HALF-YEAR FINANCIAL REPORT 2022

INTRODUCTION

In this semi-annual report, the terms "Cnova," "we," "us," "our" and "the Company" refer to Cnova N.V. and, where appropriate, its subsidiaries. Any reference to "our brands" or "our domain names" in this semi-annual report includes the brands "Cdiscount" and related domain names, which are either registered in the names of our Parent Companies or in the name of Cdiscount as more fully described herein. Additionally, unless the context indicates otherwise, the following definitions apply throughout this semi-annual report:

Name	Definition
AFM	Dutch Authority for the Financial Markets
AMF	French Autorité des Marchés Financiers
Casino	Casino, Guichard-Perrachon S.A.
Casino Group	Casino, Guichard-Perrachon S.A. and its subsidiaries and, where appropriate, the controlling holding companies of Casino, including Rallye S.A. and Euris S.A.S. which are ultimately controlled by Mr. Jean-Charles Naouri
CBD or GPA	Companhia Brasileira de Distribuição and, where appropriate, its subsidiaries (together, commonly known as Grupo Pão de Açúcar)
Cdiscount	Cdiscount S.A. and, where appropriate, its subsidiaries
Cdiscount Group	Cdiscount Group S.A.S. (formerly Casino Entreprise S.A.S.) and, where appropriate, its subsidiaries
Euris	Euris S.A.S.
Éxito	Almacenes Éxito S.A. and, where appropriate, its subsidiaries
Founding Shareholders	Casino, CBD, Via Varejo, Éxito and certain former managers of Nova Pontocom.
Parent Companies	Casino, CBD, Éxito and, until the completion of the 2016 Reorganization (as defined in "2.3.4 The 2016 Reorganization"), Via Varejo, each of which is an affiliate of Cnova
SEC	United States Securities and Exchange Commission
Via Varejo	Via Varejo S.A. and, where appropriate, its subsidiaries
Voting Depository	Stichting Cnova Special Voting Shares

We also have a number of other registered trademarks, service marks and pending applications relating to our brands. Solely for convenience, trademarks and trade names referred to in this annual report may appear without the "®" or "™" symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name or service mark of any other company appearing in this annual report is the property of its respective holder.

This semi-annual report includes other statistical, market and industry data and forecasts which we obtained from publicly available information and independent industry publications and reports that we believe to be reliable sources. These publicly available industry publications and reports generally state that they obtain their information from sources that they believe to be reliable, but they do not guarantee the accuracy or completeness of the information. Although we believe that these sources are reliable, we have not independently verified the information contained in such publications. Certain estimates and forecasts involve uncertainties and risks and are subject to change based on various factors, including those discussed under "2. Risk Factors" in this semi-annual report.

This semi-annual report contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions that convey uncertainty of future events or outcomes and the negatives of those terms. These statements include, but are not limited to, statements regarding:

- our ability to deliver the savings expected from our Efficiency Plan in the 2nd half of 2022 and full-year 2023
- our ability to compete successfully in our highly competitive market;
- our ability to attract and retain talented personnel;
- our ability to maintain and enhance our brands, as well as our customer reputation;
- our ability to develop state-of-the-art technology, to make continuous improvement to our mobile platform successfully and to monetize traffic from mobile activity;
- our ability to achieve growth in the higher-margin areas of our business, including our marketplace and home furnishings product category;
- our ability to maintain and grow our existing customers base, to increase repeat orders from our customers and to grow our CDAV (« Cdiscount à Volonté », our client loyalty program) customer base;
- our ability to maintain good relations with our vendors and the ability of our vendors to maintain their commercial position;
- our ability to increase direct sales product assortment and marketplace offering successfully and continuously;
- our ability to successfully optimize, operate and manage our fulfillment centers;
- our ability to protect our sites, networks and systems against security breaches;
- the extent to which we can benefit from the relationships with our Parent Companies;
- the extent to which our sites are affected by significant interruptions or delays in service;
- our ability to develop new sources of revenues or enhance the existing ones, including the development of new B2B services;
- our ability to continue the use of our domain names and prevent third parties from acquiring and using domain names that infringe on our domain names;
- our ability to comply with European, French and other laws and regulations relating to privacy and data protection;
- our ability to comply with additional or unexpected laws and regulations applying to our business, including consumer protection laws and tax laws; and
- the final financial impact of the 2016 Reorganization, including the indemnification obligation of Cnova to Via Varejo.

The forward-looking statements contained in this semi-annual report reflect our views as of the date of this semi-annual report about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement.

Cnova operates in highly volatile market environments, subject to rapid technological or competition-driven changes and difficult macro-environment. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements, including, but not limited to, those factors described in “2. Risk Factors.”

All of the forward-looking statements included in this semi-annual report are based on information available to us as of the date of this semi-annual report. Unless we are required to do so under applicable laws, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

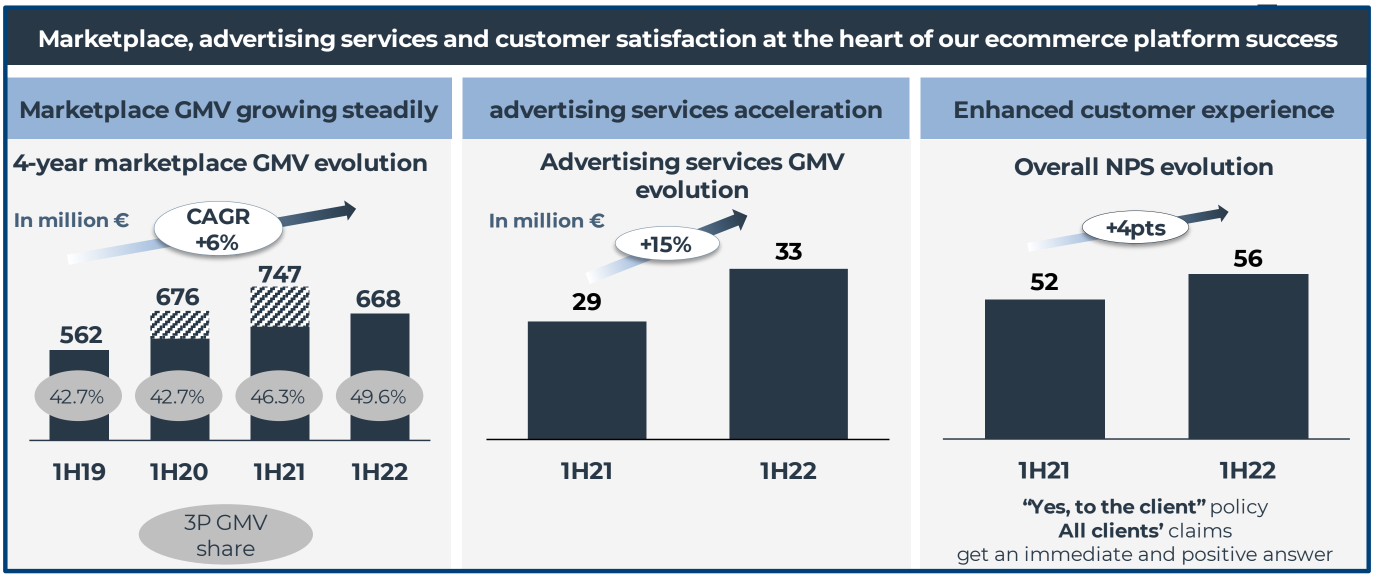
DIRECTORS’ REPORT

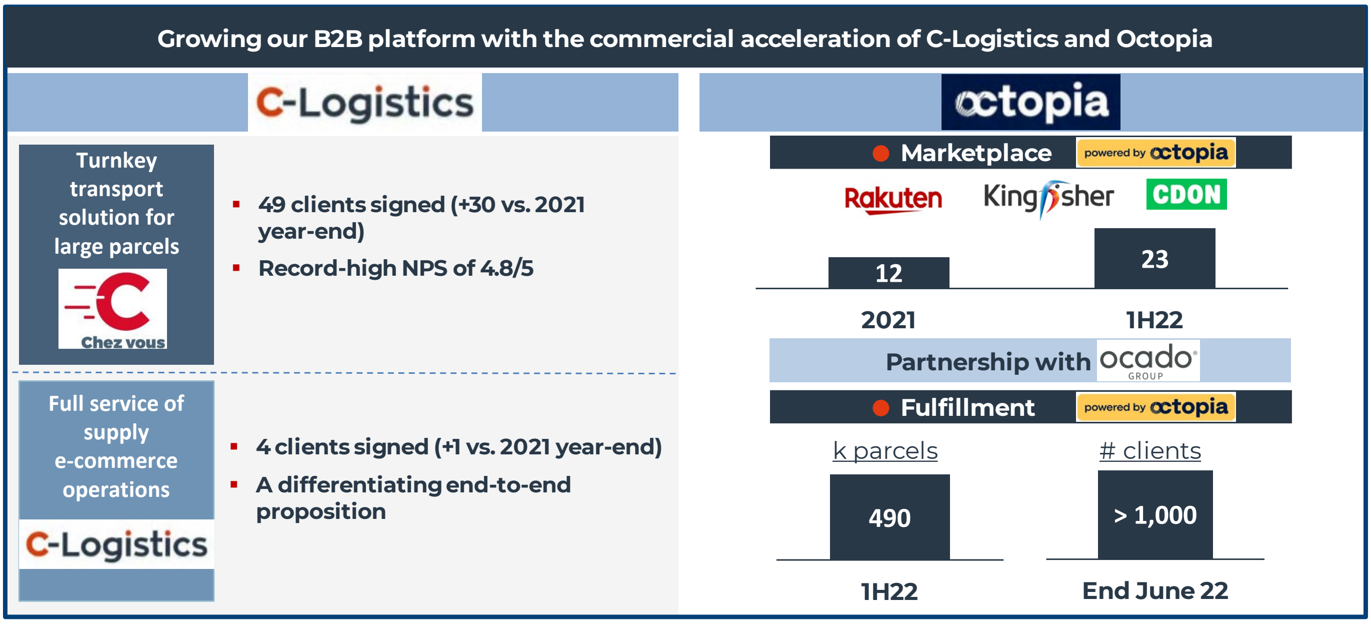
We refer to the Annual Report of Cnova N.V. for the Fiscal Year Ended December 31, 2021 prepared in accordance with IFRS as adopted by the European Union, as well as with Book 2 Title 9 of the Dutch Civil Code as filed with the AFM on May 20, 2022 and adopted by the General Meeting of Shareholders of the Company on April 6, 2022 (the “2021 annual report”). In the 2021 annual report, an extensive Business Overview and Business Model report was given, setting forth the main characteristics of the Company’s business. We refer to such Business Overview and Business Model report, which report should be read in conjunction with this semi-annual report.

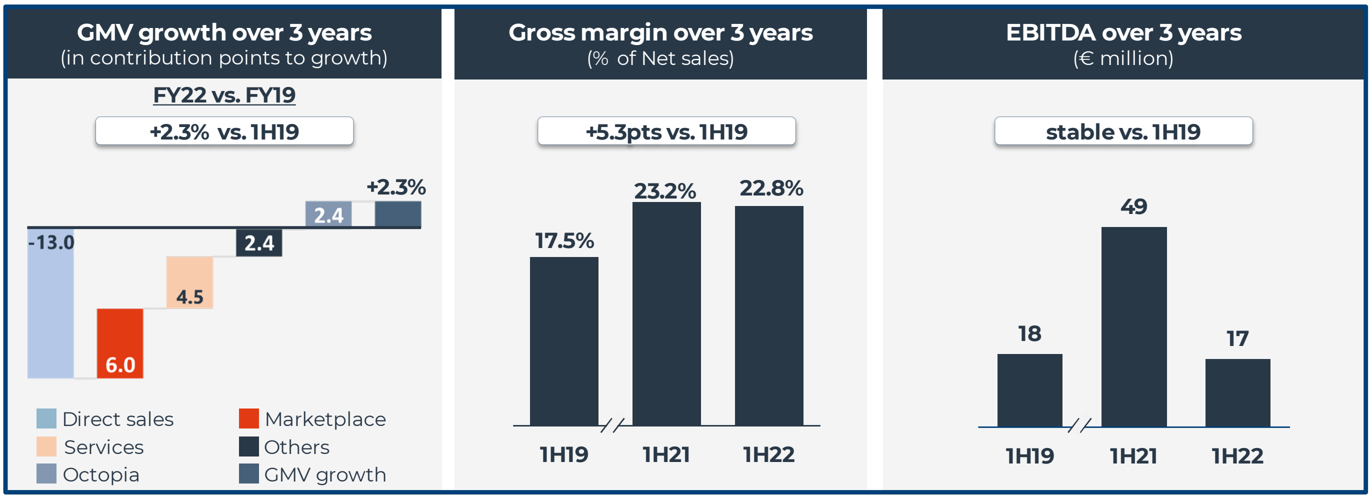
In addition, no changes within the composition of the group are relevant in the six-month period ended 30 June 2022 compared to 31 December 2021.

1 DIRECTORS REPORT

1.1 KEY FIGURES







1.1 FINANCIAL HIGHLIGHTS

The following tables set forth our selected consolidated financial data. The consolidated financial data for the 6-month periods ended June 30, 2022 and 2021 are derived from our unaudited interim condensed consolidated financial statements for such periods, included elsewhere in this semi-annual report.

