

Consolidated annual information on the financial year 2021/22

## Revenue increases slightly, market share grows Operating profit and net result under pressure

Halle, 14 June 2022

### **General**

Colruyt Group's current year result evolution was impacted by specific effects:

- The Belgian retail market experienced diverse impacts of the easing of COVID-19 restrictions in the financial year 2021/22. Volumes in the food stores were under pressure and market competitiveness increased strongly in terms of both price and promotions. In addition, the last months of the financial year were particularly marked by a challenging macroeconomic environment with high inflation. Colruyt Lowest Prices nonetheless continued to deliver on its brand promise by consistently implementing its lowest prices strategy. The market share of Colruyt Lowest Prices, OKay and Spar in Belgium increased to 30,8%. Colruyt Group's operating expenses and investments were also affected by rising inflation in 2021/22, an effect that was even more pronounced in the last quarter of the financial year. These trends have led to a decrease of the operating profit and the net result of Colruyt Group.
- At the beginning of the financial year 2021/22, Colruyt Group acquired 100% of the shares of the Belgian foodservice partner **Culinoa**<sup>(\*)</sup> and of the Belgian fitness chain **JIMS**<sup>(\*)</sup>. The services Culinoa provides are complementary to the activities of Solucious, Colruyt Group's foodservice specialist. JIMS operates 27 fitness centres in Belgium and Luxembourg, which also offer group exercise classes and digital coaching. Both have been fully consolidated since respectively April and May 2021, which has contributed to the consolidated revenue. The impact on the operating profit and the net result is limited.
- In the last quarter of 2021/22 Colruyt Group acquired 100% of the shares of the industrial bakery **Roelandt Group**<sup>(\*)</sup>. With this acquisition, Colruyt Group furthers its investments in the vertical integration of fresh products, in this case bread. Roelandt Group has been fully consolidated since January 2022, which contributed to consolidated revenue. The impact on the operating profit and the net result is limited.
- In the financial year 2020/21, Colruyt Group acquired 100% of the shares of **Joos Hybrid**<sup>(\*)</sup> and increased its stake in **The Fashion Society**<sup>(\*)</sup>. Joos Hybrid provides companies with hybrid total solutions for document and communication management. The Fashion Society includes the fashion retail chains ZEB, PointCarré and The Fashion Store. Both have been fully consolidated since August 2020, which has contributed to the consolidated revenue.
- As from October 2020, the group stopped selling the general non-food range through the Collishop website, which negatively impacted the consolidated revenue in the first semester of 2021/22.
- At the end of May 2020, Colruyt Group transferred certain assets relating to **Eoly's** renewable wind energy activities into the energy holding Virya Energy. As a result of this transaction, Colruyt Group realised a one-off positive effect of EUR 31 million in the first half of the financial year 2020/21.

This transaction had no material impact on the cash flow statement.

<sup>(\*)</sup> This press release uses the term "the new entities" to refer to the acquisitions made in the financial years 2020/21 (The Fashion Society and Joos Hybrid) and 2021/22 (JIMS, Culinoa and Roelandt Group).

## **I. Financial report**

### **A. Consolidated income statement**

(in million EUR)	<b>1/04/2021</b> - <b>31/03/2022<sup>(1)</sup></b>	<b>1/04/2020</b> - <b>31/03/2021<sup>(2)</sup></b>	<b>Variance</b>
<b>Revenue</b>	<b>10.049</b>	<b>9.931</b>	<b>+1,2%</b>
<b>Gross profit</b>	<b>2.752</b>	<b>2.792</b>	<b>-1,4%</b>
% of revenue	27,4%	28,1%	
<b>Operating cash flow (EBITDA)</b>	<b>741</b>	<b>850</b>	<b>-12,9%</b>
% of revenue	7,4%	8,6%	
<b>Operating profit (EBIT)</b>	<b>375</b>	<b>523</b>	<b>-28,3%</b>
% of revenue	3,7%	5,3%	
<b>Profit before tax</b>	<b>383</b>	<b>521</b>	<b>-26,5%</b>
% of revenue	3,8%	5,2%	
<b>Profit for the financial year</b>	<b>288</b>	<b>416</b>	<b>-30,8%</b>
% of revenue	2,9%	4,2%	
<b>Earnings per share (in EUR)<sup>(3)</sup></b>	<b>2,16</b>	<b>3,06</b>	<b>-29,4%</b>

(1) For the specific effects that impacted the results of the financial year 2021/22, we refer to the "General" section above.

(2) The results of the financial year 2020/21 were impacted by the COVID-19 crisis. For the other specific effects impacting the results of the financial year 2020/21, we refer to the "General" section above.

(3) The weighted average number of outstanding shares equalled 132.677.085 in 2021/22 and 135.503.424 in 2020/21.

Colruyt Group's **revenue** rose to over EUR 10,0 billion in 2021/22. Revenue was positively impacted by the revenue increase from the fuel distribution activities of DATS 24 (excluding petrol, revenue decreased by 2,0%) and the full consolidation of the new entities. On the other hand, the revenue evolution was negatively affected by the food store volumes being under pressure following the easing of COVID-19 restrictions and by the discontinuation of the non-food sales through the Collishop website (as from October 2020).

Colruyt Group's market share in Belgium (Colruyt Lowest Prices, OKay and Spar) rose to 30,8% in the financial year 2021/22 (30,6%<sup>(\*\*)</sup> in 2020/21). At the start of the financial year 2022/23, the market share maintains its upward trend.

The **gross profit margin** decreased to 27,4% of revenue. Excluding petrol, the gross margin improved by 12 basis points. The full consolidation of the new entities had a positive impact on the gross margin.

In the financial year 2021/22, the Belgian retail market was characterised by a competitive market environment, in terms of both price and promotions. The last months of the financial year were marked by price increases, which the group tries to limit as much as possible for the consumer by thoroughly analysing every price increase request and by entering into consultations with the suppliers.

At the start of the financial year 2020/21, the gross profit margin was positively impacted by lower promotional pressure following the ban on promotions and discounts in Belgian supermarkets.

(\*\*) As Nielsen modified the market share calculation method in 2021/22, last financial year's market share was also revised using this modified method.

Net operating expenses climbed from 19,6% to 20,0% of revenue. The increase is mainly the result of rising inflation on all key financial statement items, such as employee benefit expenses and energy costs, the full consolidation of the new entities and the group's ongoing investments in its employees, high-quality house-brand products, sustainability and digital transition. The increase is also explained by the one-off positive effect of EUR 31 million in the first half of the previous financial year 2020/21 (resulting from the contribution of Eoly's renewable wind energy activities into the energy holding company Virya Energy).

Further COVID-19-related costs were incurred in 2021/22, including additional benefits and days of leave that the group granted to its employees in sales, logistics and production as a token of gratitude for the efforts made. In the second half of 2021/22, following a decision of the Belgian government and the various agreements concluded at sector level, Colruyt Group granted to its employees a one-time compensation (the so-called 'corona bonus') in the form of consumption vouchers, for a total amount of approximately EUR 12 million.

The **operating cash flow (EBITDA)** amounted to 7,4% of revenue (8,3% in 2020/21 excluding the gain realised on the contribution of Eoly Energy).

The depreciation, amortisation and impairment charges rose by EUR 38 million. The increase is mainly attributable to the full consolidation of the new entities (EUR 14 million) and to the continuous investments in stores, production and distribution centres and transformation programmes.

The **operating profit (EBIT)** totalled EUR 375 million or 3,7% of revenue in 2021/22 (5,0% in 2020/21 excluding the gain realised on the contribution of Eoly Energy).

The share in the result of investments increased to EUR 6 million in 2021/22 (EUR -4 million in 2020/21). The increase is explained by the 2020/21 result that was adversely impacted by The Fashion Society and Vendis Capital due to the COVID-19 health crisis. This was partly offset by the higher result generated by Virya Energy in 2020/21.

The effective tax rate increased from 20,0% to 25,2%. The evolution of the effective tax rate is partly explained by one-off effects, such as the exempted gain on the contribution of Eoly Energy into Virya Energy in the previous financial year.

Excluding the gain realised on the contribution of Eoly Energy in the financial year 2020/21, the **profit for the period** decreased by 25,3% from EUR 385 million (3,9% of revenue) to EUR 288 million (2,9% of revenue).

The Board of Directors will propose a **gross dividend** of EUR 1,10 per share to the General Meeting of Shareholders.

## **B. Revenue by cash-generating unit**

### **1. Retail**

Revenue from the retail activities declined by 1,7% to EUR 8.165 million. The retail activities accounted for 81,2% of the consolidated revenue in financial year 2021/22.

