

# *Ceetrus S.A.*

**Statutory auditors report on the annual financial  
statements**

Year ended December 31, 2018

Ceetrus S.A.

Rue du Maréchal de Lattre de Tassigny - 59170 Croix

## **Ceetrus S.A.**

Head office: Rue du Maréchal de Lattre de Tassigny - 59170 Croix  
Share capital: €635 801 600

### **Statutory auditors report on the annual financial statements**

Year ended December 31, 2018

To the General Meeting of Ceetrus S.A.,

#### **Opinion**

In execution of the mission entrusted to us by your General Meeting, we have audited the annual financial statements of the company Ceetrus S.A. for the financial year ended December 31, 2018, as attached to this report.

We certify that, in the light of French accounting rules and principles, the annual financial statements are sincerely and honestly presented and give a true and fair view of the results of the operations of the past financial year and the financial position and assets of the company at the end of this financial year.

#### **Basis of opinion**

##### ***Audit reference system***

We conducted our audit in accordance with professional standards applicable in France. We believe that the evidence we have collected is sufficient and appropriate to provide a basis for our opinion.

The responsibilities incumbent on us with regard to these standards are set out in the section "Auditors' responsibilities for auditing the annual financial statements" of this report.

##### ***Independence***

We carried out our audit mission in accordance with the independence rules applicable to us, over the period from January 1, 2018 to the date of issuance of our report, and in particular we have not provided services prohibited by the code of ethics of the profession of auditor.

## **Justification of the assessments**

Pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you that the most important assessments that we have made, in our professional judgement, related to the appropriateness of the accounting principles applied and the reasonableness of the significant estimates used and the overall presentation of the accounts, particularly as regards the equity investments.

The assessments thus made fall within the context of the audit of the annual financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on elements in these annual financial statements taken separately.

Equity investments, whose net amount on the balance sheet on December 31, 2018 amounted to €3,298,148,000, are recorded at their transfer, subscription or acquisition value and impaired as described in note 2.3. "Controlling interests and other financial assets" in the appendix.

On the basis of the information provided to us, our work consisted of assessing the appropriateness of the methods used and the data on which the determination of the value in use of the controlling interests is based, notably to assess the consistency of the assumptions made by general management.

## **Specific verifications**

In accordance with the professional standards applicable in France, we have also carried out the specific verifications required by the legal and regulatory texts.

## ***Information provided in the management report and in other documents related to the financial situation and the annual financial statements addressed to the shareholders***

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents pertaining to the financial situation and the annual financial statements addressed to the shareholders.

We certify the fairness and consistency with the financial statements of the information relating to the payment periods referred to in Article D.441-4 of the French commercial code.

## ***Corporate governance information***

We certify the existence, in the section of the management report of the Board of Directors devoted to corporate governance, of the information required by Article L.225-37-4 of the French Commercial Code.

In application of the law, we inform you that the information provided for by the provisions of article L.225-37-3 of the French Commercial Code is not mentioned in the section of the management report of the Board of Directors devoted to corporate governance. Consequently, we can not attest to the existence in this report of the information required nor of the accuracy and the sincerity of the information relating to the remunerations and benefits paid to the corporate officers as well as on the commitments made in their favour.

### **Responsibilities of the management and persons in charge of corporate governance relating to the annual financial statements**

It is the responsibility of management to prepare annual financial statements that present a true and fair view in accordance with French accounting principles as well as to implement the internal control that it deems necessary for the preparation of annual financial statements that do not include any significant misstatements, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for evaluating the Company's ability to continue as a going concern, to present in these accounts, as appropriate, the necessary information relating to the continuity of operations and apply the going concern accounting policy unless it is intended to liquidate the company or cease trading.

The annual financial statements have been approved by the Board of Directors.

### **Responsibilities of the statutory auditors in the auditing of the annual financial statements**

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole do not contain significant misstatements. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit carried out in accordance with professional standards will systematically detect any significant misstatement. Anomalies may arise from fraud or error and are considered significant where it can reasonably be expected that they, taken individually or in combination, may influence the economic decisions that users of the accounts take in their business based on these.

As specified by Article L.823-10-1 of the French Commercial Code, our assignment to certify the accounts does not consist of guaranteeing the viability or the quality of the management of your company.