The selected consolidated historical financial information should be read in conjunction with our financial statements and the accompanying notes included elsewhere in this semi-annual report as well as our 2021 annual report. Our financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standard 34 ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and also as approved by the European Union ("EU") and have not been audited by a Dutch statutory auditor, as defined in art 5:25a of the Dutch Finance Supervision Act (Wet Financieel Toezicht). KPMG Accountants N.V has performed review procedures on the semi-annual financial statements, their review report is included in section 4 of this semi-annual report

Financial performance *(€ millions)*	2022 Half year	2021 Half year	Change vs. 2021 Reported	L-f-L[1]
Total GMV	**1,793**	**1,991**	**-9.9%**	**-12.5%**
Ecommerce platform	**1,734**	**1,936**	**-10.4%**	**-13.1%**
o/w Direct sales	679	865	-21.5%	
o/w Marketplace	668	747	-10.6%	
Marketplace share	*49.6%*	*46.3%*	*+3.2pts*	
o/w Services	150	128	+17.2%	+61.6%
o/w Other Revenues	237	196	+20.8%	+3.8%
B2B activities	**59**	**55**	**+6.7%**	
o/w Octopia	49	54	-7.9%	
o/w C-Logistics	9	1	x7.2	
Total Net sales	**881.2**	**1,009.0**	**-12.7%**	**-16.3%**
EBITDA[2]	**16.8**	**48.9**	**-65.6%**	
% of Net sales	*1.9%*	*4.8%*	*-2.9pts*	
EBIT before strategic and restructuring, litigation, impairment and disposal of asset costs	-31.7	6.2	-37.9	
% of Net sales	*-3.6%*	*0.6%*	*-4.2pt*	
Net Financial Result	-42.4	-24.2	-18.2	
Net Profit from continuing operations	**-67.5**	**-19.5**	**-48.1**	

[1] Like-for-like figures exclude cross-canal sales and Cdiscount Energy GMV for 1H21 and 1H22
[2] EBITDA: operating profit/(loss) from ordinary activities (EBIT) adjusted for operating depreciation & amortization of respectively €(42.7)m and €(48.5)m in the 1st semester of 2021 and 2022

1.2 SIGNIFICANT EVENTS OF THE FIRST SEMESTER

Development of the marketplace and its related services

- The marketplace gained +3.2 points of GMV share in the 1st half 2022 compared to 2021 to reach 49.6%
- Marketplace revenues amounted to €89.5m in the 1st half 2022 receding by -7.1% but increased +25.1% vs. pre-pandemic level (1st half of 2019)
- Expansion of express delivery eligible marketplace SKUs is a key driver of growth, customer satisfaction and contributes to the development of our loyalty program, *Cdiscount à Volonté* (CDAV). It also supports the product mix re-orientation towards recurring product categories.
    - Fulfilment by Cdiscount kept growing at a fast pace, with a +2.9 points increase in marketplace GMV share in the first half 2022 to reach 37.6% on average.
    - Cdiscount Express Seller, launched in 2019 for sellers able to offer express delivery to CDAV customers, extended its offering by +40.7% at end June 2022 compared to last year, to reach 2.8 million eligible SKUs. This program now covers, in the 1st half 2022, 12.8% of marketplace GMV, a 6.3 points increase compared to last year.
    - Together, express delivered SKUs covers in the 1st half 2022 50.4% of marketplace GMV, a +9.2 points increase compared to last year

Direct sales performance of technical goods categories benefited from strengthened relations with national brands but mainly impacted by high comparison base and adverse market conditions but with:

- Reinforced relationship with A-brands (Apple, Samsung, …) with powerful offers and dedicated brand days for Phones, Video Games and Home Appliances categories
- Strong comparison base with physical stores closed during the 3rd lockdown in the 1st half of 2021 and 2022 performance impacted by high inflation of purchases (semi-conductor shortage, increase in raw materials, supply chain disruptions)

B2C services high growth with *Cdiscount Voyages* (Travel) rebound

- Cdiscount Voyages (Travel) experienced a significant rebound in the 2nd quarter
    - Growing by +67% in the 2nd quarter 2022.
    - Holliday packs supported this performance with +146% GMV increase compared to last year in the 2nd quarter 2022.

Enhanced customer experience and record high NPS

- Significant increase of +4 points in NPS average during the 1st half 2022 (+9.4 points over 2 years) leading to a record high NPS compared to the same period last year, through intensified efforts to improve customer experience before, during and after the sale.
- Cnova also finalized its “say yes to the customer” policy, with 100% positive and immediate answers to its customers at end of June 2022.
- Artificial intelligence-powered algorithms were implemented all along the customer journey in the past twelve months, significantly enhancing the relevance of the Cdiscount.com search engine (+4.4 pts in the search engine share in GMV in 2Q22 vs 2Q21) and personalized recommendations.

Dynamic advertising services powered by Cdiscount Ads Retail Solution

- Advertising services revenues increased by +15.0% in the 1st half quarter 2022 compared to last year, reinforcing Cnova's most profitable activity.

- It was supported by Cnova's proprietary solution launched in the 2nd quarter 2020, Cdiscount Ads Retail Solution (CARS), a 100% self-care advertising platform enabling both sellers and suppliers to promote their products and brands. Products sponsored through this platform grew by +73% in the 1st half 2022.

Octopia is growing, imposing itself as the turnkey marketplace solution for EMEA retailers and e-merchants

- Cnova's turnkey marketplace solution offers 4 modular and ready-to-operate marketplace services to international retailers and e-merchants with a -8% decrease in the 1st half to €49m GMV:
    - Merchants-as-a-Service to bring sellers to existing marketplaces and Marketplace-as-a-service to transform e-commerce websites into marketplaces benefits from a strong acceleration in the 1st semester with 11 new contracts signed to reach 23 clients overall.
    - Fulfilment-as-a-Service to bring multi-marketplace fulfilment solutions including cross-border shipping and warehouse management solution continued to be dynamic in a challenging European context and grew more than +18% in GMV
    - Products-as-a-Service to bring products to small/medium websites and marketplaces in Europe decreased by -12% in the 1st half 2022 negatively impacted by European ecommerce slowdown

C Chez Vous and C-Logistics commercial acceleration, aiming to become leading transportation & logistics service providers in Europe

- C Chez Vous and C-Logistics commercial acceleration, aiming to become leading transportation & logistics service providers in Europe
    - C-Logistics aims at being a leading e-commerce third-party logistics player reaching 53 clients signed at end June 2022:
        - +30 new clients signed for the C Chez Vous Turnkey transport solution
        - +1 new client signed the C-logistics full service of supply e-commerce operations

Cnova pursues its CSR strategy reinforcing its status of European digital leader sustainable and inclusive.

- Cnova is committed promoting a more sustainable way to consume and developing circular economy toward its BtoC and BtoB businesses:
    - Cnova launched the "more sustainable" label on Cdiscount.com, based on extended and challenging sustainability criteria such as energy class or repairability index (38k eligible products as far), to help its customers choosing more sustainable products
    - Already a leading actor on 2nd-hand and refurbishment, Cdiscount.com sells on this segment are constantly growing (+7% on its marketplace vs 1H21)

Cnova long term investments to reduce the environmental impact of its logistics enable to achieve high performances:

Greener Delivery:

- The GHG emissions related to the deliveries of Cdiscount.com and reported within the frame of the Fret 21 initiative (led ADEME and French Ministry of Sustainable Development), reduced by -7% per parcel compared to 2020 . The company is therefore in line with the trajectory announced in 2021 (-7% in 2023).
- C-Logistics and C Chez Vous renewed their partnership with the Endowment Fund "Plantons pour

l'Avenir" initiating reforestation actions in France to sequester 100% of their residual GHG emissions.

Reducing Packaging:

- C-Logistics investments, including a unique fleet in Europe of six cutting edge 3D packing machines, enable the company to deliver a major part of its light parcels without any void in the 1st half of 2022.
- C-Logistics reinforces its successful initiatives to supress cardboard with its partnership with Hipli, a French start-up developing reusable packaging.

Cnova continues its societal commitment:

- Cnova initiated a 3-year partnership with Make.org (an independent platform promoting the engagement of the civil society to address social matters) to tackle the inequalities suffered by women. Within this frame, Cnova widely relayed Make.org's citizen consultation across its communication channels, contributing to its success (Over 250k French citizens participated).

1.3 BUSINESS REVIEW

Key performance indicators	First Half 2022	First Half 2021
GMV[1] (€ millions)	1,793	1,991
Reported year-on-year GMV growth	*-9.9%*	*+2.3%*
Marketplace share[2]	49.6%	46.3%
Net sales *(€ millions)*	881	1,009
Reported year-on-year net sales growth	*(12.7)%*	*(3.8)%*
Traffic *(visits in millions)*	489.7	549.9
o/w Mobile	383.9	397.7
Orders[4] *(millions)*	11.3	14.2
o/w Marketplace	8.0	9.7
Active customers[3] *(millions)*	9.1	10.5

(1) Gross merchandise volume (GMV) is defined as product sales + other revenues + marketplace business volumes + services GMV + taxes and is calculated based on approved and sent orders.

(2) Marketplace share of GMV of Cdiscount.com in France, calculated on total GMV less businesses not eligible for marketplace (B2B, Travel, Energy, etc.). Marketplace GMV shares have been adjusted to consider coupons and warranties and exclude CDAV subscription fees.

(3) Active customers at the end of the period, having purchased at least once through Cdiscount websites and application during the 12 previous months.

(4) Total number of placed orders before cancellation due to fraud detection and/or customer non-payment.

During the 1st Half 2022, in a context of uncertain macro-economic conditions and inflation headwinds, Cnova posted decreasing overall GMV by -10% together with a significant mix improvement towards the marketplace that exceeded 50% GMV share for the first time in the 2nd quarter of 2022.

Considering this current level of activity and adverse market conditions, Cnova 2022 priority is to recalibrate its cost structure to preserve cash and profitability while pursuing its 3 long-term strategy pillars towards more marketplace, more advertising services and accelerating B2B activities.

Marketplace GMV decreased by -11% in the 1st half of 2022 but increased by +19% vs. pre-pandemic level of 2019. Marketplace benefited from a record-high quality level narrowing the gap with the overall NPS supported by the development of Fulfilment by Cdiscount and Cdiscount Express seller.

Advertising services revenues reached €33m in the 1st half of 2022, growing +15% and doubling vs. pre-pandemic level of 2019, mainly driven by the continued development of sponsored products thanks to enhanced bidding algorithms powered by artificial intelligence.

B2B activities are accelerating: Octopia Marketplace-as-a-Service offers signed 11 new contracts in the 1st half of 2022 to reach 23 signed contracts overall. C-Logistics third party offers benefited from a strong commercial ramp-up with now 53 clients, 31 additional customers vs. end 2021.

Cnova has launched in Q2 an Efficiency Plan to swiftly recalibrate its cost structure & capex level to this current volume of activity with a €75m savings target on a full-year basis by the end of 2023. The Plan, supported by a dedicated transformation team, is projecting to bring savings above €30m in 2nd half of the year. For the 1st half of 2022, Gross margin is stable as % of net sales and EBITDA remains positive at €17m while last-six-months Free Cash Flow before financial interests improved by €103m compared to last year at -€101m, a +€23m structural improvement excluding positive one-off impacts.

FINANCIAL REVIEW

Application of Critical Accounting Policies and Estimates

Our significant accounting policies and quantitative measures are set forth the note titled "Description of the reporting entity" and in the Notes to our audited consolidated financial statements for the years ended December 31, 2021 and 2022 and in section "1.6 Financial Overview", included in our 2021 annual report. We have identified those accounting policies and measures as the most critical to an understanding of our financial position and results of operations because the application of these policies requires significant and complex management estimates, assumptions and judgment, and the reporting of materially different amounts could result if different estimates or assumptions were used or different judgments were made. The preparation of our consolidated financial statements in accordance with IFRS requires our management to make judgments, estimates and assumptions that affect the amount reported in consolidated financial statements. Estimates and assumptions are periodically re-evaluated by management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ significantly from those estimates and assumptions.

No changes are relevant except as disclosed.