The food retail revenue in Belgium, France and Luxembourg reported significant volume gains (offline and online) in the food stores in the financial year 2020/21 as a result of the COVID-19 health crisis. In the financial year 2021/22 however, the **food retail revenue** was marked by declining volumes in food stores due to the combination of the easing of COVID-19 restrictions and a competitive market environment in terms of both price and promotions. Notwithstanding this revenue decrease, the market share of Colruyt Lowest Prices, OKay and Spar in Belgium grew to 30,8% (30,6% in 2020/21).

In addition, the food retail revenue was impacted negatively by the discontinuation of the non-food sales through the Collishop website (as of October 2020) and positively by the full consolidation of Roelandt Group (as of January 2022).

Revenue of Colruyt Lowest Prices in Belgium and Luxembourg declined by 3,0%. The revenue performance was primarily impacted by the competitive market environment. The last months of the financial year 2021/22 were mainly marked by price increases which Colruyt Lowest Prices tries to limit as much as possible for the consumer, the consumer's financial situation being something that Colruyt Lowest Prices feels very strongly about. Colruyt Lowest Prices therefore continues to consistently implement its lowest prices strategy and delivers on its brand promise day after day.

In the financial year 2021/22, investments in the modernisation of 17 existing stores continued and a new Colruyt store in Luxembourg and a second Colruyt Professional store in Drogenbos were opened.

OKay, Bio-Planet and Cru reported an aggregate revenue decline of 8,6%.

OKay opened five new stores in 2021/22, including one in Ghent with a new innovative store concept that allows customers to shop for groceries 24/7 (OKay Direct). Several stores were renovated this financial year, as in previous years. OKay thus continues to invest in convenience and in high-quality and fresh products.

For twenty years already, Bio-Planet has been a pioneer in sustainability with a large range of organic and eco-friendly products and healthy food. Bio-Planet wants to make conscious consumption more accessible and continues to focus on Belgian and local products.

For the Cru multi-experience markets in Overijse, Ghent and Antwerp, artisan products and customer experience, combined with craftsmanship, remain at the forefront while they pursue their efforts to improve operational efficiency.

The revenue of Colruyt in France rose by 4,5%. Excluding petrol, Colruyt's revenue in France declined by 2,4%. Last financial year, the revenue was positively impacted by the COVID-19 crisis, especially in the second half of the year.

Three stores were divested near Paris and four new stores were opened in the last quarter of 2021/22. Colruyt Prix Qualité is a clearly laid-out neighbourhood supermarket, where customers can find everything they need for their daily and weekly shop.

Colruyt Group continues to invest in its French retail activities, inter alia by renewing existing stores and doubling the logistical capacity in the years ahead.

The **non-food retail revenue** increased by 33,8% compared to last year. In the financial year 2020/21, revenue was adversely impacted by the government-enforced store closures. In 2021/22, revenue was positively impacted by the full consolidation of The Fashion Society as from August 2020 and the acquisition of JIMS at the end of April 2021.

The combined store revenue of Dreamland, Dreambaby and Bike Republic improved by 7,2%. Bike Republic's store estate grew from 15 to 21 stores.

The Fashion Society, the holding that includes the fashion retail chains ZEB, PointCarré and The Fashion Store, is fully consolidated as of August 2020. The multi-brand chain comprises 124 stores in Belgium, Luxembourg and France.

In April 2021, Colruyt Group acquired 100% of the shares of the Belgian fitness chain JIMS. In addition to 27 traditional fitness centres and the possibility to attend group exercise classes, JIMS also provides digital coaching.

Colruyt Group continues to invest in and innovate its **online store concepts and digital applications**.

Colruyt Group's online sales amounted to 8% of the retail revenue, excluding petrol, in 2021/22. Colruyt Group's online revenue is primarily generated by **Collect&Go**. As a shopping service, Collect&Go is the market leader in the Belgian online food market and continued once again this year to show growth. The new e-commerce distribution centre for Collect&Go in Londerzeel has been operational since September 2021 and is four times the size of the previous facility. This will further support growth in the years ahead.

Colruyt Group is launching a **home delivery service** via Collect&Go, with orders being **delivered** by its own employees in Brussels and Antwerp. Every week, 500 orders will be delivered from the e-commerce distribution centre in Londerzeel. The home delivery concept launched in May 2020, with groceries being delivered through a network of neighbours, is also being rolled out further. By combining these two services, Collect&Go is able to make home deliveries faster and to serve more customers.

In July 2021, Colruyt Group increased its stake in the online pharmacy specialist **Newpharma** (accounted for using the equity method) to 61%. With this investment, the group aims at stimulating the consumer with a proactive approach to health. At the same time, it allows the group to further develop its leadership in online retail, with a focus on a multi-channel approach.

In February 2022, Colruyt Group acquired a stake in Smartmat NV, a company specialised in meal boxes under the brands **Foodbag** and **15gram**. This has led the group to further expand its customer-oriented offer in the Belgian online food market.

**Innovation** and **sustainability** remain the common threads running through all Colruyt Group's activities.

Colruyt Group is a reference point for sustainable entrepreneurship and a source of inspiration for conscious consumption. Colruyt Group works towards this objective step by step, through a wide array of initiatives and partnerships. For example, there are more than 150 projects with which the group wants to make a positive difference both socially and ecologically, always with long-term results in mind.

In March 2021, Colruyt Group introduced the Eco-Score. The Eco-Score indicates a product's environmental footprint and complements the Nutri-Score, with the aim of inspiring the consumer to consume consciously, in terms of both environment and health. In October 2021, Colruyt Group won the Mercurius award with the Eco-Score, an award granted by the trade federation Comeos to reward innovation.

In terms of vertical integration, the group opened the new production site Fine Food Spreads in Halle and acquired 100% of the shares of the industrial bakery Roelandt Group. These investments strengthen the group's position as an independent player in the market.

Colruyt has committed to continuing to combat food waste in collaboration with 'Too Good to Go'. Colruyt has been taking a very conscious approach to food waste for years and aims to raise its customers' awareness in this respect as well. This collaboration is another important step in this direction.

In the years ahead, the group will also continue to invest in the sustainable conversion of existing stores into low-energy stores.

## **2. Wholesale and Foodservice**

Revenue from the wholesale and foodservice segment decreased by 0,9% to EUR 1.065 million and was impacted by the easing of COVID-19 restrictions. These activities accounted for 10,6% of the group revenue in the financial year 2021/22.

**Wholesale** revenue declined by 5,7%. Last financial year, the revenue was driven by higher sales volumes in Belgium and France, mainly as a result of COVID-19. The Spar Colruyt Group stores in Belgium position themselves as friendly neighbourhood supermarkets for daily grocery shopping, with a wide range of fresh products and personal service. The profitability of the independent Spar entrepreneurs continues to rank among the best on the market.

Colruyt Group continues to focus on a close, long-term collaboration with the independent entrepreneurs and intends to further expand its efficient independent store network in Belgium and France over the coming years.

Revenue from the **foodservice** activities of Colruyt Group increased by 40,6% in 2021/22. The revenue increase was realised mainly by Solucious, the foodservice specialist of Colruyt Group, and was further reinforced by the acquisition of Culinoa in April 2021.

Solucious delivers foodservice and retail products to professional customers throughout Belgium, including hospitals, SMEs and the hospitality sector. Solucious stands out by its convenience, its wide product range, its smooth and reliable deliveries and its fair and consistent pricing. Solucious achieved a 26,3% revenue increase in 2021/22. In the financial year 2020/21, the COVID-19 health crisis led to a drop in deliveries, especially in those to the hospitality sector.

In April 2021, Colruyt Group acquired 100% of the shares of Culinoa. The services provided by Culinoa, which as a foodservice partner guides and supports over 100 large-scale kitchens of healthcare institutions in Belgium, are complementary to those of Solucious. This investment has led to a further increase of the revenue from the group's foodservice activities.

## **3. Other activities**

Revenue from the other activities increased by 49,7% to EUR 819 million in 2021/22. These activities accounted for 8,2% of the consolidated revenue.

This segment basically comprises the revenue of the Belgian **DATS 24** filling stations. The revenue of DATS 24 was positively impacted by price and volume increases following the easing of COVID-19 restrictions.

The DATS 24 network currently comprises more than 85 CNG stations, one public hydrogen filling station and over 140 electric charging posts on car parks of Colruyt Group stores. Step by step, DATS 24 furthers its efforts to promote greener mobility and to raise the level of public acceptance of the sustainable energy transition through cooperatives and investments in renewable energy. These investments include inter alia the construction of additional public hydrogen filling stations, the expansion of the number of electric charging posts and the recent stake in Pluginvest.

