

Prospectus dated 7 February 2023



## Etablissements Franz Colruyt NV

limited liability company (*naamloze vennootschap/société anonyme*) under Belgian law with registered office at Edingensesteenweg 196, 1500 Halle, Belgium and registered with the Crossroads Bank of Enterprises under number 0400.378.485, RLE Brussels, Dutch-speaking division (the “Issuer”)

### **Offer to the public in Belgium and in the Grand Duchy of Luxembourg and admission to trading on the regulated market of Euronext Brussels**

4.25% fixed rate green bonds due 21 February 2028 for a minimum aggregate nominal amount of EUR 125,000,000 and a maximum aggregate nominal amount of EUR 250,000,000

Denomination: EUR 1,000

Issue Price: 101.875% of the nominal amount

Gross actuarial yield at Issue Price: 3.831% (on an annual basis)

Net actuarial yield at Issue Price: 2.571% (on an annual basis)

Minimum subscription amount: EUR 1,000

Redemption amount: 100% of the nominal amount

ISIN Code: BE0002920016 – Common Code: 258555503

(the “Bonds”)

*The yield is calculated on the basis of the issue of the Bonds on the Issue Date, the Issue Price, the original rate of interest of 4.25% per annum and is based on the assumption that the Bonds will be held until 21 February 2028 (the “Maturity Date”) when they will be repaid at 100% of their principal amount in accordance with the terms and conditions of the Bonds (see Part 5 (Terms and conditions of the Bonds)). It is not an indication of future yield if the Bonds are not held until the Maturity Date. The net yield reflects a deduction of Belgian withholding tax at the current rate of 30%. Investors should consult Part 10 (Taxation) for further information about Belgian and Luxembourg taxation in respect of the Bonds.*

Issue Date: 21 February 2023

Subscription Period: from 10 February 2023 at 9 a.m. (CET) until 14 February 2023 at 5.30 p.m. (CET) included (subject to early termination)

Application has been made for the Bonds to be listed and to be admitted to trading on the regulated market of Euronext Brussels on or about the Issue Date.

Belfius Bank SA/NV is acting as paying, calculation and listing agent in respect of the Bonds.

The Prospectus, drafted in English, has been approved as a prospectus by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers*) (the “FSMA”) on 7 February 2023, as competent authority under Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”). This Prospectus shall be notified by the FSMA to the *Commission de Surveillance du Secteur Financier* (the “CSSF”) in its capacity as competent authority for the purpose of the Prospectus Regulation in relation to the offer to the public of the Bonds in the Grand Duchy of Luxembourg. The FSMA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FSMA should not be considered as an endorsement of the Issuer or of the quality of the Bonds. Investors should make their own assessment as to the suitability of investing in the Bonds.

**This Prospectus will, pursuant to Article 12 of the Prospectus Regulation, be valid until 7 February 2024, provided that it is completed by any supplement required by Article 23 of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when the Prospectus is no longer valid.**

**This Prospectus may be used by the Issuer only or any financial intermediary authorised pursuant to Directive 2014/65/EU (as amended, “MiFID II”) to conduct public offers in Belgium and the Grand Duchy of Luxembourg (an “Authorised Offeror”) who has obtained the Issuer’s consent, until the end of the Subscription Period (subject to early termination). Any Authorised Offeror envisaging to use this Prospectus in connection with a permitted public offer is obliged to state on its website, during the Subscription Period, that this Prospectus is used for a permitted public offer with the authorisation of the Issuer and in accordance with the relevant applicable conditions.**

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**These Bonds constitute unsecured and unguaranteed debt instruments. An investment in the Bonds involves risks. By subscribing to the Bonds, investors lend money to the Issuer who undertakes to pay interest on an annual basis and to reimburse the principal amount of the Bonds on the Maturity Date. In case of bankruptcy or default by the Issuer, the investors may not recover the amounts they are entitled to and risk losing all or part of their investment. The Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer’s subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders’ ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings. The Bonds are fixed rate bonds that are exposed to interest rate risks due to changes in market interest rates and inflation and any investment decision should include an evaluation of interest rates.**

**An investment decision must solely be based on the information contained in the Prospectus. Before making any investment decision, the investors must read the Prospectus in its entirety (and, in particular, Part 2 (Risk factors)). Prospective investors should reach their own views before making an investment decision with respect to any Bonds. Each potential investor must investigate carefully whether it is appropriate for this type of investor to invest in the Bonds, taking into account its own circumstances, knowledge and experience and must, if needed, obtain professional advice. In particular, the allocation of an amount equal or equivalent to the net proceeds of the Bonds to Eligible Green Projects (as defined in Part 8 (Sustainable Financing Framework)) by the Issuer may not meet investor expectations (including any green, sustainable or other equivalently-labelled performance objective) and may not be aligned with future guidelines and/or regulatory or legislative criteria regarding green, sustainable or other equivalently-labelled performance, which could adversely affect the value of the Bonds. Investors should in particular be aware that the failure of the Issuer to apply an amount equal or equivalent to the net proceeds of the Bonds to Eligible Green Projects or to provide any allocation or impact reporting shall not constitute an Event of Default or a breach of contract.**

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Joint Bookrunners – Joint Lead Managers

BELFIUS BANK SA/NV

BNP PARIBAS FORTIS SA/NV

KBC BANK NV

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## PART 1 – SUMMARY OF THE PROSPECTUS

### 1 Introduction

The below summary (the “**Summary**”) has been prepared in accordance with the content and format requirements of Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). The Summary has been prepared in English and translated into Dutch and French. The Issuer is responsible for the consistency of the different language versions of the Summary. Without prejudice to the responsibility of the Issuer in case of inconsistency between the different language versions, in case of inconsistency the English language version shall prevail.

**This Summary should be read as an introduction to the Prospectus (as defined below). Any decision to invest in the Bonds (as defined below) should be based on a consideration of the Prospectus as a whole by the investor, including any documents incorporated by reference into the Prospectus. An investor in the Bonds could lose all or part of the invested capital. In case a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law where the claim is brought, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the Summary, including any translation thereof, but only where the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Bonds.**

The bonds described in this Summary are 4.25% fixed rate green bonds due 21 February 2028 for a minimum aggregate nominal amount of EUR 125,000,000 and a maximum aggregate nominal amount of EUR 250,000,000 with International Securities Identification Number (ISIN) BE0002920016 and Common Code 258555503 (the “**Bonds**”), to be issued by Etablissementen Franz Colruyt NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Edingensesteenweg 196, 1500 Halle, Belgium and registered with the Crossroads Bank of Enterprises under number 0400.378.485, RLE Brussels, Dutch-speaking division and with LEI 54930000NZ1BCXO8K39 (the “**Issuer**”). The Issuer may be contacted by phone (+32 (0)2 363 55 45) or by e-mail (debt.investors@colruytgroup.com). The website of the Issuer is www.colruytgroup.com. The information on the website of the Issuer does not form part of, and is not incorporated by reference into, the Prospectus and the Summary.

The prospectus in relation to the offer to the public of the Bonds (the “**Prospectus**”) has been approved as a prospectus by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers*) (the “**FSMA**”), Rue du Congrès/Congresstraat 12-14, 1000 Brussels, Belgium, on 7 February 2023 and shall be notified by the FSMA to the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) in its capacity as competent authority for the purpose of the Prospectus Regulation in relation to the offer to the public of the Bonds in the Grand Duchy of Luxembourg.

### 2 Key information on the Issuer

#### (A) Who is the Issuer of the Bonds?

The Issuer, with LEI code 54930000NZ1BCXO8K39, is a limited liability company (*naamloze vennootschap/société anonyme*) existing under the laws of the Kingdom of Belgium for an unlimited duration, having its registered office at Edingensesteenweg 196, 1500 Halle, Belgium and registered with the Crossroads Bank for Enterprises under number 0400.378.485, RLE Brussels, Dutch-speaking division.

The Colruyt Group, consisting of the Issuer and the subsidiaries of the Issuer as well as joint ventures and associates of the Issuer (the “**Colruyt Group**”)<sup>1</sup>, is a family business that has grown over three generations into a retail group with nearly 33,000 employees as at the date of the Prospectus and a diverse portfolio of food and non-food formats, in Belgium and abroad. The most important activity of the Colruyt Group is the exploitation of supermarkets under the commercial name ‘Colruyt Lowest Prices’ which, as at the date of the Prospectus, is undertaken by the Issuer itself. The Colruyt Group has, however, diversified its activities throughout the value chain over the years, while remaining true to retail, which still accounts for the largest part of its revenue (80.1% of total consolidated revenue as at 30 September 2022). Today, the Colruyt Group is active in retail with business formats which each contain their own brand promise (such as the lowest price guarantee for Colruyt Lowest Prices), with both physical outlets and online shops, mainly in Belgium, Luxembourg and France but also with activities on the African continent. In addition, the Colruyt Group operates in foodservice and wholesale. In recent years, the Colruyt Group has also grown strongly as a producer and supplier of renewable energy, such as solar and wind energy. Finally, certain aspects of technology, IT and communication are undertaken by the Colruyt Group itself, as well as the processing and/or packaging of meat, coffee, cheese and wine, for example.

Based on the notification of the parties acting in concert on 26 August 2022, the most recent transparency declarations received by the Issuer (up to 20 December 2022) and the treasury shares held by the Issuer as of 20 December 2022 (being the date of the most recent transparency declaration of the Issuer), the shareholding of the Issuer is composed as follows: Colruyt family and Korys companies: 83,446,179 shares (62.24%); the Issuer: 6,687,980 shares (4.99%) and free float: 43,943,529 shares (32.77%).

As at the date of the Prospectus, the Board of Directors of the Issuer comprises nine directors: Jef Colruyt (Chairman), Korys NV (permanently represented by Griet Aerts), Korys Business Services I NV (permanently represented by Hilde Cerstelotte), Korys Business Services II NV (permanently represented by Frans Colruyt), Korys Business Services III NV (permanently represented by Wim Colruyt), Korys Management NV (permanently represented by Lisa Colruyt), 7 Capital SRL (permanently represented by Chantal De Vrieze), Fast Forward Services BV (permanently represented by Rika Coppens) and Dirk JS Van den Berghe BV (permanently represented by Dirk Van den Berghe).