Unaudited interim condensed consolidated income statements for the six months ended June 30, 2022 and 2021

Consolidated Income Statement *€ millions*	First Half 2022	First Half 2021	*Change*
Net sales	**881.2**	**1009.0**	**-12.7%**
Cost of sales	(680.3)	(774.5)	-12.2%
Gross margin	**201.0**	**234.5**	**-14.3%**
% of net sales	22.8%	23.2%	(0.4pts)
SG&A[1]	**(232.7)**	**(228.3)**	**+1.9%**
% of net sales	-26.4%	-22.6%	(3.8pts)
Fulfillment	(78.2)	(84.6)	-7.6%
Marketing	(52.1)	(51.2)	+1.7%
Technology and content	(75.5)	(66.1)	+14.2%
General and administrative	(26.8)	(26.3)	+2.0%
Operating EBIT[2]	**(31.7)**	**6.2**	**-37.9**
% of net sales	-3.6%	0.6%	(4.2pts)
Other income/(expenses)	10.1	0.9	+9.1
Operating profit/(loss)	**(21.6)**	**7.1**	**-28.8**
Net financial income/(expense)	(42.4)	(24.2)	+75.3%
Profit/(loss) before tax	**(64.0)**	**(17.0)**	**+275.7%**
Income tax gain/(expense)	(3.5)	(2.4)	+44.8%
Net profit/(loss) from continuing operations	**(67.5)**	**(19.5)**	**-48.1**
Net profit/(loss) from discontinuing operations[3]	(2.3)	(1.3)	+75.9%
Net profit/(loss) for the period	**(69.8)**	**(20.8)**	**n.m**
% of net sales	-7.9%	-2.1%	(5.9pts)
Attributable to Cnova equity holders (incl. discontinued)	(70.3)	(21.2)	n.m
Attributable to non controlling interests (incl. discontinued)	0.5	0.4	+23.8%
Adjusted EPS (€)[4]	**(0.20)**	**(0.06)**	**(0.14)**

1) *SG&A: selling, general and administrative expenses.*
2) *Operating EBIT: operating profit/(loss) before other expenses (strategic and restructuring expenses, litigation expenses and impairment and disposal of assets expenses).*
3) *In accordance with IFRS5 (Non-current Assets Held for Sale and Discontinued Operations), HALTAE (formerly Stootie)'s post-tax net profit for the half-year ended June 30, 2022 and 2021 are reported under "Net profit/(loss) from discontinued operations."*
4) *Adjusted EPS: net profit/(loss) attributable to equity holders of Cnova before other expenses and the related tax impacts, divided by the weighted average number of outstanding ordinary shares of Cnova during the applicable period.*

For detailed information on the components of the income statement, please refer to "1.6 Financial review" of our 2021 annual report.

- **Net sales**

Our net sales decreased by €127.8 million, or 12.7%, from €,1009 million from the 1st semester 2021 to €881.2 million in the 1st semester 2022. The decrease in net sales reflected the impact of the acceleration of the shift from product sales towards higher margin marketplace sales, which are only recognized in net sales for the amount of the associated commissions.

- **Cost of sales and gross margin**

Cost of sales decreased by €94.2 million, or -12.2%, from €774.5 million in the 1st semester 2021 to €680.3 million in the 1st semester 2022. This translates into a gross margin of €201.0 million, representing 22.8% of net sales, a decreased of 0.4 point compared to the 1st semester 2021 but an increase of +5.3 points compared to pre-pandemic level (1st semester of 2019). This gross margin increase over the past three years demonstrates the success of the implementation of the strategic plan, with a marketplace growing +22% compared to the 1st half of 2019 and advertising services nearly doubling vs. the same pre-pandemic level. Compared to 2021, Cnova accelerated its shift towards the marketplace with direct sales margin negatively impacted by important destocking operations in a context of Efficiency Plan to optimize working capital needs and inventory levels to current level of activity. Despite those underlying drivers, dynamic advertising services helped maintain a relatively flat gross margin compared to 2021.

- **Operating expenses**

Our operating expenses are classified into four categories: fulfillment, marketing, technology and content, and general and administrative costs. They amounted to €232.7 million and accounted for 26.4% of net sales during the 1st semester 2022, down by 3.8 pts vs the same period in 2021.

Fulfillment costs

Fulfillment expenses decreased by €6.4 million or 7.6%, from €84.6 million in the 1st semester 2021 to €78.2 million in the 1st semester 2022 positively impacted by lower volume in the 1st semester 2022 for its variable part and first benefits from the Efficiency Plan for its fixed part.

Marketing costs

Marketing costs increased by €0.9 million, or 1.7%, from €51.2 million in the 1st semester 2021 to €52.1 million in the 1st semester 2022. As a percentage of net sales, our marketing expenses increased from 5.1% in the 1st semester 2021 to 5.9% of our net sales in the 1st semester 2022. Marketing costs are stable in value with lower volume driving down marketing variable costs compensated by a media campaign over the month of May and June.

Technology and content costs

Technology and content costs increased by €9.4 million, or 14.2%, from €66.1 million in the 1st semester 2021 to €75.5 million in the 1st semester 2022. As a percentage of net sales, our technology and content expenses increased from 6.6% in the 1st semester 2021 to 8.6% of our net sales in the 1st semester 2022. This increase was primarily driven by B2B monetization activities investments and associated costs (D&A), mainly due to the acceleration of the product & commercial development of Octopia solutions.

General and administrative costs

General and administrative costs increased by €0.5 million, or 2.0%, from €26.3 million in the 1st semester 2021 to €26.8 million in the 1st semester 2022. As a percentage of net sales, our general and administrative expenses increased from 2.6% of our net sales in the 1st semester 2021 to 3.0% in the 1st semester 2022. This stabilization in value was driven by the first quick wins from the Efficiency Plan compensating growing head office costs to support the acceleration of the new B2B activities.

- **Other income / (expenses)**

Strategic and restructuring costs

As of June 30, 2021, we had €2.6 million on restructuring and strategic costs of which €2.3 million of fees for the capital increase project and €0.5 million of head office restructuring.

As of June 30, 2022, we had €3.4 million on restructuring and strategic costs of which €3.3 million of head office restructuring.

Litigation costs

As of June 30, 2021, provisions for tax risks were reversed for €5.2 million. These reversals of local property taxes provisions are linked to the end of tax audit on fiscal years 2016, 2017 and 2018.

As of June 30, 2022, benefit of €0.3 million mainly consists in reversal of provisions for tax risks for €0.5 million.

Change in scope of consolidation

As of June 30, 2021 and June 30, 2022, change in scope of consolidation includes amortization of fair value adjustments recognized in purchase price allocation for €0.2 million and €0.1 million.

Impairment and disposal of assets

As of June 30, 2021, €1.0 million of impairment of IT development costs was recognized related to assets for which impairment indicators were identified and the carrying amount were higher than the recoverable amount and €0.5 million of impairment on tangible assets was recognized related to the departure of the Canéjan warehouse site.

As of June 30, 2022, €19.8 million of gain on asset sale and €5.2 million of impairment of assets have been accounted for the FLOA transaction (see Note 2), €0.7 million of impairment of IT development costs was recognized related to assets for which impairment indicators were identified and the carrying amount were higher than the recoverable amount.

- **Net financial income (expense)**

Net financial income and expenses consist primarily of our interest expense on our borrowings and costs we incur related to the sales of receivables. Customers can pay through four instalment payments ("the CB4X instalment payment service"), with one upfront payment and three subsequent interest-bearing payments 30, 60 and 90 days after the initial payment. Under the agreement implemented in August 2015 between Cnova and Floa Bank, Cnova fully transfers the credit risk of the instalments related to the instalment payment program in France to Floa Bank.

Net financial expense increased by €18.2 million, or 75.3%, from €24.2 million in the 1st semester 2021 to €42.4 million in the 1st semester 2022 due to increased take-rate of the CB4X from our customers and higher refinancing interest rates.

- **Income tax gain (expense)**

Income tax expense increased from €2.4 million in the 1st semester 2021 to €3.5 million in the 1st semester 2022 related to the good performance of our Logistics entities (C-Logistics and C Chez Vous) that pays income tax in France. No deferred tax assets were recognized for Cdiscount tax loss of the period.

- **Net profit (loss)**

Net loss for the period increased from a loss of €20.8 million in the 1st semester 2021 to a net loss €69.8 million in the 1st semester 2022. This increase is mostly resulting from the items mentioned above, a decreasing operating EBIT in the face of important market headwinds and increasing net financial expenses.

- **Cash-flows and working capital**

Our principal sources of liquidity have traditionally consisted of cash flows from operating activities, loans or cash received from related parties and, to a lesser extent, capital increases and proceeds obtained from short- and long-term loans and financings from third-party financial institutions. Notes 22 and 24 to our consolidated financial statements, included in our 2021 annual report, provide additional financial information regarding our liquidity and capital resources.

The following table presents the major components of net cash flows for the periods presented:

€ millions	**Half Year 2022**	**Half Year 2021**
Net cash from/(used in) continuing operating activities	**(58.8)**	**(133.3)**
Net cash from/(used in) discontinued operating activities	**(2.3)**	**(1.0)**
Net cash from/(used in) continuing investing activities	**(35.9)**	**76.5**
Net cash from/(used in) discontinued investing activities	**(0.1)**	**(0.2)**
Net cash from/(used in) continuing financing activities	**28.6**	**5.6**
Net cash from/(used in) discontinued financing activities	**0.0**	**0.0**
Effect of continuing changes in foreign currency translation adjustments	-	-
Effect of discontinuing changes in foreign currency translation adjustments	(0.0)	(0.0)
Change in cash and cash equivalents & restricted cash, net, at period end	**(68.5)**	**(52.5)**

Our cash flows and working capital fluctuate throughout the year, primarily driven by the seasonality of our business. At the end of December of each year, we experience high trade payables relative to the rest of the year following the peak sales volumes achieved in November and December associated with the holiday shopping period in France (Black Friday plus Christmas). In the first three quarters of each year, trade payables decrease due to seasonality leading to a cash balance reduction compared to the end of the prior year. This effect also negatively impacts our last six months cash flow and working capital requirements at the end of June of each year.

We had net cash and cash equivalents[3] of €(43.5) million and €(51.4) million as of June 30, 2021 and 2022, respectively. The deterioration in our net cash and cash equivalents position by €7.9 million represents our net cash flow over the last six months. Despite the negative impact from change in working capital, net cash and cash equivalents were favorably impacted by the €90.6 million increase in financial debt considering the €150m additional term loan from the Casino Group. Also considering the €120 million state guaranteed loan that will be partly reimbursed in August 2022 for €60 million, the other cash deposit with Casino Finance to cover seasonal working capital needs, and the additional support letter from the Casino Group of €200 million, the group considers its credit lines will be sufficient to cover the cash needs of the group over the next 12 months after taking into consideration the working capital variation and the forecast cash generating operating perspective. However, we may need additional cash resources in the future if we identify opportunities for investment (including investment in capacity or products assortment), strategic cooperation or other actions, which may include investing in technology and our fulfillment capabilities to support the accelerated growth of our new B2B turnkey marketplace solution Octopia. If we determine that our cash requirements exceed our amounts of cash on hand, we may seek to issue debt or equity securities or obtain credit facilities or other sources of funding.

Our trade payables include accounts payable to suppliers associated with our direct sales business. Our trade payables amounted to €624.3 million and €417.6 million as of December 31, 2021, and June 30, 2022, respectively.

Our net inventories of products amounted to €302.7 million and €216.6 million as of December 31, 2021, and June 30, 2022, respectively. Our inventory balances should gradually decrease over time thanks to the increasing GMV share of the marketplace and product mix evolution towards recurring products with higher rotation.

- **Cash From/ (Used in) Operating Activities**

Cash used in operating activities in the 1st semester 2022 was €(58.8) million, as adjusted for changes in operating working capital and other activities. Changes in working capital primarily consisted of a €205.8 million deterioration in trade payables. This decrease in trade payables relates to the seasonality of the business as mentioned above. Change in working capital was also positively impacted by €86.1 million decrease in inventories of products driven by destocking, assortment rationalization initiatives and product mix evolution towards recurring products with higher rotation, as well as a €68.7 million decrease in trade receivables.

Cash used in operating activities in the 1st semester 2021 was €(133.3) million, as adjusted for changes in operating working capital and other activities. Changes in working capital primarily consisted of a €152.4 million deterioration in trade payables. This decrease in trade payables relates to the seasonality of the business. Change in working capital was also negatively impacted by €26.5 million increase in inventories of products to face the upcoming dynamic commercial period of summer sales. It was also positively impacted by €53.5 million decrease in trade receivables.

- **Cash From/(Used in) Investing Activities**

Cash used in continuing investing activities was an outflow of €35.9 million in the 1st semester 2022 and was related to:

- -€47.6 million used for net acquisitions of property, equipment and intangible

[3] Net of bank overdrafts (of €65.5 million as of 30/06/2021 and €66.1million as of 30/06/2022)

assets, including capital expenditures related to investments in the implementation of the switch toward a fully integrated platform model, monetizing our client, suppliers, IT and logistics assets.

- -€8.8 million impact in changes in loan granted linked to the current account agreement with Casino Finances.
- +€20.5 million of proceeds from disposal of property, equipment, intangible assets and non-current financial assets mainly impacted by the FLOA transaction.

Cash from continuing investing activities was a positive €76.5 million in the 1st semester 2021 and was related to €53.7 million used for net acquisitions of property, equipment, and intangible assets, including capital expenditures related to the acceleration of Octopia B2B solutions product development, which was more than compensated by a positive impact of +€129.9 million in loans granted.

- **Cash From/(Used in) Financing Activities**

Cash from financing activities was €28.6 million in the 1st semester 2022 and was primarily attributable to €90.6 million of additional related party financial debt incurred by Cnova subsidiaries, which was partially offset by €40.5 million of interest paid, €17.8 million of repayments and interests paid on lease liabilities and €3.7 million of repayments of financial debt.

Cash from financing activities was €5.6 million in the 1st semester 2021 and was primarily attributable to €46.6 million of additional related party financial debt incurred by Cnova subsidiaries, which was partially offset by €19.6 million of interest paid, €16.6 million of repayments and interests paid on lease liabilities and €4.9 million of repayments of financial debt.