Since April 2021, customers can also rely on DATS 24 for the supply of natural gas and green, Belgian electricity. DATS 24 thus provides energy at home, at work and on the road.

The revenue from **printing and document management solutions** relates to the activities of Symeta and Joos Hybrid (jointly Symeta Hybrid). Joos Hybrid, whose activities are complementary to those of Symeta, is fully consolidated as of August 2020.

Colruyt Group is the majority shareholder of the energy holding **Virya Energy**. Virya Energy is active in the development, financing, construction and operation of renewable energy sources, with a particular focus on offshore and onshore wind energy, and aims for international expansion. The energy holding is also working towards developing a service offering in offshore renewable energy with recent stakes in GEOxyz, .Ocean and Fluves. Virya Energy currently holds 100% stakes in, amongst others, offshore wind energy (Parkwind) and onshore wind energy (Eoly Energy and Eurowatt).

### **C. Consolidated balance sheet**

The net carrying amount of the **tangible and intangible fixed assets** increased by EUR 253 million to EUR 3.232 million. The increase is primarily the net effect of new investments (EUR 488 million), the full consolidation of Culinoa, JIMS and Roelandt Group (EUR 79 million) and depreciation charges (EUR 359 million).

Colruyt Group continues to invest in its distribution channels, logistics and production departments, in renewable energy and in digital transformation programmes.

Investments accounted for using the equity method rose by EUR 144 million, mainly due to the increase of the stake in **Newpharma** from 26% to 61% in July 2021 and the acquisition of a 41,36% stake in **Smartmat** in February 2022. Because of these transactions, the cash flow statement of Colruyt Group includes a cash outflow of respectively EUR 72 million and EUR 27 million in the financial year 2021/22.

The current financial assets as at 31 March 2022 mainly relate to the convertible bonds issued by **Virya Energy** in the financial year 2020/21. The carrying amount of EUR 95 million corresponds to the conversion price and reflects the fair value at 31 March 2022.

This bond issuance fitted with Virya Energy's expansion plans. Both Colruyt Group and Korys subscribed to these bonds. The bonds are interest-bearing and can either be converted into Virya Energy shares or redeemed. The parties have taken the necessary measures in view of the conflict of interest rules.

The **net cash and cash equivalents** amounted to EUR -31 million at 31 March 2022 (net of EUR 207 million of short-term financing).

Colruyt Group's **equity** totalled EUR 2.462 million at 31 March 2022, accounting for 43,8% of the balance sheet total.

The increase in **interest-bearing liabilities** (current and non-current) by EUR 505 million is mainly attributable to the long-term financing entered into by Colruyt Group to continue to invest in the group's longer-term sustainable growth.

### **D. Treasury shares**

In 2021/22, 4.650.566 treasury shares were purchased for an amount of EUR 198,2 million.  
In October 2021, 2.500.000 treasury shares were cancelled.

After year-end, 1.326.899 treasury shares were purchased for an amount of EUR 44,8 million.

On 10 June 2022, Colruyt Group held 4.845.853 **treasury shares**, which represented 3,62% of the total number of shares issued.

## **II. Events after the balance sheet date**

### **A. Conversion of convertible bonds issued by Virya Energy**

In early June 2022, Colruyt Group and its family majority shareholder Korys converted their convertible bonds issued by Virya Energy into shares. As both shareholders converted the bonds, the shareholding remains unchanged.

The parties have taken the necessary measures in view of the conflict of interest rules.

The public announcement in accordance with article 7:97, §4/1 of the Belgian Companies and Associations Code regarding the conversion of convertible bonds issued by Virya Energy NV has been annexed to this press release.

### **B. Colruyt Group increases its stake in Newpharma to 100%**

On 13 June 2022, Colruyt Group increased its stake in Newpharma to 100% by acquiring the shares held by Korys, the investment company of the Colruyt family. This additional investment in Newpharma enables Colruyt Group not only to pursue its ambitions in the area of health, but also to further develop its leadership in online retail.

Because of this transaction, the cash flow statement of Colruyt Group will include a cash outflow of approximately EUR 95 million in the financial year 2022/23. The parties have agreed not to disclose any details regarding the price or any other terms of the transaction. Arm's length principles were applied for the valuation.

As a result of this transaction, Newpharma will be fully consolidated as from July 2022. Excluding possible one-off effects, Colruyt Group does not expect this to have a material impact on the net result of the financial year 2022/23.

The necessary measures have been taken in view of the conflict of interest rules.

The public announcement in accordance with article 7:97, §4/1 of the Belgian Companies and Associations Code regarding the increase of the stake in Newpharma, has been annexed to this press release.

### **C. Other**

There were no further significant events after year-end.



### **III. Outlook**

Colruyt Group expects the current macroeconomic context, which is marked by inflation, cost increases and a negative consumer confidence, to continue. And this in a market environment that is particularly competitive. In light of the uncertainty caused by the geopolitical situation, the group is unable to make any statements in this regard and these expectations may have to be revised in due course.

As a retailer, and as the market leader in Belgium, we want to continue to actively fulfil our role in society. The consumer's financial situation is something that Colruyt Group feels very strongly about. Now more than ever, customers must be able to rely on us. Colruyt Lowest Prices will therefore continue to consistently implement its lowest prices strategy. The group will limit price increases as much as possible, by thoroughly analysing every price increase request and by entering into consultations with the suppliers.

The group's operating expenses, such as employee benefit expenses and energy costs, are heavily impacted by rising inflation. Colruyt Group will nonetheless pursue its investments in efficiency, employees, high-quality house-brand products, sustainability, innovation and digital transition, while maintaining its focus on operating cost control. Colruyt Group maintains its long-term focus and will continue to consistently pursue its long-term strategy.

Colruyt Group expects the consolidated net result excluding possible one-off effects to further decrease in 2022/23 compared to 2021/22.

Excluding possible one-off effects, Colruyt Group does not expect the acquisition of Roelandt Group and the increase of the stake in Newpharma to have a material impact on Colruyt Group's net result in 2022/23.

The group points out that the uncertainty arising from the geopolitical situation may impact the 2022/23 result outlook.

Colruyt Group will present its full-year 2022/23 guidance at the General Meeting of Shareholders on 28 September 2022.

### **IV. Financial calendar**

- Information to financial analysts 15/06/2022 (14h00)
- Publication annual report 2021/22 29/07/2022
- General Meeting of Shareholders 28/09/2022 (16h00)

### **V. Contacts**

For questions on this press release or for further information, please send an email to [investor@colruytgroup.com](mailto:investor@colruytgroup.com) or contact Stefaan Vandamme (CFO) or Mélanie Squilbin (Investor Relations) by phone at +32 2 363 50 51 (extension: 92590).

**About Colruyt Group**

Colruyt Group operates in the food and non-food distribution sector in Belgium, France and Luxembourg with more than 700 own stores and approximately 580 affiliated stores. In Belgium, this includes Colruyt Lowest Prices, OKay, Bio-Planet, Cru, Dreamland, Dreambaby, Bike Republic and the affiliated Spar stores. In France, in addition to Colruyt stores, there are also affiliated Coccinelle, Coccimarket and Panier Sympa stores. The group is majority shareholder of The Fashion Society, which includes the fashion retail chains ZEB, PointCarré en The Fashion Store. JIMS operates fitness clubs in Belgium and Luxembourg. Solucious and Culinoa deliver food service and retail products to professional customers in Belgium (hospitals, SMEs, hospitality sector, etc.). The activities of Colruyt Group also comprise energy supply by DATS 24 in Belgium (fuels, natural gas and green energy) and France (fuels) and printing and document management solutions (Symeta Hybrid). The group employs over 32.000 employees and recorded a EUR 10,0 billion revenue in 2021/22. Colruyt is listed on Euronext Brussels (COLR) under ISIN code BE0974256852.

**Risks relating to forecasts**

Statements by Colruyt Group included in this press release, along with references to this press release in other written or verbal statements of the group which refer to future expectations with regard to activities, events and strategic developments of Colruyt Group, are predictions and as such contain risks and uncertainties. The information communicated relates to information available at the present time, which can differ from the final results. Factors that can generate a variation between expectation and reality are: changes in the micro- or macroeconomic context, changing market situations, changing competitive climate, unfavourable decisions with regard to the building and/or extension of new or existing stores, procurement problems with suppliers, as well as all other factors that can impact the group's result. Colruyt Group does not make any commitments with respect to future reporting that might have an influence on the group's result or which could bring about a deviation from the forecasts included in this press release or in other group communication, whether written or oral.