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<sup>1</sup> Investors should take into account that the results of the joint ventures and associates of the Issuer are accounted for using the equity method.

As at the date of the Prospectus, the Management Committee of the Issuer comprises eleven members: Jef Colruyt, Stefaan Vandamme, Jo Willemyns, Stefan Goethaert, Christian Van Wettere, Bart De Schutter, Christophe Dehandschutter, Johan Vermeire, Liesbeth Sabbe, Peter Vanbellinghen and Koen Baetens.

EY Bedrijfsrevisoren BV, having its registered office at De Kleetlaan 2, B-1831 Diegem, Belgium and represented, as of the General Meeting of Shareholders held on 28 September 2022, by Ms Eef Naessens and, for the three previous financial years, by Mr Danny Wuyts, members of the Belgian institute of auditors (*Instituut voor Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*), has audited and rendered unqualified audit opinions on the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2021 and 31 March 2022.

(B) What is the key financial information regarding the Issuer?

The tables below set out a summary of the key financial information extracted from (i) the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2022 and 31 March 2021 (prepared in accordance with international financial reporting standards (IFRS)) and (ii) the unaudited consolidated financial statements of the Issuer for the six-month periods ended 30 September 2022 and 30 September 2021 (prepared in accordance with IAS 34 – Interim Financial Reporting). Potential investors should note that this covers the Issuer and its fully consolidated subsidiaries and that the joint ventures and associates of the Issuer are accounted for using the equity method.

*Income statement*

<i>In million €</i>	<b>01/04/2021 – 31/03/2022</b>	<b>01/04/2020 – 31/03/2021</b>	<b>01/04/2022 – 30/09/2022</b>	<b>01/04/2021 – 30/09/2021</b>
<b>Revenue</b>	<b>10,049.3</b>	<b>9,930.7</b>	<b>5,266.5</b>	<b>4,981.3</b>
<b>Gross profit</b>	<b>2,751.7</b>	<b>2,791.9</b>	<b>1,391.9</b>	<b>1,340.5</b>
Services and miscellaneous goods	-692.9	-633.3	-401.2	-309.3
Employee benefit expenses	-1,478.5	-1,462.3	-774.1	-713.6
Other operating expenses	-35.7	-31.4	-12.8	-16.9
Other operating income	196.0	185.5	107.5	88.3
<b>Total operating expenditures</b>	<b>-2,011.1</b>	<b>-1,941.5</b>	<b>-1,080.6</b>	<b>-951.5</b>
<b>EBITDA<sup>2</sup></b>	<b>740.6</b>	<b>850.4</b>	<b>311.3</b>	<b>389.0</b>
Depreciation, amortisation and impairment of non-current assets	-365.4	-326.9	-188.0	-178.1
<b>Operating profit (EBIT)</b>	<b>375.2</b>	<b>523.5</b>	<b>123.3</b>	<b>210.9</b>
Net financial result	1.5	0.9	-1.3	1.6
Share in the result of investments accounted for using the equity method	6.0	-3.5	-6.1	-0.1
<b>Profit before tax</b>	<b>382.7</b>	<b>520.9</b>	<b>115.9</b>	<b>212.4</b>
Income tax expense	-94.7	-104.9	-27.0	-50.5
<b>Profit for the financial year</b>	<b>288.0</b>	<b>416.0</b>	<b>88.9</b>	<b>161.9</b>

*Balance sheet*

<i>In million €</i>	<b>01/04/2021 – 31/03/2022</b>	<b>01/04/2020 – 31/03/2021</b>	<b>01/04/2022 – 30/09/2022</b>	<b>01/04/2021 – 30/09/2021</b>
Cash and cash equivalents	176.2	284.5	382.2	282.0
Total equity	2,462.1	2,527.2	2,403.6	2,427.7
Non-current bank and other borrowings	385.8	31.9	344.4	264.5
Non-current lease and similar liabilities	233.1	201.6	239.4	226.5
Current bank and other borrowings	298.9	189.3	733.0	126.7
Current lease and similar liabilities	50.9	41.2	55.4	48.5
<b>Balance sheet total</b>	<b>5,613.6</b>	<b>5,195.3</b>	<b>6,032.6</b>	<b>5,432.4</b>
Investments	488	469	228	238

*Cashflows*

<i>In million €</i>	<b>01/04/2021 – 31/03/2022</b>	<b>01/04/2020 – 31/03/2021</b>	<b>01/04/2022 – 30/09/2022</b>	<b>01/04/2021 – 30/09/2021</b>
Operating cashflow	498.8	708.3	172.0	262.5
Investment cashflow	-607.0	-594.7	-225.8	-299.8
Financing cashflow	0.8	-110.6	259.6	36.0
<b>Net increase/(decrease) of cash and cash equivalents</b>	<b>-107.4</b>	<b>3.0</b>	<b>205.8</b>	<b>-1.3</b>

*Additional information*

The first half of the financial year 2022/23 was marked by a challenging macroeconomic context with high inflation, substantial cost increases and a negative business and consumer confidence. The Belgian retail market was characterised by volume declines in food stores and high

<sup>2</sup> This is an alternative performance measure which is used in addition to the figures that are prepared in accordance with IFRS. The Issuer believes that the presentation of EBITDA enhances the understanding of its financial performance. This alternative performance measure should be viewed as complementary to, rather than as a substitute for, the figures determined according to IFRS.

competitiveness. The aim is that Colruyt Lowest Prices will continue to consistently implement its lowest price strategy. This implies that cost price inflation is not fully passed on to the customer, bringing down the gross profit margin. In addition, the current context caused operating costs to climb significantly, mainly due to rising energy and transport costs and to employee benefit expenses being heavily impacted by Belgium's automatic wage indexation system. For wage indexation, the greatest impact on the operating costs is expected in the second half of the year.

As at 30 September 2022, the total amount of outstanding financial debt of the fully consolidated entities of the Colruyt Group (non current and current together) was EUR 1,372.2 million (compared to EUR 968.7 million as at 31 March 2022). This consisted of bank and other borrowings of EUR 1,077.4 million (compared to EUR 684.7 million as at 31 March 2022) and lease and similar liabilities of EUR 294.8 million, including EUR 281.6 million of IFRS 16 liabilities (compared to EUR 284.0 million as at 31 March 2022, including EUR 269.3 million of IFRS 16 liabilities). As at 30 September 2022, EUR 788.4 million of the total amount of outstanding consolidated debt (being EUR 1,372.2 million) was maturing within one year. The total amount of cash and cash equivalents as at 30 September 2022 was EUR 382.2 million (compared to EUR 176.2 million as at 31 March 2022).

(C) What are the key risks that are specific to the Issuer?

By subscribing to the Bonds, investors lend money to the Issuer who undertakes to pay interest on an annual basis and to reimburse the principal amount of the Bonds on the Maturity Date (as defined below). In case of bankruptcy or default by the Issuer, the investors may not recover the amounts they are entitled to and risk losing all or part of their investment. Although the Issuer believes that the risks described in the Prospectus represent all material risks and uncertainties considered relevant on the date of the Prospectus, the Issuer is not able to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in the Prospectus a number of factors which could have an adverse effect on the Issuer's and/or the Colruyt Group's business, results of operations, financial condition and prospects, and could negatively affect the value of the Bonds and/or the ability of the Issuer to fulfil its obligations under the Bonds. The key risks in relation to the Issuer and the Colruyt Group include:

- strategic risks:
  - o the Colruyt Group may fail to pass on price increases to customers given that its activities are subject to competition and changing consumer behaviours which could lead to reduced margins and a reduced payment capacity under the Bonds;
  - o the Issuer is to a certain extent dependent on the distributions received from the other members of the Colruyt Group which impact its revenues and reorganisations of the existing group structure may have a further impact on these revenues of the Issuer, which may impair its ability to satisfy its obligations under the Bonds;
  - o the Colruyt Group may be unable to successfully develop and execute its strategy, which could adversely affect the Colruyt Group's businesses, operating results and ability to compete successfully;
- financial risks:
  - o the level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer's ability to satisfy its obligations under the Bonds;
  - o changes in interest rates may impact the Colruyt Group's financial position, in particular with respect to potential future financing arrangements entered into at floating interest rates;
- operational risks:
  - o the Colruyt Group may be subject to disruptions of the supply of goods to distribution centres and stores and to unavailability or inaccessibility of distribution centres, which may lead to a higher cost of replacement goods, may impact customer spending and the number of customers at stores of the Colruyt Group and may impact the continuity of the Colruyt Group's activities;
  - o failure of the Colruyt Group's IT systems could adversely affect its operations and reputation;
- legal and regulatory risks:
  - o risks associated with product liability.

### 3 Key information on the Bonds

(A) What are the main features of the Bonds?

The Bonds described in this Summary are 4.25% fixed rate green bonds due 21 February 2028 which will be issued for a minimum aggregate nominal amount of EUR 125,000,000 and a maximum aggregate nominal amount of EUR 250,000,000, with International Securities Identification Number (ISIN) BE0002920016 and Common Code 258555503. The nominal amount of each Bond is EUR 1,000. The minimum subscription amount is EUR 1,000, excluding applicable selling and distribution commissions. The Bonds will be issued in dematerialised form and cannot be physically delivered. There are no restrictions on the free transferability of the Bonds.

*Status (ranking)* – The Bonds constitute direct, unconditional, unsubordinated and (subject to the negative pledge) unsecured obligations of the Issuer. The Bonds rank and will at all times rank *pari passu*, without any preference among themselves and equally with all other existing and future unsubordinated and unsecured outstanding obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

*Taxation* – All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Belgium or the Grand Duchy of Luxemburg or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. The Issuer will not be required to pay any additional or further amounts in respect of such withholding or deduction. Payments of principal and interest in respect of the Bonds

may be subject to withholding or deduction for taxes. Payments of interest on the Bonds are in principle subject to Belgian withholding tax, currently at a rate of 30% on the gross amount, unless the holder of Bonds (the “**Bondholder**”) can benefit from a reduction or exemption.

*Negative pledge* – The terms and conditions of the Bonds (the “**Conditions**”) contain a negative pledge provision which limits, in certain circumstances, the Issuer’s and its Material Subsidiaries’ right to create or permit to subsist any security interest over any part of their respective assets or business to secure (i) any Relevant Indebtedness of the Issuer or of any member of the Group or (ii) any guarantee or indemnity of the Issuer or of any member of the Group in respect of any Relevant Indebtedness of the Issuer or of any member of the Group.