Financial position

€ millions	**June 30 2022**	**June 30 2021**
Free cash (last 6 months) before financial expenses (1)	**(101.3)**	**(204.3)**
Net financial debt (2)	**(469.5)**	**(425.8)**
Group equity	**(321.3)**	**(293.5)**

(1) Free cash before financial expenses = Net Financial Debt variation – interests paid - Net cash from/(used in) discontinued operating activities - Net cash from/(used in) discontinued investing activities – Other non-cash items

(2) Net Financial Debt = cash and cash equivalents + other current assets included in net financial debt (see Note 14 of this half year report) – current financial debt excluding commitment to buy back non-controlling interests – non-current financial debt

- Free cash flow before interest

Considering rents payment, free cash flow before interest of the last six months was €(101.3) million at June 30, 2022 compared to €(204.3) million at June 30, 2021.

This year-on-year positive change is primarily due one-off positive impacts: c. +€80m coming from the sale of inventories to Groupe Casino and termination of the associated cross canal agreement and the Floa transaction (See **Note 2 Significant events of the period**). Adjusted for those one-offs, structural free cash flow improved by c. €23m despite a decreasing EBITDA in a receding market thanks to working capital optimization focused on reduction of inventories. Notably a structural decrease of c.

€40m in inventories, as part of the Efficiency Plan, with the marketplace share increasing by +3.2 pts to 49.6% in the 1st half of 2022. This strategy, supported by important inventory reductions, is one of the key pillar of the Efficiency Plan launched in 2Q22 and will be pursued in the 2nd part of the year.

- Net financial debt

Current net financial debt went from €(425.8) million at June 30, 2021 to €(469.5) million at June 30, 2022. This change of €(43.8) million, is primarily due to the last twelve months EBITDA decrease mentioned above as well as financial interests paid of €(40.4) million in the 1st half of 2022, a sharp increase of €20.9 million compared to last year, and the interest paid and debt repayment on lease liability for €(17.8) million in the 1st half of 2022.

- Group equity

Group equity went from €(293.5) million at June 30, 2021 to €(321.3) million at June 30, 2022. This change of €(27.9) million is primarily due to the consolidated loss for the 1st semester 2022 of €69.8 million.

Research and Development

Our research and development strategy is focused on building an open platform model for Cdiscount monetizing our client, suppliers, IT and logistics assets through B2C products and services as well as B2B revenues, primarily dedicated to our new turnkey marketplace solution Octopia. In addition, we remain committed to enhancing our eCommerce platforms, mobile platforms and applications, and fulfillment management systems, as well as other aspects of our IT infrastructure, such as customer facing and back-office features for our sites.

We incurred approximately €53.7 million and €47.6 million of research and development expenses in 1st semester 2021 and 1st semester 2022, respectively.

2. RISK FACTORS

Section 2 "Risk Management and Risk Factors" of the 2021 annual report describes the risk factors that might be or become applicable to the Company. We refer to this Section 2 of the 2021 annual report, which report should be read in conjunction with this semi-annual report.

In addition to the risks aforementioned that we identified in 2021 annual report, we believe that our ability to compete depends upon new risk factors both within and beyond our control, including, but not limited to:

1. Semi-conductor shortages, increase in raw materials and supply chain disruptions
2. Uncertain macro-economic conditions and inflation headwinds
3. Adverse market conditions
4. Ability to recalibrate the cost structure to preserve cash and profitability whilst pursuing the long-term strategy
5. Ability to execute on the Efficiency Plan

3. CORPORATE GOVERNANCE

3.1 BOARD OF DIRECTORS

In the Company's General Meeting of Shareholders held on May 20, 2022, the shareholders (re)appointed several directors. As from October 31, 2016, our board of directors consists of nine directors. The individuals listed below are our current directors.

Name	Date of initial appointment	Current term	Nationality	Year of birth
Non-executive directors				
Mr. Jean-Yves Haagen, Chairman (2)	November 7, 2017	2021-2024	French	1964
Mrs. Josseline de Clausade	June 26, 2020	2020-2023	French	1954
Mr. Silvio J. Genesini (1)(2)	December 8, 2014	2021-2024	Brazilian	1952
Mr. Eleazar de Carvalho Filho	October 31, 2014	2022-2025	Brazilian	1957
Mr. Ronaldo Iabrudi dos Santos Pereira, Vice Chairman (2)	July 24, 2014	2020-2023	Brazilian	1955
Mr. Bernard Oppetit (1)	November 19, 2014	2022-2025	French	1956
Mr. Christophe José Hidalgo	January 13, 2017	2020-2023	French	1967
Executive directors				
Mr. Emmanuel Grenier-CEO	June 29, 2016	2019-2022	French	1971
Mr. Steven Geers	December 21, 2021	2022-2025	Netherlands	1981

(1) Member of the Audit Committee.

(2) Member of the Nomination and Remuneration Committee.

The individuals listed below were our executive officers at 30-06-2022:

Name	Age	Title
Emmanuel Grenier	50	CEO and Executive Director
Maxime Dubarry	41	CFO

Pascal Rivet	62	Chief Compliance Officer
Steven Geers	40	General Counsel

3.2 RELATED PARTY TRANSACTIONS

In the 2021 annual report, an extensive overview of the Company's policy governing Related Party Transactions is given in section 7 and note 27 to the consolidated financial statements: setting forth the main characteristics of the Company's material Related Party Transactions. We refer to such Related Party Transaction Overview, which review should be read in conjunction with this semi-annual report.

As of June 30, 2022, the related party transactions completed after (and consequently not disclosed in) our 2020 annual report are summarized (if any) in Note 16 to the Unaudited Interim Consolidated Financial Statements as included in this report.

4. AUDITOR'S REPORT

Independent auditor's review report

To: the Board of Directors of Cnova N.V.

Our conclusion

We have reviewed the accompanying interim condensed consolidated financial statements of Cnova N.V. (or hereafter: the "Company") based in Amsterdam. Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

The interim condensed consolidated financial statements comprise:

1 the interim condensed consolidated balance sheet as at 30 June 2022;

2 the following interim condensed consolidated statements for the six-month period ended 30 June 2022: the income statement and statement of comprehensive income, the statement of changes in consolidated equity and the statement of cash flows; and

3 the notes comprising of a summary of the accounting policies and selected explanatory information.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the interim financial information' section of our report.

We are independent of Cnova N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).
We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the Board of Directors for the interim condensed consolidated financial statements
The executive members of The Board of Directors are responsible for the preparation and presentation of interim condensed consolidated financial statements in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. Furthermore, executive members of the Board of Directors are responsible for such internal control as it determines is necessary to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The non-executive members of the Board of Directors are responsible for overseeing the Company's financial reporting process.

Our responsibilities for the review of interim condensed consolidated financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a limited assurance engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Obtaining an understanding of the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the interim condensed consolidated financial statements where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion;
- Obtaining an understanding in the internal control, as it relates to the preparation of the interim condensed consolidated financial statements;
- Making inquiries of management and others within the entity;
- Applying analytical procedures with respect to information included in the interim condensed consolidated financial statements;
- Obtaining assurance evidence that the interim condensed consolidated financial statements agree with, or reconcile to the entity's underlying accounting records;
- Evaluating the assurance evidence obtained;
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle;
- Considering whether management has identified all events that may require adjustment to or disclosure in the interim condensed consolidated financial statements; and
- Considering whether the interim condensed consolidated financial statements and the related disclosures represent the underlying transactions and events in a manner that gives a true and fair view.

Amstelveen, 27 July 2022

KPMG Accountants N.V.

L. Albers RA

5. UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited interim condensed consolidated income statements

for the six months ended June 30, 2021 and 2022

€ thousands	Notes	June 30, 2021 Revised, see Note 1	June 30, 2022
Net sales	8	1,008,964	881,219
Cost of sales	8	(774,496)	(680,257)
Gross Margin		**234,468**	**200,962**
Operating expenses			
Fulfillment	9	(84,629)	(78,235)
Marketing	9	(51,248)	(52,111)
Technology and content	9	(66,116)	(75,527)
General and administrative	9	(26,262)	(26,786)
Operating profit/(loss) before strategic and restructuring, litigation, impairment and disposal of assets costs		**6,214**	**(31,697)**
Strategic and restructuring cost	10	(2,598)	(3,374)
Litigation costs	10	5,245	260
Change in scope of consolidation	10	(183)	(101)
Impairment and disposal of assets	10	(1,533)	13,290
Operating profit/(loss)		**7,145**	**(21,621)**
Financial income	11	225	570
Financial expense	11	(24,414)	(42,982)
Profit/(loss) before tax		**(17,045)**	**(64,034)**
Income tax gain/(expense)	12	(2,413)	(3,510)
Net profit (loss) from continuing operations		**(19,458)**	**(67,544)**
Net profit (loss) from discontinuing operations	6	(1,307)	(2,299)
Net profit/(loss) for the period		**(20,765)**	**(69,843)**
Attributable to Cnova equity owners		(21,152)	(70,321)
Attributable to non-controlling interests		386	478
Attributable to the owners continuing		(19,849)	(68,197)
Attributable to non-controlling interests continuing		390	481
Attributable to the owners discontinuing		(1,303)	(2,124)
Attributable to non-controlling interests discontinuing		(4)	(3)

Earnings (losses) per share (refer to Note 3)

In €	June 30, 2021 Revise, see Note 1	June 30, 2022
Basic earnings per share	(0.06)	(0.20)
Basic earnings per share – continuing operations	(0.06)	(0.20)
Diluted earnings per share	(0.06)	(0.20)
Diluted earnings per share – continuing operations	(0.06)	(0.20)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Unaudited interim condensed consolidated statements of comprehensive income for the six months ended June 30, 2021 and 2022

€ thousands	June 30, 2021 Revised, see Note 1	June 30, 2022
Net income/(loss) for the year	**(20,765)**	**(69,843)**
Items that may subsequently be recycled to profit or loss		
Foreign currency translation	*(7)*	*(17)*
Items that may not be recycled to profit or loss		
Actuarial gains and losses	*19*	*1,496*
Other comprehensive income/(loss) for the year, net of tax	**13**	**1,480**
Total comprehensive income/(loss) for the year, net of tax	**(20,752)**	**(68,364)**
Attributable to Cnova equity owners	*(21,139)*	*(68,843)*
Attributable to non-controlling interests	*387*	*479*

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Unaudited interim condensed consolidated balance sheets as of December 31, 2021 and June 30, 2022

(€ thousands)	January 01, 2021 Revised, see Note 1	December 31, 2021 Revised, see Note 1	June 30, 2022
ASSETS			
Cash and cash equivalents	15,829	20,453	14,744
Trade receivables, net	167,211	150,856	99,409
Inventories, net	283,732	302,681	216,555
Current income tax assets	4,046	4,039	3,061
Other current assets, net	313,808	186,421	200,465
Total current assets	**784,626**	**664,450**	**534,235**
Deferred tax assets	45,021	43,568	42,321
Right of use assets, net	149,188	138,300	138,509
Property and equipment, net	28,491	23,425	20,507
Other intangible assets, net	203,738	232,979	240,823
Goodwill	122,295	122,295	122,295
Other non-current assets, net	11,353	10,648	9,295
Total non-current assets	**560,086**	**571,216**	**573,750**
Assets held for sale	424	**3,712**	**1**
TOTAL ASSETS	**1,345,136**	**1,239,378**	**1,107,986**
EQUITY AND LIABILITIES			
Current provisions	3,435	4,076	5,607
Trade payables	658,253	624,330	417,646
Current financial debt	20,095	84,226	140,203
Current lease liability	30,497	33,986	35,443
Current tax and social liabilities	83,862	104,369	118,141
Other current liabilities	248,370	216,884	183,924
Total current liabilities	**1,044,512**	**1,067,871**	**900,965**
Non-current provisions	12,751	8,844	7,606
Non-current financial debt	340,620	280,434	372,149
Non-current lease liability	145,160	130,775	129,143
Other non-current liabilities	3,734	3,061	18,153
Deferred tax liabilities	1,462	1,321	1,278
Total non-current liabilities	**503,727**	**424,435**	**528,330**
Liabilities directly associated with the assets held for sale	**613**	**-**	**-**
Share capital	17,225	17,261	17,261
Reserves, retained earnings and additional paid-in capital	(290,700)	(341,447)	(410,316)
Equity attributable to equity holders of Cnova	**(273,475)**	**(324,186)**	**(393,055)**
Non-controlling interests	**69,759**	**71,257**	**71,747**
Total equity	**(203,716)**	**(252,928)**	**(321,308)**
TOTAL EQUITY AND LIABILITIES	**1,345,136**	**1,239,378**	**1,107,986**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Unaudited interim condensed consolidated statements of cash flows for the six months ended June 30, 2021 and 2022

€ thousands	**June 30, 2021 Revised, see Note 1**	**June 30, 2022**
Net profit (loss) attributable to equity holders of the Parent	(19,849)	(68,197)
Net profit (loss) attributable to non-controlling interests	390	481
Net profit (loss) continuing for the period	**(19,459)**	**(67,716)**
Depreciation and amortization expense	42,025	48,200
(Gains) losses on disposal of non-current assets and impairment of assets	2,130	(18,435)
Other non-cash items	-	1,893
Financial expense, net	24,201	42,416
Current and deferred tax (gains) expenses	2,413	3,300
Income tax paid	(686)	(1,786)
Change in operating working capital	(183,931)	(66,673)
Inventories of products	*(26,465)*	*86,124*
Trade payables	*(152,358)*	*(205,832)*
Trade receivables	*53,462*	*68,671*
Other	*(58,570)*	*(15,634)*
Net cash from/(used in) operating activities of continuing operations	**(133,306)**	**(58,799)**
Net cash from/(used in) operating activities of discontinued operation	**(1,036)**	**(2,344)**
Purchase of property, equipment & intangible assets	(53,719)	(47,580)
Purchase of non-current financial assets	(104)	(62)
Proceeds from disposal of prop., equip., intangible assets & non-current financial assets	364	20,533
Changes in loans granted (including to related parties) (1)	129,924	(8,766)
Net cash from/(used in) continuing investing operations	**76,465**	**(35,876)**
Net cash from/(used in) discontinued investing operations	**(184)**	**(128)**
Increase (decrease) of capital of the holding company	36	-
Dividends paid to the non-controlling interests	-	(5)
Additions to financial debt	46,651	90,576
Repayments of financial debt	(4,938)	(3,715)
Repayments of lease liability	(12,640)	(13,849)
Interest paid on lease liability	(3,951)	(3,933)
Interest paid	(19,576)	(40,471)
Net cash from/(used in) continuing financing operations	**5,582**	**28,603**
Net cash from/(used in) discontinued financing operations	**-**	**-**
Effect of changes in foreign currency translation adjustments	(7)	10
Effect of discontinued changes in foreign currency translation adjustments	-	7
Change in cash and cash equivalents from continuing operations	**(51,266)**	**(66,061)**
Change in cash and cash equivalents from discontinued operations	**(1,220)**	**(2,465)**
Cash and cash equivalents, net, at beginning of period	9,011	17,130
Cash and cash equivalents, net, at end of period	**(43,475)**	**(51,396)**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

(1) At June 30,2021 change in cash from loan granted is linked to cash deposit with Casino Finance (€130.5m at December 31, 2020 and €0m at June 30, 2021). Refer to note 14.2 for explanation on other current assets.

