DVA) for derivative instruments liabilities. Credit risk is assessed on the basis of standard mathematical models for market participants taking into account historical statistical data. This risk assessment is recognised in the financial statements for the net impact.

As of December 31<sup>st</sup>, 2024, the adjustments booked in relation to counterparty risk and own credit risk were not material.

The trade and other receivables include mainly receivables to franchisees, participation in advertising costs and suppliers' commercial cooperation fees, and prepaid expenses.

In addition, Auchan Retail granted a €124 million loan to its subsidiary Auchan Retail Hungary, over which it has relinquished control. As Auchan Retail has security interests granted by its subsidiary in an amount exceeding the nominal value of the loan, the associated credit risk is low.

#### ◦ Impairment

#### DEBT INSTRUMENTS AT FAIR VALUE THROUGH FINANCIAL ASSETS AT AMORTISED COST OTHER COMPREHENSIVE INCOME

(IN €M)

<b>Balance as of January 1<sup>st</sup>, 2023</b>	<b>15</b>	<b>387</b>
Net impairment	0	16
Changes in consolidation scope	3	0
Translation differences	0	(2)
Other changes	0	(15)
<b>BALANCE AS OF DECEMBER 31<sup>ST</sup>, 2023</b>	<b>18</b>	<b>386</b>
<b>Balance as of January 1<sup>st</sup>, 2024</b>	<b>18</b>	<b>386</b>
Net impairment	6	70
Changes in consolidation scope	0	5
Translation differences	0	(1)
Other changes	0	(8)
<b>BALANCE AS OF DECEMBER 31<sup>ST</sup>, 2024</b>	<b>24</b>	<b>452</b>

## 10.5.2 Liquidity risk

ELO's policy is to permanently maintain adequate medium- and long-term funding to cover its needs at the bottom of the seasonal cycle and provide it with a safety margin.

### ◦ Details on the risk of early call on financial debt

The medium- and long-term bank financing facilities contain the usual commitments and default clauses for this type of contract, i.e. undertaking to maintain the loan at its initial level of seniority (*pari passu*), limits on the collateral provided to other lenders (negative pledge), limits on substantial asset sales, and cross-default and material adverse change clauses.

The ELO SA Euro Medium-Term Note (EMTN) programme, under which bonds are issued, contains an undertaking limiting the collateral provided to other bond holders (negative pledge) and a cross-default clause.

Certain medium- and long-term bank financing facilities (e.g. confirmed credit lines not used as of December 31<sup>st</sup>, 2024) contain an accelerated repayment clause in the event of non-compliance, on the closing date, with certain ratios, including consolidated net financial debt/consolidated EBITDA of less than 3.5, which is raised to 3.75 in the event of a significant acquisition during the year. As of December 31<sup>st</sup>, 2024, given the acquisition of the Casino stores in 2024, which is considered significant, ELO can benefit from the increase in the ratio at the end of 2024. This ratio (raised to 3.75) is complied with.

None of the financial borrowings include any default clause linked to a potential downgrade of ELO's ratings.

### ◦ Exposure to liquidity risk

The residual contractual maturities of financial liabilities break down as follows (including payment of interest):

Transactions in €m as of December 31 <sup>st</sup> , 2024	Carrying amount	Expected cash flows			
		Total	< 1 year	1 to 5 years	> 5 years
Bonds and private placements	4,845	5,442	843	4,599	0
Bank borrowings	862	862	27	698	137
Other financial liabilities <sup>(1)</sup>	170	170	121	49	0
Margin calls	0	0	0	0	0
Current bank loans	59	59	59	0	0
Non-current lease liabilities	1,568	1,568	0	1,131	437
Other non-current liabilities	254	254	0	219	35
Current lease liabilities	400	400	400	0	0
Trade payables	5,176	5,176	5,176	0	0
Other current liabilities	1,735	1,735	1,735	0	0
Current tax liabilities	53	53	53	0	0
<b>TOTAL NON-DERIVATIVE FINANCIAL LIABILITIES</b>	<b>15,122</b>	<b>15,718</b>	<b>8,413</b>	<b>6,696</b>	<b>609</b>
Interest rate derivatives not eligible for hedge accounting	0	0	0	(0)	0
Interest rate derivatives used as hedges <sup>(2)</sup>	88	75	48	27	0
Forward foreign exchange contracts used as hedges:	4				
Cash outflow		73	73	0	0
Cash inflow		(68)	(68)	0	0
Other forward foreign exchange contracts:	1				
Cash outflow		443	443	0	0
Cash inflow		(440)	(440)	0	0
<b>TOTAL DERIVATIVE FINANCIAL LIABILITIES</b>	<b>93</b>	<b>83</b>	<b>56</b>	<b>27</b>	<b>0</b>

(1) Includes liabilities linked to put options granted to non-controlling interests of €35 million.

(2) The difference between the carrying amount and the cash flows is related to the discounting and accounting method of ICNE on derivatives.



## Consolidated financial statements

Notes to the consolidated financial statements

Transactions in €m as of December 31 <sup>st</sup> , 2023	Carrying amount	Expected cash flows			
		Total	< 1 year	1 to 5 years	> 5 years
Bonds and private placements	4,929	5,938	1,050	4,093	795
Bank borrowings	873	873	71	802	0
Other financial liabilities <sup>(1)</sup>	162	162	87	75	0
Margin calls	22	22	22	0	0
Current bank loans	11	11	11	0	0
Non-current lease liabilities	1,099	1,099	0	787	312
Other non-current liabilities	164	164	0	92	72
Current lease liabilities	324	324	324	0	0
Trade payables	4,979	4,979	4,979	0	0
Other current liabilities	1,752	1,752	1,752	0	0
Current tax liabilities	58	58	58	0	0
<b>TOTAL NON-DERIVATIVE FINANCIAL LIABILITIES</b>	<b>14,374</b>	<b>15,382</b>	<b>8,354</b>	<b>5,849</b>	<b>1,179</b>
Interest rate derivatives not eligible for hedge accounting	1	1	1	0	0
Interest rate derivatives used as hedges <sup>(2)</sup>	148	128	59	69	0
Forward foreign exchange contracts used as hedges:	10				
Cash outflow		417	299	118	0
Cash inflow		(406)	(290)	(116)	0
Other forward foreign exchange contracts:	1				
Cash outflow		288	270	18	0
Cash inflow		(287)	(269)	(18)	0
<b>TOTAL DERIVATIVE FINANCIAL LIABILITIES</b>	<b>160</b>	<b>142</b>	<b>71</b>	<b>71</b>	<b>0</b>

(1) Includes liabilities linked to put options granted to non-controlling interests of €53 million.

(2) The difference between the carrying amount and the cash flows is related to the discounting and accounting method of ICNE on derivatives.

The carrying amount of the derivative financial liabilities corresponds to the value excluding accrued interest not yet due, and the cash flows expected from these liabilities correspond to the contractual cash flows.

### 10.5.3 Interest rate risk

Interest rate risk is the risk that changes in interest rates could generate an increase in ELO's net cost of debt.

ELO uses interest rate derivatives with the sole aim of reducing its exposure to the impact of changes in interest rates on its debt. Transactions on the derivative markets are undertaken solely for hedging purposes.

Depending on expected interest rate trends, the Finance Committee may decide to issue bonds at either fixed or variable interest rates. The last bond issue in April 2024 was therefore not at a variable interest rate, as the yield curve already factored in expectations of a rate cut.

The main currency of these transactions is the euro. The net fair value (excluding accrued interest) of these instruments recorded on the balance sheet was €(35) million as of December 31<sup>st</sup>, 2024.

The Group then, through its macro-hedging policy, reprices its debt at variable rates with shorter maturities (unchanged) than the underlying debt. The repricing policy is according to the currency in question and the term.

These transactions are aimed at protecting earnings against a possible rise in interest rates on the Group's variable-rate debt. They consist of euro swaps in which ELO is a fixed-rate borrower and a floating-rate lender. ELO had no direct outstanding transactions as of December 31<sup>st</sup>, 2024. However, New Immo Holding had qualifying transactions for a market value of €44 million.

The Group determines that there is an economic relationship between the hedging instrument and the hedged instrument in accordance with the reference interest rates, the periods for which they are established, the determination dates, the maturity, and the notional or nominal amounts. It uses a hypothetical derivative to determine whether it is expected that the designated derivative in each hedging relationship is effective in offsetting the changes in cash flows from the hedged item.

#### ◦ Other macro-hedging transactions recognised at fair value through net income

However, some macro-hedging transactions used to hedge interest rate risk do not qualify for hedge accounting. They are then classified as items held for trading.

These transactions are aimed at protecting earnings against a possible rise in interest rates. They consist of swaps in which ELO is a fixed-rate borrower and a floating-rate lender, or of caps or swaptions. These transactions are carried out in HUF, PLN and RON. The fair value of these transactions was €0.4 million as of December 31<sup>st</sup>, 2024, compared to €(1) million as of December 31<sup>st</sup>, 2023.