“**GAAP**” means generally accepted accounting principles, standards and practices in Belgium, including IFRS, to the extent applicable to the relevant financial statements and as applied by the Issuer from time to time.

“**Group**” means the Issuer and all its Issuer Subsidiaries.

“**IFRS**” means international accounting standards within the meaning of IAS Regulation 1606/2002 from time to time to the extent applicable to the relevant financial statements.

“**Issuer Subsidiary**” means, in relation to any company, a company which is exclusively controlled by the Issuer, legally and by reference to GAAP.

“**Material Subsidiary**” means each wholly-owned Issuer Subsidiary of the Group which has unconsolidated earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 7.5 per cent. or more of the consolidated EBITDA of the Group (calculated, in each case, on an unconsolidated basis and excluding all types of intra-group items, transactions and balances, including but not limited to payables, receivables, shares, goodwill, investments and participating interests).

“**Relevant Indebtedness**” means any existing or future indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market) and with an original maturity in excess of one year. For the avoidance of doubt, Relevant Indebtedness does not include indebtedness for borrowed money arising under loan or credit facility agreements.

*Events of default* – Any Bond may be declared immediately due and repayable by a Bondholder (by notice in writing given to the Issuer at its registered office with a copy to Belfius Bank SA/NV as the agent under the Bonds (the “**Agent**”) at its specified office) at its outstanding nominal amount together with accrued interest (if any) up to (but excluding) the date of payment, if and only if any of the following events occurs and is continuing, unless such event shall have been remedied prior to the receipt of such notice by the Issuer and the Agent:

- default in payment of any principal or interest due in respect of the Bonds, continuing for a specified period of time and except where it is due to any (in)action of the National Bank of Belgium (the “**NBB**”) or any participant to the securities settlement system of the NBB (the “**NBB-SSS**”) or the malfunctioning of the NBB-SSS;
- non-performance or non-observance by the Issuer of any of its other obligations under the Conditions, subject to a remedy period if capable of remedy;
- any other present or future indebtedness of the Issuer or of any of its Material Subsidiaries for or in respect of moneys borrowed or raised (a) is not paid when due or, as the case may be, within a relevant grace period or (b) becomes due and payable prior to its stated maturity by reason of the occurrence of an event of default (howsoever described), provided that in each case the aggregate amount of the relevant indebtedness equals or exceeds EUR 65,000,000 (or its equivalent);
- events relating to the insolvency or winding up of the Issuer or any of its Material Subsidiaries;
- events relating to the winding-up, liquidation or dissolution of the Issuer or of any of its Material Subsidiaries (other than a solvent liquidation or reorganisation of any Material Subsidiary), unless it is discharged, stayed or dismissed within a specified period;
- any security interest, present or future, created or assumed by the Issuer or any of its Material Subsidiaries in respect of all or any material part of its respective property or assets becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person), provided that (a) the aggregate amount of indebtedness equals or exceeds EUR 65,000,000 (or its equivalent) and (b) this shall not apply to any such step which is being contested in good faith;
- (a) a reorganisation of the Group (taken as a whole) which results in a transfer of all or substantially all of the assets of the Group (taken as a whole) to a third party which is not a member of the Group (unless such third party becomes a member of the Group following such transfer or unless all or substantially all of the proceeds of such transfer are or will be reinvested in the Group) or (b) the Group (taken as a whole) ceases to carry on all or substantially all of its business as compared to the business as carried out on the Issue Date (as defined below); and
- the listing of the Bonds on the regulated market of Euronext Brussels is withdrawn or suspended during a specified period as a result of a failure by the Issuer, unless in case of listing of the Bonds on another regulated market in the European Economic Area at the latest on the last day of this period.

*Meetings and modifications* – The Conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. In addition, the Conditions provide that Bondholders can take decisions by way of written resolutions or electronic consents. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority or, as the case may be, who did not sign the relevant written resolution or provide their electronic consents for the passing of the relevant resolution. The Agent and the Issuer may agree, without the consent of the Bondholders, to (i) any modification of the provisions of, or any waiver or authorisation of any breach or potential breach of or any failure to comply with, the agency agreement entered into between the Issuer and the Agent (the “**Agency Agreement**”) or any agreement supplemental thereto that is not materially prejudicial to the interests of the Bondholders and (ii) any modification of the Bonds, the Conditions and the Agency Agreement that is (a) of a formal, minor or technical nature, (b) made to correct a manifest error or (c) made to comply with mandatory provisions of law. Each such change is binding for all Bondholders and shall be notified to the Bondholders as soon as practicable thereafter.

*Governing law* – The Bonds are governed by Belgian law.

*Interest* – The Bonds bear interest from their date of issue at the fixed rate of 4.25% *per annum*. Interest will be paid annually in arrears on 21 February in each year. The first interest payment will be made on 21 February 2024. The gross actuarial yield of the Bonds is 3.831%. The net actuarial yield of the Bonds is 2.571%. The net yield reflects a deduction of Belgian withholding tax at the current rate of 30% for Bondholders which hold their Bonds on a non-exempt securities account (N-account) of the NBB-SSS.

*Redemption* – Subject to any purchase and cancellation or early redemption, the Bonds will be redeemed on 21 February 2028 (the “**Maturity Date**”) at par. The Bonds may not be repaid at the option of the Issuer prior to the Maturity Date, notwithstanding the right of the Issuer and each of its subsidiaries at any time to purchase Bonds, both on the open market or otherwise, at any price as set out in the Conditions. In the event that a specified change of control (which is subject to certain conditions) occurs in respect of the Issuer, each Bondholder will have the right to require the Issuer to repay all of such Bondholder’s Bonds.

(B) Where will the Bonds be traded?

Application has been or will be made by the Issuer (or on its behalf) for the Bonds to be listed and to be admitted to trading on the regulated market of Euronext Brussels. Prior to the listing and admission to trading, there is no public market for the Bonds.

(C) Is there a guarantee attached to the Bonds?

There is no guarantee attached to the Bonds.

(D) What are the key risks that are specific to the Bonds?

There are certain factors that are material to assess the risks associated with the Bonds. The key risks in respect of the Bonds include:

- risks relating to the nature of the Bonds:
  - o the Issuer and other members of the Colruyt Group may incur more debt in the future which may prejudice the ability of the Issuer to pay interest amounts under or to repay the Bonds;
  - o the allocation of an amount equal or equivalent to the net proceeds of the Bonds to eligible green projects by the Issuer may not meet investor expectations (including any green, sustainable or other equivalently-labelled performance objective) and may not be aligned with future guidelines and/or regulatory or legislative criteria regarding green, sustainable or other equivalently-labelled performance, which could adversely affect the value of the Bonds and the failure of the Issuer to apply an amount equal or equivalent to the net proceeds of the Bonds to eligible green projects or to provide any allocation or impact reporting shall not constitute an Event of Default or a breach of contract;
  - o the Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer’s subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders’ ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings;
- risks relating to the Conditions:
  - o the Conditions only contain certain restrictions on corporate reorganisations and the cessation of the business;
- risks relating to the subscription of the Bonds and their settlement:
  - o the issue price of the Bonds will include certain fees and commissions to be paid by investors that may have an adverse effect on the value of the Bonds;
- risks relating to the listing of the Bonds and the market in the Bonds:
  - o the Bonds are fixed rate bonds that are exposed to interest rate risks due to changes in market interest rates and inflation;
- risks in connection with the status of the investor:
  - o the Bonds do not benefit from tax gross-up protection.

#### **4 Key information on the offer of the Bonds to the public and admission to trading on a regulated market**

(A) Under which conditions and timetable can I invest in these Bonds?

The Bonds are being offered to the public in Belgium and in the Grand Duchy of Luxembourg only (the “**Public Offer**”).

The Issuer authorises that the Prospectus may be used for the purposes of the Public Offer until the last day of the subscription period, which runs from 10 February 2023 at 9.00 a.m. (CET) until, subject to early termination, 14 February 2023 at 5.30 p.m. (CET) included (the “**Subscription Period**”) in Belgium and the Grand Duchy of Luxembourg, by any financial intermediary authorised pursuant to Directive 2014/65/EU (as amended, “**MiFID II**”) to conduct such offers (an “**Authorised Offeror**”).

**Any Authorised Offeror envisaging to use the Prospectus in connection with the Public Offer is obliged to state on its website, during the Subscription Period, that the Prospectus is used for a permitted public offer with the authorisation of the Issuer and in accordance with the relevant applicable conditions.**

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING THE BONDS IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH BONDS TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR, INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER.**

The Public Offer and issue of the Bonds is subject to a limited number of conditions set out in a placement agreement entered into between Belfius Bank SA/NV, BNP Paribas Fortis SA/NV and KBC Bank NV as joint lead managers (the “**Joint Lead Managers**”) and the Issuer,

which are customary for this type of transaction. The minimum amount of application for each Bond is EUR 1,000. The Bonds are issued for a minimum aggregate nominal amount of EUR 125,000,000 and a maximum aggregate nominal amount of EUR 250,000,000.

The final aggregate nominal amount of the Bonds (the “**Aggregate Nominal Amount**”) will be determined by the Issuer in case of early termination (as described below) in accordance with certain criteria. As the case may be, upon the decision of the Issuer, the maximum aggregate nominal amount of the Bonds may be increased at the end (or upon the early termination) of the Subscription Period. In such case, a supplement to the Prospectus shall be published. The Aggregate Nominal Amount shall be published as soon as possible after the end (or the early termination) of the Subscription Period on the websites of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and of the Joint Lead Managers ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023), [www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1) and [www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023)). If at the end of the Subscription Period there is insufficient demand from investors to issue the minimum nominal amount of the Bonds, the Issuer reserves the right (upon agreement with the Joint Lead Managers) to (i) cancel the issuance, in which case a notification will be published on the websites of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and of the Joint Lead Managers ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023), [www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1) and [www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023)) and the Issuer may need to publish a supplement to the Prospectus or (ii) reduce such minimum nominal amount by publishing a supplement to the Prospectus.