Deze informatie is ook beschikbaar in het Nederlands.  
Ces informations sont également disponibles en français.

Only the Dutch version is the official version.  
The French and English versions are translations of the original Dutch version.

## CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### Condensed consolidated income statement

(in million EUR)	01.04.2021	01.04.2020
	31.03.2022	31.03.2021
Revenue	10.049,3	9.930,7
Cost of goods sold	(7.297,6)	(7.138,8)
<b>Gross profit</b>	<b>2.751,7</b>	<b>2.791,9</b>
Other operating income	196,0	185,5
Services and miscellaneous goods	(692,9)	(633,3)
Employee benefit expenses	(1.478,5)	(1.462,3)
Depreciation, amortisation and impairment of non-current assets	(365,4)	(326,9)
Other operating expenses	(35,7)	(31,4)
<b>Operating profit (EBIT)</b>	<b>375,2</b>	<b>523,5</b>
Finance income	11,3	8,5
Finance costs	(9,8)	(7,6)
<b>Net financial result</b>	<b>1,5</b>	<b>0,9</b>
Share in the result of investments accounted for using the equity method	6,0	(3,5)
<b>Profit before tax</b>	<b>382,7</b>	<b>520,9</b>
Income tax expense	(94,7)	(104,9)
<b>Profit for the financial year</b>	<b>288,0</b>	<b>416,0</b>
<b>Attributable to:</b>		
Non-controlling interests	0,7	0,7
Owners of the parent company	287,3	415,3
Earnings per share (EPS) – basic and diluted (in EUR)	2,16	3,06

## Condensed consolidated statement of comprehensive income

(in million EUR)	01.04.2021 -31.03.2022	01.04.2020 -31.03.2021
<b>Profit for the financial year</b>	<b>288,0</b>	<b>416,0</b>
<b><u>Items of other comprehensive income from fully consolidated subsidiaries</u></b>		
<b>Items that will not be reclassified to profit or loss</b>		
Revaluation of liabilities related to long-term post-employment benefits, after taxes	20,8	(13,0)
Net change in fair value of financial assets at fair value through other comprehensive income, after taxes	(1,1)	4,1
<b>Total of the items that will not be reclassified to profit or loss</b>	<b>19,7</b>	<b>(8,9)</b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Profit/(loss) from currency translation of foreign subsidiaries, after taxes	0,3	(0,2)
Net change in fair value of derivative financial instruments, after taxes	6,2	2,2
<b>Total of the items that may be reclassified subsequently to profit or loss</b>	<b>6,5</b>	<b>2,0</b>
<b><u>Items of other comprehensive income from investments accounted for using the equity method</u></b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Net change in fair value of derivative financial instruments, after taxes	16,4	(11,4)
<b>Total of the items that may be reclassified subsequently to profit or loss</b>	<b>16,4</b>	<b>(11,4)</b>
<b>Other comprehensive income for the financial year</b>	<b>42,6</b>	<b>(18,3)</b>
<b>Total comprehensive income for the financial year</b>	<b>330,6</b>	<b>397,7</b>
<b><u>Attributable to:</u></b>		
Non-controlling interests	0,7	0,7
Owners of the parent company	<b>329,9</b>	<b>397,0</b>

## Condensed consolidated statement of financial position

(in million EUR)	31.03.2022	31.03.2021
Goodwill	157,6	124,9
Intangible assets	329,4	277,1
Property, plant and equipment	2.745,0	2.576,6
Investments accounted for using the equity method	464,3	320,4
Financial assets	14,7	111,6
Deferred tax assets	17,5	12,3
Other receivables	46,0	42,4
<b>Total non-current assets</b>	<b>3.774,5</b>	<b>3.465,3</b>
Inventories	815,6	737,9
Trade receivables	602,4	542,9
Current tax assets	35,2	50,1
Other receivables	81,4	78,2
Financial assets	128,3	36,4
Cash and cash equivalents	176,2	284,5
<b>Total current assets</b>	<b>1.839,1</b>	<b>1.730,0</b>
<b>TOTAL ASSETS</b>	<b>5.613,6</b>	<b>5.195,3</b>
Share capital	364,7	357,4
Reserves and retained earnings	2.097,4	2.165,6
<b>Total equity attributable to owners of the parent company</b>	<b>2.462,1</b>	<b>2.523,0</b>
Non-controlling interests	-	4,2
<b>Total equity</b>	<b>2.462,1</b>	<b>2.527,2</b>
Provisions	15,4	26,0
Liabilities related to employee benefits	107,2	134,4
Deferred tax liabilities	91,6	66,0
Interest-bearing and other liabilities	650,7	249,8
<b>Total non-current liabilities</b>	<b>864,9</b>	<b>476,2</b>
Provisions	0,7	1,0
Bank overdrafts	0,2	1,2
Interest-bearing liabilities <sup>(1)</sup>	349,8	230,5
Trade payables	1.283,6	1.319,3
Current tax liabilities	24,9	26,2
Liabilities related to employee benefits and other liabilities	627,4	613,7
<b>Total current liabilities</b>	<b>2.286,6</b>	<b>2.191,9</b>
<b>Total liabilities</b>	<b>3.151,5</b>	<b>2.668,1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5.613,6</b>	<b>5.195,3</b>

<sup>(1)</sup> At 31 March 2022, this includes amongst others short-term financing in the amount of EUR 207 million (EUR 177 million at 31 March 2021).

## Condensed consolidated statement of changes in equity

(in million EUR, except number of shares)	Attributable to the owners of the parent company									Non-controlling interests	Total equity	
	Number of shares	Share capital	Number of treasury shares	Treasury shares	Other reserves				Retained earnings			Total
					Revaluation reserves of liabilities related to long-term post-employment benefits	Cumulative translation adjustments	Cash flow hedge reserves	Fair value reserves of financial assets through OCI				
<b>At 1 April 2021</b>	<b>136.154.960</b>	<b>357,4</b>	<b>1.368.388</b>	<b>(65,3)</b>	<b>(42,1)</b>	<b>(2,0)</b>	<b>(31,1)</b>	<b>9,7</b>	<b>2.296,4</b>	<b>2.523,0</b>	<b>4,2</b>	<b>2.527,2</b>
<b>Total comprehensive income for the financial year</b>	-	-	-	-	<b>20,8</b>	<b>0,3</b>	<b>22,6</b>	<b>(1,1)</b>	<b>287,3</b>	<b>329,9</b>	<b>0,7</b>	<b>330,6</b>
Profit for the financial year	-	-	-	-	-	-	-	-	287,3	287,3	0,7	288,0
Other comprehensive income for the financial year	-	-	-	-	20,8	0,3	22,6	(1,1)	-	42,6	-	42,6
<b>Transactions with the owners</b>	<b>(2.315.772)</b>	<b>7,3</b>	<b>2.150.566</b>	<b>(78,5)</b>	-	-	-	-	<b>(319,6)</b>	<b>(390,8)</b>	<b>(4,9)</b>	<b>(395,7)</b>
Capital increase	184.228	7,3	-	-	-	-	-	-	1,3	8,6	-	8,6
Treasury shares purchased	-	-	4.650.566	(198,2)	-	-	-	-	(1,1)	(199,3)	-	(199,3)
Cancellation of treasury shares	(2.500.000)	-	(2.500.000)	119,7	-	-	-	-	(119,7)	-	-	-
Change in ownership percentage	-	-	-	-	-	-	-	-	(7,5)	(7,5)	(4,0)	(11,5)
Dividends	-	-	-	-	-	-	-	-	(195,4)	(195,4)	(0,9)	(196,3)
Other	-	-	-	-	-	-	-	-	2,8	2,8	-	2,8
<b>At 31 March 2022</b>	<b>133.839.188</b>	<b>364,7</b>	<b>3.518.954</b>	<b>(143,8)</b>	<b>(21,3)</b>	<b>(1,7)</b>	<b>(8,5)</b>	<b>8,6</b>	<b>2.264,1</b>	<b>2.462,1</b>	-	<b>2.462,1</b>