#### ◦ Exposure to interest rate risk (after management)

(in €m)

	12/31/2024	12/31/2023
Fixed-rate financial assets	75	0
Fixed-rate financial liabilities	1,697	3,209
Floating-rate financial assets	2,123	3,368
Floating-rate financial liabilities	4,064	2,819

#### ◦ Sensitivity to changes in interest rates

The analysis of the sensitivity of cash flows on floating-rate instruments takes into account all the variable-income flows on derivative and non-derivative instruments. The analysis is carried out based on the assumption that the amount of debt and derivatives as of December 31<sup>st</sup>, remains constant over one year. For the purpose of this analysis, all other variables, notably foreign exchange rates, are assumed to remain unchanged. The short-term financial assets and liabilities are not included in the scope of this analysis.

The sensitivity to changes in interest rates is as follows:

Impact in €m	Rate decrease of 0.50%		Rate increase of 0.50%	
	Equity (OCI)	Income	Equity (OCI)	Income
12/31/2023	(67)	48	67	(48)
12/31/2024	(54)	(1)	52	1

### 10.5.4 Foreign exchange risk

ELO is exposed to foreign exchange risk on:

- purchases of goods (transactional foreign exchange);
- internal and external financing denominated in a currency other than the euro (translation risk);
- foreign currency leases.

The currencies of these transactions as of December 31<sup>st</sup>, 2024 were mainly USD, PLN, HUF, RON and NOK.

#### ◦ Transactional exchange rate

The Group's risk management policy is at all times to hedge all of its estimated exposure to foreign exchange risk in respect of forecast purchases for at most the next 18 months. The Group uses over-the-counter forward contracts to hedge its foreign exchange risk together with option strategies, in particular to provide volume flexibility. At the reporting date, the majority of the future contracts had maturities of more than one year. These contracts are generally designated as cash flow hedges.

Transactions on the derivative markets are undertaken solely for hedging purposes. The Group's policy prohibits outright option sales, barrier option strategies and asymmetric option strategies.

The Group designates the spot price for a forward foreign exchange contract to hedge its foreign exchange risk and applies a 1:1 hedging ratio.

The swap elements of forward foreign exchange contracts are not designated as hedging instruments and are recognised separately as "hedging costs" in the equity hedging expenses reserve. The Group's policy is aligning the basic terms and conditions of forward foreign exchange contracts with those of the hedged item.

The Group determines that there is an economic relationship between the hedging instrument and the hedged item according to the currency, the amount and the schedule of their respective cash flows.

The principal sources of ineffectiveness in these hedging relationships are:

- the impact of the counterparty's and of the Group's credit risks on the fair value of the swaps, which is not reflected in the change in the fair value of the cash flows attributable to the interest rate changes;
- the changes in the schedule of hedged transactions.

The risk hedged by these transactions is principally EUR/USD exchange risk.

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### ◦ Exposure of ELO as of December 31<sup>st</sup>, 2024

As of December 31 <sup>st</sup> , 2024 (in €m)	USD
Trade payables	44
Estimated forecast purchases <sup>1)</sup>	413
<b>GROSS EXPOSURE</b>	<b>457</b>
Foreign exchange swaps	(355)
Currency options <sup>2)</sup>	(117)
<b>NET EXPOSURE</b>	<b>(15)</b>

(1) Expected purchases for the 2025 financial year.

(2) Transactions not qualified for hedge accounting.

### ◦ Derivatives hedging a transactional foreign exchange risk

As of December 31 <sup>st</sup> , 2024 (in €m)	Market value	Contractual cash flows			
		Total	< 1 year	1 to 5 years	> 5 years
Foreign exchange swaps	(3)				
Cash inflow		97	97		
Cash outflow		(100)	(100)		
Forward foreign exchange swaps	22				
Cash inflow		442	394	48	
Cash outflow		(415)	(370)	(45)	

As of December 31 <sup>st</sup> , 2023 (in €m)	Market value	Contractual cash flows			
		Total	< 1 year	1 to 5 years	> 5 years
Foreign exchange swaps	3				
Cash inflow		149	149		
Cash outflow		(146)	(146)		
Forward foreign exchange swaps	(6)				
Cash inflow		485	419	67	
Cash outflow		(491)	(424)	(67)	

### ◦ Balance sheet risk

The hedging transactions for balance sheet risk concern foreign currency loans granted to foreign subsidiaries. The currencies hedged are HUF, PLN and RON. Although these transactions are carried out for hedging purposes, they are not documented for hedge accounting purposes as they are naturally symmetrically offset in the income statement by the change in value of the derivatives and intragroup financing.

◦ **Exposure of ELO as of December 31<sup>st</sup>, 2024**

> **BALANCE SHEET RISK**

As of December 31 <sup>st</sup> , 2024 <i>(in €m)</i>	PLN	HUF	RUB	RON
Financing of subsidiaries	157	124	51	188
Foreign currency deposits	(38)	0	0	0
<b>Gross exposure</b>	<b>120</b>	<b>124</b>	<b>51</b>	<b>188</b>
Foreign exchange swaps	120	124	0	188
<b>NET EXPOSURE</b>	<b>0</b>	<b>0</b>	<b>51</b>	<b>0</b>

◦ **Exposure of ELO as of December 31<sup>st</sup>, 2023**

As of December 31 <sup>st</sup> , 2023 <i>(in €m)</i>	PLN	HUF	RUB	RON
Financing of subsidiaries	195	135	88	187
Foreign currency deposits	(39)			
<b>Gross exposure</b>	<b>156</b>	<b>135</b>	<b>88</b>	<b>187</b>
Foreign exchange swaps	156	135	80	187
<b>NET EXPOSURE</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>

◦ **Sensitivity to changes in exchange rates**

This sensitivity analysis is performed on the assumption that the variables excluding exchange rates (in particular interest rates) are constant and mainly concern USD.

Impact <i>in €m</i>	Rate decrease of +10%		Rate increase of 10%	
	Equity (OCI)	Income	Equity (OCI)	Income
12/31/2023				
EUR/USD	(38)	(4)	46	4
12/31/2024				
EUR/USD	(28)	(4)	35	5

The sensitivities presented in the table do not take into account the exposure resulting from the projected purchases in USD by the subsidiaries. Thus, the result that would be recognised on derivatives is to be compared to the result that would be realised on purchases in foreign currencies, which reduces the actual sensitivity to the EUR/USD foreign exchange risk.

### 10.5.5 Other risks

ELO and the other consolidated companies enter into hedging transactions other than foreign exchange and interest rate derivative transactions, namely hedges on raw material prices, for non-material amounts.

## 10.6 FINANCIAL ASSETS

### Accounting principles

In accordance with IFRS 9, the main financial assets are classified in one of the following categories:

- Financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income;
- financial assets at fair value through the income statement.

### Financial assets measured at amortised cost

A financial asset is measured at amortised cost if the following two conditions are met and if it is not designated at fair value through the income statement:

- it is held within the framework of a financial model whose objective is to hold assets in order to collect the contractual cash flows;
- its contractual terms give rise to cash flows, on specific dates, that correspond solely to repayments of principal and interest payments on the principal outstanding.

In the event of a subsequent measurement of gains and losses, these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in net income. Gains and losses resulting from de-recognition are recognised in net income.

### Financial assets at fair value through other comprehensive income

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met and if it is not designated at fair value through the income statement:

- it is held within the framework of a financial model whose objective is to collect the contractual cash flows and the sale of financial assets;
- its contractual terms give rise to cash flows, on specific dates, that correspond solely to repayments of principal and interest payments on the principal outstanding.

When initially recognising an equity security that is not held for trading, the Group may make the irrevocable election to present in other comprehensive income any subsequent changes in the fair value of the security. This choice applies for every investment.

In the event of measurement of gains and losses at a later date, these assets are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment losses are recognised in net income. Other net gains and losses are recorded in other comprehensive income. Upon de-recognition, gains and losses accumulated in other comprehensive income are reclassified to net income.

### Financial assets at fair value through the income statement

All financial assets that are not classified at amortised cost or at fair value through other comprehensive income as previously described are measured at fair value through the income statement.

This is notably the case for all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that would otherwise qualify to be measured at amortised cost or at fair value through other comprehensive income at fair value through the income statement, if this designation eliminates or significantly reduces an accounting mismatch that otherwise would have occurred.

In the event of measurement of gains and losses at a later date, these assets are subsequently measured at fair value and the net gains and losses, including interest or dividends received, are recognised in net income.

## Assessment of the financial model

The Group assesses the business model objective of holding a financial asset at the portfolio level because this best reflects the way in which the performance of the portfolio is evaluated and communicated to the Group's management. The information taken into account is the following:

- the methods and objectives defined for the portfolio and their implementation. These include whether Management's strategy focuses on obtaining contractual interest income, maintaining a specific interest rate profile, matching the period for which they are held with the liabilities that finance them or the expected cash flows, or the obtaining of cash flow by selling these assets;
- the way in which the performance of the portfolio is evaluated and communicated to the Group's Management;
- the risks that affect the financial model (and the financial assets held within this financial model) and the way in which these risks are managed;

- the way in which executives are compensated (for example, whether the compensation is based on the fair value of the assets under management or on the contractual cash flows received);
- the frequency, value and timing of sales of financial assets in prior periods, the reasons for these sales and expectations of future sales.