As part of an audit carried out in accordance with the professional standards applicable in France, the statutory auditor exercises their professional judgement throughout this audit. Furthermore:

- they identify and assess the risks that the annual financial statements contain significant misstatements, whether due to fraud or error, define and implement audit procedures to address these risks, and collect any elements they consider sufficient and appropriate on which to base their opinion. The risk of not detecting a significant anomaly from fraud is higher than that of a significant misstatement resulting from an error, as the fraud may involve collusion, forgery, voluntary omissions, misrepresentation or circumventing internal controls;
- they become acquainted with the internal control relevant to the audit in order to define appropriate audit procedures in the circumstances, and not to express an opinion on the effectiveness of the internal control;
- they assess the appropriateness of the accounting methods used and the reasonableness of accounting estimates made by management, as well as the information relating to these provided in the annual financial statements;

- they assess the appropriateness of management's application of the going concern accounting policy and, depending on the evidence gathered, the existence or otherwise of significant uncertainty related to events or circumstances likely to call into question the company's ability to continue as a going concern. This assessment is based on the information collected up to the date of their report, although it should be remembered that subsequent circumstances or events could jeopardize the continuity of operations. If they conclude that there is significant uncertainty, they draw the attention of the readers of their report to the information provided in the annual financial statements about this uncertainty or, if this information is not provided or is not relevant, they formulate a certification with reserves or a refusal to certify;
- they assess the overall presentation of the annual financial statements and assess whether the annual financial statements reflect the underlying transactions and events so as to give a true and fair view of them.

#### The auditors

Paris La Défense, March 28, 2019  
KPMG Audit  
*Department of KPMG S.A.*

Neuilly-Sur-Seine, March 28, 2019  
PriceWaterhouseCoopers Audit

Stella Vitchnian  
Partner

Jean-Baptiste Deschryver  
Partner

## **ANNUAL ACCOUNTS**

**Company: CEETRUS**

**Legal form: Public Limited Company**

**Head office: RUE MAL DE LATTRE DE TASSIGNY 59170 CROIX**

**Closing date: 31/12/2018**

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## Assets

€K	ASSETS		31/12/2018			31/12/2017
			Gross	Depreciation	Net	Net
	Uncalled subscribed capital	(I)				
	Administration costs					
	Development costs					
	Concessions, patents and similar rights		67		67	67
	Goodwill					
	Other intangible assets		5	4	1	3
	Advances on intangible assets					
	<b>TOTAL intangible assets</b>		<b>72</b>	<b>4</b>	<b>68</b>	<b>70</b>
	Land					
	Constructions		281	39	242	
	Technical installations, equipment					
	Other tangible assets		167	60	107	
	Assets in progress		7		7	414
	Advances and deposits					
	<b>TOTAL tangible assets</b>		<b>455</b>	<b>99</b>	<b>356</b>	<b>414</b>
	Controlling interests according to the equity method		15,923		15,923	15,923
	Other controlling interests		3,308,562	26,337	3,282,225	2,398,265
	Receivables related to controlling interests					18,572
	Other financial assets					
	Loans		495,099		495,099	120
	Other long-term investments		20		20	10
	<b>TOTAL financial assets</b>		<b>3,819,604</b>	<b>26,337</b>	<b>3,793,267</b>	<b>2,432,890</b>
	<b>Total fixed assets</b>	(II)	<b>3,820,131</b>	<b>26,440</b>	<b>3,793,691</b>	<b>2,433,373</b>
	Raw materials, supplies					
	Production of goods in progress					
	Production of services in progress					
	Intermediate and finished products					
	Merchandise					
	<b>TOTAL Stock</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	<b>Advances and deposits on orders</b>		<b>1</b>		<b>1</b>	<b>1</b>
	Trade receivables		3,148		3,148	2,540
	Other receivables		50,432		50,432	14,813
	Subscribed and called capital, unpaid					
	<b>TOTAL Receivables</b>		<b>53,580</b>	<b>0.0</b>	<b>53,580</b>	<b>17,353</b>
	Negotiable securities					
	(of which own shares: )					
	Availabilities		0		0	
	<b>TOTAL Availabilities</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	Deferred cost		4,375		4,375	95
	<b>TOTAL Current assets</b>	(III)	<b>57,956</b>		<b>57,956</b>	<b>17,449</b>
	Loan issue costs to be staggered	(IV)				
	Bond repayment premiums	(V)				
	Unrealised exchange rate gains	(V)				
	<b>Overall total</b>	(I to VI)	<b>3,878,086</b>	<b>26,440</b>	<b>3,851,646</b>	<b>2,450,822</b>