## Condensed consolidated statement of changes in equity

(in million EUR, except number of shares)	Attributable to the owners of the parent company										Non-controlling interests	Total equity
	Number of shares	Share capital	Number of treasury shares	Treasury shares	Other reserves				Retained earnings	Total		
					Revaluation reserves of liabilities related to long-term post-employment benefits	Cumulative translation adjustments	Cash flow hedge reserves	Fair value reserves of financial assets through OCI				
<b>At 1 April 2020</b>	<b>138.432.588</b>	<b>347,1</b>	<b>2.799.868</b>	<b>(128,8)</b>	<b>(29,1)</b>	<b>(1,8)</b>	<b>(21,9)</b>	<b>5,6</b>	<b>2.184,7</b>	<b>2.355,8</b>	<b>3,6</b>	<b>2.359,4</b>
<b>Total comprehensive income for the financial year</b>	-	-	-	-	<b>(13,0)</b>	<b>(0,2)</b>	<b>(9,2)</b>	<b>4,1</b>	<b>415,3</b>	<b>397,0</b>	<b>0,7</b>	<b>397,7</b>
Profit for the financial year	-	-	-	-	-	-	-	-	415,3	415,3	0,7	416,0
Other comprehensive income for the financial year	-	-	-	-	(13,0)	(0,2)	(9,2)	4,1	-	(18,3)	-	(18,3)
<b>Transactions with the owners</b>	<b>(2.277.628)</b>	<b>10,3</b>	<b>(1.431.480)</b>	<b>63,5</b>	-	-	-	-	<b>(303,6)</b>	<b>(229,8)</b>	<b>(0,1)</b>	<b>(229,9)</b>
Capital increase	222.372	10,3	-	-	-	-	-	-	1,8	12,1	-	12,1
Treasury shares purchased	-	-	1.068.520	(52,5)	-	-	-	-	(0,4)	(52,9)	-	(52,9)
Cancellation of treasury shares	(2.500.000)	-	(2.500.000)	116,0	-	-	-	-	(116,0)	-	-	-
Change in ownership percentage	-	-	-	-	-	-	-	-	(7,8)	(7,8)	(0,6)	(8,4)
Changes in consolidation method	-	-	-	-	-	-	-	-	-	-	1,3	1,3
Dividends	-	-	-	-	-	-	-	-	(183,1)	(183,1)	(0,8)	(183,9)
Other	-	-	-	-	-	-	-	-	1,9	1,9	-	1,9
<b>At 31 March 2021</b>	<b>136.154.960</b>	<b>357,4</b>	<b>1.368.388</b>	<b>(65,3)</b>	<b>(42,1)</b>	<b>(2,0)</b>	<b>(31,1)</b>	<b>9,7</b>	<b>2.296,4</b>	<b>2.523,0</b>	<b>4,2</b>	<b>2.527,2</b>

## Condensed consolidated statement of cash flows

	01.04.2021	01.04.2020
(in million EUR)	-	-
	31.03.2022	31.03.2021
<b>Operating activities</b>		
<b>Profit before tax</b>	<b>382,7</b>	<b>520,9</b>
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment of non-current assets	365,4	326,9
Finance income and finance costs	(1,5)	(0,9)
Share in the result of investments accounted for using the equity method	(6,0)	3,5
Other <sup>(1)</sup>	(16,5)	2,9
<b>Cash flow from operating activities before changes in working capital and provisions</b>	<b>724,1</b>	<b>853,3</b>
Decrease/(increase) in trade and other receivables	(47,7)	1,4
Decrease/(increase) in inventories	(60,3)	(118,8)
(Decrease)/increase in trade payables and other liabilities	(49,3)	53,4
(Decrease)/increase in provisions and liabilities related to employee benefits	(6,4)	32,4
Interest paid	(2,3)	(2,0)
Interest received	5,3	0,3
Dividends received	4,9	1,2
Income tax paid	(69,5)	(112,9)
<b>Cash flow from operating activities</b>	<b>498,8</b>	<b>708,3</b>
<b>Investing activities</b>		
Acquisition of property, plant and equipment and intangible assets	(484,5)	(466,2)
Business combinations (net of cash and cash equivalents acquired) and business disposals (net of cash and cash equivalents disposed of)	(65,0)	(48,4)
(Increase in investment in)/proceeds from capital reimbursements of associates and joint ventures	(74,1)	0,3
(Purchases)/sales of financial assets	13,1	(98,7)
(Payment of)/proceeds from repayment of loans granted	(13,7)	(9,3)
Proceeds from sale of property, plant and equipment and intangible assets	17,2	27,6
<b>Cash flow from investing activities</b>	<b>(607,0)</b>	<b>(594,7)</b>
<b>Financing activities</b>		
Proceeds from the issue of share capital	7,3	10,3
Acquisition of non-controlling interests	0,1	(2,9)
Purchase of treasury shares	(199,1)	(52,8)
New/(repayment of) borrowings <sup>(2)</sup>	440,0	157,1
Payment of lease liabilities	(51,2)	(38,4)
Dividends paid	(196,3)	(183,9)
<b>Cash flow from financing activities</b>	<b>0,8</b>	<b>(110,6)</b>
<b>Net increase/(decrease) of cash and cash equivalents</b>	<b>(107,4)</b>	<b>3,0</b>
Cash and cash equivalents at 1 April	283,3	263,3
Effect of changes in foreign currency rates	0,1	-
Effect of changes in consolidation scope	-	17,0
<b>Cash and cash equivalents at 31 March</b>	<b>176,0</b>	<b>283,3</b>

<sup>(1)</sup> The category 'Other' includes amongst others losses/(gains) on the sale of property, plant and equipment, intangible assets and financial non-current assets, impairments and reversals of impairments on inventories, trade receivables and other receivables, employee benefits in the context of capital increases reserved for employees.

<sup>(2)</sup> Includes amongst others the withdrawal/(repayment) of short-term financing.



# Notes to the condensed consolidated financial statements

## 1. Basis of presentation and statement of compliance

Etn. Fr. Colruyt NV (hereinafter referred to as 'the Company') is domiciled in Halle, Belgium and is publicly traded on NYSE Euronext Brussels under the code COLR. The condensed consolidated financial statements for the financial year 2021/22 ending 31 March 2022, contain the financial statements of the Company, its subsidiaries (hereinafter referred to collectively as 'Colruyt Group'), and Colruyt Group's interests in associates and joint ventures.

These condensed consolidated financial statements are an excerpt from the consolidated financial statements to be published at the end of July 2022.

These condensed consolidated financial statements have been prepared in accordance with the applicable 'International Financial Reporting Standards' (IFRS), as issued by the 'International Accounting Standards Board' (IASB) and accepted by the European Union up to 31 March 2022.

These condensed consolidated financial statements were approved for publication by the Board of Directors on 10 June 2022.

Amounts are, unless mentioned otherwise, expressed in million EUR, rounded to one decimal place. As a result of rounding, the totals of certain figures in the tables may differ from those in the main statements or between disclosure notes.

## 2. Significant accounting policies

The accounting principles applied by Colruyt Group in these condensed consolidated financial statements are consistent with those applied in the consolidated financial statements 2020/21, as published in July 2021, except for the changes listed below.

Since 1 April 2021, the following (amendments to) standards and improvements are effective for Colruyt Group:

- IFRS 16 (Amendment), '*Leases - Covid-19-Related Rent Concessions beyond 30 June 2021*';
- IFRS 9 (Amendment), '*Financial Instruments - Interest Rate Benchmark Reform – Phase 2*';
- IFRS 7 (Amendment), '*Financial Instruments: Disclosures - Interest Rate Benchmark Reform – Phase 2*';
- IAS 39 (Amendment), '*Financial Instruments: Recognition and Measurement - Interest Rate Benchmark Reform - Phase 2*';
- IFRS 4 (Amendment), '*Insurance Contracts - Interest Rate Benchmark Reform - Phase 2*';
- IFRS 16 (Amendment), '*Leases - Interest Rate Benchmark Reform - Phase 2*';
- IFRS 4 (Amendment), '*Insurance Contracts - Deferral of IFRS 9*'.

These new or amended standards and improvements have no material impact on the condensed consolidated financial statements.

Colruyt Group did not early adopt the following published (amended) standards, which are relevant to the group and effective only after 31 March 2022:

- IFRS 3 (Amendment), '*Business Combinations - Reference to the Conceptual Framework*' (effective date for Colruyt Group 1 April 2022);
- IAS 16 (Amendment), '*Property, Plant and Equipment - Proceeds before Intended Use*' (effective date for Colruyt Group 1 April 2022);
- IAS 37 (Amendment), '*Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts*' (effective date for Colruyt Group 1 April 2022);
- IAS 1 (Amendment), '*Presentation of Financial Statements and IFRS Practice Statement 2 - Disclosure of Accounting Policies*' (effective date for Colruyt Group 1 April 2023);
- IAS 8 (Amendment), '*Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*' (effective date for Colruyt Group 1 April 2023);
- IFRS 17 '*Insurance Contracts*' and IFRS 17 (Amendment), '*Insurance Contracts*' (effective date for Colruyt Group 1 April 2023);
- IAS 1 (Amendment), '*Presentation of Financial Statements - Classification of Liabilities*' (effective date for Colruyt Group 1 April 2023);
- IAS 12 (Amendment), '*Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*' (effective date for Colruyt Group 1 April 2023);
- IFRS 17 (Amendment), '*Insurance Contracts - Initial Application of IFRS 17 and IFRS 9*' (effective date for Colruyt Group 1 April 2023).