Transfers of financial assets to third parties within the context of transactions that do not meet the conditions for de-recognition are not considered as sales for these purposes, in accordance with the Group's accounting policy for the recognition of these assets.

Financial assets held for trading or whose management and performance measurement are made on a fair value basis are measured at fair value through the income statement.

## Assessment when the contractual cash flows correspond solely to repayments of principal and interest payments on the outstanding principal

For the purpose of this assessment, the term "principal" refers to the fair value of the financial asset upon initial recognition. "Interest" refers to the counterparty for the time value of the money, the credit risk associated with the principal outstanding for a given period of time, and the other risks and charges that are attached to a basic loan (e.g. liquidity risk and administrative charges), as well as a margin.

When determining whether a contractual cash flow corresponds solely to repayments of principal and interest payments on the outstanding principal, the Group takes into consideration the contractual terms of the financial instrument. In particular, it must assess whether the financial asset includes a contractual term that may change the schedule or the amount of the contractual cash flows so that it no longer satisfies this condition.

When making this assessment, the Group takes into account the following factors:

- contingencies that could affect the amount or schedule of the cash flows;
- the conditions that may adjust the contractual coupon rate, including variable rate features;

- early repayment and extension clauses;
- the conditions limiting the Group's recourse to obtain cash flows from certain assets (for example, in the case of a financial asset secured only by a security interest).

An early payment clause may be consistent with the "SPPI" criterion if the amount of the prepayment is essentially the principal amount outstanding and the interest thereon. It may also include a reasonable additional amount to pay for early termination of the contract. In addition, for a financial asset acquired with a discount or a premium over its contractual nominal value, a clause allowing or requiring early repayment for an amount essentially representing the contractual nominal value and the accumulated (but unpaid) contractual interest (which may include a reasonable supplement to compensate for the early termination of the contract) does not contradict the "SPPI" criterion, if the fair value of the prepayment clause is not significant upon initial recognition. An early payment clause may be consistent with the "SPPI" criterion if the amount of the early repayment is immaterial at the time of initial recognition.



## Classification of financial assets by category

(in €m)

		12/31/2024		12/31/2023	
Asset balance sheet item	IFRS 9 category	Non-current	Current	Non-current	Current
Other non-current financial assets	Assets at fair value through the income statement <sup>(1)</sup>	43		39	
	Debt instrument at fair value through other comprehensive income <sup>(2)</sup>	145		153	
	Financial assets at amortised cost <sup>(3)</sup>	296		218	
Other non-current assets	Financial assets at amortised cost <sup>(4)</sup>	96		104	
Trade receivables	Financial assets at amortised cost <sup>(5)</sup>		521		433
Trade and other receivables	Financial assets at amortised cost <sup>(6)</sup>		1,315		1,369
Current financial assets	Financial assets at amortised cost <sup>(3)</sup>		395		419
Cash and cash equivalents	Assets at fair value through the income statement <sup>(1)</sup>		2,884		2,741
<b>OTHER FINANCIAL ASSETS (NET CARRYING AMOUNT)</b>		<b>580</b>	<b>5,115</b>	<b>514</b>	<b>4,962</b>
Impairment of other financial assets		(202)	(63)	(192)	(57)

(1) Financial assets held for trading correspond to:

- for the non-current portion, investments subject to restrictions on use by ELO for prudential or contractual reasons;
- for the current portion, investments meeting the definition of cash and cash equivalents and included in "Cash and cash equivalents";
- for the current portion, other short-term investment assets and included in financial debt

(2) The available-for-sale financial assets consist mainly of equity interests in companies that are neither controlled nor under significant influence.

(3) Financial receivables mainly comprise security deposits and loans to Auchan Retail Hungary (€124 million).

(4) For the non-current portion, interest-bearing or discounted receivables.

(5) The trade receivables include mainly receivables relating to franchise arrangements, and rent outstanding for the Property Management business line.

(6) The other current receivables include mainly tax and social security receivables and accrued income from suppliers.

## 10.7 FINANCIAL LIABILITIES

### 10.7.1 Borrowings and other financial liabilities

#### ◦ Accounting principles

The financial liabilities consist mainly of bonds, bank borrowings and bank overdrafts. Borrowings that bear interest are recognised from the outset at their fair value less direct transaction costs. After initial recognition:

- borrowings and other financial liabilities at floating rates are measured at amortised cost based on straight-line amortisation of issuance costs over the term of the borrowing, insofar as this has no material impact by comparison with the yield-to-maturity method;
- two methods are used for fixed-rate borrowings:
  - the fixed-rate borrowings qualified as hedged items as part of fair value hedging relationships are recognised at amortised cost adjusted for the change in fair value corresponding to the hedged risk. The fair value is determined on the basis of future cash flows discounted using the zero-coupon in force at the reporting date, and integrating a spread equal to the spread when the financing was put in place,
  - the other fixed-rate borrowings are recognised at amortised cost using the effective interest rate method, which incorporates an actuarial amortisation of issuance costs and premiums.

#### > BREAKDOWN OF BORROWINGS AND OTHER FINANCIAL LIABILITIES

(in €m)	12/31/2024		12/31/2023	
	Non-current	Current	Non-current	Current
Bonds and private placements	4,122	722	4,056	873
Bank borrowings and other financial liabilities	835	27	801	71
Other financial liabilities	14	121	17	92
Liabilities linked to put options granted to non-controlling interests <sup>(1)</sup>	35	0	53	0
Margin call - Liability		0		22
Bank credit balances		59		11
<b>TOTAL</b>	<b>5,007</b>	<b>929</b>	<b>4,927</b>	<b>1,070</b>

<sup>(1)</sup> Commitments to purchase shares made by ELO and the other consolidated companies to the non-controlling shareholders of certain subsidiaries that are fully consolidated or to the Valauchan and Valfrance mutual funds under the rules that govern the operation of those funds (see note 8.1.3).

Accrued interest is recognised under "Current borrowings and other financial liabilities".

#### ◦ Bonds and private placements

These are bonds issued under the Euro Medium-Term Note (EMTN) program.

In April 2024, ELO issued a €750 million bond with a 4-year maturity through the EMTN programme.

#### ◦ Financing transactions

In December 2022, ELO signed a term loan of €400 million maturing on December 16<sup>th</sup>, 2027 (with an option to extend it by two one-year periods). A full drawdown has been made in April 2023 with extension of the maturity until December 16<sup>th</sup>, 2028.

ELO took out a bilateral line of credit with CAIXA in 2023 for €100 million maturing in 2029.

This financing incorporated ESG criteria in the form of a credit margin adjustment mechanism (upwards or downwards) depending on the achievement of objectives relating to the criteria for reducing greenhouse gases and the development of responsible supply chains.

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The details of the bond issues are as follows:

(in €m)				12/31/2024		12/31/2023	
Borrowing companies	Nominal interest rate	Issue date	Maturity	Nominal value	Carrying amount	Nominal value	Carrying amount
ELO SA	1.510%	06/03/14	06/03/24	0	0	130	129
ELO SA	2.625%	01/30/19	01/30/24	0	0	746	744
ELO SA	2.375%	04/25/19	04/25/25	667	663	695	675
ELO SA	2.875%	04/29/20	01/29/26	849	826	849	799
ELO SA	3.250%	07/23/20	07/23/27	716	675	716	652
ELO SA	4.875%	12/08/22	12/08/28	650	649	650	645
ELO SA	6.000%	09/22/23	03/22/29	750	777	750	776
ELO SA	5.875%	04/17/24	04/17/28	750	747	0	0
ELO SA	EUR6M + 1.90%	05/26/23	05/26/28	100	100	100	100
ELO SA	EUR6M + 1.90%	12/20/23	05/26/28	50	50	50	50
NEW IMMO HOLDING SA	3.000%	12/12/18	12/11/25	60	60	60	60
NEW IMMO HOLDING SA	2.750%	11/24/19	11/26/26	300	298	300	298

#### • Bank borrowings and other financial liabilities

(in €m)				12/31/2024		12/31/2023	
Borrowing companies	Nominal interest rate	Issue date	Maturity	Nominal value	Carrying amount	Nominal value	Carrying amount
LCO1	EUR3M + 1.7%	09/11/18	09/11/26	153	153	156	156
Glorirequinte, Brafero, Multi 25, Forum Montijo	2.35%	12/21/2018	12/21/2025	0	0	78	78
Glorirequinte, Brafero, Multi 25, Forum Montijo	EUR3M + 1.7%	12/26/2016	12/21/2025	0	0	78	78
Ceetrus Russia - RCF	BCR + 2.30%	06/27/19	06/17/24	0	0	15	15
Coresi	EUR3M +2.15%	07/19/19	06/30/31	20	20	25	25
SPV Abidjan Riviera	7.00%	07/01/24	06/30/28	11	11	0	0
ELO SA	EUR 3M +1.35%	03/27/23	02/09/29	100	100	100	100
ELO SA	EUR 3M +1.35%	04/03/23	12/16/27	400	400	400	400

#### • Other financial liabilities

This item includes accrued interest of €119 million, commitments to purchase shares from employees of ELO and its subsidiaries for €8 million (see note 8.1.6) and payables related to employee profit-sharing for €5 million.