Early termination of the Subscription Period will intervene at the earliest on 10 February 2023 at 5.30 p.m. (CET) (the “**Minimum Sales Period**”). In case of early termination, a notice will be published as soon as possible (and at the latest on the Business Day after the date of early termination) on the websites of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and of the Joint Lead Managers ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023), [www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1) and [www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023)). This notice will specify the date and hour of the early termination.

The expected timetable for the Public Offer is the following:

- 8 February 2023: publication of the Prospectus on the websites of the Issuer and of the Joint Lead Managers;
- 10 February 2023, 9.00 a.m. (CET): opening of the Subscription Period;
- 10 February 2023, 5.30 p.m. (CET): earliest termination of the Subscription Period;
- 14 February 2023, 5.30 p.m. (CET): closing of the Subscription Period (if not terminated earlier);
- between 14 February 2023 and 17 February 2023: expected publication date of the results of the Public Offer (including its net proceeds), unless published earlier in case of early termination of the Subscription Period; and
- 21 February 2023: Issue Date and listing and admission to trading of the Bonds on the regulated market of Euronext Brussels, which is also the date of the initial delivery of the Bonds.

The issue price will be 101.875% of the nominal amount for each of the Bonds (the “**Issue Price**”). This price includes the following commissions to the benefit of the Joint Lead Managers:

- investors who are not Qualified Investors (as defined below) (the “**Retail Investors**”) will pay a selling and distribution commission equal to 1.875% (the “**Retail Commission**”) of the nominal amount of the Bond; and
- investors who are qualified investors as defined in Article 2(e) of the Prospectus Regulation (the “**Qualified Investors**”) will pay a commission equal to the Retail Commission reduced, as the case may be, by a discount of up to 1.875% (the “**QI Commission**” and together with the Retail Commission, the “**Commissions**”). No such discount will be granted to Qualified Investors acting as financial intermediaries within the framework of independent investment advice or portfolio management (as defined in MiFID II), including Authorised Offerors if applicable.

The targeted allocation structure for the placement of the Bonds will be the following, which may be changed pursuant to mutual agreement between the Issuer and the Joint Lead Managers:

- each of the Joint Lead Managers shall place a minimum of EUR 31,250,000 and a maximum of EUR 62,500,000 of the Bonds (or 25% of the nominal amount of Bonds to be issued) on a best efforts basis allocated exclusively to Retail Investors in its own retail and private banking network, at a price equal to 100% of the nominal amount of the Bonds plus the Retail Commission, in aggregate a minimum of EUR 93,750,000 and a maximum of EUR 187,500,000 (or 75% of the nominal amount of Bonds to be issued) (the “**Retail Bonds**”); and
- the Joint Lead Managers, acting together on a best efforts basis, shall place towards third party distributors and/or Qualified Investors at a price equal to 100% of the nominal amount of the Bonds plus the QI Commission a minimum of EUR 31,250,000 and a maximum of EUR 62,500,000 of the Bonds (or 25% of the nominal amount of Bonds to be issued) (the “**QI Bonds**”).

If, at 5.30 pm (CET) on the first business day of the Subscription Period, the Retail Bonds assigned to a Joint Lead Manager are not fully placed by such Joint Lead Manager, each of the other Joint Lead Managers having fully placed the Retail Bonds assigned to it shall have the right (but not the obligation) to place such Retail Bonds with Retail Investors in its own retail and private banking network, on an equal share basis (if possible) between those other Joint Lead Managers. In the event that any Retail Bonds remain unplaced pursuant to the mechanisms described in this paragraph, such Bonds may be allocated by the Joint Lead Managers to the orders relating to QI Bonds, towards third party distributors and/or Qualified Investors. If the QI Bonds are not fully placed by the Joint Lead Managers, each of the Joint Lead Managers shall have the right (but not the obligation) to place such QI Bonds and any such QI Bonds shall be placed with Retail Investors in its own retail and private banking network, on an equal share basis (if possible) between those Joint Lead Managers. If not all Bonds are placed at 5.30 pm (CET) on the first business day of the Subscription Period and taking into account the reallocation pursuant to the preceding sentences, each of the Joint Lead Managers shall have the right to place the unplaced Bonds with Retail Investors and with Qualified Investors.



In case of oversubscription, a reduction may apply, i.e., subscriptions will be scaled back proportionally, with an allocation of a multiple of EUR 1,000 and, if possible (i.e., if there are not more investors than Bonds), a minimum nominal amount of EUR 1,000, which is the minimum subscription amount. Subscribers may have different reduction percentages applied in respect of the amounts subscribed by them depending on the financial intermediary through which they have subscribed to the Bonds. Retail Investors are therefore encouraged to subscribe to the Bonds on the first business day of the Subscription Period before 5.30 pm (CET) to ensure that their subscription is taken into account when the Bonds are awarded, subject, as the case may be, to a proportional reduction of their subscription.

Any payment made by a subscriber to the Bonds in connection with the subscription of Bonds which are not allotted will be refunded within seven business days after the date of payment in accordance with the arrangements in place between such relevant subscriber and the relevant financial intermediary, and the relevant subscriber shall not be entitled to any interest in respect of such payments. Prospective subscribers will be notified of their allocations of Bonds by the applicable financial intermediary in accordance with the arrangements in place between such financial intermediary and the prospective subscriber. The expected payment date is 21 February 2023. The payment for the Bonds can only occur by means of debiting from a deposit account. The Bonds will be delivered on 21 February 2023 (the “**Issue Date**”). On the Issue Date, the securities account of the investors will be credited with the relevant number of Bonds purchased and allotted to them.

All the costs incurred by the Issuer with respect to the issue of the Bonds (including the costs of legal fees, the auditor, Euronext Brussels, the Agent, the FSMA and costs related to marketing and excluding, for the avoidance of doubt, the Commissions) are borne by the Issuer and are estimated to be approximately EUR 370,000. The following expenses will be expressly charged to the investors when they subscribe to the Bonds: (i) Retail Investors will pay the Retail Commission and Qualified Investors will pay the relevant QI Commission, (ii) any costs (transfer fees, custody charge, etc.) which the investor’s relevant financial intermediary may charge and (iii) additional costs and expenses which may be due to the relevant financial intermediary upon exercising the change of control put option through a financial intermediary (other than the Agent). The financial services in relation to the issuance and the initial delivery of the Bonds will be provided free of charge by the Joint Lead Managers. Investors must inform themselves about the costs that their financial institutions might charge them.

(B) Why is the prospectus being produced?

*Use of proceeds*

The net proceeds are expected to amount to EUR 124,630,000 in case of an aggregate nominal amount of Bonds of EUR 125,000,000 and EUR 249,630,000 in case of an aggregate nominal amount of Bonds of EUR 250,000,000 (in each case after deduction of costs and expenses). An amount equal or equivalent to the net proceeds from the issue of the Bonds is expected to be applied by the Issuer to finance and/or refinance, in whole or in part, eligible green projects which have been evaluated and selected by the Issuer in accordance with the sustainable financing framework of the Colruyt Group (the “**Sustainable Financing Framework**”) and the eligibility criteria defined in the Sustainable Financing Framework. In particular, it is the Issuer’s intention to apply an amount to partially refinance amounts drawn under its revolving credit facility agreement which were used to temporarily finance several projects qualifying as eligible green projects in the past few months (such as relating to clean transportation, including the implementation of charging stations, renewable energy, including the development of hydrogen projects, and green buildings), representing expenditures up to EUR 150 million. The remaining amount is intended to be applied to finance and/or refinance other eligible green projects, such as relating to clean transportation, renewable energy and green buildings, with an intended maximum forward-looking period of three years.

Investors should note that investment activities related to joint ventures and associates of the Issuer, such as Virya Energy NV, are not within the scope of the Sustainable Financing Framework. Investment activities of DATS 24 are still within the scope, as DATS 24 is currently still a 100% subsidiary of the Issuer. The Colruyt Group has however communicated that it intends to centralise the energy activities of DATS 24 Belgium into Virya Energy NV. As soon as the activities would be centralised into Virya Energy, DATS 24 Belgium will no longer be fully consolidated and it will be out of scope of the Sustainable Financing Framework.

The Sustainable Financing Framework is available on the Issuer’s website ([www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/sustainable-financing-framework.pdf](http://www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/sustainable-financing-framework.pdf)). The Sustainable Financing Framework does not form part of, and is not incorporated by reference into, the Prospectus nor this Summary.

*Placement agreement*

The Joint Lead Managers have agreed with the Issuer in a placement agreement, subject to certain terms and conditions, to use best efforts to place the Bonds in an aggregate minimum nominal amount of EUR 125,000,000 and an aggregate maximum nominal amount of EUR 250,000,000 with third parties at the Issue Price (less a discount, if applicable), without a firm commitment.

*Conflicts of interest*

Potential investors should be aware that the Issuer and other members of the Colruyt Group are involved in a general business relation and/or in specific transactions with the Joint Lead Managers and the Agent and that they might have conflicts of interest that could have an adverse effect on the interests of the Bondholders. As at the date of the Prospectus, the aggregate existing financial indebtedness of the fully consolidated entities of the Colruyt Group outstanding towards and/or committed by the Joint Lead Managers amounts to an aggregate amount of approximately EUR 1,049 million, i.e., EUR 287 million for Belfius Bank SA/NV, EUR 380 million for BNP Paribas Fortis SA/NV and EUR 382 million for KBC Bank NV. As at the date of the Prospectus, the Joint Lead Managers and the Agent provide, among other things, payment services, credit facilities and assistance in relation to bonds, treasury notes and structured products to the Issuer and other members of the Colruyt Group for which certain fees and commissions are being paid. These fees represent recurring costs which are being paid to the Joint Lead Managers and the Agent, as well as to other banks which offer similar services.