These amended standards will have no material impact on the consolidated financial statements of Colruyt Group.

There are no other (amended) standards, interpretations or improvements which are not yet effective for Colruyt Group and which are expected to have a material impact on the consolidated financial statements of Colruyt Group.

### 3. Disposal of subsidiaries

There were no material disposals of subsidiaries during the financial year 2021/22.

### 4. Operating segments

	Retail <sup>(1)</sup>		Wholesale and Foodservice <sup>(2)</sup>		Other activities <sup>(3)</sup>		Operating segments	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
(in million EUR)								
Revenue - external	8.164,9	8.308,4	1.065,0	1.075,1	819,4	547,2	10.049,3	9.930,7
Revenue - internal	68,4	65,2	17,2	13,0	13,5	9,3	99,1	87,5
Operating profit (EBIT)	351,7	445,0	51,1	56,8	14,1	50,9	416,9	552,7
Share in the result of investments accounted for using the equity method	(0,7)	(12,2)	-	-	4,6	8,5	3,9	(3,7)
Acquisition of property, plant and equipment and intangible assets <sup>(4)</sup>	369,1	313,0	25,5	15,2	20,8	20,0	415,4	348,2
Depreciation and amortisation	274,1	245,3	20,7	19,9	12,2	12,0	307,0	277,2
Impairment of non-current assets	6,1	3,8	-	(0,1)	0,1	-	6,2	3,7

	Operating segments		Unallocated		Eliminations between operating segments		Consolidated	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
(in million EUR)								
Revenue – external	10.049,3	9.930,7	-	-	-	-	10.049,3	9.930,7
Revenue – internal	99,1	87,5	-	-	(99,1)	(87,5)	-	-
Operating profit (EBIT)	416,9	552,7	(41,7)	(29,2)	-	-	375,2	523,5
Share in the result of investments accounted for using the equity method	3,9	(3,7)	2,1	0,2	-	-	6,0	(3,5)
Net financial result							1,5	0,9
Income tax expense							(94,7)	(104,9)
<b>Profit for the financial year</b>							<b>288,0</b>	<b>416,0</b>
Acquisition of property, plant and equipment and intangible assets <sup>(4)</sup>	415,4	348,2	72,1	120,7	-	-	487,5	468,9
Depreciation and amortisation	307,0	277,2	51,8	45,8	-	-	358,8	323,0
Impairment of non-current assets	6,2	3,7	0,4	0,2	-	-	6,6	3,9

<sup>(1)</sup> Includes Roelandt Group as of January 2022 and JIMS as of May 2021. As of August 2020, The Fashion Society is fully consolidated and no longer accounted for as a joint venture using the equity method.

<sup>(2)</sup> Includes Culinao as of April 2021.

<sup>(3)</sup> Includes Joos Hybrid as of August 2020. The renewable wind energy activities of Eoly NV were contributed to the energy holding company Virya Energy NV in the financial year 2020/21.

<sup>(4)</sup> Acquisition of property, plant and equipment and intangible assets does not include acquisitions through business combinations, IFRS 16 and changes in consolidation method (The Fashion Society).

## 5. Revenue by cash-generating unit

(in million EUR)	2021/22	2020/21
Retail Food <sup>(1)</sup>	7.699,1	7.960,3
Colruyt Belgium and Luxembourg <sup>(2)(3)</sup>	6.069,1	6.258,4
OKay, Bio-Planet and Cru <sup>(4)</sup>	1.038,4	1.135,9
Colruyt France and DATS 24 France	591,6	566,0
Retail Non-food <sup>(1)(5)</sup>	465,8	348,1
Transactions with other operating segments	68,4	65,2
<b>Retail</b>	<b>8.233,3</b>	<b>8.373,6</b>
Wholesale	911,0	965,6
Foodservice <sup>(6)</sup>	154,0	109,5
Transactions with other operating segments	17,2	13,0
<b>Wholesale and Foodservice</b>	<b>1.082,2</b>	<b>1.088,1</b>
DATS 24 Belgium	798,2	531,7
Printing and document management solutions <sup>(7)</sup>	21,2	15,5
Transactions with other operating segments	13,5	9,3
<b>Other activities</b>	<b>832,9</b>	<b>556,5</b>
<b>Total operating segments</b>	<b>10.148,4</b>	<b>10.018,2</b>
<b>Eliminations between operating segments</b>	<b>(99,1)</b>	<b>(87,5)</b>
<b>Consolidated</b>	<b>10.049,3</b>	<b>9.930,7</b>

<sup>(1)</sup> The subtotals 'Food' and 'Non-food' within the operating segment 'Retail' are for information purposes only.

<sup>(2)</sup> Including the revenue from the webshops Collect&Go, Bio-Planet, Collishop (only in financial year 2020/21), Dreamland and Dreambaby realised by Colruyt stores.

<sup>(3)</sup> Including the revenue from Roelandt Group (as from January 2022).

<sup>(4)</sup> Including the revenue from the webshops Collishop (only in financial year 2020/21), Dreamland and Dreambaby realised by OKay and Bio-Planet stores.

<sup>(5)</sup> Including the store revenue from Dreamland and Dreambaby and the revenue from Bike Republic, The Fashion Society (as from August 2020) and JIMS (as from May 2021).

<sup>(6)</sup> Including the revenue from Culinoa (as from April 2021).

<sup>(7)</sup> Including the revenue from Joos Hybrid (as from August 2020).

## 6. Income tax expense

The effective tax rate for Colruyt Group for the financial year 2021/22 is 25,2% versus 20,0% for the financial year 2020/21.

The fluctuation of the effective tax rate is partly explained by one-off effects, such as the exempted gain on the contribution of Eoly Energy NV into Virya Energy NV in the previous financial year.

(in million EUR)	2021/22	2020/21
Current year taxes	83,4	80,6
Deferred taxes	11,6	24,5
Adjustments relating to prior years	(0,3)	(0,2)
<b>Total income tax expense</b>	<b>94,7</b>	<b>104,9</b>

## 7. Capital expenditure

During the financial year 2021/22, Colruyt Group acquired property, plant and equipment and intangible assets for a total amount of EUR 487,5 million (excluding IFRS 16 right-of-use assets). In the previous financial year, Colruyt Group acquired property, plant and equipment and intangible assets for an amount of EUR 468,9 million (excluding IFRS 16 right-of-use assets).

The investments of Colruyt Group include amongst others the expansion and modernisation of the store network, investments in the logistical infrastructure and production departments, in sustainable energy and in future-oriented transformation programmes.

## **8. Dividends**

The Board of Directors will propose a gross dividend of EUR 1,10 per share to the General Meeting of Shareholders of 28 September 2022. The dividend has not been incorporated in the consolidated financial statements for the financial year 2021/22. Last year the gross dividend amounted to EUR 1,47 per share.

## **9. Changes in the consolidation scope**

In March 2021, Korys Investments NV made a contribution in kind to Virya Energy NV of 100% of the shares of Korys Renewable Energy BV (and the underlying stake in Sanchore Renewable Private Limited) and a receivable on Korys Renewable Energy BV, resulting in a decrease of Colruyt Group's interest in Virya Energy NV to 60%. In addition, in February 2021, Virya Energy NV bought out the minority shareholders of Eurowatt Group, thus acquiring 100% of the shares and full control of Eurowatt Group.

GEOxyz Group was acquired at the end of October 2021 and is fully consolidated into Virya Energy NV, with a shareholder percentage of 60%. These transactions relating to the associate Virya Energy NV were included in Colruyt Group's consolidated figures in the financial year 2021/22 and will have no material impact.

On 23 April 2021, Colruyt Group acquired 100% of the shares of Culinoa (AB Restauration BV), thus reinforcing its position in the foodservice market. On 30 April 2021, Colruyt Group acquired 100% of the shares of the fitness chain JIMS. Both have been fully consolidated as subsidiaries since the date of acquisition.