## Liabilities

€K	LIABILITIES		31/12/2018	31/12/2017
Share or individual capital	(of which paid: 635,802	)	635,802	635,802
Issuance, merger, transaction premiums, ...			840,768	840,768
Revaluation differences	(of which equity method evaluation difference:	)		
Legal reserve			56,442	50,041
Statutory or contractual reserves				
Regulated reserves	(of which reserve for provisional fluctuation of currencies:	)		
Other reserves	(of which reserve for purchase of original artists' works:	)	792,097	788,422
<b>TOTAL Reserves</b>			<b>848,539</b>	<b>838,463</b>
Balance brought forward				
<b>PROFIT OR LOSS FOR THE FINANCIAL YEAR</b>			<b>101,953</b>	<b>128,016</b>
Investment grants				
Regulated provisions				
	<b>TOTAL SHAREHOLDERS' EQUITY (I)</b>		<b>2,427,062</b>	<b>2,443,049</b>
Income from equity investment issues				
Conditional advances				
	<b>TOTAL OTHER SHAREHOLDERS' EQUITY (II)</b>			
Provisions for risks				
Provisions for charges			610	159
	<b>TOTAL PROVISIONS FOR RISKS AND CHARGES (III)</b>		<b>610</b>	<b>159</b>
Convertible bonds			0.0	
Other bonds			60,105	
Loans and debts with credit institutions			500,204	4
Miscellaneous loans and borrowings	(including participatory loans:	)	855,218	
<b>TOTAL Financial debts</b>			<b>1,415,527</b>	<b>4</b>
Advances and deposits received on orders in progress				
Accounts receivable and related accounts			3,091	3,068
Tax and social debts			4,101	4,388
Debts on fixed assets and related accounts			8	153
Other debts			1,248	
<b>TOTAL Operating liabilities</b>			<b>8,448</b>	<b>7,609</b>
Deferred income				
	<b>TOTAL DEBTS (IV)</b>		<b>1,423,975</b>	<b>7,613</b>
Liability conversion adjustments		(V)		
	<b>TOTAL GENERAL - LIABILITIES (I to V)</b>		<b>3,851,647</b>	<b>2,450,822</b>

## Income Statement

€K	Income Statement	31/12/2018			31/12/2017
		France	Export	Total	
	Sale of goods				
	Production sold goods				
	Production sold services	9,200	8,833	18,033	14,454
	<b>Net turnover</b>	<b>9,200</b>	<b>8,833</b>	<b>18,033</b>	<b>14,454</b>
	Production in stock				
	Immobilised production				
	Operating grants			-1	3
	Reversals of depreciation and provisions, transfer of charges			159	38
	Other income			5	
	<b>Total income from operations (I)</b>			<b>18,196</b>	<b>14,495</b>
	Purchases of goods (including customs duties)				
	Change in stock (goods)				
	Purchases of raw materials and other supplies (including customs duties)				
	Change in stock (raw materials and supplies)				
	Other purchases and external expenses			14,627	9,400
	Taxes & similar payments			874	602
	Salaries and wages			9,363	7,737
	Social contributions			5,639	3,521
	<b>Operating allocations</b>	<b>on fixed assets</b>	- Allocations for depreciation	100	1
			- Allocations for provisions		
		On current assets: allocations for provisions			
		For risks and expenses: allocations for provisions		355	159
	Other expenses			89	35
	<b>Total operating expenses (II)</b>			<b>31,047</b>	<b>21,455</b>
	<b>OPERATING INCOME</b>			<b>-12,851</b>	<b>-6,961</b>
	Profit allocated or loss transferred (III)				
	Loss sustained or profit transferred (IV)				
	Financial income from controlling interests			121,402	140,261
	Income from other securities and receivables from fixed assets			2,230	
	Other interests and similar income			372	90
	Reversals of provisions and transfers of expenses				
	Positive currency exchange differences				
	Net income from disposals of marketable securities				
	<b>Total financial income (V)</b>			<b>124,005</b>	<b>140,351</b>
	Financial allocations to depreciation and provisions			6,000	5,000
	Interest and similar expenses			3,273	
	Negative currency exchange differences				
	Net expenses on disposals of marketable securities				
	<b>Total financial expenses (VI)</b>			<b>9,273</b>	<b>5,000</b>
	<b>FINANCIAL PROFIT OR LOSS (V - VI)</b>			<b>114,732</b>	<b>135,351</b>
	<b>CURRENT PROFIT/LOSS BEFORE TAX (I-II III-IV+V-VI)</b>			<b>101,881</b>	<b>128,390</b>