## PART 2 – RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a definitive view on the likelihood of any such contingency occurring. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.*

*The risk factors are presented in categories depending on their nature. Investors should note that the numbering of the risk factors is only included to enhance readability and does not reflect a specific order of the risk factors. In each category, however, the risk factors which, in the assessment of the Issuer, are the most material risks taking into account the potential negative impact on the Issuer and the probability of their occurrence are mentioned first.*

*Prospective investors should note that the risks relating to the Issuer and the Bonds summarised in the Summary are the risks that the Issuer believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Bonds. However, as the risks which the Issuer faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the Summary.*

*Before investing in the Bonds, prospective investors should carefully consider all of the information in this Prospectus (including any documents incorporated by reference herein), including the following specific risks and uncertainties. If any of the following risks materialise, the Issuer's and/or the Colruyt Group's business, results of operations, financial condition and prospects could be adversely affected. In that event, the value of the Bonds could decline and an investor might lose part or all of its investment due to an inability of the Issuer to fulfil its obligations under the Bonds. The Issuer and/or the Colruyt Group may furthermore face risks and uncertainties which are not described below because they are not presently known to the Issuer or because the Issuer currently deems these to be immaterial. The latter may also have an adverse effect on the Issuer's and/or the Colruyt Group's business, results of operations, financial condition and prospects, and could negatively affect the value of the Bonds and/or the ability of the Issuer to fulfil its obligations under the Bonds.*

*Terms defined in the Conditions shall have the same meanings when used below. Any reference to any code, law, decree, regulation, directive or any implementing or other legislative measure shall be construed as a reference to such code, law, decree, regulation, directive or implementing or other legislative measure as the same may be amended, supplemented, restated and/or replaced from time to time.*

*The "Colruyt Group" refers to the Issuer and the subsidiaries of the Issuer as well as joint ventures and associates of the Issuer. Unless stated otherwise, figures mentioned in this section refer to the consolidated financial figures of the Issuer, covering the Issuer and its fully consolidated subsidiaries. Joint ventures and associates are accounted for using the equity method.*

### RISKS RELATING TO THE ISSUER AND THE COLRUYT GROUP

#### 1 Strategic risks

*(1) The Colruyt Group may fail to pass on price increases to customers given that its activities are subject to competition and changing consumer behaviours which could lead to reduced margins and a reduced payment capacity under the Bonds.*

A major strategic risk of the Colruyt Group relates to trends in consumer spending and cost inflation. As the Colruyt Group is keen to guarantee the lowest prices on the market for consumers in respect of its Colruyt Lowest Prices stores, the actions of competitors and the economic impact of the geopolitical situation can affect the Colruyt Group's profitability. Although the market share of the Colruyt Group on the retail market has remained stable in recent years, the retail market remains highly competitive. In the first half of financial year 2022/23, the combined market share of Colruyt

Lowest Prices, OKay and Spar Colruyt Group amounted to 30.9% (compared to 31.0% in the first half of financial year 2021/22 and 31.0% in the first half of financial year 2020/21).<sup>3</sup> The Colruyt Group continually endeavours to introduce efficiency improvements where possible. For further information, including in respect of the approach of the Colruyt Group to guarantee the lowest prices in respect of its Colruyt Lowest Prices stores, please also refer to section 3 (*Strategy*) of Part 7 (*Description of the Issuer*).

The competitors of the Colruyt Group on the retail market mainly include international supermarket chains, as well as national, regional and local supermarket chains, independent grocery stores, specialty food stores, warehouse stores, convenience stores, general merchandisers and discount and online retailers. It is possible that the Colruyt Group will face increased competition in the future from some or all of these competitors, for example from non-traditional e-commerce retailers who are capitalising on the shift in consumer purchasing from in-store to online and mobile. This shift has been further accelerated by the Covid-19 pandemic. In addition, consolidation in the food retail industry due to increasing competition from larger companies is also likely to continue. The ability to maintain the Colruyt Group's current market position on the retail market depends in particular upon the ability of the relevant members of the Colruyt Group to compete in the food retail industry through various means such as price promotions, continued focus on efficiency improvements, enhancing customer offerings and store expansions. To the extent that prices are reduced to maintain or grow market share, net income and cash generated from the respective members' operations could be adversely affected. Profitability could furthermore be impacted as a result of the pricing, purchasing, financing, advertising or promotional decisions made by the competitors of the Colruyt Group. Competitors may have financial, distribution, purchasing and marketing resources that are greater than those of the Colruyt Group, which may lead to the Colruyt Group not being able to successfully compete in the markets where it operates and to retain its market position.

The high level of competition in the Belgian retail market is not a new trend, but rather one that has been persisting for several years.<sup>4</sup> Based on information from De Tijd, the Flanders and Brussels region count an additional 1,190 supermarkets compared to ten years ago, an increase in the number of supermarkets with 57%. Due to this increase in supermarkets, a total of 2.2 million of square metres of food supermarket space is available in Flanders and Brussels. Almost all international players that are active in Belgium are still expanding and opening new stores, even though the Belgian retail landscape is already very crowded. In Belgium, there are 2.53 supermarkets per 10,000 inhabitants while for example in The Netherlands this is only 1.79 per 10,000 inhabitants.

The increased competition in recent years is also visible in the EBIT-margin which the fully consolidated entities of the Colruyt Group is realising on its sales. In the first half year of financial year 2022/23, the EBIT-margin dropped to 2.3% of sales (compared to 4.2% of sales in the first half year of financial year 2021/22).

The industry in which the Colruyt Group is active is also exposed to changing consumer behaviours. If a significant change in demographics occurs and/or if the Colruyt Group does not anticipate or identify changes in consumer preferences or trends or does not respond to these in a timely manner (for example by offering new and improved products in a timely manner), this could result in a reduced demand for the Colruyt Group's products and an adverse impact on the Colruyt Group's revenues. In addition, there are inherent market risks associated with new product or packaging introductions, including uncertainties about trade and consumer acceptance.

The current economic and energy crisis is putting further pressure on consumer purchasing power. This may lead to a decline in the proportion of customer spending captured by the Colruyt Group's stores. Changing consumer behaviours may also require the Colruyt Group to adapt its existing product offering or to add new products to maintain or increase revenues. The Colruyt Group is, for example, responding to evolving customer needs with innovative digital concepts and services such as OKay Direct, which is the first self-service store where customers can shop completely autonomously 24/7, and the possibility of home deliveries through Collect&Go in for example densely populated cities like Brussels and Antwerp. Anticipating consumer trends and preferences however requires research and development and marketing

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<sup>3</sup> Source: NielsenIQ All Commodity Volume figures.

<sup>4</sup> Source: De Tijd (article from 13 August 2022 entitled "Niet iedereen overleeft de supermarktclash", <https://www.tijd.be/ondernemen/retail/helft-meer-supermarkten-in-tien-jaar/10407164.html>).

initiatives. It is possible that, despite the efforts of the Colruyt Group, these measures are not well received or do not lead to the anticipated profitability or market traction.

In this respect, please also refer to the risk factor entitled “*The Colruyt Group may be unable to successfully develop and execute its strategy, which could adversely affect the Colruyt Group’s businesses, operating results and ability to compete successfully*”.

(2) *The Issuer is to a certain extent dependent on the distributions received from the other members of the Colruyt Group which impact its revenues and reorganisations of the existing group structure may have a further impact on these revenues of the Issuer, which may impair its ability to satisfy its obligations under the Bonds.*

The Colruyt Group’s operational activities are subdivided into retail, wholesale, foodservice, other activities and group support activities. For an overview of the principal activities of the Colruyt Group, please refer to section 5.1 (*Principal activities*) of Part 7 (*Description of the Issuer*).

As at the date of this Prospectus, the Issuer itself is responsible for operating the Colruyt Lowest Prices stores and providing support services to other members of the Colruyt Group, including logistics, purchasing and technical support. The majority of the cash generated from operating activities by the Issuer can be attributed to its Colruyt Lowest Prices activities which accounted for 58.88% of the total consolidated revenue as at 30 September 2022 (compared to 60.39% as at 31 March 2022). Besides these activities, the Issuer’s substantive activity is the holding and managing of its participations in its subsidiaries, joint ventures and associates. Consequently, whether it will be possible for the Issuer to satisfy its obligations under the Bonds will partially depend on the ability of the other members of the Colruyt Group to generate and distribute sufficient cash flows to the Issuer through dividends, intra-group receivables and other payments. This will depend primarily on the operating results of each such entity (in which respect reference is made to the other risk factors in this section which cover the risks of the Colruyt Group’s operating activities). These entities may find themselves unable to make the necessary distributions to the Issuer due to, among other things, financial-economic reasons (such as a decline in operating results at the level of the relevant entity) or legal reasons (such as restrictions to pay out certain amounts to shareholders). As at 31 March 2022, OKay, Bio-Planet and Cru for example accounted for EUR 1,038 million in consolidated revenue, representing 10.33% of the total consolidated revenue. The wholesale and foodservice activities accounted for 10.6% of the total consolidated revenues as at 31 March 2022 (10.9% as at 30 September 2022) and other activities, such as DATS 24 and Symeta Hybrid, accounted for 8.2% of the total consolidated revenues as at 31 March 2022 (9.0% as at 30 September 2022). Investors should note that no guarantees are granted in the context of the Bonds by the other members of the Colruyt Group.

The Colruyt Group may decide to reorganise its current structure, for example by shifting cash generating activities and/or assets currently undertaken or held by the Issuer to other members of the Colruyt Group. In such case, the Issuer will become even more dependent on the revenues and distributions of the other members of the Colruyt Group to be able to comply with its payment obligations under the Bonds. For an overview of the current group structure, please refer to section 2 (*Structure*) of Part 7 (*Description of the Issuer*) and for an overview of steps that have already been taken to amend the current group structure, please refer to section 6.2 (*Legal group structure*) of Part 7 (*Description of the Issuer*).

The Colruyt Group may furthermore undertake reorganisations of the activities of the members of the Colruyt Group other than the Issuer. The Colruyt Group has for example communicated that it intends to centralise the energy activities of DATS 24 Belgium into the energy holding company Virya Energy NV (“**Virya Energy**”). As at the date of this Prospectus, the Issuer holds 59.8% in Virya Energy while Korys, the investment company of the Colruyt family and the main shareholder of the Issuer, holds the remainder of the shares. As at 30 September 2022, DATS 24 accounted for EUR 464 million in consolidated revenue, representing 8.81% of the total consolidated revenue (compared to EUR 798 million in consolidated revenue, representing 7.94% of the total consolidated revenue as at 31 March 2022). Investors should note that, as soon as the activities of DATS 24 Belgium would be centralised into Virya Energy, DATS 24 Belgium will no longer be fully consolidated and will be included in the result of Virya Energy, which the Issuer accounts for using the equity method. If this centralisation process is not successful, this may have an impact on the benefits which the Colruyt Group expects to derive. The integration process may also take longer than expected and may

require more time and efforts from the Colruyt Group, with additional costs which may not yet have been factored into the process.