Unaudited interim condensed consolidated statements of changes in consolidated equity for the six months ended June 30, 2021 and 2022

€ thousands (before appropriation of profit)	Number of shares	Share capital	Additional paid-in capital	Retained earnings	Foreign currency translation	Actuarial gains and losses	Equity holders of the Parent	Non-controlling interests	Total consolidated equity
As of December 31, 2020 (1)	**345,210,398**	**17,225**	**448,649**	**(733,124)**	**(38)**	**(3,380)**	**(270,669)**	**69,768**	**(200,901)**
Effects of applying IFRS IC decision on IAS38	-	-	-	(2,806)	-	-	(2,806)	(9)	(2,815)
As of January 01, 2021	**345,210,398**	**17,225**	**448,649**	**(735,930)**	**(38)**	**(3,380)**	**(273,475)**	**69,759**	**(203,716)**
Other comprehensive income/(loss) for the period	-	-	-	-	(7)	19	12	1	13
Net profit/(loss) for the period	-	-	-	(25,151)	-	-	(21,151)	386	(20,765)
Consolidated comprehensive income/(loss) for the period	**-**	**-**	**-**	**(25,151)**	**(7)**	**19**	**(21,139)**	**387**	**(20,752)**
Cnova NV capital increase	-	36	-	-	-	-	36	-	36
Other movements	-	-	-	-	-	(12)	(12)	188	176
As of June 30, 2021	**345,210,398**	**17,261**	**448,649**	**(757,081)**	**(45)**	**(3,373)**	**(294,590)**	**70,334**	**(224,255)**
Other comprehensive income/(loss) for the period	-	-	-	-	(11)	312	301	(4)	297
Net profit/(loss) for the period	-	-	-	(29,926)	-	-	(29,926)	1,039	(28,887)
Consolidated comprehensive income/(loss) for the period	**-**	**-**	**-**	**(29,926)**	**(11)**	**312**	**(29,625)**	**1,035**	**(28,590)**
Phoenix transaction	-	-	-	-	-	-	-	84	84
Other movements	-	-	-	-	-	27	27	(196)	(169)
As of December 31, 2021	**345,210,398**	**17,261**	**448,649**	**(787,006)**	**(56)**	**(3,034)**	**(324,187)**	**71,257**	**(252,930)**
Other comprehensive income/(loss) for the period	-	-	-	-	(17)	1,496	1,479	1	1,480
Net profit/(loss) for the period	-	-	-	(70,321)	-	-	(70,321)	478	(69,843)
Consolidated comprehensive income/(loss) for the period	**-**	**-**	**-**	**(70,321)**	**(17)**	**1,496**	**(68,843)**	**479**	**(68,364)**
Other movements	-	**-**	-	-	-	(26)	**(26)**	12	**(15)**
As of June 30, 2022	**345,210,398**	**17,261**	**448,649**	**(857,327)**	**(73)**	**(1,565)**	**(393,055)**	**71,748**	**(321,308)**

(1) The impact of IFRS IC decision on attributing Benefit to Periods of Service (IAS 19) has been included in the opening balance at January 01, 2020.

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Description of reporting entity
Cnova N.V. (hereafter "Cnova" or the "Company) is a Dutch public limited liability company (naamloze vennootschap) incorporated (CCI Number 60776676) and domiciled in the Netherlands at Strawinskylaan 3051, 1077ZX Amsterdam. It is listed on Euronext Paris since January 23, 2015.

At June 30, 2022 main shareholders are Casino Guichard Perrachon SA (64,8%) and Companhia Brasileira de Distribuição Netherlands Holding B.V. (34,0%).

Cnova's ultimate parent is Euris, from France

The Group consists of leading e-commerce operations in France and Western Europe with headquarters in the Netherlands.

Note 1 Basis of preparation and changes to Cnova accounting policies

The condensed consolidated financial statements for the six months ended June 30, 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with Cnova's consolidated financial statements as of and for the years ended December 31, 2020 and 2021 available on www.cnova.com website.

Cnova's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate value creation and return to its shareholders.
The Company monitors capital on the basis of the carrying amount of equity plus its loans (including loans due to Casino net of the current account related to the cash-pool due from Casino), less cash and cash equivalents as presented on the face of the balance sheet.
Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. Cnova manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt.

As of June 30, 2022, net financial debt increased to €470 million and net current assets / liabilities are negative €367 million.

In 2021 the Company had a credit line of €550 million with its parent, Casino Guichard-Perrachon set in order to cover the needs of the Company. As part of the cash pool agreement with Cnova and its subsidiaries, unused credit lines amounted to €330 million as of December 31, 2021. This credit line was extended to €700million on March 22, 2022, and unused credit lines amounts to €400 million as of June 30, 2022. The term of the cash pool agreement is six year and can be terminated by mutual consent. In addition, Casino Guichard-Perrachon confirmed through a letter dated July 27, 2022 that it will provide financial support to Cnova N.V. to assist the company in meeting its liabilities as and when they fall due up to a maximum of € 200 million in addition to the abovementioned amount of € 700 million and only to the extent that funds are not otherwise available to Cnova N.V. to meet such liabilities for a period of at least 12 months from the date of authorization of its 2022 half year financial report. Casino Guichard-Perrachon also confirmed that it has the ability to provide such support.

The cash pool arrangement (Current Account Agreement) immediately terminates if Casino no longer controls, directly or indirectly, Casino Finance or Cnova or its European subsidiaries, as the case may be, or in case of bankruptcy of a party. At balance sheet date and at the date of preparation of these financial statements Management has no indications relating to the events

as described above.
As part of its assessment of the going concern principle when preparing the consolidated financial statements of the Company, management reviewed the 2022 and 2023 cash flow forecasts and the cash needs over the next 12 months and evaluated this based on available financing. The main highlights of the developments in the coming 12-month period and key assumptions related to the cash flow forecast are difficult market conditions, continued increase of marketplace ("MKP") share in the GMV, expansion of advertising services and development of Octopia and implementation of a cost saving plan. Management took the following factors into account for its sensitivity analysis: historical actuals vs forecast deviations, updated outlook for 2022 and H1 2023, current economic developments, business trends and related uncertainties (including impact of COVID-19, supply chain disruptions, Russian military actions in Ukraine, energy crisis, price inflation), stress test scenarios, sensitivity to the main assumptions and potential extra liquidity options.

On this basis, management concluded that the credit line with Casino Guichard-Perrachon, including the additional €150 million granted on March 22, 2022, and the €200m additional financial support confirmed by Casino Guichard-Perrachon in the aforementioned letter dated July 27, 2022, the state guaranteed loan, the cost savings related to the Efficiency plan and the potential extra liquidity options will be sufficient to cover the cash needs of the group over the next 12 months after taking into consideration the working capital variation and the forecast cash generating operating perspective. As a consequence, the financial statements are prepared on a going-concern basis despite the negative equity of €321 million at June 30, 2022. The negative equity is mainly caused by the decrease of capital and share exchange between Cnova NV / Cnova Brazil in 2016 for €474 million and accumulated losses

As indicated in Note 2 and in the Risk factors section of the annual report, the COVID-19 pandemic and conflict in Ukraine impact on Cnova remains uncertain and likely to have contrasting effects, since it can foster the growth of e-commerce, in the event of a prolonged closure of physical stores, but also adversely affect the macroeconomic environment and consumption, or even the operation of our warehouses and carrier's partners in a worst case. Given the uncertainties around future evolution of the pandemic and conflict in Ukraine, related consumer behavior and its impact on the global economy the financial impact for the Group is difficult to quantify.

Estimates and judgments are similar to those described in the audited consolidated financial statements as of December 31, 2021.

Main judgments are linked to the following topics:
- Going concern
- Revenue recognition from marketplace transactions
- Capitalized development costs
- Leases
- Discontinued operations

Main estimates are linked to the following topics:
- Impairment of goodwill, tangible and intangible assets
- Deferred tax assets
- Provisions
- Contingencies

Income tax expense is recognized in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

Concerning IAS 19 on employee benefits, service and interest costs are recognized as determined by latest available valuation. An updated valuation was performed at June 30, 2022 given the increase in discount rate from 1% on December 31, 2022 to 2% on June 30, 2022.

There was no significant market fluctuations and no one-offs events such as plan amendments, curtailments and settlements during the interim period.

New standards, interpretations and amendments adopted by Cnova

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of Cnova's annual consolidated financial statements as of and for the year ended December 31, 2021.

The Group applied for the first time the following amendments to the standards, which are effective for annual periods beginning on or after 1 January 2022:

- IFRS IC Decision on Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38)

The March 2021 IFRS IC update included an agenda decision on Configuration and Customisation costs in a Cloud Computing Arrangement.

The agenda decision includes steps which entities should consider in accounting for such configuration and customisation costs. The key areas of consideration are as follows:

- Can the costs be capitalised as an intangible asset?
- Can the costs be capitalised as a prepayment, or should the costs be expensed when incurred?

This impacts entities that incur configuration and customisation costs associated with a Software as a Service (SaaS) cloud arrangement and is expected to result in a change in accounting policy.

Cnova applied this decision when preparing its Consolidated Financial Statements at June 30, 2022 and have restated comparative financial information a of December 31, 2021 and January 01, 2021.

- IFRS IC Decision on attributing Benefit to Periods of Service (IAS 19)

The IFRS IC clarified the accounting for a defined benefit plan under which employees are entitled to a lump sum benefit payment when they reach retirement age, provided that they are employed by the entity at that point.

The Committee reached the conclusion that when the retirement benefit is capped at a number of years of services, the attribution period applies only to the last years of employee services. Furthermore, additional benefits are triggered only when a service period level is reached.

For Cnova, employees of the Cdiscount and C-Logistics entities have a defined benefit plan under which they are entitled to one month of salary for 5 years of services capped at 30 years. Previously, the group accrued for the benefits starting from the date the employee started working with the entity until the retirement date and the rights were accumulated progressively over the years.

We have restated comparative financial information to accrue for the benefits of Cdiscount and C-Logistics employees only for the last 30 years of services and only when service period levels are reached.