## Income statement (continued)

€K	Income statement (continued)	31/12/2018	31/12/2017
	Exceptional income from management operations		
	Exceptional income from capital transactions	1,230	
	Reversals of provisions and transfers of expenses		
	<b>Total exceptional income (VII)</b>	<b>1,230</b>	
	Extraordinary expenses on management operations	74	17
	Extraordinary expenses on capital transactions	1,047	
	Exceptional allocations to depreciation and provisions		
	<b>Total exceptional expenses (VIII)</b>	<b>1,121</b>	<b>17</b>
	<b>EXCEPTIONAL PROFIT/LOSS (VII-VIII)</b>	<b>108</b>	<b>-17</b>
	Employee profit-sharing in the company (IX)	70	401
	Taxes on profits (X)	-34	-44
	<b>TOTAL INCOME (I + III + V + VII)</b>	<b>143,430</b>	<b>154,846</b>
	<b>TOTAL EXPENSES (II + IV + VI + VIII + IX + X)</b>	<b>41,477</b>	<b>26,830</b>
	<b>PROFIT OR LOSS (total income - total expenses)</b>	<b>101,953</b>	<b>128,016</b>

## NOTES TO THE ANNUAL ACCOUNTS

Company: CEETRUS

The financial year has a duration of 12 months covering the period from 01/01/2018 to 12/31/2018

The notes or tables hereafter form an integral part of the annual accounts.

## 1.Key factors

### 1.1. Main events of the financial year

Immochan SA changed its company name on July 1<sup>st</sup>, 2018 to Ceetrus SA.

In 2018, Ceetrus SA received dividends in the amount of €121,267,756 from Ceetrus France and €134,980 from the limited liability company Domaine de Bonne Nouvelle.

Ceetrus SA has subscribed to a €500 million loan maturing in 2023 from five banks grouped together under a "Club Deal", a €60 million bond issue maturing in 2025 and subscribed to €855 million in credit lines with Auchan Holding maturing in 2020.

It also granted a €494.8 million loan to its subsidiary Ceetrus Finances in July 2018, maturing in 2023.

Shares in the company Aushopping, which is 100% owned by Ceetrus SA, have been fully impaired. Additional impairment was allocated over the year in proportion to the capital increase of the subsidiary.

### 1.2. Events subsequent to the end of year

On January 19<sup>th</sup>, 2019, Ceetrus concluded a €50 million financing agreement maturing in 2021.

## 2.Accounting rules and methods

The annual accounts have been prepared and presented in accordance with the principles and methods defined by ANC regulation no. 2014-03 of 5 June 2014 relating to the French accounting principles [PCG].

The general accounting conventions have been applied in accordance with the principle of prudence, in accordance with the basic assumptions:

- continuity of operations,
- consistency of accounting methods from one year to the next,
- independence of financial years,

and in accordance with the general rules for the preparation and presentation of the annual accounts.

The basic method used for valuing items recorded in the accounts is the historical cost method.

## 2.1. Intangible assets

### Software

Computer software purchased and software developed internally are capitalised and depreciated over their estimated useful life of 3 years. As an exception, ERP-type software is depreciated over 5 years since it is highly structuring for the business and its functional and technical architecture has a longer useful life.

### Impairment of intangible assets:

In accordance with article 214-16 of the PCG, the company carries out impairment tests as soon as there is an indication of loss of value. When the net book value of the asset exceeds its recoverable amount, an impairment loss is recorded as an expense.

## 2.2. Tangible assets

Tangible assets are valued at their acquisition cost, with the exception of assets received as an asset contribution on January 1<sup>st</sup>, 1997.

Acquisition costs and borrowing costs are recorded as expenses.

The principal components of a tangible asset (hereinafter "component") are recorded separately when their estimated useful lives are significantly different. A depreciation plan specific to each component is applied according to the rate or method of depreciation specific to it.

Maintenance and repair costs are recorded in the period in which they are incurred. Subsequent expenditures related to the replacement or renewal of a component are accounted for as a separate asset replacing the renewed asset.

Fixed assets are depreciated from the date of commissioning of the asset over their useful life with a residual value of zero.