For further information on this integration process, please also refer to section 5.3 (*Recent developments and investments*) of Part 7 (*Description of the Issuer*).

Any reorganisation of the existing Group structure may impact the revenues which the Issuer will derive directly from its activities or from the other members of the Colruyt Group. This may have an impact on the possibility for the Issuer to satisfy its obligations under the Bonds. Potential investors should note that although the Conditions include an event of default upon certain situations which relate to a reorganisation of the Group (taken as a whole) or the cessation of all or substantially all of the business of the Group (taken as a whole), these will not cover all relevant situations and may, therefore, impact the possibility for the Issuer to satisfy its obligations under the Bonds. In this respect, please also refer to the risk factor entitled “*The Conditions only contain certain restrictions on corporate reorganisations and the cessation of the business*”.

(3) *The Colruyt Group may be unable to successfully develop and execute its strategy, which could adversely affect the Colruyt Group’s businesses, operating results and ability to compete successfully.*

The Colruyt Group may face adverse consequences if it is ineffective in implementing its strategy or if its strategy proves to be inadequate. The Colruyt Group’s strategy relies on its ability to, among other things, complete store renovations and conversions, implement and execute brand-specific marketing plans, grow its e-commerce business and expand into other business segments that are linked to food retail (such as health). Operating at the lowest costs furthermore remains crucial for the Colruyt Group in order to guarantee the lowest prices on the market for consumers in respect of its Colruyt Lowest Prices stores. For further information on the Colruyt Group’s strategy, please also refer to section 3 (*Strategy*) of Part 7 (*Description of the Issuer*). An inadequate strategy, in its definition or execution, which is not differentiated from the competition or which is not aligned with the expectations of the Colruyt Group’s customers may have an adverse effect on the Issuer’s and/or the Colruyt Group’s business, results of operations, financial condition and prospects.

The introduction, implementation, success and timing of new business initiatives and strategies, including but not limited to initiatives to increase revenue, reduce costs or enter into new areas of business, could be less successful or could be different than anticipated, which could materially adversely affect the Colruyt Group’s business. In this respect, please also refer to the risk factor entitled “*The Colruyt Group may fail to realise the anticipated business growth opportunities, revenue benefits, cost synergies, operational efficiencies and other benefits anticipated from, or may incur unanticipated costs associated with, acquisitions and partnerships*”.

As part of the Colruyt Group’s strategy, the Colruyt Group is keen to guarantee the lowest prices on the market for consumers in respect of its Colruyt Lowest Prices stores. This may have as a consequence that the Colruyt Group is unable to pass on price increases to its customers, leading to declining margins. In light of the deteriorating market conditions, the Colruyt Group has on multiple occasions indicated, as part of its regular financial reporting, that its results would be lower than anticipated. For further information, please refer to section 8 (*Selected financial information*) of Part 7 (*Description of the Issuer*). The Colruyt Group has, furthermore, evolved from a net cash surplus to a net financial debt situation in the last few years. In this respect, please also refer to the risk factors entitled “*The Colruyt Group may fail to pass on price increases to customers given that its activities are subject to competition and changing consumer behaviours which could lead to reduced margins and a reduced payment capacity under the Bonds*” and “*The level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer’s ability to satisfy its obligations under the Bonds*”. For an overview of the existing financing arrangements, please refer to section 9 (*Financing arrangements*) of Part 7 (*Description of the Issuer*).

A key to the Colruyt Group’s strategy is the renovation and/or conversion of existing stores, the renovation of infrastructure and the acquisition of new sites. During the financial year ended 31 March 2022, 37 stores were remodelled and several new sites were acquired. Although it is expected that cash flows generated from operations, supplemented by the unused borrowing capacity under the Colruyt Group’s credit facilities and the availability of capital lease financing, will be sufficient to fund capital renovation programmes and conversion initiatives, sufficient funds may not be available.

The inability to successfully renovate and/or convert existing stores and other infrastructure could adversely affect the Colruyt Group's businesses, operating results and ability to compete successfully. In addition, the Colruyt Group owns most of the real estate in which its stores are located. This real estate is mainly held through the Colruyt Group entity Colim NV. The Colruyt Group is therefore subject to the evolution of real estate prices and fluctuations in the real estate market in situations where it decides to sell or lease some of its properties. In this respect, please also refer to the risk factor entitled "*The Colruyt Group faces asset and profit concentration risks given that it is mainly a Belgium oriented group and owns the majority of its assets in Belgium, which exposes it to a large extent to adverse developments in this market*".

(4) *The Colruyt Group faces asset and profit concentration risks given that it is mainly a Belgium oriented group and owns the majority of its assets in Belgium, which exposes it to a large extent to adverse developments in this market.*

The Colruyt Group is mainly a nationally (Belgium) oriented group, leading to a high concentration of assets and profits. As at 30 September 2022, the consolidated revenues in Belgium accounted for 91.7% of the total consolidated revenues (compared to 92% as at 31 March 2022). For an overview of the geographic segmentation of the Colruyt Group, please refer to section 5.2 (*Geographic segmentation*) of Part 7 (*Description of the Issuer*). The majority of the fixed assets of the fully consolidated entities of the Colruyt Group (such as real estate) are also held in Belgium.

Because of the strong concentration in the Belgian market, the Colruyt Group is to a large extent exposed to adverse developments in this market. This includes the risk that target production volumes cannot be reached, or a decrease in the commercial margins is observed, as a result of increased market competition or other adverse events. It also means that the Colruyt Group is exposed to the market evolution of (commercial) real estate prices in Belgium, given that the Colruyt Group owns most of its stores and logistical centres. A significant drop in the real estate value of the Colruyt Group would lead to a reduction of the creditworthiness of the Colruyt Group as a whole, which could in turn have an adverse impact on the possibility for the Issuer to satisfy its obligations under the Bonds. In this respect, please also refer to the risk factor entitled "*The Colruyt Group may be unable to successfully develop and execute its strategy, which could adversely affect the Colruyt Group's businesses, operating results and ability to compete successfully*".

(5) *The Colruyt Group may fail to realise the anticipated business growth opportunities, revenue benefits, cost synergies, operational efficiencies and other benefits anticipated from, or may incur unanticipated costs associated with, acquisitions and partnerships.*

The Colruyt Group is committed to a growth strategy that includes both organic growth and growth through acquisitions. Recently, the Colruyt Group continued its expansion through the acquisitions of or partnerships with (as the case may be), among others, Newpharma, Foodbag, Roelandt Group, JIMS and Culinoa. These acquisitions and partnerships have strengthened the Colruyt Group's ambitions in such areas as e-commerce, vertical integration and health. For further information on recent developments and investments of the Colruyt Group, please refer to section 4 (*History and development*) and section 5.3 (*Recent developments and investments*) of Part 7 (*Description of the Issuer*).

Any acquisitions or partnerships need to be successfully integrated into the existing activities of the Colruyt Group. The integration of new or acquired businesses may, however, present various risks and challenges, such as the diversion of management time, effort and attention from existing business operations, the unanticipated loss of revenue or increase in operating or other costs and the assumption of debt or other liabilities of the acquired business. In the event of cross-border acquisitions or partnerships, the Colruyt Group is furthermore exposed to the economic, social and political risks associated with operating in these countries. This may for example require the Colruyt Group to cooperate with local partners with whom they have not previously done business and may subject the Colruyt Group to local regulations that may be more onerous than the regulations to which it is subject in its existing markets.

While the Colruyt Group is committed, in the context of any acquisition or partnership, to formalised processes, including conducting robust due diligence activities and, where necessary, optimising its cost structure, it is possible that the Colruyt Group may not realise all of the anticipated benefits of any realised business growth opportunity or that any new or acquired business can perform as anticipated.

(6) *Environmental, social and governance aspects may impact the activities of the Colruyt Group and lead to liability and/or reputational damages.*

The Colruyt Group is subject to environmental, social and governance risks in relation to its activities.

As a retailer, the Colruyt Group has a major impact on the environment through the product value chains. If the Colruyt Group receives insufficient support from other actors along the chain in order to make the product value chains and activities more sustainable in a systematic way, this may have an impact on the reputation of the Colruyt Group. In addition, while the Colruyt Group has a preference for products with a focus on good management and restoration of existing ecosystems, there is a risk of being unable to source sustainably in an optimal way owing to excessive dependence on one or a limited number of suppliers. In this respect, please also refer to the risk factor entitled *“The Colruyt Group may be subject to disruptions of the supply of goods to distribution centres and stores and to unavailability or inaccessibility of distribution centres, which may lead to a higher cost of replacement goods, may impact customer spending and the number of customers at stores of the Colruyt Group and may impact the continuity of the Colruyt Group’s activities”*.

An additional risk lies in the fact that the Colruyt Group would become too dependent on certain raw materials and that certain cultivation technologies would change substantially and/or cultivation becomes impossible due to a changing climate. If the Colruyt Group is not able to adapt to such changing climate circumstances, it may suffer losses, in particular where competitors of the Colruyt Group are able to take on the relevant challenges. This will furthermore require the Colruyt Group to make investments, which may be substantial.

Increasing transparency, for example because of the reporting requirements set forth under the Taxonomy Regulation (Regulation (EU) 2020/852) under which the Colruyt Group is required to disclose in respect of its economic activities and the sustainability reporting obligations which will be imposed on the Colruyt Group by the Corporate Sustainability Reporting Directive, is a challenge for the entire food and non-food sector. It is possible that actors in the chain will be unwilling or unable to share their data or will pass on incorrect data. This may lead to the Colruyt Group not being able to comply with its obligations in this respect.

Further, given a lack of control on environmental and animal welfare matters, the Colruyt Group is subject to the risk of accidental environmental damage being caused by the Colruyt Group. As a result, the Colruyt Group can suffer reputational damage and be perceived as an organisation that fails to realise its sustainability goals. In this respect, please also refer to the risk factor entitled *“Risks relating to environmental liability”*. Natural disasters can also damage both supply chains and the Colruyt Group’s infrastructure. In this respect, please refer to the risk factor entitled *“Natural disasters and geopolitical events could adversely affect the Colruyt Group’s operations and financial performance”*.