## 10.7.2 Other current and non-current liabilities

### ◦ Accounting principles

These current financial liabilities are valued at their nominal value to the extent that they constitute a reasonable estimate of their market value given their short-term nature.

ELO and the consolidated companies have given commitments to the non-controlling shareholders of some fully consolidated subsidiaries to buy out their interests. These commitments' exercise price may be fixed, based on an expert opinion, or based on a pre-defined calculation formula, depending on any contractual provisions setting the option valuation methods. These options may be exercised at any time or on a pre-determined date.

In application of IFRS 10, transactions with non-controlling shareholders that do not change the nature of the direct or indirect control exercised by ELO should be recognised directly in equity. Accordingly, the impact of the repurchase commitments issued after the first application date must also be recognised in equity.

On first recognition, ELO recognises a liability in its consolidated financial statements in respect of the repurchase commitments given to non-controlling shareholders at the present value of the exercise price. The difference between the debt recognised in respect of the repurchase commitments and the carrying amount of the non-controlling interests is recorded as a charge against equity. The liability is remeasured each year and any changes are recognised in equity (including discounting effect).

If the repurchase commitment was not granted in the context of a business combination (excluding creation of new activities), subsequent changes in the liability are recognised in financial income.

### ◦ Breakdown of other current and non-current liabilities

(in €m)	12/31/2024		12/31/2023	
	Non-current	Current	Non-current	Current
<b>Trade payables <sup>(1)</sup></b>	<b>0</b>	<b>5,176</b>	<b>0</b>	<b>4,979</b>
Trade payables, goods	0	4,181	0	3,984
Trade payables, general expenses	0	995	0	995
<b>Other liabilities, including:</b>	<b>1,822</b>	<b>2,135</b>	<b>1,263</b>	<b>2,075</b>
Fixed assets liabilities	146	278	56	301
Tax and social security liabilities	0	1,185	0	1,120
Deferred income	(0)	20	(0)	34
Other liabilities	108	252	108	297
IFRS 16 lease liabilities <sup>(2)</sup>	1,568	400	1,099	324
<b>TOTAL</b>	<b>1,822</b>	<b>7,311</b>	<b>1,263</b>	<b>7,055</b>

(1) ELO has implemented several reverse factoring programmes in its main countries. These programmes consist of enabling its suppliers to benefit from early payment options. In the case in point, these programmes are transactions for the sale of trade receivables to a financial institution, a partner bank. More specifically, relations between the parties are governed by the signing of two completely independent contracts:

- ELO signs a framework contract with the partner bank under which it agrees to pay, on the due date set, the pre-approved invoices sold by its suppliers to the partner bank. Each supplier is free to assign or not each of its invoices;
- ELO's suppliers, if they so wish, sign a framework agreement with the partner bank under which they give themselves the option of assigning their invoices, before the due date, on terms that take account of ELO's credit risk.

The amount of receivables assigned by ELO's suppliers in 2024 under these reverse factoring programmes is €1,095 million over the financial year. The amount outstanding at the end of the year was €155 million.

(2) See note 6.4 on leases (IFRS 16).

## 10.8 BREAKDOWN OF ASSETS AND LIABILITIES AT FAIR VALUE

The financial assets and liabilities are stated in the financial statements in accordance with IFRS 9, IAS 32, IFRS 7 and IFRS 13.

IFRS 13 introduced a three-level hierarchy for fair value measurement disclosures.

**Level 1:** fair value measured with reference to unadjusted quoted prices observed in active markets for identical assets or liabilities.

**Level 2:** fair value measured with reference to inputs other than the quoted prices included in Level 1 that are observable for the asset or liability in question, either directly (in the form of a price) or indirectly (calculated based on a price).

**Level 3:** fair value measured with reference to inputs that are not based on observable market data (unobservable inputs).

IFRS 9 category (€m)	12/31/2024				12/31/2023			
	Carrying amount			Carrying amount	Carrying amount			Carrying amount
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Assets at fair value through the income statement	2,884	43	0	2,928	2,741	39	0	2,781
Other financial assets measured at fair value		43		43	0	39		39
Cash and cash equivalents	2,884			2,884	2,741			2,741
Debt instruments measured at fair value through other comprehensive income	0	145	0	145	0	153	0	153
Equity investments		145		145	0	153		153
Liabilities measured at fair value	4,209	10,524	0	15,159	4,945	9,443	0	14,373
Bonds and private placements <sup>(1)</sup>	4,209	210		4,845	4,945			4,929
Bank borrowings and other financial liabilities, various other financial liabilities including bank overdrafts		1,091		1,091		1,068		1,068
Non-current lease liabilities		1,568		1,568		1,099		1,099
Other non-current liabilities		254		254		164		164
Current lease liabilities		400		400		324		324
Trade payables		5,176		5,176		4,979		4,979
Other current liabilities		1,735		1,735		1,751		1,752
Derivatives, of which:	0	90	0	90	0	58	0	58
Derivative instruments - assets		183		183		220		220
Derivative instruments - liabilities		93		93		162		162

(1) Bonds and private placements are recognised at amortised cost.

Bonds and cash open-ended funds (SICAV) are valued on the basis of market prices. These securities are now considered as Level 1 financial assets and liabilities.

ELO calculated the fair value of the finance lease debts and bank loans by discounting contractual flows using market interest rates, which are observable data. The derivatives are valued using commonly accepted valuation techniques based on observable interest rate and currency market data.

## NOTE 11 Payroll expenses and employee benefits

### 11.1 PAYROLL EXPENSES

<i>(in €m)</i>	12/31/2024	12/31/2023
Employee compensation including social security charges and external labour	(4,335)	(4,136)
Employee incentives and profit-sharing	(69)	(89)
Employee benefits and share-based payments	(16)	(4)
<b>NET AMOUNT IN INCOME STATEMENT</b>	<b>(4,421)</b>	<b>(4,229)</b>

The average "full-time equivalent" workforce of the consolidated companies was 138,444 in 2024, compared to 145,025 in 2023. In 2024, the workforce excludes the average workforce of Auchan Retail Hungary following the sale of the 47% stake.

### 11.2 EMPLOYEE BENEFITS

#### Accounting principles

As required under IAS 19 "Employee Benefits", all entities in the consolidation scope list and record all benefits granted to employees. ELO and its subsidiaries have set up retirement plans for employees in accordance with the laws and practices of each country. Company employees receive long-term or post-employment benefits, based on the rules and practices in each country.

These supplementary benefits take the form of defined-contribution or defined-benefit plans.

#### Defined-contribution plans

Under defined-contribution plans, regular contributions are made to external bodies that are responsible for the plans' administrative and financial management. The contributions to these plans are expensed as incurred. The defined contributions amounted to €211 million in 2024 (€215 million in 2023).

#### Defined-benefit plans

The obligations arising from the defined-benefit plans are determined using the projected unit credit method. The larger plans are assessed each year by independent actuaries and other plans are assessed regularly. The actuarial assumptions used to determine the obligations vary according to the specific characteristics of each company (staff turnover rate, wage increases) and the economic conditions in the countries where the plans are operated (discount rate and inflation).

These plans can be funded, in which case their assets are managed separately and independently from those of ELO and its subsidiaries, or non-funded.

For non-funded defined-benefit plans, the liability recognised in the balance sheet corresponds to the present value of the obligations. Past service costs, i.e. the change in the obligation resulting from changes to or the reduction of a plan, are expensed immediately at the date of these changes.

For funded defined-benefit plans, the deficit or surplus of the fair value of the assets compared with the present value of the obligations is recognised as a liability or asset in the balance sheet. However, a surplus can only be recognised in the balance sheet to the extent that it represents future economic benefits that are actually available to ELO and/or one of its subsidiaries. If these surplus assets are not available, or do not represent future economic benefits, the amount of the assets recognised in the balance sheet is limited.

The revaluations of the net liability in respect of defined benefits comprise the actuarial gains and losses, the return on plan assets and any change in the impact of the defined benefit asset limit (excluding the amounts included when calculating the net interest on the net liability, where relevant). In the consolidated financial statements, ELO recognises them immediately in other comprehensive income, while all other expenses incurred in respect of defined-benefit plans are recognised under employee benefits in the income statement.



## Consolidated financial statements

### Notes to the consolidated financial statements

The expense recognised in the income statement for the defined-benefit plans comprises the current service cost (recognised in payroll expenses), the net interest expense (recognised in other financial income and expenses) and the past service costs for the financial year. In the consolidated financial statements, ELO and its subsidiaries calculate the net interest expense on the net liability in respect of the defined benefits for the period by applying the discount rate used at the beginning of the financial year to calculate the net liability.

In 2024, the defined-benefit plans primarily concerned retirement indemnities in France (IFC).

In France, the plans are funded and the assets are managed by a French mutual insurance company, AG2R La Mondiale, which has an A rating with stable outlook. AG2R La Mondiale has implemented a dual system to protect its customers from counterparty risk. On the one hand, by isolating the pension activity in a dedicated insurance subsidiary Arial Assurance and, on the other hand, by granting Arial Assurance the pledge of the securities held in the general assets of La Mondiale up to the level of the commitments covered.