The impacts of the retrospective application of these IFRS IC Decisions on the consolidated financial statements as of January 01, 2021, June 30, 2021 and December 31, 2021, are the following:

€ thousands	June 30, 2021 From 2021 Semi Annual Report	IAS19 IFRS IC Decision impacts	IAS38 IFRS IC Decision impacts	June 30, 2021 Revised
Net sales	1,008,964			1,008,964
Cost of sales	(774,496)			(774,496)
Gross Margin	**234,468**			**234,468**
Operating expenses				
Fulfillment	(84,629)			(84,629)
Marketing	(51,248)			(51,248)
Technology and content	(65,685)		(431)	(66,116)
General and administrative	(26,405)	143		(26,262)
Operating profit/(loss) before strategic and restructuring, litigation, impairment and disposal of assets costs	**6,502**	**143**	**(431)**	**6,214**
Strategic and restructuring cost	(2,598)			(2,598)
Litigation costs	5,245			5,245
Change in scope of consolidation	(183)			(183)
Impairment and disposal of assets	(1,533)			(1,533)
Other non-recurring costs	0			0
Operating profit/(loss)	**7,433**	**143**	**(431)**	**7,145**
Financial income	225			225
Financial expense	(24,422)	8		(24,414)
Profit/(loss) before tax	**(16,765)**	**151**	**(431)**	**(17,045)**
Income tax gain/(expense)	(2,413)			(2,413)
Net profit (loss) from continuing operations	**(19,178)**	**151**	**(431)**	**(19,458)**
Net profit (loss) from discontinuing operations	(1,307)			(1,307)
Net profit/(loss) for the period	**(20,486)**	**151**	**(431)**	**(20,765)**
Attributable to Cnova equity owners	(20,873)	151	(430)	(21,152)
Attributable to non-controlling interests	387		(1)	386
Attributable to the owners continuing	(19,570)	151	(430)	(19,849)
Attributable to non-controlling interests continuing	391		(1)	390
Attributable to the owners discontinuing	(1,303)			(1,303)
Attributable to non-controlling interests discontinuing	(4)			(4)

Earnings (losses) per share:

In €	June 30,2021 From 2021 Semi Annual report	June 30, 2021 Revised
Basic earnings per share	(0.06)	(0.06)
Basic earnings per share – continuing operations	(0.06)	(0.06)
Diluted earnings per share	(0.06)	(0.06)
Diluted earnings per share – continuing operations	(0.06)	(0.06)

Consolidated balance sheet as of January 1, 2021:

(€ thousands)	December 31, 2020	IAS38 IFRIC ID Decision	January 1, 2021
ASSETS			
Cash and cash equivalents	15,829		15,829
Trade receivables, net	167,211		167,211
Inventories, net	283,732		283,732
Current income tax assets	4,046		4,046
Other current assets, net ..	313,808		313,808
Total current assets.......	**784,626**		**784,626**
Deferred tax assets	45,021		45,021
Right of use assets, net	149,188		149,188
Property and equipment, net	28,491		28,491
Other intangible assets, net	206,553	(2,815)	203,738
Goodwill	122,295		122,295
Other non-current assets, net	11,353		11,353
Total non-current assets .	**562,901**	**(2,815)**	**560,086**
Assets held for sale	**424**		**424**
TOTAL ASSETS.............	**1,347,951**	**(2815)**	**1,345,136**
EQUITY AND LIABILITIES			
Current provisions	3,435		3,435
Trade payables.............	658,253		658,253
Current financial debt	20,095		20,095
Current lease liability	30,497		30,497
Current tax and social liabilities	83,862		83,862
Other current liabilities....	248,370		248,370
Total current liabilities ...	**1,044,512**		**1,044,512**
Non-current provisions....	12,751		12,751
Non-current financial debt	340,620		340,620
Non-current lease liability .	145,160		145,160
Other non-current liabilities	3,734		3,734
Deferred tax liabilities	1,462		1,462
Total non-current liabilities	**503,727**		**503,727**
Liabilities directly associated with the assets held for sale	**613**		**613**
Share capital	17,225		17,225
Reserves, retained earnings and additional paid-in capital	(287,894)	(2,806)	(290,700)
Equity attributable to equity holders of Cnova ..	**(270,669)**	**(2,806)**	**(273,475)**
Non-controlling interests	**69,768**	**(9)**	**69,759**
Total equity...............	**(200,901)**	**(2,815)**	**(203,716)**
TOTAL EQUITY AND LIABILITIES	**1,347,951**	**(2,815)**	**1,345,136**

Consolidated balance sheet as of December 31, 2021:

(€ thousands)	December 31, 2021 from 2021 Annual Report	IAS38 IFRIC ID Decision	December 31, 2021 Revised
ASSETS			
Cash and cash equivalents	20,453		20,453
Trade receivables, net	150,856		150,856
Inventories, net	302,681		302,681
Current income tax assets	4,039		4,039
Other current assets, net	186,421		186,421
Total current assets	**664,450**		**664,450**
Deferred tax assets	43,568		43,568
Right of use assets, net	138,300		138,300
Property and equipment, net	23,425		23,425
Other intangible assets, net	236,313	(3,334)	232,979
Goodwill	122,295		122,295
Other non-current assets, net	10,648		10,648
Total non-current assets	**574,549**	**(3,334)**	**571,216**
Assets held for sale	**3,712**		**3,712**
TOTAL ASSETS	**1,242,711**	**(3,334)**	**1,239,378**
EQUITY AND LIABILITIES			
Current provisions	4,076		4,076
Trade payables	624,330		624,330
Current financial debt	84,226		84,226
Current lease liability	33,986		33,986
Current tax and social liabilities	104,369		104,369
Other current liabilities	216,884		216,884
Total current liabilities	**1,067,871**		**1,067,871**
Non-current provisions	8,844		8,844
Non-current financial debt	280,434		280,434
Non-current lease liability	130,775		130,775
Other non-current liabilities	3,061		3,061
Deferred tax liabilities	1,321		1,321
Total non-current liabilities	424,435		424,435
Liabilities directly associated with the assets held for sale	-		-
Share capital	17,261		17,261
Reserves, retained earnings and additional paid-in capital	(338,124)	(3,323)	(341,447)
Equity attributable to equity holders of Cnova	**(320,863)**	**(3,323)**	**(324,186)**
Non-controlling interests	**71,268**	**(11)**	**71,257**
Total equity	**(249,595)**	**(3,334)**	**(252,928)**
TOTAL EQUITY AND LIABILITIES	**1,242,711**	**(3,334)**	**1,239,378**

Consolidated statement of cash flows for the six months ended June 30, 2021:

€ thousands	June 30, 2021 From 2021 Semi Annual Report	IAS19 IFRS IC Decision impacts	IAS38 IFRS IC Decision impacts	June 30, 2021 Revised
Net profit (loss) attributable to equity holders of the Parent	(19,570)	151	(430)	(19,849)
Net profit (loss) attributable to non-controlling interests	391		(1)	390
Net profit (loss) continuing for the year	**(19,179)**	**151**	**(431)**	**(19,459)**
Depreciation and amortization expense	42,137		(112)	42,025
(Gains) losses on disposal of non-current assets and impairment of assets	2,130			2,130
Other non-cash items	0			0
Financial expense, net	24,201			24,201
Current and deferred tax (gains) expenses	2,413			2,413
Income tax paid	(686)			(686)
Change in operating working capital	(183,779)	(151)		(183,931)
Inventories of products	*(26,465)*			*(26,465)*
Trade payables	*(152,358)*			*(152,358)*
Trade receivables	*53,462*			*53,462*
Other	*(58,418)*	*(151)*		*(58,570)*
Net cash from/(used in) operating activities of continuing operations	**(132,763)**		**(543)**	**(133,306)**
Net cash from/(used in) operating activities of discontinued operation	**(1,036)**			**(1,036)**
Purchase of property, equipment & intangible assets	(54,262)		543	(53,719)
Purchase of non-current financial assets	(104)			(104)
Acquisition of subsidiaries, net of cash acquired (Notes 4 and 5)	364			364
Changes in loans granted (including to related parties) (1)	129,924			129,924
Net cash from/(used in) continuing investing operations	**75,922**			**76,465**
Net cash from/(used in) discontinued investing operations	**(184)**			**(184)**
Increase (decrease) of capital of the holding company	36			
Dividends paid to the non-controlling interests	—			—
Additions to financial debt	46,651			46,651
Repayments of financial debt	(4,938)			(4,938)
Repayments of lease liability	(12,640)			(12,640)
Interest paid on lease liability	(3,951)			(3,951)
Interest paid	(19,576)			(19,576)
Net cash from/(used in) continuing financing operations	**5,582**			**5,582**
Net cash from/(used in) discontinued financing operations	**-**			**-**
Effect of changes in foreign currency translation adjustments	(7)			(7)
Change in cash and cash equivalents from continuing operations	**(51,266)**			**(51,266)**
Change in cash and cash equivalents from discontinued operations	**(1,220)**			**(1,220)**
Cash and cash equivalents, net, at beginning of period	9,011			9,011
Cash and cash equivalents, net, at end of period (Note 11)	**(43,475)**			**(43,475)**

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Note 2 Significant events of the period

Covid-19

The coronavirus pandemic is an ongoing outbreak of coronavirus disease (Covid-19). The outbreak was first identified in China in December 2019. The disease then expanded worldwide since the first quarter of 2020.

In France, the main place of activity of Cnova, physical stores have been shut down with few exceptions (grocery and supermarkets, etc) and containment measures were implemented for the population from March 17 to May 11, 2020. Due to the resurgence of the outbreak in the second semester a second lockdown was imposed by French authorities from October 29, 2020, to December 15, 2020. Similar to the first lockdown physical stores have been shut down with the same exceptions. Since December 15, 2020, and until the end of the 2021 first semester a nightly curfew was in force in France between 6PM and 6AM.

Cnova has implemented protective measures for its employees (home office, regular cleaning and disinfection of warehouses, social distancing and controls of procedures) and has continued to operate during the lockdown periods. As of today Cnova remains fully operational and maintains high safety measures:

- Headquarter offices have reopened, with only a fraction of staff being present at the same time and restricted access to shared areas
- All 10 warehouses are fully operational with still strict sanitary measures of distancing, disinfecting, and protecting.

In Q1 2021, Cnova’s GMV growth was 11.8% compared to prior year driven by the marketplace with a +10.9 points contribution to growth boosted by a strategic evolution initiated in the 2nd quarter 2020 towards Home, DIY & Leisure, bringing more repurchase, loyalty and profitability thanks to higher margins.

In Q2 2021, Cnova's GMV decreased by 6.1% considering exceptional second quarter last year. Comparing this second quarter to 2019 performance, GMV Compound Annual Growth Rate (CAGR) would amount to +8% over the last two years. The marketplace decreased by 6.7% or -2.5pts contribution to 2nd quarter growth but posted a robust +14% CAGR over the last two years.

In Q3, 2021, Cnova posted a resilient business performance despite softer market conditions than anticipated in the particular context of reopening, a +8% GMV growth and +11% GMV growth of the Marketplace vs. 2019 and +2% vs. 2020.

In Q4, 2021 the quarter performance was solid, with a very strong comparison base in 2020 due to November lockdown: GMV and Net sales respectively decreased by -8.6% and -8.7%, but Cdiscount market share remained stable in Q4. Compared to 2019, overall GMV, marketplace and Octopia posted strong growth in the 4th quarter while Travel was still impacted by the pandemic.

In Q1, 2022, In a market impacted by a high comparison basis related to curfew, Cnova GMV is -9% vs 1Q21 and +1% compared to pre-pandemic period (i.e. 1Q19)

In Q2, 2022, In a market impacted by changing macro-economic environment and low demand, Cnova posted -10% overall GMV decrease in Q2 in line with Q1 (-9% in 1H22) with a strong mix improvement towards the marketplace and a sharp rebound of travel activity

An assessment was made of the impact on Covid-19 related to valuation of assets and the conclusion was that no impairment was necessary.

FLOA Transaction

On July 27, 2021, BNP Paribas (« BNPP »), Casino Group and Crédit Mutuel Alliance Fédérale have signed an exclusivity agreement providing for:
- the acquisition by BNP Paribas of all outstanding shares in FLOA
- a long-term strategic and commercial partnership between BNP Paribas and Casino Group and certain of its subsidiaries

As part of this agreement, BNP Paribas will become the exclusive provider and distributor of consumer credit solutions including split payment solutions for Casino Group customers through a commercial partnership to be set up with the Casino Supermarchés, Géant and Cdiscount banners. Cdiscount will continue to operate its bank card payments business with FLOA's support.

This agreement also includes the disposal of assets related to CB4X Payment Agreement to third-parties' customers to FLOA (refer to Note 27) and the liquidation of the related joint venture.

The final agreement was signed on February 21, 2022 and BNPP completed the acquisition of FLOA with the following impacts for Cnova:

- FLOA acquired the assets, know-how and competencies necessary to independently operate and develop the FLOA Pay business for a €25m compensation (€17m paid at transaction date, €3m to be paid 12 months later and €5m on the IT migration date). A capital gain of €15m was recognized and €2.5m has been recognized as contract liability related to the IT migration performance obligation which is expected to be delivered in FY 2023. The allocation of the transaction price was done using the expected cost-plus margin approach as no standalone selling prices were available

- The Eureka partnership's operations have been terminated and the SEP will be wound-up

- Cdiscount committed to provide transition services to FLOA for which revenue will be recorded when related services will be rendered, and transaction costs will be incurred

- FLOA and Cdiscount concluded a commercial partnership to renew the « CB4X/Coup de pouce » and « Card&Credit/Insurance » agreement for a period of 10 years with the payment of €17m for a 5-year exclusivity and an optional 5 years additional exclusivity period. This €17m premium is recognized a reduction of the fulfilment costs over a 10-year period

Total cash-in for the transaction in H1 is €34m, €17m for exclusivity premiums and €17m for transferred asset. An additional €3m was cashed-in thanks to the sale of the account receivable to be paid in February 23 to a Financial institution.

Termination of the cross-canal agreement with DCF

On April 5, 2022, DCF and Cdiscount agreed to terminate the cross-canal agreement by the end of the third quarter 2023. On June 20, 2022, the agreement was terminated and Cdiscount finalized the sale to DCF of the cross-canal inventory for €39m and a margin of 0.5m.

The additional agreement signed in 2018 related to Cdiscount Corners opened in Géant hypermarket is not terminated and Cdiscount continues to be entitled to a 1.5% brand fee on eligible sales.

Inventory Special Purpose Vehicule (« SPV »)

A Special Purpose Vehicle (C-Shield legal entity) has been established to carry the inventory of the Computers and accessories category. Cdiscount owns 9999 shares of the SPV and 1 preferred share is held by Sienna AM France. This preferred share enables the appointment and removal of president of the SPV.