The Colruyt Group is strongly anchored in the social fabric, both through its own production and retail sites, as well as through local and international supply chains. Social unrest can arise from the activities that are carried out. Supply chains involving foreign players are in this respect more difficult to control. For example, social unrest can arise due to political and economic instability in countries from which products are supplied. There is a risk that goods can no longer be sourced or distributed locally. In this respect, please also refer to the risk factor entitled *“Actions by the Colruyt Group’s workforce may impact the Colruyt Group’s operations”*.

Finally, if human rights violations would come to light in the context of the Colruyt Group’s activities, applying to both the Colruyt Group’s employees as well as people throughout the value chain, the Colruyt Groups runs the risk of being held liable and suffering reputational damage.

## **2 Financial risks**

(1) *The level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer’s ability to satisfy its obligations under the Bonds.*

As at 30 September 2022, the total amount of outstanding financial debt of the fully consolidated entities of the Colruyt Group (non current and current together) was EUR 1,372.2 million (compared to EUR 968.7 million as at 31 March 2022).

This consisted of bank and other borrowings of EUR 1,077.4 million (compared to EUR 684.7 million as at 31 March 2022) and lease and similar liabilities of EUR 294.8 million, including EUR 281.6 million of IFRS 16 liabilities (compared to EUR 284.0 million as at 31 March 2022, including EUR 269.3 million of IFRS 16 liabilities). As at 30 September 2022, EUR 788.4 million of the total amount of outstanding consolidated debt (being EUR 1,372.2 million) was maturing within one year. The total amount of cash and cash equivalents as at 30 September 2022 was EUR 382.2 million (compared to EUR 176.2 million as at 31 March 2022). For an overview of the existing financing arrangements, please refer to section 9 (*Financing arrangements*) of Part 7 (*Description of the Issuer*).

The Conditions do not prohibit the Issuer or any other member of the Colruyt Group from issuing further debt or securities or contracting additional indebtedness, for example in the form of bank loans or indebtedness related to a finance or capital lease, which may be substantial and which, in each case, may or may not be secured. Condition 3 (*Negative pledge*) only requires the Issuer and its Material Subsidiaries to grant the same security (or other security which is either not materially less beneficial to the interests of the Bondholders or is approved by the Bondholders by way of an Extraordinary Resolution) to the Bondholders in respect of the Bonds in the event that security is granted by the Issuer or any of its Material Subsidiaries over any part of their respective assets or business to secure (i) any Relevant Indebtedness of the Issuer or any member of the Group (which generally refers to any existing or future debt in the form of or represented by financial instruments/debt securities and not, for example, bank loans) or (ii) any guarantee or indemnity of the Issuer or any member of the Group in respect of any Relevant Indebtedness of the Issuer or any member of the Group (subject in each case to certain exceptions set out in Condition 3 (*Negative pledge*)). No such requirement to provide security to the Bondholders applies when the Issuer or its Material Subsidiaries grant any security for indebtedness other than Relevant Indebtedness, such as bank loans or indebtedness related to a finance or capital lease, or when any other member of the Colruyt Group, such as a subsidiary of the Issuer which is not a Material Subsidiary or a joint venture or associate of the Issuer, grants any security for any indebtedness (even in the form of or represented by financial instruments/debt securities). If the Issuer or any Material Subsidiary would grant security for any indebtedness other than Relevant Indebtedness or any other member of the Colruyt Group, such as a subsidiary of the Issuer which is not a Material Subsidiary or a joint venture or associate of the Issuer, would grant security for any indebtedness, the creditors of such secured loans would in case of enforcement have priority over the secured assets and the Bondholders may not receive amounts in respect thereof. As at the date of this Prospectus, the Issuer and Finco NV (the Colruyt Group's in-house financing vehicle) do not have secured financings. The other fully consolidated entities of the Colruyt Group have a limited amount of secured debt, representing as at 30 September 2022 less than 5% of the total outstanding consolidated debt. A large part of these secured financings date from before the acquisition of the relevant entities by the Colruyt Group.

Any financings currently outstanding and any future financings of the Issuer and other members of the Colruyt Group may include similar but also different terms than the Bonds. They typically include customary events of default, such as the occurrence of insolvency proceedings and cross-defaults. In circumstances where such events of default are triggered, this will impact the Issuer's and/or the relevant Colruyt Group member's financial position and may, subsequently, impact the Issuer's potential to satisfy its obligations under the Bonds (taking into account that the Issuer is, to a certain extent, dependent on the distributions of the other members of the Colruyt Group). In this respect, please also refer to the risk factor entitled "*The Issuer is to a certain extent dependent on the distributions received from the other members of the Colruyt Group which impact its revenues and reorganisations of the existing group structure may have a further impact on these revenues of the Issuer, which may impair its ability to satisfy its obligations under the Bonds*".

Other financings currently outstanding or which may be entered into in the future may furthermore contain undertakings or covenants that restrict the Colruyt Group's ability to engage in certain transactions or to respond to changing business and economic conditions. While as at the date of this Prospectus most of the financings of the Issuer do not include financial covenants, it cannot be excluded that future financings will include these. As at the date of this Prospectus, only the revolving credit facility agreement entered into by the Issuer in 2022 and a bilateral facility agreement entered into by the Issuer include a financial covenant based on a leverage ratio. In case of a breach of such financial covenant, the lender(s) under the relevant facility could cancel their commitment and ask for repayment of the drawn part of the facility, could request amendments to the terms of the relevant agreement or could request (additional) guarantees or security.



(2) *Changes in interest rates may impact the Colruyt Group's financial position, in particular with respect to potential future financing arrangements entered into at floating interest rates.*

A large part of the Colruyt Group's outstanding consolidated debt matures within the year and is expected to be refinanced. As at 30 September 2022, EUR 788.4 million of consolidated debt is maturing within the year out of total consolidated debt of EUR 1,372.2 million. The refinancing is expected to be undertaken in part through the issuance of the Bonds (i.e., by refinancing Eligible Green Projects (as defined under Part 8 (*Sustainable Financing Framework*)) that have been temporarily funded by the revolving credit facility agreement entered into by the Issuer in 2022). Depending on the evolution of the macro-economic situation, the Colruyt Group may also decide not to refinance its maturing debt in full by using, amongst others, cash generated from operating activities or cash from a sale and lease back of non-strategic assets, which may impact the Colruyt Group's financial position.

Given the current interest rate environment, the Colruyt Group expects any refinancing to take place at higher interest rates. As at the date of this Prospectus, all loans with tenors of more than one year of the fully consolidated entities of the Colruyt Group have been concluded at fixed interest rates. These outstanding financings have been entered into in euro, so that the fully consolidated entities of the Colruyt Group currently have no outstanding interest rate risk on foreign currencies. This could, however, change in the future. For an overview of the existing financing arrangements and the applicable tenors, please refer to section 9 (*Financing arrangements*) of Part 7 (*Description of the Issuer*).

The Colruyt Group considers on a case-by-case basis whether interest rate risk hedging is necessary. This can be done either by taking out longer-term loans with a fixed interest rate or by entering into financial derivatives. Where such hedging is entered into, it is however possible that it will not be sufficient to cover all risks of the Colruyt Group.

It is furthermore possible that the Colruyt Group will take on additional financial liabilities, taking into account the fact that the Conditions do not limit the possibility for the Colruyt Group to enter into additional financing arrangements or to issue further debt. In current market conditions it is possible that such financing arrangements will only be available at higher fixed interest rates or at floating interest rates. Any additions to the Colruyt Group's financings of floating rate debt could increase the Colruyt Group's exposure to movements in both underlying interest rates and the risk premium which the Colruyt Group pays (if any). In this respect, please also refer to the risk factors entitled "*The Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer's subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders' ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings*" and "*The Issuer and other members of the Colruyt Group may incur more debt in the future which may prejudice the ability of the Issuer to pay interest amounts under or to repay the Bonds*".

(3) *The Colruyt Group is exposed to liquidity risk which can impact its business activities and financial performance.*

The Colruyt Group is exposed to liquidity risk that could prevent it from conducting its business and thus reduce its financial performance. An insufficiency of funds may lead to the Colruyt Group not being able to make sufficient investments, develop and execute innovations or pursue growth opportunities. This may lead to the Colruyt Group being less competitive. In this respect, please also refer to the risk factor entitled "*The Colruyt Group may fail to pass on price increases to customers given that its activities are subject to competition and changing consumer behaviours which could lead to reduced margins and a reduced payment capacity under the Bonds*". Insufficient liquidity may further have a reputational risk for the Colruyt Group. The financing conditions which the Colruyt Group receives are, in part, dependent on the creditworthiness of the Colruyt Group. Where this creditworthiness would decline, it is possible that the Colruyt Group will not be able to enter into new financing arrangements at beneficial terms.

The policy of the Colruyt Group is to maintain at all times adequate financing to cover its needs at the peak of the seasonal cycle and to ensure a safety margin. For this, the Colruyt Group adopts a refinancing policy aimed at diversifying the sources of financing and the lending counterparties to ensure an adequate distribution of financing. For an overview of the existing financing arrangements, please refer to section 9 (*Financing arrangements*) of Part 7 (*Description of the Issuer*).

Given its debt level and the fact that the total amount of outstanding financial debt of the fully consolidated entities of the Colruyt Group (EUR 1,372.2 million as at 30 September 2022) exceeds the amount of cash and cash equivalents of the fully consolidated entities of the Colruyt Group (EUR 382.2 million as at 30 September 2022), the Colruyt Group may not be able to refinance its debt or receive additional financing on terms that are commercially desirable. If the Colruyt Group is unable to receive financing on similar terms (in particular by having to accept restrictive covenants), this could reduce the flexibility which the Colruyt Group has to operate its business, make investments, complete acquisitions or divestments or incur additional indebtedness. While committed credit facilities are currently in place, it is possible that a liquidity issue will arise if these facilities prove to be insufficient or if a contemplated financing is not closed within the necessary timeframe.

In this respect, please also refer to the risk factor entitled *“The level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer’s ability to satisfy its obligations under the Bonds”*.