The provisions (non-current and current) for employee benefits amounted to €111 million as of December 31<sup>st</sup>, 2024 (compared to €110 million as of December 31<sup>st</sup>, 2023), including €13 million for other long-term benefits and €98 million for post-employment benefits.

The main actuarial assumptions used to estimate the obligations are as follows:

Actuarial assumptions	12/31/2024	12/31/2023
Discount rate as of January 1 <sup>st</sup>	3.20%	3.75%
Discount rate as of December 31 <sup>st</sup>	3.40%	3.20%
Expected rate of salary increases	from 2.4% to 3.5%	from 2.6% to 3.9%
Table of mortality rates	TF 00-02 and TH 00-02	TF 00-02 and TH 00-02

The discount rate is based on rates for leading AA-rated bonds with a duration equivalent to existing commitments on the market.

The assumptions relating to salary increases are equal to the forecast inflation rate plus projected individual salary increases.

The mortality and staff turnover assumptions take into account the economic conditions of each company consolidated by ELO.

#### ◦ Sensitivity to assumptions

A 100 basis point decrease in the discount rate would increase the amount of the obligation by 8% (impact on other comprehensive income).

The change in the present value of the obligation in respect of the defined-benefit plans was as follows:

Change (in €m)	12/31/2024	12/31/2023
<b>Present value of obligation as of January 1<sup>st</sup></b>	<b>235</b>	<b>227</b>
Interest expense	7	7
Current service cost	17	14
Past service costs	1	(2)
Reductions (restructuring)	(20)	0
Benefits paid	(12)	(14)
Actuarial gains and losses	(21)	3
Reclassifications (change in scope)	20	0
<b>PRESENT VALUE OF OBLIGATION AS OF DECEMBER 31<sup>ST</sup></b>	<b>228</b>	<b>235</b>

The change in the obligation takes into account the restructuring of Auchan Retail France, which generated a reduction of €20 million.

The estimated benefits to be paid for 2024 amount to €22.4 million.

The change in the fair value of the defined-benefit plan assets was as follows:

<i>(in €m)</i>	12/31/2024	12/31/2023
<b>Fair value of assets as of January 1<sup>st</sup></b>	<b>138</b>	<b>150</b>
Expected return on plan assets	4	5
Benefits paid	(13)	(14)
Actuarial gains and losses	1	(3)
<b>FAIR VALUE OF ASSETS AS OF DECEMBER 31<sup>ST</sup></b>	<b>131</b>	<b>138</b>

The breakdown of the defined-benefit plan assets in France by main category was as follows:

	12/31/2024	12/31/2023
Assets in euros	70%	71%
Fonds Club 3	13%	13%
Multi-strategy UCITS	17%	16%

As part of the financial management of its end-of-career benefits contract, ELO and its subsidiaries have adopted a management system backed by assets in euros with a minimum rate guarantee for general assets and unit-linked accounts measured at fair value. The gross yields allocated in respect of 2024 were set at 3.25% for the euro assets. The gross floor rate expected for 2025 is 0.50%.

Balance sheet data can be reconciled with the actuarial obligation in respect of defined benefit plans as follows:

<i>(in €m)</i>	12/31/2024	12/31/2023
Present value of the obligations	228	235
Fair value of assets	(131)	(138)
<b>NET LIABILITY RECOGNISED IN THE BALANCE SHEET</b>	<b>97</b>	<b>97</b>

The change in the net provision recognised in the balance sheet is as follows:

<i>(in €m)</i>	12/31/2024	12/31/2023
Provision recognised in the balance sheet as of January 1 <sup>st</sup>	97	78
Actuarial gains and losses recognised under other comprehensive income	(42)	5
<i>of which actuarial gains and losses on plan liabilities</i>	(41)	3
<i>of which actuarial gains and losses on plan assets</i>	(1)	3
Net expenses	21	15
Benefits paid	0	(0)
Other	21	(1)
<b>PROVISION RECOGNISED IN THE BALANCE SHEET AS OF DECEMBER 31<sup>ST</sup></b>	<b>97</b>	<b>97</b>

The change in actuarial gains and losses recognised in other comprehensive income as of December 31<sup>st</sup>, 2024 amounted to €(31) million net of tax, compared to €4 million as of December 31<sup>st</sup>, 2023.

The breakdown of the expenses recorded in respect of the defined-benefit plans was as follows:

<i>(in €m)</i>	12/31/2024	12/31/2023
Current service cost	(17)	(14)
Interest expense	(7)	(8)
Past service costs	(1)	2
<b>TOTAL EXPENSES RECOGNISED</b>	<b>(25)</b>	<b>(20)</b>
<i>of which payroll expenses</i>	(18)	(12)
<i>of which other financial income and expenses</i>	(7)	(8)

## 11.3 SHARE-BASED PAYMENT

### Accounting principles

In exchange for the services provided, Group companies awarded some employees stock option purchase plans.

Stock option purchase and bonus share plans by Auchan Retail International SA.

In accordance with IFRS 2 - "Share-Based Payments", a payroll expense is recognised in respect of these benefits. This expense is spread over the vesting period for the beneficiary. A corresponding amount is recorded under liabilities (estimated at each account closing date with a corresponding amount recorded in the income statement) if ELO SA or one of its subsidiaries has undertaken to repurchase the shares.

This expense is calculated as follows:

- calculation of the options' fair value at the reporting date using a valuation model;
- use of a probability coefficient based on the relevant specific presence conditions.

The fair value of the options corresponds to the fair value of the services rendered by the beneficiaries. It is equivalent to the value of a call calculated using the binomial model, with the following inputs:

- the option's residual life;
- the option's exercise price;
- the interest rate (risk-free interest rate);
- the annual valuation of the share by a body of independent experts;
- the observed historical volatility.

The value of the underlying shares includes the impact of the dividends paid.

The Group's bonus share plans are subject to presence and, in some cases, one or more performance conditions. The performance conditions include the average annualised change in the ELO share or in the Auchan Retail or New Immo Holding scopes and whether or not economic and environmental criteria are met. The valuation of the ELO shares or of the scopes of Auchan Retail or New Immo Holding is carried out every year by a panel of independent experts.

In order to be eligible to receive all or part of the bonus shares subject to this condition, the performance condition based on changes in the value of the underlying scope must first reach a minimum threshold. Once this threshold has been reached, the beneficiary must reach a series of levels set based on a percentage of the annualised average increase over the vesting period, on which the number of bonus shares finally allocated will depend. The value of the services rendered by the beneficiaries of bonus share plans is assessed using the Merton extension of the Black and Scholes model.

Three bonus share plans were issued in 2024 for grant periods running until July 1<sup>st</sup>, 2026 and July 1<sup>st</sup>, 2028. The number of shares ultimately granted is subject to the achievement of presence and performance conditions.

◦ **Characteristics and change of the bonus share plans**

	1 <sup>st</sup> plan	2 <sup>nd</sup> plan	3 <sup>rd</sup> plan	4 <sup>th</sup> plan	5 <sup>th</sup> plan	6 <sup>th</sup> plan	7 <sup>th</sup> plan	8 <sup>th</sup> plan	9 <sup>th</sup> plan	10 <sup>th</sup> plan	Total
Grant date	11/08/21	12/13/22	12/13/22	12/13/22	12/13/22	11/29/23	11/29/23	07/23/24	07/23/24	07/23/24	
Fair value in euros	99.14	99.14	48.67	97.57	81.47	51.96	55.56	67.95	99.14	65.54	
Delivery date	06/21/24	06/21/24	07/01/26	07/01/26	07/01/26	07/01/26	07/01/27	07/01/26	07/01/28	07/01/28	
End of the retention period	06/21/25	06/21/26	07/01/28	07/01/28	07/01/28	07/01/28	07/01/29	07/01/27	07/01/30	07/01/30	
Presence conditions	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	
Performance conditions	YES	NO	YES	YES	YES	YES	YES	YES	NO	YES	
Number of shares granted	75,635	2,758	266,434	4,303	6,183	2,228	189,508				547,049
Number of shares cancelled or lost											0
Adjustment of number of bonus shares <sup>(1)</sup>											0
<b>Bonus shares at the beginning of the financial year</b>	<b>59,507</b>	<b>2,758</b>	<b>162,348</b>	<b>4,303</b>	<b>6,183</b>	<b>2,228</b>	<b>189,508</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>426,835</b>
Number of shares granted during the financial year								99,405	7,666	12,810	119,881
Adjusted number of rights						55					55
Number of shares cancelled or lost during the financial year	(44,243)		(22,267)	(1,363)	(1,846)		(32,779)				(102,497)
Bonus shares delivered during the financial year	(15,264)	(2,758)									(18,022)
<b>Bonus shares at the reporting date</b>	<b>0</b>	<b>0</b>	<b>140,081</b>	<b>2,940</b>	<b>4,337</b>	<b>2,283</b>	<b>156,729</b>	<b>99,405</b>	<b>7,666</b>	<b>12,810</b>	<b>426,251</b>

(1) Adjustment of the number of options after transactions impacting equity.

These performance conditions are based on

- the average annualised change in the value of the Auchan Retail International share. A minimum threshold must first be reached, then thresholds established in percentages must be crossed to be awarded all or part of the free shares;
- the achievement or not of economic criteria.