This SPV purchased the inventory of the above-mentioned category from Cdiscount on June 28, 2022 for a total consideration of €18m. This SPV now owns and financially hold current and future inventories of this category.

Products from this category are still purchased from Cdiscount but sold at delivery and purchased back when the product is sold by Cdiscount to an end customer.

This SPV has issued a €11m bond bearing interest at 6.5% on June 28, 2022. Duration of the financing is 7 years.

Cdiscount controls the SPV as per IFRS 10 and therefore consolidates this entity.

At June 30, 2022, the SPV balance sheet consists in:

- €18m of inventories
- €4m of VAT Credit
- €11m of Bonds
- €11m of current account debt with Cdiscount

Transfer pricing with Cdiscount is made at arm's length conditions

Increase in financing arrangement with Casino

On March 22, 2022, the Current Account Agreement Confirmation was amended and restated with a €150 million increase of the Term loan. As per the amended and restated agreement, Cnova is authorized to use the current account to fund any cash shortfall for an outstanding amount of up to €400 million and the Term loan amounts to €300 million.

On July 27, 2022, Casino Guichard-Perrachon has signed a support letter in which the Group has confirmed that it will provide financial support to assist the company in meeting its liabilities as and when they fall due to a maximum of € 200 million in addition to the abovementioned amount of € 700 million and only to the extent that money is not otherwise available to the Company to meet such liabilities for a period of at least 12 months from the date of preparation of the half year financial report 2022.

Note 3 Earnings per share

Earnings per share for the half-year ended June 30, 2022 is €(0,20), which splits in €(0,20) for continuing operations and €(0,00) for discontinued operations.

€ thousands	June 30, 2021 Revised, see Note 1	June 30, 2022
Gains (losses) attributable to ordinary equity holders of the parent for basic earnings and adjusted for the effect of dilution (1)	**(21,151)**	**(70,321)**
Weighted average number of ordinary shares for basic EPS including DSU (1)	**345,210,398**	**345,210,398**
Dilutive instruments	—	—
Weighted average number of ordinary shares adjusted for the effect of dilution	**345,210,398**	**345,210,398**

(1) On November 19, 2014, Cnova granted to certain executives of Cnova deferred stock units (DSU). The DSU are non-forfeitable. As they are non-forfeitable, the expense related to the fair value of services rendered has been recorded in 2014.

The total number of shares after the cancellation of shares received as part of the 2016 reorganization is 345,210,398.

Note 4 Business combinations and equity transactions

From January 1, 2022 to June 30, 2022, Cnova did not enter into any business combination or equity transactions.

Note 5 Seasonality of interim operations

Cnova does not earn revenues and incur expenses evenly throughout the year, experiencing a traditional peak demand around the end of the year. Additionally, Cnova historically experiences higher sales volumes during January and July, the two seasonal sales periods in France, as well as in November and December (Black Friday and Christmas periods).

Percentages of annual/interim net sales per quarter

2020				2021				2022	
Q1	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**
22%	25%	22%	31%	24%	23%	24%	29%	51%	49%

Note 6 Assets held for sale and discontinued operations

Breakdown

2022 first semester result from discontinued operations is the following:

€ thousands	International segment abandoned	Cnova NV	Haltae	Total
Net sales	-	-	1	1
Cost of sales	-	-	-	-
Operating expenses	-	-	(668)	(668)
Operating loss before other costs	**-**	**-**	**(667)**	**(667)**
Other operating costs	-	(1,600)	(32)	(1,632)
Operating loss	**-**	**(1,600)**	**(699)**	**(2,299)**
Financial net expense	-	-	-	-
Loss before tax	**-**	**(1;600)**	**(698)**	**(2,299)**
Income tax gain/(expense)	-	-	-	-
Net profit (loss) for the year	**-**	**(1,600)**	**(699)**	**(2,299)**
Net profit/(loss) from discontinuing operations	**-**	**(1,600)**	**(699)**	**(2,299)**

2021 first semester result from discontinued operations is the following:

€ thousands	International segment abandoned	Cnova NV	Haltae	Total
Net sales	-	-	455	455
Cost of sales	-	-	-	-
Operating expenses	-	-	(1,539)	(1,539)
Operating loss before other costs	**-**	**-**	**(1,084)**	**(1,084)**
Other operating costs	(6)	(205)	(12)	(223)
Operating loss	**(6)**	**(205)**	**(1,096)**	**(1,307)**
Financial net expense	-	-	-	-
Loss before tax	**(6)**	**(205)**	**(1,096)**	**(1,307)**
Income tax gain/(expense)	-	-	-	-
Net profit (loss) for the year	**(6)**	**(205)**	**(1,096)**	**(1,307)**
Net profit/(loss) from discontinuing operations	**(6)**	**(205)**	**(1,096)**	**(1,307)**

Cash flows of discontinued operations.

The net cash flows incurred by Haltae are, as follows:

€ thousands	June 30, 2021	June 30, 2022
Operating	(1,096)	(680)
Investing	184	-
Financing	-	-
Net cash (outflow) / inflow	**(912)**	**(680)**

Earnings per share of discontinued operations are presented in Note 3.

Note 7 Operating segments

In accordance with IFRS 8 – Operating Segments, segment information is disclosed on the same basis as the Group's internal reporting system used by the chief operating decision maker (the Chief Executive Officer) in deciding how to allocate resources and in assessing performance.

The Group only has one reportable segment "E-commerce". This segment is comprising Cdiscount, C-Logistics, Cnova N.V. holding company and other subsidiaries of Cnova and corresponds to the consolidated financial statements of Cnova.

Management assesses the performance of this segment on the basis of GMV, Operating profit/(loss) before strategic and restructuring, litigation, impairment and disposal of assets costs and EBITDA. EBITDA (earnings before interest, taxes, depreciation and amortisation) is defined as Operating profit/(loss) before strategic and restructuring, litigation, impairment and disposal of assets costs plus recurring depreciation and amortisation expense.

Segment assets and liabilities are not specifically reported internally for management purposes, however as they correspond to consolidated balance sheet they are disclosed elsewhere in the financial statements.
Segment information is determined on the same basis as the consolidated financial statements.

€ millions	**June 30, 2021**	**June 30, 2022**
GMV	1,991	1,802
Of which GMV Octopia	*53*	*56*
Net Sales	1,009	881
Of which Net Sales Octopia	*44*	*83*
Operating profit/(loss) before other costs	7	(32)
EBITDA	49	17

While the Group only has one operating segment, to increase transparency, the Group has included additional voluntary disclosure on Octopia GMV and revenue.

Note 8 Breakdown of sales and cost of sales

Net Sales

€ thousands	**June 30, 2021**	**June 30, 2022**
Product sales	838,884	709,750
Marketplace sales (commissions)	92,880	88,766
Other revenues	77,201	82,703
Net sales	**1,008,964**	**881,219**

The CB4X (four-instalments payment program) contract generated fees recorded in other revenues for €13.9 million in June 30, 2022 (€13.7 million in June 30, 2021).

Contract assets, costs and liabilities

€ thousands	**2021**	**June 30, 2022**
Contract assets	**-**	**-**
Contract costs	**1,752**	**1,107**
Amounts received in advance of delivery	(5,823)	(11,116)
Amounts arising from customer loyalty programs	(1,621)	(2,286)
Refund liability	(644)	(470)
Deferred revenue	(26,109)	(44,848)
Total Contract liabilities	**(34,197)**	**(58,720)**

Contract costs:
Costs to obtain contracts relates to payments made to Distribution Casino France for the implementation of the Cdiscount corners in Hypermarkets. These costs are amortized on a straight-line basis over the contract period (in general, 5 years). In 2022, amortization amounting to €0.6 million was recognized as part of cost of sales in the consolidated income statement. There was no impairment loss in relation to the costs capitalized.

Contract liabilities:
For internet sales, revenue is recognized when control of the goods or services has transferred to the customer, being at the point the goods are delivered to the customer. When the customer initially purchases the goods online the transaction price received at that point by the Group is recognized as

contract liability until the goods have been delivered to the customer.

A contract liability arises in respect of vouchers applicable on future orders given to clients at the time they entered a purchase contract as these vouchers provide a benefit to customers that they would not receive without entering into such purchase contract. The promise to provide vouchers to the customer is therefore considered a separate performance obligation. A contract liability is recognized for revenue relating to the vouchers at the time of the initial sales transaction.

The refund liability relates to the customers' right to return products within 14 days of purchase. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognized for those products expected to be returned. The Group uses its accumulated historical experience to estimate the amount of returns. A corresponding right to return goods asset is recognized in inventory with associated impact on cost of sales

Deferred revenue relates mainly to:

- €19,129 thousands for our CDAV loyalty program for which revenue is recognized over time although the customer pays up-front in full for the service. A contract liability is recognized for revenue relating to the CDAV service at the time of the initial sales transaction and is released over the service period.
- €18,898 thousands for deferred revenue linked to FLOA transaction and mainly for the €17 million 10-years exclusivity period.

The following table shows how much of the revenue recognized in the current reporting period relates to brought – forward contract liabilities. There was no revenue recognized in the current reporting period that related to performance obligations that were satisfied in a prior year.

€ thousands	**June 30, 2021**	**June 30, 2022**
Amounts received in advance of delivery	8,060	(5,823)
Amounts arising from customer loyalty programs	32,777	(1,621)
Refund liability	690	(644)
Deferred revenue	18,154	(26,109)
Total revenue recognized that was included in the contract liability balance at the beginning of the period	**30,169**	**34,197**

Contract assets and costs are included in other current or non-current assets and contract liabilities in other current or non-current liabilities.

Cost of Sales

€ thousands	**June 30, 2021**	**June 30, 2022**
Purchases and shipping costs	(805,942)	(592,869)
Change in inventories	31,446	(87,388)
Cost of sales	**(774,496)**	**(680,257)**

Note 9 Expenses by nature and function

€ thousands	**Fulfillment**	**Marketing**	**Technology and content**	**General and administrative**	**June 30, 2021 Revised**
Employee benefits expense	(21,380)	(6,932)	(23,306)	(11,358)	(62,977)
Other expenses	(48,029)	(44,103)	(17,441)	(13,091)	(122,664)
Depreciation and amortization expense	(15,220)	(212)	(25,369)	(1,813)	(42,614)
Total as of June 30, 2021 Revised	**(84,629)**	**(51,248)**	**(66,116)**	**(26,262)**	**(228,254)**

€ thousands	**Fulfillment**	**Marketing**	**Technology and content**	**General and administrative**	**June 30, 2022**
Employee benefits expense	(22,229)	(7,485)	(25,831)	(11,870)	(67,415)
Other expenses	(40,539)	(44,388)	(19,523)	(12,540)	(116,990)
Depreciation and amortization expense	(15,467)	(238)	(30,173)	(2,376)	(48,254)

Total as of June 30, 2022	**(78,235)**	**(52,111)**	**(75,527)**	**(26,786)**	**(232,659)**

The following table presents the breakdown of other fulfillment costs, other marketing costs and other tech and content costs.

€ thousands	June 30, 2021 Revised	June 30, 2022
Operation of fulfillment centers	(32,377)	(30,009)
Payment processing	(3,562)	(6,287)
Customer service centers	(7,507)	(6,627)
Other fulfillment costs	(4,583)	2,384
Fulfillment costs	**(48,029)**	**(40,539)**
Online and offline marketing costs	(43,998)	(43,016)
Other marketing costs	(105)	(1,372)
Marketing costs	**(44,103)**	**(44,388)**
Technology infrastructure	(14,019)	(15,502)
Other technology and content costs	(3,422)	(4,021)
Technology and content costs	**(17,441)**	**(19,523)**

Note 10 Other operating expenses and income

1. Strategic and restructuring costs

As of June 30, 2021, we had €2.6 million on restructuring and strategic costs of which €2.3 million of fees for the capital increase project and €0.5 million of head office restructuring.

As of June 30, 2022, we had €3.4 million on restructuring and strategic costs of which €3.3 million of head office restructuring.

2. Litigation costs and income

As of June 30, 2021, provisions for tax risks were reversed for €5.2 million. These reversals of local property taxes provisions are linked to the end of tax audit on fiscal years 2016, 2017 and 2018.

As of June 30, 2022, benefit of €0.3 million mainly consists of reversal of provisions for tax risks for €0.5 million.

3. Change in scope of consolidation

As of June 30, 2021 and June 30, 2022, change in scope of consolidation includes amortization of fair value adjustments recognized in purchase price allocation for €0.2 million and €0.1 million.

4. Impairment and disposal of assets

As of June 30, 2021, €1.0 million of impairment of IT development costs was recognized related to assets for which impairment indicators were identified and the carrying amount were higher than the recoverable amount and €0.5 million of impairment on tangible assets was recognised related to the departure of the Canéjan warehouse site.

As of June 30, 2022, €19.8 million of gain on asset sale and €5.2 million of impairment of assets have been accounted for the FLOA transaction (see Note 2), €0.7 million of impairment of IT development costs was recognized related to assets for which impairment indicators were identified and the carrying amount were higher than the recoverable amount.