Constructions (structural work):	40 years
Roofing, sanitation and flooring:	20 years
Fixtures and fittings:	6 and 2/3 years to 8 years
Technical installations, equipment and tools:	3 to 8 years
Office supplies:	3 to 5 years
Other fixed assets:	3 to 5 years

When the depreciable asset is likely to be eligible for tax system using declining-balance depreciation method and/or when the periods of use in the profession are lower than the useful lives, the company records an excess tax depreciation.

### Impairment of tangible assets:

The impairment rules for tangible assets are identical to those used for intangible assets.

### 2.3. Controlling interests and other financial assets

Equity investments are shown on the balance sheet at their transfer value. When the inventory value of a controlling interest is lower than its transfer or acquisition value, a provision for impairment is established.

The inventory value of a controlling interest corresponds to its value in use for the company, which is determined by reference to the proportion of shareholders' equity held, to the corrected net accounting asset, to its yield value and to the prospects of profitability.

Acquisition costs are included in the cost price of equity investments and are depreciated over a 5-year period.

Other financial assets are shown on the balance sheet at their production cost. If necessary, provisions are recognised when their value in use falls below their cost.

### 2.4. Receivables and debts

Receivables and debts are valued at their par value. Those expressed in foreign currencies are valued on the basis of the exchange rate prevailing at the end of the financial year.

Borrowing costs are spread over the term of the loan.

When commercial transactions are hedged to fix the price of the foreign currency, debts and receivables are recorded at the hedged rate. In this case, there is no conversion difference.

Receivables with risks of non-payment are subject to depreciation by provision.

### 2.5. Negotiable securities

Negotiable securities have been valued at their purchase price or their market value at the end of the financial year, whichever is lower.

### 2.6. Provisions for risks and expenses

A provision for risks and expenses is recorded when the company has a legal or constructive obligation to a third party resulting from a past event, the amount of which can be estimated in a sufficiently reliable manner and whose termination is likely to result in an outflow of resources.

### 2.7. Pension commitments and other long-term employee benefits

The company outsources the management of end-of-career benefits to cover future expenses through an insurance system.

The commitments are subject to an actuarial valuation, using the projected credit unit method. This method consists of determining the rights acquired by the employees at the end of year for pensions, post-employment benefits and long-term benefits, taking into account the economic conditions and the forecasts for salary changes.

As such, the valuation of retirement benefits takes into account, in particular, the following data:

- end-of-career salaries by integrating the years of service of the employees, the projected salary level at the date of retirement, taking into account expected career growth effects and an estimated evolution of pension levels;
- the retirement age, determined according to the provisions applicable in the company;

- the projected number of employees retiring, determined on the basis of turnover rates and the mortality table TF00/02 with age difference;
- a nominal discount rate of 1.8%;
- a rate of return on financial assets of 1.8%.

Ceetrus SA does not make any provision in its accounts for retirement benefits.

### **2.8. Notion of current profit/loss and exceptional profit/loss**

All exceptional elements in terms of frequency and amount related to ordinary activities are recorded as exceptional profit/loss.

### **2.9. Taxes on profits**

The company is consolidated for tax purposes. The parent company (Auchan Holding SA), as the only entity liable for the tax, records the tax debt owed to the Public Treasury. Subsidiaries in the tax consolidation group determine and account for their tax expenses as if they were taxed separately and record their tax liability to the parent company in the current accounts. Tax savings from loss-making companies are recorded in the income statement by the group's tax consolidation parent company (Auchan Holding SA)

## **3.Changes in method**

During the financial year, no change in method occurred; consequently, the exercises are comparable without restatement.



## 4. Notes on the balance sheet

### 4.1. Fixed assets

#### 4.1.1. Intangible and tangible assets

Gross fixed assets (in thousands of euros)	Start of the financial year	Merger operation	Increase and contributions	Decrease and contributions	End of the financial year
Intangible assets	72.1		0.0	0	72.1
Tangible assets	439.3		40.7	25.4	454.6
<b>TOTAL</b>	<b>511.4</b>	<b>0.0</b>	<b>40.7</b>	<b>25.4</b>	<b>526.7</b>

#### 4.1.2. Statement of depreciation

Depreciation (in thousands of euros)	Start of the financial year	Merger operation	Increase and contributions	Decrease and contributions	End of the financial year
Intangible assets	2.6		1.5		4.1
Tangible assets	25.4		98.5	25.4	98.5
<b>TOTAL</b>	<b>28.0</b>	<b>0.0</b>	<b>100.0</b>	<b>25.4</b>	<b>102.6</b>