◦ **Impact on debt and income statement**

The debt (including buyback commitments to beneficiaries of stock option plans or bonus share plans) amounted to €8 million as of December 31<sup>st</sup>, 2024, the same as of December 31<sup>st</sup>, 2023.

The total amount of the plans recognised in the income statement amounted to €0 million in 2024 (€7 million in 2023).

## NOTE 12 Taxes

### 12.1 TAX ASSETS AND LIABILITIES

#### Accounting principles

The deferred taxes are recorded on all temporary differences between the tax basis of assets and liabilities and their carrying amounts, with the exception of goodwill not deductible for tax purposes and temporary differences relating to investments in joint ventures or affiliates to the extent that they will not be reversed in the foreseeable future.

The current and deferred tax liabilities and assets are measured at the amount expected to be paid to (recovered from) the tax authorities using the tax rates and tax regulations that have been enacted or substantively enacted at the closing date of the consolidated financial statements. The effect of any change in the tax rate is recognised in the income statement, apart from changes relating to items initially recognised directly in equity.

Income tax, both current and deferred, is recognised directly in equity when it relates to an item initially recognised in equity.

The deferred tax assets and liabilities are offset when offsetting is legally allowed and the same tax authority is involved. They are not discounted and are recorded in the balance sheet under non-current assets and liabilities.

The tax losses and other temporary differences only give rise to deferred tax assets when they are likely to be used against future taxable income within a reasonable period of time or when they can be offset against deferred tax liabilities.

#### Breakdown of current tax assets and liabilities

(in €m)	12/31/2024	12/31/2023
Gross carrying amount	59	63
Impairment	(33)	(3)
<b>CURRENT TAX ASSETS - NET CARRYING AMOUNT</b>	<b>26</b>	<b>60</b>
<b>Current tax liabilities</b>	<b>53</b>	<b>58</b>

#### Breakdown of recognised deferred tax assets and liabilities

	12/31/2024			12/31/2023		
(in €m)	Assets	Liabilities	Net	Assets	Liabilities	Net
<b>On timing differences</b>	<b>287</b>	<b>104</b>	<b>183</b>	<b>262</b>	<b>186</b>	<b>77</b>
Non-deductible provisions	13	(110)	122	19	(83)	102
Fixed assets and amortisation	70	136	(66)	85	137	(52)
Investment property and depreciation	30	57	(28)	25	104	(79)
Inventories	9	(7)	15	9	(4)	13
Employee benefits	1	(23)	24	7	(24)	30
Regulated provisions	1	81	(80)	1	89	(89)
IFRS 16	15	(58)	73	36	(28)	64
Financial instruments	27	43	(16)	15	38	(23)
Other	123	(15)	138	66	(43)	110
<b>On tax losses carried forward</b>	<b>82</b>	<b>(102)</b>	<b>184</b>	<b>109</b>	<b>(138)</b>	<b>248</b>
<b>DEFERRED TAX ASSETS/LIABILITIES</b>	<b>369</b>	<b>2</b>	<b>367</b>	<b>371</b>	<b>47</b>	<b>324</b>

#### Deferred tax not recognised

Deferred tax assets amounting to €674 million (€565 million as of December 31<sup>st</sup>, 2023) relating to tax losses carried forward, tax credits and other temporary differences are not recognised as their recovery is not considered probable within the meaning of IAS 12. For France, deferred tax on tax loss carryforwards will no longer be recognised from 2024. The maturity dates of the unrecognised deferred tax assets break down as follows:

(in €m)	12/31/2024
Between 2025 and 2029	75
Between 2030 and 2033	109
After 2034	199
Carried forward indefinitely or without maturity date	312
<b>TOTAL UNRECOGNISED DEFERRED TAX ASSETS</b>	<b>695</b>

## Change in deferred tax assets and liabilities (\*: asset or income, (): liability or expense)

(in €m)	12/31/2023	Recognised in income	Recognised in other comprehensive income	Changes in consolidation scope	Translation differences	12/31/2024
<b>On timing differences</b>	<b>77</b>	<b>51</b>	<b>(27)</b>	<b>88</b>	<b>(6)</b>	<b>183</b>
Non-deductible provisions	102	21	0	0	(1)	122
Fixed assets and amortisation	(52)	(10)	0	(1)	(3)	(66)
Investment property and depreciation	(79)	11	0	40	0	(28)
Inventories	13	2	0	0	(1)	15
Employee benefits	30	(0)	(11)	5	(0)	24
Regulated provisions	(89)	9	0	(0)	(0)	(80)
IFRS 16	64	(16)	0	27	(2)	73
Financial instruments	(23)	4	3	0	0	(16)
Other	110	31	(19)	17	1	139
<b>On tax losses carried forward</b>	<b>248</b>	<b>(60)</b>	<b>0</b>	<b>(4)</b>	<b>(0)</b>	<b>184</b>
<b>DEFERRED TAX ASSETS/LIABILITIES</b>	<b>324</b>	<b>(9)</b>	<b>(27)</b>	<b>84</b>	<b>(6)</b>	<b>367</b>

## 12.2 INCOME TAX EXPENSES

## Analysis of the tax expense

(in €m)	12/31/2024	31/12/2023 <sup>(1)</sup>
(Expenses)/ Income		
Current income tax payable	(111)	(137)
Deferred taxes	(9)	144
<b>INCOME TAX EXPENSE</b>	<b>(120)</b>	<b>8</b>
<b>of which tax on "Other non-recurring income and expenses"</b>	<b>(11)</b>	<b>15</b>

(1) Compared to the data published at December 31<sup>st</sup>, 2023, the contribution of Auchan Retail Hungary was reclassified as "Net income from assets held for sale and discontinued operations".

No additional tax expense has been recognised under Pillar II (see note 1.2).

For the 2023 financial year, a net loss of €23 million (loss of €49 million offset by a provision reversal of €26 million) was recognised in ELO's consolidated financial statements in respect of sponsorship tax credits in 2018, expiring in 2023. In 2024, an additional €30 million was written off against residual sponsorship tax credits.

## Effective tax rate (ETR)

The difference between the tax calculated using the theoretical rate in France and the tax expenses effectively recognised for the financial year can be analysed as follows:

(in €m)	12/31/2024	TEI 2024	12/31/2023	TEI 2023
<b>Income before tax</b>	<b>(1,200)</b>		<b>(331)</b>	
Theoretical tax rate (French standard rate)		25.83%		25.83%
<b>Theoretical tax expense</b>	<b>310</b>		<b>85</b>	
Difference in tax rates for foreign companies	15	1.3%	12	3.5%
Tax rate difference on deferred tax balance at the start of the period	0	0.0%	(0)	(0.0%)
Tax relief, tax credits and reduced rate taxation	(40)	(3.4%)	8	2.5%
Unrecognised tax losses for the financial year	(202)	(16.8%)	(49)	(14.9%)
Use of previously unrecognised tax losses carried forward	10	0.9%	3	1.0%
Recognition of prior period tax losses	(0)	(0.0%)	26	8.0%
Tax adjustments related to previous financial years	31	2.5%	16	4.9%
French Tax on the Added Value of Companies	(7)	(0.6%)	(9)	(2.9%)
Items recognised under "Other non-recurring income and expenses"	(102)	(8.5%)	(52)	(15.6%)
Permanent differences / Unrecognised deferred taxes	(136)	(11.3%)	(34)	(10.0%)
<b>ACTUAL TAX EXPENSE</b>	<b>(120)</b>		<b>8</b>	



**NOTE 13 Off-balance sheet commitments**

The off-balance sheet commitments correspond to commitments given or received by entities within the consolidation scope of ELO which were not recorded in the balance sheet.

**13.1 OFF-BALANCE SHEET COMMITMENTS RELATED TO FIXED ASSETS**

	12/31/2024	12/31/2023
Land and property purchase options	12	16
of which on investment property	3	11
Conditional purchases of future non-current assets	3	5

No property, plant and equipment have been pledged to secure liabilities.

**13.2 OFF-BALANCE SHEET COMMITMENTS RELATED TO FINANCING****13.2.1 Commitments received**

Breakdown of long- and medium-term credit lines, granted and confirmed by the banks but unused:

(in €m)	12/31/2024	12/31/2023
Less than one year	131	128
1 to 5 years	1,673	2,373
More than 5 years	0	0
<b>TOTAL</b>	<b>1,804</b>	<b>2,501</b>

Certain medium- and long-term bank financing facilities (confirmed credit lines not used as of December 31<sup>st</sup>, 2024) contain an accelerated repayment clause in the event of non-compliance, on the closing date, with the following ratio: Consolidated net financial debt/consolidated EBITDA < 3.5, increased to 3.75 in the event of a significant acquisition during the year. As of December 31<sup>st</sup>, 2024, given the acquisition of the Casino stores in 2024, which is considered significant, ELO can benefit from the increase in the ratio at the end of 2024. This ratio (raised to 3.75) is complied with.

In the context of its own financing, other ratios must be respected by New Immo Holding, namely Financial Debt/Assets < 0.5; interest coverage ratio > 2. As of December 31<sup>st</sup>, 2024, these ratios were in compliance.