Colruyt Group increased its stake in Newpharma Group NV (July 2021) from 26% to 61% by acquiring the shares held by the minority shareholders of the online pharmacy specialist. Based on the reserved matters listed in the shareholder agreement, Newpharma Group NV is accounted for as an associate using the equity method.

In January 2022, Colruyt Group acquired 100% of Roelandt Group, one of the most important industrial bakeries in Belgium. With this acquisition, Colruyt Group also acquired 100% of the shares of Roecol NV (previously 70%).

On 3 February 2022, Colruyt Group acquired 41% of the shares of Smartmat NV, a company specialised in meal boxes under the brands Foodbag and 15gram. Smartmat is accounted for as an associate using the equity method.

## 10. Financial assets and liabilities per category and per class

In accordance with IFRS 7 'Financial Instruments: Disclosures' and IFRS 13 'Fair Value Measurement', financial instruments measured at fair value are classified using a fair value hierarchy.

(in million EUR)	Amortised cost	Measurement at fair value			Total
		Quoted prices Level 1	Observable market prices Level 2	Unobservable market prices Level 3	
<b>Financial assets at fair value through other comprehensive income</b>					
Equity investments	-	-	-	14,7	<b>14,7</b>
Cash flow hedging instruments	-	-	0,3	-	<b>0,3</b>
<b>Financial assets at fair value through profit or loss</b>					
Equity investments	-	9,3	-	-	<b>9,3</b>
Fixed-income securities	-	15,9	-	-	<b>15,9</b>
Compound financial instruments	-	-	-	95,0	<b>95,0</b>
<b>Financial assets at amortised cost</b>					
Term deposits	7,8	-	-	-	<b>7,8</b>
Receivables	729,9	-	-	-	<b>729,9</b>
Cash and cash equivalents	176,2	-	-	-	<b>176,2</b>
<b>Total at 31 March 2022</b>	<b>913,9</b>	<b>25,2</b>	<b>0,3</b>	<b>109,7</b>	<b>1.049,1</b>
<b>Financial liabilities</b>					
Interest-bearing and other liabilities	1.010,7	-	-	-	<b>1.010,7</b>
Trade payables	1.283,6	-	-	-	<b>1.283,6</b>
Cash flow hedging instruments	-	-	0,2	-	<b>0,2</b>
Bank overdrafts	0,2	-	-	-	<b>0,2</b>
<b>Total at 31 March 2022</b>	<b>2.294,5</b>	-	<b>0,2</b>	-	<b>2.294,7</b>

(in million EUR)	Amortised cost	Measurement at fair value			Total
		Quoted prices Level 1	Observable market prices Level 2	Unobservable market prices Level 3	
<b>Financial assets at fair value through other comprehensive income</b>					
Equity investments	-	-	-	16,5	<b>16,5</b>
Cash flow hedging instruments	-	-	3,3	-	<b>3,3</b>
<b>Financial assets at fair value through profit or loss</b>					
Equity investments	-	10,9	-	0,1	<b>11,0</b>
Fixed-income securities	-	16,1	-	-	<b>16,1</b>
Compound financial instruments	-	-	-	95,0	<b>95,0</b>
<b>Financial assets at amortised cost</b>					
Term deposits	6,1	-	-	-	<b>6,1</b>
Receivables	663,5	-	-	-	<b>663,5</b>
Cash and cash equivalents	284,5	-	-	-	<b>284,5</b>
<b>Total at 31 March 2021</b>	<b>954,1</b>	<b>27,0</b>	<b>3,3</b>	<b>111,6</b>	<b>1.096,0</b>
<b>Financial liabilities</b>					
Interest-bearing and other liabilities	480,3	-	-	-	<b>480,3</b>
Trade payables	1.319,3	-	-	-	<b>1.319,3</b>
Cash flow hedging instruments	-	-	0,3	-	<b>0,3</b>
Bank overdrafts	1,2	-	-	-	<b>1,2</b>
<b>Total at 31 March 2021</b>	<b>1.800,8</b>	<b>-</b>	<b>0,3</b>	<b>-</b>	<b>1.801,1</b>

The fair value hierarchy is based on the inputs used to measure financial assets and liabilities at measurement date. The following three levels are distinguished:

- Level 1: inputs used for measurement of fair value are officially quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: the fair value of financial instruments not traded on an active market is determined using valuation techniques. These techniques use inputs of observable market prices, if available, as much as possible and avoid reliance on entity-specific estimations.
- Level 3: financial instruments for which fair value is determined with valuation techniques using certain parameters not based on observable market data.

For the amounts recognised at 'Amortised cost' we can conclude that the carrying amount equals the fair value in most cases due to the nature of the instrument or due to the short-term character. Those cases whereby the amortised cost deviates from the fair value are not material.

On 12 June 2020, Colruyt Group subscribed to a first tranche of convertible bonds with a 24-month maturity, issued by the associate Virya Energy NV in an amount of EUR 63,9 million. On 15 January 2021, Colruyt Group increased this amount to EUR 97,4 million by subscribing to a second tranche of convertible bonds with the same maturity date as the first tranche, i.e. 12 June 2022. The carrying amount of EUR 95,0 million corresponds to the conversion price and reflects the fair value at 31 March 2022. This compound financial instrument is measured at fair value and recognised under the category 'Financial assets at fair value through profit or loss'. For the decision regarding the conversion of this instrument by Colruyt Group, we refer to note 12. *Events after the balance sheet date.*

The financial assets classified under level 3 include, in addition to the convertible bonds of Virya Energy NV, the investment in the holding company Sofindev IV NV, in the investment funds Good Harvest Belgium I SRL and Blue Horizon Ventures I SCSp RAIF and the investment in the co-operative North Sea Wind CV, in which Colruyt Group does not have a significant influence.

The opening and closing balances of the financial assets at fair value classified under level 3 can be reconciled as follows:

(in million EUR)	2021/22	2020/21
<b>At 1 April</b>	<b>111,6</b>	<b>14,5</b>
Acquisitions	0,9	97,9
Capital increases	0,9	0,3
Capital decreases	(2,3)	(3,5)
Fair value adjustments through other comprehensive income	(1,1)	2,8
Other	(0,3)	(0,4)
<b>At 31 March</b>	<b>109,7</b>	<b>111,6</b>

## 11. Risk management and contingent liabilities

For a description of the risks to which Colruyt Group is exposed and of how Colruyt Group manages its exposure to these risks, as well as a description of the contingent liabilities, we refer to the annual report 2021/22 which will be published in July 2022.

Colruyt Group uses derivative financial instruments to limit its currency risk and inflation risk exposure, without speculative purposes.

Since the end of the financial year 2019/20, Colruyt Group has been experiencing diverse impacts of the COVID-19 health crisis. Certain line items of the income statement were impacted by the COVID-19 crisis, but to a lesser extent than in previous financial years. The COVID-19 impact could however not be clearly isolated.

Today, the situation has stabilised and there are currently no health control measures in place that have a significant impact on the group's activities. The possibility of a resurgence of the COVID-19 virus and of new government-imposed measures continues to represent a risk.

The conflict in Ukraine, which started in late February 2022, also raises risks and uncertainties for the group. Although Colruyt Group has no direct activities in Russia or Ukraine, it is being affected by the macroeconomic implications of the war, such as price increases and high inflation, supply chain disruptions for certain products, etc. These macroeconomic consequences and the uncertainty about the further course of the conflict constitute a risk for the company's performance and the related financial results and cash flows as well as the discount rates, valuations and impairment assessments.

Colruyt Group continues to closely monitor the situation regarding the COVID-19 health crisis and the conflict in Ukraine and to take any measures needed to limit the impact of these events and their (in)direct consequences. Thanks to the group's risk management system, continuity and other risks are being monitored on a regular basis, both in the subsidiaries and in the companies in which Colruyt Group has an interest. To date, the group has no knowledge of information that would lead to a material adjustment of the results or the notes thereto.

Colruyt Group has a number of liabilities relating to the acquisition of property, plant and equipment which have not yet been recognised in the statement of financial position, for an amount of EUR 108,0 million (EUR 64,5 million at 31 March 2021).

The off-balance sheet liabilities relating to lease arrangements amount to EUR 3,4 million (EUR 4,1 million at 31 March 2021) and relate to short-term leases or leases of low-value assets. These off-balance sheet liabilities also include arrangements that do not meet the definition of a lease.