#### 4.1.3. Financial assets

Gross fixed assets (in thousands of euros)	Start of the financial year	Merger operation	Increase and contributions	Decrease and contributions	End of the financial year
Equity investments	2,434,524.6		891,007.9	1,047.4	3,324,485.1
Loans and other fixed assets	18,701.7		494,800.0	18,383.4	495,118.3
<b>TOTAL</b>	<b>2,453,226.3</b>	<b>0.0</b>	<b>1,385,807.9</b>	<b>19,430.8</b>	<b>3,819,603.4</b>

The cash advance granted by Ceetrus SA to its 50%-owned subsidiary Alliges et Territoires for €31,984,000 was reclassified in 2018 as "Group and Associates" receivables in note 4.3.

#### 4.2. Table of subsidiaries and controlling interests

(in thousands of euros)	Gross value of securities	Net value of securities	Shareholders' equity excluding profit	% holding	Turnover	Dividends cashed	Accounting result last financial year
<b>A / More than 50% of the capital</b>							
Soficole BV	2,287,138	2,287,138	2,663,447	100%	0	0	7,986
Ceetrus France SA	636,042	636,042	471,069	97.72%	315,775	121,268	40,924
Aushopping SAS	26,337	0	4,747	100%	11	0	-2,025
Bonne Nouvelle SARL	401	401	245	100%	209	135	149
Sofinance SAS	56,839	56,839	57,575	98.76%	0	0	-2
Ceetrus Polska	297,838	297,838	311,018	89.49%	62,940	0	10,899
<b>B / Between 5% and 50% of the capital</b>							
Huis	3,960	3,960	9,914	40%	0	0	-2
Alliages et Territoires	15,923	15,923	3,414	50%	5,169	0	-145

#### Loans and advances, sureties and endorsements given:

At the end of 2018, there was only a current account cash advance granted to Alliages et Territoires for €31,984,000.

### 4.3. Receivables and debts

Statement of receivables (in thousands of euros)		Gross amount	At - 1 year	At + 1 year
Loans (1)		495,098.7	0.0	495,098.7
Other long-term investments		19.7	19.7	0.0
Accounts receivable (2)		3,148.2	3,148.2	0.0
Employees and related accounts		64.4	64.4	0.0
Social security and other social organisations		410.2	410.2	0.0
State and other public authorities		1,089.1	1,089.1	0.0
Groups and associates (3)		49,127.2	23,480.7	25,646.5
Various debtors		205.1	205.1	0.0
Deferred expenses (4)		4,375.3	4,375.3	0.0
<b>TOTAL RECEIVABLES</b>		<b>553,537.7</b>	<b>32,792.7</b>	<b>520,745.2</b>

(1) Loans consist of the loan to Ceetrus Finances for €494,800K

(2) Trade receivables correspond to receivables concerning the group (invoicing of overheads and management fees)

(3) "Group and associates" consist of the cash current account concerning Ceetrus Finances for €17,099K and the current account concerning Alliages et Territoires for €31,984K

(4) Deferred expenses mainly represent the staggering of the costs of setting up the financial loans (Club Deal)

Statement of debts (in thousands of euros)	Gross amount	At - 1 year	From 1 to 5 years	At + 5 years
Bond issues <sup>(1)</sup>	60,105.0	0.0	0.0	60,105
Financial debts <sup>(2)</sup>	1,355,422.1	0.0	1,355,422.1	0.0
Suppliers and related accounts	3,090.8	3,090.8	0.0	0.0
Tax and social debts	4,100.6	4,100.6	0.0	0.0
Debts on fixed assets	8.1	8.1	0.0	0.0
Group and associates	0.0	0.0	0.0	0.0
Other debts	1,248.1	1,248.1	0.0	0.0
<b>TOTAL DEBTS</b>	<b>1,423,974.7</b>	<b>8,447.6</b>	<b>1,415,527.1</b>	<b>0.0</b>

(1) EUROPP

(2) Club deal (€500,000K); Credit Lines with Auchan Holding (€855,000k)

## 4.4. Equity

### 4.4.1 Share capital

In euros	Number of shares making up the capital	Par value (in euros)	Total (in euros)
On 1 January	31,790,080	20	635,801,600
Increase			
Decrease			
<b>Total on December 31<sup>st</sup></b>	<b>31,790,080</b>	<b>20</b>	<b>635,801,600</b>

### 4.4.2 Change in equity

Equity changes from €2,443,050.0K on 31.12.2017 to €2,427,061.9K on 31.12.2018 equal to a change of -€15,988.0K.