On November 30<sup>th</sup>, 2023, ELO decided to extend the maturity date of the €1,250 million credit facility to December 15<sup>th</sup>, 2028, and in 2024 decided not to extend it or a further year. This credit facility is drawn down for €400 million.

Also, in February 2024 we extended the fully drawn €100 million bilateral credit facility for a further year, to February 9<sup>th</sup>, 2029.

This financing includes ESG criteria in the form of a credit margin adjustment mechanism (upwards or downwards) depending on the achievement of objectives relating to the criteria for reducing greenhouse gases and the development of responsible supply chains.

In addition, Auchan Retail has received security interests from its subsidiary Auchan Retail Hungary, which it does not control, to guarantee repayment of the €124 million loan.

**13.2.2 Commitments given**

(in €m)	12/31/2024	12/31/2023
Guarantees given	368	75
Other commitments given	1,020	908

**13.2.3 Secured liabilities**

(in €m)	12/31/2024	12/31/2023
Guaranteed debts	472	500
Debts guaranteed by security interests	273	273
Import documentary credits	58	62

**13.2.4 Put and call share options**

New Immo Holding Luxembourg has commitments in terms of stock options relating to minority interests in some of its subsidiaries. As of December 31<sup>st</sup>, 2024 they amounted to €23.8 million (€22.6 million as of December 31<sup>st</sup>, 2023).

## NOTE 14 Other

### 14.1 TRANSACTIONS WITH RELATED PARTIES

ELO has relations with its subsidiaries (fully consolidated) and with joint ventures and associates (consolidated using the equity method).

#### Related parties with control over ELO

On May 16<sup>th</sup>, 2024, the shareholders increased ELO's share capital by €300 million.

No significant transactions with reference shareholders are to be noted with the exception, where applicable, of the dividend paid to all shareholders (**see note 8.1.7**).

#### Compensation of corporate officers

The expense recognised in 2024 in respect of executive compensation (members of the Board of Directors) amounted to €1 million including €0.2 million as attendance fees.

#### Joint ventures/Associates

Information on jointly-controlled ventures and associates consolidated using the equity method is provided in note 7.

Financial transactions with these companies are carried out at arm's length conditions. No significant commitments have been entered into with these companies.

#### Joint arrangements

No agreements that meet the characteristics of joint arrangements within the meaning of IFRS 11 have been identified.

### 14.2 STATUTORY AUDITORS' FEES

As required by regulation No. 2016-09 issued by the French Accounting Standards Authority (ANC - Autorité des Normes Comptables), the following table shows the pre-tax amount of fees (excluding disbursements) paid by ELO and its subsidiaries in respect of assignments given to the Statutory Auditors:

(in €m)	2024				2023			
	PWC	KPMG	Other	Total	PWC	KPMG	Other	Total
Auditing service	3.1	2.7	0.5	6.3	2.9	2.5	0.4	5.8
Assurance engagement on the sustainability report (CSRD)	0.3	0.3		0.6				
Non-audit services (NAS)	0.4	0.1	0.0	0.5	0.6	0.2	0.0	0.8
<b>TOTAL</b>	<b>3.8</b>	<b>3.1</b>	<b>0.5</b>	<b>7.4</b>	<b>3.5</b>	<b>2.7</b>	<b>0.4</b>	<b>6.6</b>

Non-audit services include fees for work required by law, in particular limited assurance on the sustainability report, authorisation of awards of bonus shares, capital increases reserved for employees, capital decreases, as well as certificates, comfort letters and agreed procedures and due diligence.

## NOTE 15 Breakdown of certain items in the consolidated statement of cash flows

(in €m)

	12/31/2024	12/31/2023
<b>Changes in working capital requirement:</b>	<b>82</b>	<b>219</b>
• Inventories	(142)	130
• Trade receivables	(86)	70
• Trade payables	218	62
• Other assets and liabilities	93	(43)
<b>Changes in loans and advances granted:</b>	<b>(268)</b>	<b>(110)</b>
• Increase in loans and advances granted	(294)	(134)
• Decrease in loans and advances granted	26	23
<b>Dividends paid during the financial year:</b>	<b>(4)</b>	<b>(103)</b>
• Dividends paid to shareholders of the parent company	0	(99)
• Dividends paid to non-controlling interests of consolidated companies	(4)	(4)
<b>Acquisitions and disposals of interests without change in control <sup>(1)</sup>:</b>	<b>(14)</b>	<b>(8)</b>
• Acquisitions	(38)	(27)
• Disposals	25	19
<b>Net financial debt:</b>	<b>412</b>	<b>1,019</b>
• Loans issued	1,550	3,965
• Repayments of loans (including finance leases)	(1,138)	(2,946)
<b>Net cash and cash equivalents:</b>	<b>2,826</b>	<b>2,730</b>
• Marketable securities with a maturity of less than three months	1,342	1,191
• Cash	1,542	1,551
• Bank overdrafts (see note 10.6)	(59)	(11)

(1) The acquisitions and disposals of interests without acquisition or loss of control mainly include share transactions with ELO employees and its subsidiaries.

## NOTE 16 Subsequent events

None.

## NOTE 17 List of main consolidated companies

Country	Division/Activity	Company	% interest	
			2024	2023
FRANCE	HOLDING	ELO SA	100.0	100.0
	AUCHAN RETAIL INTERNATIONAL	Auchan Retail International	100.0	100.0
		Sogepar	100.0	100.0
		Auchan Retail France	99.5	98.8
		Auchan Hypermarché and its subsidiaries	99.5	98.8
		Auchan E-commerce France	99.5	98.8
		Auchan Carburant	99.5	98.8
		Eurauchan	95.3	94.6
		Auchan Retail Agro	99.5	98.8
		International purchasing organisation	100.0	100.0
		Auchan Supermarché and its subsidiaries	99.5	98.8
		Chronodrive	100.0	100.0
	NEW IMMO HOLDING	New Immo Holding	100.0	100.0
		New Immo Holding France and its subsidiaries	100.0	100.0
		Ceetrus France and its subsidiaries	99.0	98.8
BELGIUM	NEW IMMO HOLDING	Ceetrus Finance	0.0	100.0
CÔTE D'IVOIRE	AUCHAN RETAIL INTERNATIONAL	Cote d'Ivoire Supermarchés	100.0	100.0
	NEW IMMO HOLDING	New Immo Holding Service Côte d'Ivoire	100.0	100.0
SPAIN	AUCHAN RETAIL INTERNATIONAL	Alcampo and its subsidiaries	96.8	96.5
		Valespaña	18.3	9.6
		Zenalco	100.0	100.0
	NEW IMMO HOLDING	New Immo Holding Spain and its subsidiaries	100.0	100.0
		Ceetrus Urban Player and its subsidiaries	96.7	96.8
ITALY	NEW IMMO HOLDING	New Immo Holding Italy and its subsidiaries	100.0	100.0
		Ceetrus Italy and its subsidiaries	100.0	100.0
LUXEMBOURG	AUCHAN RETAIL INTERNATIONAL	Auchan Luxembourg	100.0	100.0
		Auchan International	100.0	100.0
		Patinvest	100.0	100.0
		Christal	100.0	100.0
	NEW IMMO HOLDING	New Immo Holding Luxembourg and its subsidiaries	100.0	100.0
		Ceetrus Luxembourg and its subsidiaries	100.0	100.0
HUNGARY	AUCHAN RETAIL INTERNATIONAL	Auchan Magyarország and its subsidiaries	53.0	99.7
		Valhungary International	81.5	79.2
	NEW IMMO HOLDING	New Immo Holding Hungary	100.0	100.0
		Nhood Promotion Hungary and its subsidiaries	100.0	100.0
POLAND	AUCHAN RETAIL INTERNATIONAL	Auchan Polska and its subsidiaries	99.3	99.3
		Hyperoil	99.3	99.3
		Valpoland	6.4	6.5
	NEW IMMO HOLDING	New Immo Holding Poland and its subsidiaries	100.0	100.0
		Ceetrus Polska and its subsidiaries	99.4	99.5
PORTUGAL	AUCHAN RETAIL INTERNATIONAL	Auchan Portugal and its subsidiaries	98.1	98.2
		Valportugal	10.8	14.0
	NEW IMMO HOLDING	New Immo Holding Portugal and its subsidiaries	100.0	100.0
		Ceetrus Portugal and its subsidiaries	98.2	98.2
ROMANIA	AUCHAN RETAIL INTERNATIONAL	Auchan Romania and its subsidiaries	100.0	100.0
	NEW IMMO HOLDING	New Immo Holding SRL and its subsidiaries	100.0	100.0
		Ceetrus Romania and its subsidiaries	100.0	100.0
RUSSIA	AUCHAN RETAIL INTERNATIONAL	Auchan Russia OIAH and its subsidiaries	100.0	100.0
		Valrussie	0.0	100.0
		Atak and its subsidiaries	100.0	100.0
	NEW IMMO HOLDING	New Immo Holding and its subsidiaries	100.0	100.0
		Ceetrus LLC and its subsidiaries	0.0	100.0
SENEGAL	AUCHAN RETAIL INTERNATIONAL	Senas	100.0	100.0
UKRAINE	AUCHAN RETAIL INTERNATIONAL	FCAU and its subsidiaries	100.0	100.0
	NEW IMMO HOLDING	New Immo Holding and its subsidiaries	100.0	100.0
		Ceetrus Ukraine and its subsidiaries	100.0	100.0

## 5.3 Statutory auditors' report on the consolidated financial statements

(For the year ended December 31<sup>st</sup>, 2024)

*This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.*

*This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the company's general meeting

### Opinion

In compliance with the engagement entrusted to us by your Shareholders Meeting, we have audited the accompanying consolidated financial statements of ELO for the year ended December 31<sup>st</sup>, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial

position of the Group as at December 31<sup>st</sup>, 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

### Basis for opinion

#### Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

#### Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1<sup>st</sup>, 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

### Justification of assessments - Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific items of the consolidated financial statements.