## **12. Events after the balance sheet date**

In early June 2022, Colruyt Group and its family majority shareholder Korys converted their convertible bonds issued by Virya Energy NV into shares. Energy holding company Virya Energy NV is active in the development, financing, construction and operation of renewable energy sources, and aims for international expansion. As both shareholders converted the bonds, the shareholding remains unchanged.

The parties have taken the necessary measures in view of the conflict of interest rules.

The public announcement in accordance with article 7:97, §4/1 of the Belgian Companies and Associations Code regarding the conversion of convertible bonds issued by Virya Energy NV has been annexed to this press release.

On 13 June 2022, Colruyt Group increased its stake in Newpharma Group NV to 100% by acquiring the shares held by Korys, the investment company of the Colruyt family. Newpharma Group NV is a leading player in the online pharmacy business. With this investment, Colruyt Group aims at pursuing its ambitions in the area of health, and at further developing its leadership in online retail.

Because of this transaction, the cash flow statement of Colruyt Group will include a cash outflow of approximately EUR 95 million in the financial year 2022/23. Both parties have agreed not to disclose any details regarding the price or any other terms of the transaction. Arm's length principles were applied for the valuation.

As a result of this transaction, Newpharma Group NV will be fully consolidated as from July 2022. Excluding possible one-off effects, Colruyt Group does not expect this transaction to have a material impact on the net result of the financial year 2022/23.

The necessary measures have been taken in view of the conflict of interest rules.

The public announcement in accordance with article 7:97, §4/1 of the Belgian Companies and Associations Code regarding the increase of the stake in Newpharma Group NV, has been annexed to this press release.

After period-end, 1.326.899 treasury shares were purchased for an amount of EUR 44,8 million. On 10 June 2022, Colruyt Group held 4.845.853 treasury shares, which represented 3,62% of the total number of shares issued.

There were no further significant events after the balance sheet date.

## **13. Confirmation information press release**

The statutory auditor, EY Bedrijfsrevisoren BV, represented by Mr D. Wuyts, confirms that the audit work, which has been substantially completed, did not reveal any significant corrections that should be made to the accounting information included in the press release.

## **14. Definitions**

For a description of the definitions, we refer to the chapter 'Financial report' (page 287) of the previous annual report 2020/21.

Halle, 10 June 2022

*Deze informatie is ook beschikbaar in het Nederlands.*

*Ces informations sont également disponibles en français.*

*Only the Dutch version is the official version.*

*The French and English versions are translations of the original Dutch version.*



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**Public announcement in accordance with article 7:97, §4/1 of the Belgian Companies and Associations Code concerning the conversion of convertible bonds issued by Virya Energy NV**

In 2020, Colruyt Group and Korys Investments SA/NV ("**Korys**") provided financing to Virya Energy SA/NV ("**Virya Energy**") by subscribing in two tranches to convertible bonds issued by Virya Energy (the "**Bonds**") in proportion to their respective shareholdings in Virya Energy. Korys and Colruyt Group now intend to convert all of their Bonds in accordance with the terms and conditions of issuance of the Bonds (the "**Conversion**").

As a result of the Conversion, Colruyt Group will not receive a cash refund of the principal amount of its Bonds in the amount of EUR 97,388,629.52, but it will receive new ordinary shares in Virya Energy. As Colruyt Group and Korys each proceed with the Conversion, both will receive new shares in Virya Energy in proportion to their current shareholding and Colruyt Group's participation in Virya Energy will not be diluted. As a result, Colruyt Group maintains its participation in Virya Energy and may in the future have an additional advantage in any future value increase of Virya Energy.

A committee of three independent directors of Colruyt Group has assessed the Conversion in accordance with article 7:97 of the Belgian Companies and Associations Code, and has issued a written and substantiated opinion on this matter to the board of directors of Colruyt Group. In this opinion, the committee deems the Conversion not to be manifestly illegitimate in nature and considers it unlikely that the Conversion would result in disadvantages for Colruyt Group that would not be outweighed by the Conversion-related advantages for Colruyt Group. The committee has therefore delivered a favourable opinion on the Conversion. Finally, the assessment made by Colruyt Group's auditor in accordance with Article 7:97 BCAC reads as follows: *"Based on our review, performed in accordance with the International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", nothing has come to our attention that causes us to believe that the accounting and financial data included in the minutes of the Board of Directors meeting held on 5 May 2022 and in the opinion of the independent directors dated 5 May 2022, both prepared in accordance with the requirements of article 7:97 of the Companies and Associations Code, would contain material inconsistencies when compared with the information available to us in the context of our engagement. We do not express an opinion on the suitability or appropriateness of the transaction or on whether it is lawful and fair ("no fairness opinion")."*

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**Public announcement in accordance with Article 7:97, §4/1 of the Belgian Code of Companies and Associations concerning the acquisition of 39% of the shares in Newpharma Group NV**

In July 2021, Colruyt Group, together with Korys Investments NV ("**Korys**"), a subsidiary of the parent company of Colruyt Group within the meaning of Article 1:15 of the Belgian Code of Companies and Associations (the "**BCCA**") and thus a related party of Colruyt Group within the meaning of IFRS, acquired a package of shares in Newpharma Group NV ("**Newpharma**") from the founders of Newpharma. Since then, Colruyt Group is the owner of 61% of the shares in Newpharma and Korys holds the balance of the shares in Newpharma, being 39%.

As part of the 2021 transaction, Colruyt Group and Korys entered into a shareholders' agreement (the "**Shareholders' Agreement**"), which provides *inter alia* that Colruyt Group has a purchase option on all the Newpharma shares held by Korys, which Colruyt Group can exercise between 1 June 2023 and 30 September 2023 in accordance with the Shareholders' Agreement, at a price determined in accordance with the pre-agreed formula contained in the Shareholders' Agreement (the "**Price Formula**" and the "**Purchase Option**").

In the context of the further development of the Health business within Colruyt Group and with a view to realising synergies between Colruyt Group and Newpharma in this respect, Colruyt Group wishes to exercise the Purchase Option earlier. In this respect, the board of directors of Colruyt Group decided, during its meeting of 13 June 2022, to exercise the Purchase Option earlier and consequently to acquire all 26,329 shares held by Korys in Newpharma (the "**Shares**") for a price calculated on the basis of the turnover figures multiplied by a multiple that depends on the contribution margin of Newpharma for the financial year (whereby the price is expected to be in the range of EUR 95,000,000) (the "**Share Price**"), as calculated on the basis of the Price Formula applied to Newpharma's financial year ending 31 December 2021. For this purpose, Colruyt Group and Korys intend to enter into an acquisition agreement with Colruyt Group as buyer and Korys as seller (the "**Acquisition Agreement**"). As part of the Acquisition Agreement, Colruyt Group will also acquire a receivable for an amount of EUR 2,340,000.00 in principal with interest held by Korys from Newpharma under a shareholder loan (the "**Receivable**", and the above transactions together the "**Transaction**"). Upon completion of the Transaction, Colruyt Group will own 100% of the shares in Newpharma.

The principal provisions of the Acquisition Agreement are set out below.

The Parties have appointed an expert (the "**Expert**") to calculate the Share Price between the signing of the Acquisition Agreement and its completion ("**Closing**") on the basis of the Price Formula contained in the Shareholders' Agreement applied to the figures of financial year 2021.

The Acquisition Agreement stipulates that Korys will provide full indemnity to Colruyt Group for all damages suffered by Colruyt Group as a result of a breach by the Newpharma founders of the 2021 acquisition agreement, with respect to the shares then acquired by Korys.

A committee of three independent directors of Colruyt Group has assessed the transaction described above, in accordance with Article 7:97 BCAC, and has issued a written and substantiated opinion on this matter to the board of directors of Colruyt Group. In this opinion, the committee deems the Transaction not to be manifestly illegitimate in nature and considers it unlikely that the Transaction would result in disadvantages for Colruyt Group that would not be outweighed by the Transaction-related advantages for Colruyt Group. The committee has therefore delivered a favourable opinion on the Investment and the conclusion of the Shareholders' Agreement. Finally, the assessment made by Colruyt Group's auditor in accordance with Article 7:97 BCAC reads as follows: *“Based on our review, performed in accordance with the International Standard on Review Engagements (ISRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, nothing has come to our attention that causes us to believe that the accounting and financial data included in the minutes of the Board of Directors meeting held on 13 June 2022 and in the opinion of the independent directors dated 13 June 2022, both prepared in accordance with the requirements of article 7:97 of the Companies and Associations Code, would contain material inconsistencies when compared with the information available to us in the context of our engagement. We do not express an opinion on the suitability or appropriateness of the transaction or on whether it is lawful and fair (“no fairness opinion”).*”