This variation, in thousands of euros, is broken down as follows:

<b>Equity on January 1<sup>st</sup>, 2018</b>	<b>2,443,050.0</b>
* Variation of the merger premium	0.0
* Variation of reserves	10,075.0
* Profit/loss for the financial year	101,953.1
* Variation in regulated provisions	0.0
* Allocation of profit N-1	
- Of which dividends	-117,941.2
- Of which allocation to the legal reserve	-6,400.8
- Of which allocation other reserves	-3,674.2
- Of which allocation to balance brought forward	0.0
<b>Equity on December 31<sup>st</sup>, 2018</b>	<b>2,427,061.9</b>

#### 4.5. Provisions

Type of provisions (in thousands of euros)	Start of the financial year	Allocations	Reversals	End of the financial year
Investment provisions	0.0	0.0	0.0	0.0
Accelerated depreciation	0.0	0.0	0.0	0.0
<b>TOTAL (I)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Provisions for litigation	0.0	0.0	0.0	0.0
Provisions for fines and penalties	0.0	0.0	0.0	0.0
Provisions for foreign exchange losses	0.0	0.0	0.0	0.0
Provisions for pensions	0.0	0.0	0.0	0.0
Provisions for taxes	0.0	0.0	0.0	0.0
Provisions for social security expenses	0.0	0.0	0.0	0.0
Other provisions for risks and expenses <sup>(1)</sup>	158.9	610.1	158.9	610.1
<b>TOTAL (II)</b>	<b>158.9</b>	<b>610.1</b>	<b>158.9</b>	<b>610.1</b>
- Provisions on tangible assets	0.0	0.0	0.0	0.0
- Provisions on equity investments <sup>(2)</sup>	20,337.0	6,000.0	0.0	26,337.0
- Provisions on other financial assets	0.0	0.0	0.0	0.0
Provisions on trade receivables	0.0	0.0	0.0	0.0
Other provisions for impairment	0.0	0.0	0.0	0.0
<b>TOTAL (III)</b>	<b>20,337.0</b>	<b>6,000.0</b>	<b>0.0</b>	<b>26,337.0</b>
<b>GENERAL TOTAL (I + II + III)</b>	<b>20,495.9</b>	<b>6,610.1</b>	<b>158.9</b>	<b>26,947.1</b>

(1) Provisions for risks and expenses consist of the performance premium and a provision for stock options.

(2) The Aushopping SAS shares held by Ceetrus SA are fully impaired. Additional impairment was allocated over the year in proportion to the capital increase of the subsidiary.

#### 4.6. Detail of accrued liabilities and receivables

Expenses payable (in thousands of euros)	Amount
Borrowings and financial liabilities	460.5
Advances and deposits received on orders in progress	
Accounts receivable and related accounts	2,898.7
Tax and social debts	3,457.4
Debts on fixed assets and related accounts	8.1
Other debts	106.1
<b>Total</b>	<b>6,930.8</b>

Accounts receivable (in thousands of euros)	Amount
Receivables related to controlling interests	
Other long-term investments	178.7
Trade receivables	
Employees and related accounts	
Social security and other social organisations	
State and other public authorities	256.9
Other receivables	
Availabilities	
<b>Total</b>	<b>435.6</b>

#### 4.7. Accruals

Deferred expenses by type (in thousands of euros)	Amount
Linearization of Club Deal set up fees	4,273.7
Other	101.5
<b>Total</b>	<b>4,375.2</b>

## 5. Notes on the income statement

### 5.1. Analysis on the operating income

(In K euros)	2018	2017
Net turnover	18,033	14,454
Personnel costs	-15,002	-11,259
Depreciation allocations and provisions net of reversals	-296	-122
Taxes and duties	-874	-602
Other operating income and expenses	-14,712	-9,432
<b>Total on December 31<sup>st</sup></b>	<b>-12,851</b>	<b>-6,961</b>

Net turnover mainly corresponds to the invoicing of expatriate personnel costs to the countries for €3,008k, the invoicing of IT personnel costs to Ceetrus France for €1,803k. Invoicing for management fees to countries increased by €1,377k.

The evolution of personnel costs is largely related to the increase in the workforce, and the provisions of Ilt (long-term profit-sharing), rcv (value creation remuneration) and stock options.