#### Impairment test of non-current assets (excluding investment property)

(Note 6.6 to the consolidated financial statements)

#### ◦ Description of risk

At as December 31<sup>st</sup>, 2024, the carrying amounts of goodwill, other intangible assets, property, plant and equipment and right-of-use assets ("Non-current Assets") of the Group totalled €8.1 billion (39% of the total balance sheet). These Non-current Assets are detailed in notes 6.1 to 6.4 of the consolidated financial statements.

These non-current assets are tested for impairment as soon as there is any indication of a loss of value. This test is performed once a year on a mandatory basis for assets with indefinite useful life. The recoverable amount of an asset is defined in note 6.6 to the consolidated financial statements.

For the purposes of these impairment tests, these Non-current Assets (excluding goodwill and intangible assets with indefinite useful life) are grouped into Cash Generating Units (CGUs). ELO Group has defined each store as a CGU for the Retail activity and each shopping mall as a CGU for the Real Estate activity.

Goodwill and intangible assets with indefinite useful life are tested by country and by activity. The CGU group created for the purposes of this test includes the property, plant and equipment, intangible assets, right-of-use assets and goodwill allocated to the country and the activity as well as its working capital.

We deemed the measurement of the recoverable amount of these non-current assets to be a key audit matter given their materiality in the consolidated financial statements and because the determination of their recoverable amount, generally based on discounted future cash flow forecasts, requires the use of assumptions and estimates that are largely based on the judgement of management.

The net impairment charge recognized for the 2024 financial year amounts to €529 million, an impairment expense of €395 million was recognized on the Goodwill of Retail France.

#### ◦ How our audit addressed this risk

Our audit work consisted in:

- analyzing the methods of performing these impairment tests, assessing the identification of impairment indicators as well as the relevance of the calculation models used;
- assessing the relevance of the approach adopted by management to determine the CGUs or groups of CGUs at which goodwill and other assets are tested by the Group;
- analyzing the consistency of cash flow projections and their evolution regarding the economic environments in which the Group operates, as well as appraisal values for stores. ;
- assessing, with the assistance of our own experts, the reasonableness of the discount rates applied to the estimated cash flows by examining in particular whether the various parameters making up the weighted average cost of capital of each CGU or group of CGUs are consistent with the rates used for companies considered to be comparable, based on market participants for similar activities;
- assessing the results of sensitivity analyses on discount rates prepared by management and their impact on the impairment charge for the year;
- and verifying the accuracy of the information given in this regard in note 6.6.

## Measurement of rebates and commercial cooperation

(Note 4.1 to the consolidated financial statements)

#### ◦ Description of risk

Rebates and commercial cooperation received by the Group from its suppliers are recognized as a reduction in cost of sales and result from contractual agreements signed by Group companies with their suppliers.

These agreements, which are specific from one supplier to another, include rebates calculated according to the volume of purchases of goods made, as well as rebates for commercial cooperation actions invoiced to suppliers. These commercial cooperation actions are subject to contractual agreements.

Rebates are obtained when the associated performance conditions are met. These performance conditions generally require the Group to comply with certain volume thresholds.

Discounts under commercial cooperation agreements are recognized during their period of realization. They are recorded in accordance with the terms and conditions provided for in the contractual agreements signed with the Group's suppliers until their expiry.

The evaluation of rebates and commercial cooperation is a key audit matter because of the large number of supplier contracts, their specificities, the amounts involved and the estimates on which this evaluation is based.

#### ◦ How our audit addressed this risk

Our audit work consisted in:

- understanding the controls (including general IT controls) relating to the conclusion of contracts and the measurement and recognition of rebates and commercial cooperation;
- assessing the compliance and the consistency of the accounting methods applied, as described in note 4.1 of the consolidated financial statements with International Financial Reporting Standards (IFRS) as adopted by the EU;
- testing, on a sampling basis, the data entered in the information systems used to calculate rebates and commercial cooperation. These tests include the verification and consistency of (i) terms and conditions with contractual agreements, (ii) volumes and amounts of goods purchased with the Group's purchasing data and (iii) calculation of rebates and commercial cooperation;
- verifying, on a sampling basis, the recoverability of receivables from suppliers, in particular through the ageing analysis of these receivables;
- comparing the rebates and commercial cooperation received by the Group during the year with the accruals recorded at the end of the previous year in order to assess the reliability of Management's estimates;
- verifying that rebates and commercial cooperation are correctly taken into account in the valuation of inventory.

### Valuation of investment properties

(Note 6.5 to the consolidated financial statements)

#### ◦ Description of risk

As of December 31<sup>st</sup>, 2024, the value of investment properties, recognised according to the cost model on the Group's balance sheet in accordance with IAS 40 Investment property, amounted to €2.9 billion. Their fair value (net of transaction costs), disclosed in note 6.5 of the consolidated financial statements, represents an amount of €6.8 billion.

Management has implemented a process for valuing real estate assets to estimate the fair value of these assets by reference to external valuations carried out by independent experts.

The valuation of investment properties requires significant judgement and estimation from management and independent experts. These experts consider:

- information specific to each asset such as the nature of the asset, location, rental income, vacancy rate, capital expenditures
- yield and discount rates, market rental values and comparable market transactions.

As indicated in note 6.5, fair value measurements are used to determine the recoverable amount of real estate assets, of which the Cash Generating Unit (CGU) has been defined as the shopping mall.

An impairment loss is recognised as soon as the carrying amount of the asset exceeds its recoverable amount.

Net impairment reversals amounting to €11 million have been recorded for the year ended December 31<sup>st</sup>, 2024.

The valuation of investment properties is considered to be a key audit matter because of the significance of these assets on the balance sheet of ELO group, their potential impact on the income statement and their sensitivity to the assumptions made by management.

#### ◦ How our audit addressed this risk

Our audit work consisted in:

- obtaining the engagement letters signed with the real estate experts, understanding the nature and extent of their due diligence;
- assessing the competence, independence and integrity of the independent experts appointed by the company;
- understanding the process implemented by management for the transmission of data to real estate experts and for its critical review of the appraisal values established by the latter;
- meeting with finance management and the real estate experts in order to assess whether the overall valuation of the assets and the appraisal values of the assets showing the most significant or atypical variances are consistent with our knowledge of the market;
- obtaining real estate appraisal reports, assess the consistency of the parameters in connection with our own real estate experts (yield rate, discount rate and market rental values) selected with observable market data available and assessing the consistency of the assumptions specific to certain assets (in particular for renovation / extension projects) with our knowledge;
- reconciling, on a sampling basis, the information provided by management to independent experts and used by them in their evaluations with the appropriate documentation, such as rental contracts;
- comparing the final values of real estate appraisals with the values retained in the consolidated financial statements and, where applicable, verify the recognition of a provision for depreciation;
- assessing the appropriateness of the information provided in note 6.5 of the consolidated financial statements, in particular the information on fair value and note 6.6 concerning impairment of assets at historical cost.

### Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.



## Other verifications or information required by laws and regulations

### Appointment of the Statutory Auditors

We were appointed as statutory auditors of ELO by the annual general meetings held on May 21<sup>st</sup>, 2013 for PricewaterhouseCoopers Audit and on August 30<sup>th</sup>, 1961 for KPMG Audit.

As at December 31<sup>st</sup>, 2024, PricewaterhouseCoopers Audit and KPMG Audit were in the 12th year and 64th year of total uninterrupted engagement, which are the 12th year and 22nd year since securities of the Company were admitted to trading on a regulated market, respectively.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

## Statutory auditors' responsibilities for the audit of the consolidated financial statements

### Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

## Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Paris-la-Défense, February, 27<sup>th</sup> 2025

The statutory auditors

**PricewaterhouseCoopers**

**Xavier Belet**

**Audit KPMG S.A.**

**Caroline Bruno Diaz**

## 5.4 Declaration by the person responsible for the Financial Report

Croix, February 26<sup>th</sup>, 2025

"I certify that, to the best of my knowledge, the financial statements have been prepared in compliance with the applicable accounting standards, and give a true and fair view of the assets, financial position and results of operations of the company and all of the companies included within the consolidation scope. The management report provides an accurate description of the business trends, results of operations and financial position of the company and all of the companies included in the consolidation scope, as well as a description of the main risks and uncertainties that they face." "

**Antoine Grolin**

*Chief Executive Officer of ELO SA*



Design and Production



[pomelo-paradigm.com/pomdocpro/](http://pomelo-paradigm.com/pomdocpro/)



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February 2025