

**REPORT OF THE BOARD OF DIRECTORS OF COLRUYT GROUP NV OF 6 JUNE 2024 TO THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF 8 OCTOBER 2024**

Subject:

- Waiver of the pre-emptive right in favour of the employees pursuant to article 7:191 of the Companies and Associations Code (hereinafter the "CAC").

- Capital increase reserved for employees of Colruyt Group under the provisions of article 7:204 of the CAC.

- Justification of the issue of new Colruyt shares and of the deviation from the pre-emptive right.

Every year since 1987, the Colruyt Group employees have been given the opportunity to subscribe to a capital increase of Colruyt Group NV (hereinafter the "Company").

Each time such a capital increase with waiver of the pre-emptive right was carried out, the Board of Directors pointed out one of its main objectives, i.e. to in time create a large group of employee-shareholders in the capital structure of the Company and thus to closely involve them in the corporate life of the Company and of the group.

Capital increases carried out in this context in recent years have shown that there is great interest in this among the members of personnel.

In accordance with article 7:204 §2, par. 1 °4 of the CAC, the new shares may be issued at an issue price that is up to 20% lower than the share price justified by the management body and the auditor.

Employees who subscribe to new shares in the framework of the capital increase reserved for Colruyt Group employees are eligible for a 'tax credit for the subscription to and payments for purchasing employer's shares' (cf. pension savings schemes under the former Monory bis system). The tax credit for the purchase of employer's shares amounts to 30% with a maximum of **EUR 820,00 (income year 2024, tax assessment year 2025)**. Every eligible employee can however opt for the application of either the tax credit for employer's shares or the tax credit for bank-managed pension savings funds. Combining both is not allowed.

As a result of the proposed capital increase, the number of shares may be increased by a maximum of 1.000.000, raising the number from 127.348.890 shares to 128.348.890, i.e. a maximum dilution of 0,785%.

Taking into account the identical capital increases undertaken from 1987 to now, this brings the total dilution for all similar operations together to 19,23%<sup>1</sup>.

The financial dilution from a maximum of 1.000.000 shares to be issued is the difference between the **average stock exchange price in the last 30 days preceding the**

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<sup>1</sup> The calculation is subject to the cancellation of treasury shares.

**Extraordinary General Meeting of 8 October 2024 and the issue price.** The amount of the dilution and percentage per share will be determined at the Extraordinary General Meeting of 8 October 2024.

Taking all this into account, it has been proposed to the Extraordinary General Meeting of Shareholders of 8 October 2024 to proceed to an increase of the capital of Colruyt Group NV under the provisions of article 7:204 of the CAC, and under the terms and conditions stated below (with due observance of the limitations laid down in §2 of the aforementioned article). This capital increase is reserved exclusively for eligible employees of Colruyt Group.

- Terms and conditions

a. Issue of a maximum of 1.000.000 new registered shares with no stated face value; these shares may not be transferred for five years as of the time of subscription, in accordance with article 7:204 §1 of the CAC. Exceptions to the five-year share blocking period are: dismissal by the employer, retirement, death or disability of the beneficiary or his/her spouse/legal cohabitant.

b. Subscription to the new shares is reserved solely for employees of Colruyt Group who have worked for at least six months in one of the Colruyt Group companies on 17 October 2024 (commencement date of the subscription period), who are already under the central management of the human resources department People&Organisation (P&O) and who are not serving a period of notice at that time.

Every eligible employee has the possibility to subscribe to a maximum of 5.000 new shares.

c. The new shares will be issued as shares subject to withholding tax of 30% on dividends. They will enjoy the same rights as the outstanding ordinary shares; these shares may however not be transferred for a period of five years as of the time of subscription, in accordance with article 7:204 §1 of the CAC; yet they become transferable in accordance with article 7:204 §3 of the CAC in case of resignation, dismissal or retirement of the employee-owner, their death or that of their spouse/legal cohabitant, their disability or of their spouse/legal cohabitant. As of 1 April 2024, the new shares will participate in the profit of the Company. The new shares will be registered in the share register as registered shares.

d. The new shares shall be fully paid up in cash at the time of subscription, at the issue price to be determined by the Extraordinary General Meeting deciding on this agenda.

e. The admission to listing on the Euronext Brussels Continuous Market shall be applied for.

f. During the period of non-transferability referred to in a., the shares will be recorded in the register of shareholders in the name of the subscriber. By the fact of his subscription, the subscriber asks for these shares to be converted into dematerialised shares after the expiry of the said five-year period and to be transferred to his securities

account at that time. At the time of subscription, the subscriber shall undertake to open a securities account to that effect before the expiry of the five-year period.

g. The costs of these operations shall be at the expense of the company; any taxes shall be borne by the subscribers.

h. Determination of the issue price: the issue price is set based on the average stock exchange price of the ordinary Colruyt share during a period of 30 days prior to the Extraordinary General Meeting of 8 October 2024, whereby the price shall not be lower than 80% of that justified in the report of the management body and in the auditor's report (i.e. after the application of a maximum discount of 20%).

i. In accordance with art. 7:191 of the CAC and in the interests of the Company, the pre-emptive right to subscribe to these shares shall be waived in favour of the employees, as specified above.

j. Subscription period and subscription terms: the subscription period shall commence on 17 October 2024 and end on 18 November 2024.

A special letter, accompanied by a subscription form and an information note shall be forwarded to each Colruyt Group employee entitled thereto.

Every eligible employee has the possibility to subscribe to a maximum of 5.000 new shares.

If the total number of shares subscribed to exceeds the maximum number of 1.000.000, there shall be a distribution. The terms and conditions of the distribution will in the first instance take into account the possibility for each eligible employee to obtain the maximum tax benefit. At a next stage, a proportionate reduction will be applied, taking into account the number of shares subscribed to per eligible employee.

The maximum amount by which the subscribed capital will be increased will be determined by the Extraordinary General Meeting of Shareholders by multiplying the issue price by the maximum number of new shares to be issued.

The Board of Directors requests authorisation to take the necessary steps to effect the capital increase under the terms and conditions determined by the Extraordinary General Meeting of Shareholders.

Halle, 6 June 2024

On behalf of the Board of Directors,

Kriya One BV  
Permanently represented by  
Jef Colruyt  
Director

Korys Business Services III NV  
Permanently represented by  
Wim Colruyt  
Director