Note 11 Financial income and expense

€ thousands	June 30, 2021 Revised	June 30, 2022
Interest income from cash and cash equivalents	-	-
Foreign exchange gain	73	323
Proceeds from sale of investments	-	102
Other financial income	152	144
Total finance income	**225**	**570**
Interest expense on borrowings (including cash pool balance with Casino)	(5,398)	(8,584)
Interest expense on lease liability	(3,952)	(3,934)
Foreign exchange loss	(139)	(587)
Costs related to sales of receivables	(14,347)	(29,832)
Book value of investments	-	-
Other financial expense	(578)	(44)
Total finance expense	**(24,414)**	**(42,982)**

Under IFRS 16, the lease liability is measured at amortised cost using the effective interest method. Accordingly, finance expense is negatively impacted by interest expense on lease liability (€3,951 thousands in the first semester of 2021 and €3,934 thousands in the first semester of 2022)

Note 12 Taxes

Breakdown

Income tax expenses

Analysis of income tax expense:

€ thousands	June 30, 2021	June 30, 2022
Current taxes	(1,100)	(1,302)
Other taxes on income (i)	(860)	(1,130)
Deferred taxes	(454)	(1,079)
Total income tax profit (loss) recognized in the income statement	**(2,413)**	**(3,510)**
Tax on other income recognized in “Other comprehensive income”	—	—
Tax on other income recognized in “Total comprehensive income”	**(2,413)**	**(3,510)**

CVAE is a French tax which is based on the value added reported in French entities. CVAE is considered to meet the definition of a tax on income as defined in IAS 12 and is therefore reported as income tax.

Reconciliation of theoretical and actual tax expense

€ thousands	June 30, 2021	June 30, 2022
Profit (loss) before tax and share of profits of associates	**(16,765)**	**(64,034)**
Nominal income tax rate (i)	**25.00%**	**25.00%**
Income tax benefit (expense)	**4,191**	**16,008**
Effect of tax rates in foreign entities (i)	17	473
Unrecognized deferred taxed assets arising from tax loss of the period	(5,904)	(18,908)
Non-deductible expenses	—	(117)
CVAE net of income tax	(626)	(838)
Tax credits	—	—
Share based payments	—	—

Deferred tax assets arising from tax loss of previous period	—	—
Deferred tax assets arising from temporary differences of previous period	—	—
Other	(92)	(128)
Actual income tax credit / (expense)	**(2,413)**	**(3,510)**

The tax rate corresponds to the rate applicable to Cnova NV. The effect of tax rates in foreign entities is mainly related to the difference with the French income tax rate of 25.83%

Note 13 Goodwill

As of June 30, 2022, indicators of potential impairment for goodwill and intangible assets with indefinite lives have been considered. Management has identified potential indicators of impairment related to significant negative changes in the market and economic environment.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This has been measured through the market capitalization of Cnova. As a result, the test consisted in comparing the net book value of its net assets with the market capitalization of Cnova which is significantly higher: the market capitalization of Cnova amounted to €1,5 billion as of June 30, 2022. Considering that only 1% of the shares of Cnova are floating on the Euronext, the market capitalisation may differ from fair value, we believe Value in use is more representative of the value of the Cash Generating Units.

Value in use is the present value of the future cash flows expected to be derived from continuing use of an asset plus a terminal value. It is determined internally or by external experts based on:

- Cash-flow projections contained in financial budgets/forecasts approved by management and cash flows beyond the projection period are estimated by applying a constant or decreasing growth rate; and
- The terminal value determined by applying a perpetual growth rate to the final cash flow projection.

The tests carried out as of June 30, 2022 did not reveal any impairments of goodwill both from a fair value or value in use perspective.

€ thousands	E Commerce
Carrying Value of Goodwill allocated to the group of units	**122,295**
Carrying amount of intangible assets with indefinite useful lives allocated to the group of units	9,484
Basis on which the unit's (group of units') recoverable amount has been determined	Value in use
Key assumptions	GMV Growth EBITDA Growth Gross Margin rate Growth of Octopia
Management approach to determining the value for key assumptions	Past experience External sources in information
Period over which management projected cash flows based on financial budgets/forecasts approved by the management	5 Years

Growth rate used to extrapolate cash flows	1,9%
Discount rate applied to the cash flow projections	8,1%

Note 14 Fair value of financial instruments

1. Financial assets

€ thousands Financial assets	2021 Carrying amount (A)	2021 Non financial assets (B)	2021 Total Financial assets (A – B)	2021 Assets held for trading	Carrying amount Financial Asset at amortized cost	Carrying amount Financial Asset at fair Value	Total Fair value
Other non-current assets.........	10,648	1,848	**8,800**	—	8,764	36	8,800
Trade receivables	150,856	—	**150,856**	—	150,856	—	150,856
Other current assets*.............	186,421	64,733	**121,688**	—	121,688	—	121,688
Cash and cash equivalents.......	20,453	—	**20,453**	—	20,453	—	20,453

€ thousands Financial assets	June 30, 2022 Carrying amount (A)	June 30, 2022 Non financial assets (B)	June 30, 2022 Total Financial assets (A – B)	June 30, 2022 Assets held for trading	Carrying amount Financial Asset at amortized cost	Carrying amount Financial Asset at fair Value	Total Fair value
Other non-current assets	9,295	1,398	**7,897**	—	7,861	36	7,897
Trade receivables	99,409	—	**99,409**	—	99,409	—	99,409
Other current assets*	200,465	80,722	**119,743**	—	119,743	—	119,743
Cash and cash equivalents	14,744	—	**14,744**	—	14,744	—	14,744

*including :
- social and tax receivables for €50,5m in 2021 and €65,4m as of June 30, 2022.
- other current assets included in net financial debt for €13,3m in 2021 and €27,3m as of June 30, 2022.

32. Financial liabilities

€ thousands Financial liabilities	December 31, 2021 Carrying amount (A)	December 31, 2021 Non financial liabilities (B)	December 31, 2021 Total Financial liabilities (A – B)	Carrying amount Liabilities at amortized Cost	Carrying amount Liabilities at Fait Value	Carrying amount Hedging instruments	Total Fair value
Financial debt	364,660	—	**364,660**	364,660		—	373,363
Trade payables	624,330	—	**624,330**	624,330	—	—	624,330
Other current liabilities.....	216,884	30,712	**186,173**	186,173	—	—	186,173
Other non-current liabilities	3,061	2,072	**359**	359	—	—	359

	June 30, 2022 Carrying	June 30, 2022 Non financial	June 30, 2022 Total Financial	Carrying amount Liabilities at	Carrying amount Liabilities at	Total

€ thousands Financial liabilities	amount (A)	liabilities (B)	liabilities (A – B)	amortized Cost	Fair Value	Hedging instruments	Fair value
Financial debt	512,353	—	**512,353**	512,353	—	—	512,353
Trade payables	417,646	—	**417,646**	417,646	—	—	417,646
Other current liabilities	183,924	2,044	**181,879**	181,879	—	—	181,879
Other non-current liabilities	18,153	1,093	**17,060**	17,060	—	—	17,060

Assets and liabilities are classified at Level 2.

€ thousands	December 31, 2021 Non-Current Portion	Current Portion	Total	June 30, 2022 Non-current Portion	Current Portion	Total
Current account agreement with Casino Finance	220,434	8,170	228,604	301,125	5,632	306,757
Bank overdrafts	—	3,323	3,323	—	66,140	66,140
State Guaranteed loan...........	60,000	58,578	118,578	60,000	59,106	119,106
Commitment to buy back NCI	—	720	720	—	720	720
SPV borrowing for inventory financing	—	—	—	11,000	—	11,000
Other financial liabilities	—	13,434	13,434	—	8,629	8,629
Financial debt	**280,434**	**84,225**	**364,659**	**372,125**	**140,228**	**512,353**

The Group has €70 million of bank overdraft available out of which €66 million were used at June 30, 2022.

In June 2021, Cnova extended the State Guaranteed Loan to 5 years. As per this extension, €60m is due in August 2022, €30m in August 2023, €18m in August 2024, €6m in August 2025 and €6m in August 2026.

Net cash, cash equivalents and restricted cash

Breakdown

€ thousands	June 30, 2021	December 31, 2021	June 30, 2022
Cash equivalents...............................	—	—	—
Cash	21,984	20,453	14,744
Cash and cash equivalents (1)	**21,984**	**20,453**	**14,744**
Bank overdrafts (2).............................	(65,460)	(3,323)	(66,140)
Net cash and cash equivalents..............	**(43,475)**	**17,130**	**(51,396)**
Restricted cash (3)	49,987	57,368	53,214
Net cash and cash equivalents and restricted cash	**6,512**	**74,498**	**1,818**

(1) Cash equivalents are mainly composed of financial investments referred to as highly liquid Bank Certificate of Deposits. Bank overdrafts arise from settlement of promissory notes that are due to suppliers and are repayable on demand to banks when such promissory notes are presented by suppliers for settlement.

(2) Bank overdrafts involve four financial institutions with maturity from first demand repayment to three months. No financial covenants are attached to these bank overdrafts.

(3) We are required to pledge or otherwise restrict a portion of our cash, cash equivalents as

collateral for amounts due to third party sellers in certain jurisdictions. For France this restricted cash is held by Cnova Pay, an entity under the supervision of ACPR, the French prudential supervision and resolution authority which monitors bank and insurance companies in France. We classify cash, cash equivalents with use restrictions of less than twelve month as Other current assets, net.

Note 15 Contingencies

In the normal course of its business, Cnova is involved in several legal proceedings with third parties or with the tax authorities in certain countries. Provisions are set aside to cover these proceedings when Cnova has a legal, contractual or constructive obligation towards a third party at year-end, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

On August 8, 2016, Via Varejo S.A ("Via Varejo"), Cnova Comércio Eletrônico S.A. ("Cnova BR") (Via Varejo and Cnova BR jointly referred to as "Via Varejo") and Cnova N.V ("Cnova") entered into the Reorganization Agreement, aiming to combine the e-commerce business operated by Cnova BR with Via Varejo's brick and mortar activities. The Reorganization Agreement contained, inter alia, the customary indemnification clauses. In September 2019, Via Varejo notified Cnova that it was of the opinion that an indemnification obligation pursuant to the Reorganization Agreement had been triggered for an undocumented amount of circa 65 million BR$, concerning labour and consumer claims that allegedly were of Cnova's responsibility and generated indemnifiable losses. Following this notification, Cnova and Via Varejo corresponded and exchanged information with the purpose to analyse the existence and, if present, extent of the alleged indemnification obligation. On July 20, 2020 Cnova received notice that Via Varejo initiated the arbitration procedure. On January 22, 2021 Via Varejo submitted its statement of claim as part of the arbitration procedure, this statement of claim did not produce any new evidence. Early March 2022 Cnova received a report for from the expert appointed by the tribunal; this report indicates that (i) a significant number of claims do not meet the criteria for eligibility as contained in the reorganization agreement; and (ii) the 65 million BR$, should be lowered with Via Varejo's own contribution of 22% and circa 25 million BR$ in deductibles. Via Varejo and Cnova reviewed the report of the external expert of the tribunal and provided comments to the tribunal after which in May 2022 a hearing took place. Following this hearing, the Tribunal issued a procedural order on July 26, 2022 in which the tribunal appointed expert was charged with performing additional reviews on 19,700 third party claims. A final tribunal decision is expected in the course of 2023. In addition, Management and their counsel are of the opinion that at least half of the gross amount claimed is not eligible for indemnification as per the terms and conditions of the contract. Management and their internal and external legal counsel have analysed the expert report and estimated Cnova's liability is not material after deduction of non-eligible claims, Via Varejo own contribution and deductibles.

Note 16 Related Party Transactions

The following transactions were carried out with related parties (consisting of Casino and its subsidiaries):

€ thousands	December 31, 2021 Transactions	Balance	June 30 2022 Transactions	Balance
Loans due from Parent Companies	(126,089)	18,052	10,248	28,300
Receivables	(19,260)	52,319	(26,007)	26,312
Loan due to Parent Companies	(19,642)	230,504	76,314	306,818
Payables	1,597	40,909	(8,684)	32,225

€ thousands	June 30, 2021 Transactions	Balance	June 30, 2022 Transactions	Balance
Expense	72,525	—	78,612	—
Income	61,044	—	85,109	—

Note 17 Subsequent events

None

6. RESPONSIBILITY STATEMENT AND IN-CONTROL STATEMENT

In accordance with the EU Transparency Directive, as incorporated in chapter 5.1A of the Dutch Financial Supervision Act (Wet op het financieel toezicht), the Company's Chief Executive Officer and Chief Financial Officer declare that, to the best of their knowledge:

These Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and results of the Company and its affiliated companies included in the Company's consolidation on June 30, 2022.

The semi-annual report gives a true and fair view of the position as per the balance sheet date, the principal events during the first six months of the 2022 financial year for the Company and its affiliated companies included in the Company's consolidation, as well as the effect of those events on these Consolidated Financial Statements.

The semi-annual report contains a true and fair view of the material Related Party Transactions entered into by the Company and its subsidiaries.

The semi-annual report describes the principal risks and uncertainties that the Company faced during the first six months of 2022 and is facing at June 30, 2022.
It should be noted that the foregoing does not imply that our systems and procedures provide any assurance as to the realization of operational and strategic business objectives, or that they can prevent all misstatements, inaccuracies, errors, fraud and non-compliance with legislation, rules and regulations.

July 27, 2022

Emmanuel Grenier (Executive director and CEO)

Maxime Dubarry (CFO)