Other expenses mainly increased on the fees item for €2,630,000, assignment expenses and hosting for € 314k, external personnel costs for €729k.

### 5.2. Analysis of the financial profit/loss

The financial profit/loss excluding dividends and provisions improved by €46k.

(In K euros)	2018	2017
Other financial income	372	90
Dividends received	121,403	140,261
Depreciation of equity investments	-6,000	-5,000
Other financial expenses and income	-1,043	0
<b>Total on 31 December</b>	<b>114,732</b>	<b>135,351</b>

Ceetrus SA received dividends in the amount of €135k from the company Domaine de Bonne Nouvelle.

Ceetrus SA received dividends in the amount of €121,268k from the company Ceetrus France.

Ceetrus SA depreciated the shares of Aushopping SAS for €6,000k.

Ceetrus received €2,230k in interest on the loan with Ceetrus Finances.

Ceetrus paid €3,273K in interest on borrowings and lines of credit.

### 5.3. Analysis of the exceptional profit/loss

-> Ceetrus sold shares in 2018:

Immochan Polska to:

-Soficole: €147K of capital gain

-Valpoland: €37K of capital gain

Sofinance to

-Valrussie: -€1K of capital loss

-> Ceetrus paid €55K of penalties on the tax audit, and €19K of donations.

### 5.4. Remuneration paid to members of management bodies

Given the confidentiality of this information, remuneration is not disclosed.

### 5.5. Employees

The average workforce changed from 73 in 2017 to 121 in 2018.

The actual workforce consists of 97 people, 62 men and 35 women.

### 5.6. CICE

In 2018, Ceetrus benefited from a tax credit for competitiveness and employment of €34K.

### 5.7. Taxes on profits

Ceetrus SA has a fiscal deficit of €12,311k on December 31<sup>st</sup>, 2018. There is no corporate income tax included in the income statement on December 31<sup>st</sup>, 2018.

(in thousands of euros)	Profit/loss before taxes	Taxes on profits	Profit/loss after tax
Current profit/loss	101,880.7		101,880.7
Extraordinary profit/loss	108.1		108.1
Cice	34.0		34.0
Controlling interest	69.8		69.8
Accounting income	101,953.0	0.0	101,953.00

#### **Method used:**

The tax adjustments have been reclassified according to their type in current profit/loss and exceptional profit/loss.



## 6. Additional notes

### 6.1. Off-balance sheet commitments

Pension commitments: €2,431k

Unused credit lines granted by Auchan Holding, as of December 31<sup>st</sup> : €245,000K

The bank financing and the private bond placement contracted by Ceetrus SA are subject to covenants based on financial ratios. These contracts include an early repayment clause in the event of non-compliance with these ratios, as of the closing date of Ceetrus SA's consolidated financial statements. The main covenants are presented below:

- the LTV (Loan to Value) ratio: Financial Net Debt/Fair Value of Assets > 50%,
- the ICR (Interest Coverage Ratio): EBITDA/Cost of Financial Debt > 2.

### 6.2. Deferred taxation

<i>Denominated (in thousands of euros)</i>	<b>31/12/2018</b>
<b>Bases for increasing future tax debt</b>	
Regulated provisions	
Investment grants	
Negative valuation difference of O.P.V.C.M securities	
Asset conversion adjustment	
Other expenses deducted in advance	
Long-term capital gains in tax deferral	
<b>Total bases for increasing future tax debt</b>	<b>0.0</b>
<b>Total future tax liability</b>	<b>0.0</b>
<b>Bases for decreasing future tax debt</b>	
Controlling interest	160.9
Potential losses on long-term contract	
Provisions for pensions and similar obligations	
Other risks and provisioned expenses	
Expenses to pay	
Positive valuation difference of O.P.V.C.M securities	
Liability conversion adjustment	
Other income taxed in advance	
Tax-allowable loss carry-forwards	
<b>Total bases for decreasing future tax debt</b>	<b>160.9</b>
<b>Total future tax assets (1)</b>	<b>55.4</b>
<b>Net situation</b>	<b>-55.4</b>

<i>(1) Tax rate:</i>	34.43%
<i>Of which standard rate of corporation tax:</i>	33.33%
<i>Social security contribution on the tax:</i>	3.30%

### 6.3. Company establishing the consolidated accounts

Name and registered office
Auchan Holding SA 40, avenue de Flandre 59170 Croix Siret number: 47618062500479