(4) *The Colruyt Group is exposed to credit risk in relation to outstanding receivables of its customers and is therefore subject to the risk that it will not be able to recover all or a substantial part of the outstanding receivables.*

The Colruyt Group is subject to credit risk in respect of the outstanding receivables of its customers. The credit risk in relation to receivables of retail customers is limited since most of the Colruyt Group’s retail customers pay cash. The main part of the Colruyt Group’s receivables is linked with the wholesale activity for which the Colruyt Group grants its clients payment terms that are customary in the industry, for example in relation to the period in which payments need to be made. As at 30 September 2022, the total outstanding receivables on a consolidated basis were EUR 751.9 million (compared to EUR 683.8 million as at 31 March 2022).

The Colruyt Group ensures a regular follow-up of the credit rating of its customers and of the independent storekeepers to which goods or services are delivered. Furthermore, bank guarantees may also be required to secure the collectability of the Colruyt Group’s receivables on them, which in certain instances are off-balance sheet bank guarantees. As at 31 March 2022, non-recognised bank guarantees were received from several customers having total outstanding debts of EUR 31.1 million (compared to EUR 29.6 million as at 31 March 2021). The collectability of this amount was secured by bank guarantees for an amount of EUR 25.9 million (compared to EUR 24.9 million as at 31 March 2021). Credit insurance is also taken out to cover this risk by some of the members of the Colruyt Group, such as Solucious. These measures may, however, prove not to be effective or sufficient to cover the credit risk.

A poor management of the credit risk and granting procedures could have an adverse effect on the Issuer and/or the Colruyt Group as they may be unable to recover all or an important part of the outstanding receivables.

### **3 Operational risks**

(1) *The Colruyt Group may be subject to disruptions of the supply of goods to distribution centres and stores and to unavailability or inaccessibility of distribution centres, which may lead to a higher cost of replacement goods, may impact customer spending and the number of customers at stores of the Colruyt Group and may impact the continuity of the Colruyt Group’s activities.*

The continuous supply of goods to the Colruyt Group’s distribution centres and stores is of vital importance for achieving its performance objectives. If a supplier of the Colruyt Group would temporarily or permanently be unable to supply the goods required by the Colruyt Group, the Colruyt Group may experience operational disruptions while it tries to obtain the required volume of goods from other suppliers. The Colruyt Group may not be able to obtain the required volume of goods from new suppliers at the same price as the price agreed with its current suppliers. The price of any replacement goods may be higher than the originally required goods. In such case, the Colruyt Group may be unsuccessful in passing on such cost increases to its consumers, in particular given its strategy to guarantee the lowest prices on the market for consumers in respect of its Colruyt Lowest Prices stores. In this respect, please also refer to the risk factor entitled *“The Colruyt Group may fail to pass on price increases to customers given that its activities are subject to competition and changing consumer behaviours which could lead to reduced margins and a reduced payment capacity under the Bonds”*.

Disruptions of the supply of goods due to negotiations and discussions with suppliers may furthermore lead to the unavailability of products in the stores of the Colruyt Group, which may impact the proportion of customer spending captured by the Colruyt Group's stores and the number of customers. If there is no disruption at competitors, customers may move stores. In this respect, please also refer to the risk factor entitled "*Natural disasters and geopolitical events could adversely affect the Colruyt Group's operations and financial performance*".

In addition, the unavailability or inaccessibility of the distribution centres can also have a significant impact on the continuity of the Colruyt Group's activities. The Colruyt Group is in part dependent on a number of large distribution centres in Belgium and France. If there would be a disruption in service in relation thereto, for example due to fires, natural disasters, terrorism and malicious acts or due to strikes, this may adversely impact the Colruyt Group. In this respect, please also refer to the risk factor entitled "*Actions by the Colruyt Group's workforce may impact the Colruyt Group's operations*".

(2) *Failure of the Colruyt Group's IT systems could adversely affect its operations and reputation.*

The Colruyt Group is heavily reliant on its IT systems: infrastructure, networks, operating systems, applications and databases. These relate to, among others, check-out systems, payment terminals, logistic programmes, inventory management systems and finance systems. These IT systems may be subject to damage or unanticipated interruptions from security breaches, cyber-attacks, phishing, computer viruses, computer system or network failures, fire, flood, storms and other natural disasters, power loss, operator negligence, physical or electronic loss of data, telecommunications failures, vandalism or other extraordinary events. For example, a failure of these systems may lead to incorrect stock determinations with subsequent shortages in stores, incorrect prices, the inability to collect electronic payments and the inability to identify customers. Although these systems are maintained by a team of experienced specialists, their failure, even for just one day, could result in an immediate loss of revenue.

The Colruyt Group furthermore makes use of information and communication technologies which are typically subject to information security risks, such as confidentiality, availability and integrity. In this respect, please also refer to the risk factor entitled "*Antitrust rules and other laws and regulations may impact the Colruyt Group's activities and results of operation*".

The Colruyt Group focuses on mirror and backup systems, continuity planning and contingency scenarios. In addition, the Colruyt Group invests in transformation programmes and projects to renew and strengthen its current infrastructure, including disaster recovery. These measures may, however, prove ineffective.

Any of the above risks may have an adverse impact on the Colruyt Group's operations and reputation.

(3) *The Colruyt Group may lose key management and personnel or fail to attract and retain skilled personnel and its financial position will furthermore be impacted by labour costs.*

Loss of its managerial staff and other key personnel or the failure to attract and retain skilled personnel could adversely affect the Colruyt Group's ability to successfully execute its business strategy and to remain competitive. In order to achieve its objectives, the Colruyt Group is largely dependent on the experience, commitments and skills of its employees and management team. Human capital is a key corporate asset of the Colruyt Group. The Colruyt Group might find it difficult to recruit suitable employees, in particular taking into account the current challenging labour market, both for expanding its operations and for replacing employees who may resign, or recruiting such suitable employees may entail substantial costs both in terms of salaries and other incentive schemes. The Colruyt Group experiences tightening of the labour market and expects this to continue in the future. Failure by the Colruyt Group to attract and maintain qualified personnel at competitive wages and other benefits can adversely affect the Colruyt Group's future growth and financial results, for example if (potential) employees decide to go to the competition of the Colruyt Group.

The Colruyt Group's activities are labour-intensive, for example with respect to the maintenance and operation of the stores of the Colruyt Group, and therefore require attracting and maintaining sufficient qualified personnel, causing significant employee benefit costs. The Colruyt Group's employee numbers have steadily increased over the last ten years. The number of full-time equivalents employed by the Colruyt Group at reporting date 31 March 2022 was 31,210 (compared to 31,189 at reporting date 31 March 2021).

If the Colruyt Group cannot control labour costs, this could result in a decrease in profits or an increase in losses. The automatic wage indexation system in place in Belgium is expected to have an important impact on the labour cost for the Colruyt Group. There is no guarantee that the Colruyt Group will be able to fully absorb increased labour costs through efforts to increase efficiency and profitability in other areas of the business. In this respect, please also refer to section 8 (*Selected financial information*) of Part 7 (*Description of the Issuer*).

The total consolidated employee benefit expenses for the financial year ended 31 March 2022 amounted to EUR 1,478.5 million (31 March 2021: EUR 1,462.3 million), i.e., 14.71% (31 March 2021: 14.73%) of consolidated revenue of EUR 10,049.3 million (31 March 2021: EUR 9,930.7 million).

(4) *Natural disasters and geopolitical events could adversely affect the Colruyt Group's operations and financial performance.*

The occurrence of one or more natural disasters, such as hurricanes, earthquakes, tsunamis, pandemics (for example the Covid-19 pandemic) or severe weather (for example the floods in Wallonia during the summer of 2021), whether as a result of climate change or otherwise, or geopolitical events, such as wars (for example the conflict in Ukraine), civil unrest or government curfews in a country in which the Colruyt Group operates or in which its suppliers are located, and attacks disrupting transportation systems, could adversely affect the operations and financial performance of the Colruyt Group. For further information, please also refer to section 6 (*Recent events and trend information*) and section 8 (*Selected financial information*) of Part 7 (*Description of the Issuer*).

From the end of financial year 2019/20 onwards, the Colruyt Group has experienced diverse impacts of the Covid-19 health crisis. The Covid-19 pandemic had a direct impact on food consumption and especially the foodservice channel (i.e., restaurants, cafes, catering companies, etc.) in general, impacting the Colruyt Group's activities across all of its business lines. In 2021, the Colruyt Group encountered a specific challenge with sales to professional clients falling sharply. A significant impact on turnover was marked at professional clients of Colruyt Lowest Prices and Solucious. Although other formulas of the Colruyt Group saw clear growth during this period, larger stores of the Colruyt Group, such as the Colruyt Lowest Prices stores, were less popular than local stores, such as Spar and OKay, given that consumers wanted to shop as close as possible to their homes. This led to the fact that the Colruyt Group was not able to benefit as much as certain of its competitors from the growth that food retailers saw during the Covid-19 health crisis. Hence, competitors were able to benefit more from this growth than the Colruyt Group. In 2022, the re-opening of restaurants led to lower sales in the food retail.

The overall Covid-19 impact could however not be isolated in an unambiguous manner. As at the date of this Prospectus, the situation has stabilised and there are no longer any health measures in force that significantly affect the Colruyt Group's activities. A possible flare-up of the Covid-19 virus and potential new measures imposed by the government however continue to pose a risk. A new lockdown or other sanitary measures may cause new supply chain disruptions, reduced availability of personnel and temporary closures of shops that are considered as being "non-essential" (among other things), resulting in an increase of the Colruyt Group's costs and/or a reduction of the Colruyt Group's revenues. This may furthermore increase the potential adverse impact or the probability of occurrence of other risk factors, in particular in Belgium given the Colruyt Group's asset and profit concentration. In this respect, please also refer to the risk factor entitled "*The Colruyt Group faces asset and profit concentration risks given that it is mainly a Belgium oriented group and owns the majority of its assets in Belgium, which exposes it to a large extent to adverse developments in this market*".

The floods in Wallonia during the summer of 2021 led to several stores of the Colruyt Group being unable to open or being inaccessible (for a limited period of time), becoming damaged or having issues with their inventory. This has led to certain customers going to stores in regions not impacted by the floods that were not necessarily a part of the Colruyt Group.

The conflict in Ukraine, which started at the end of February 2022, also creates risks and uncertainties for the Colruyt Group and accelerated some effects, such as inflation, created by the Covid-19 health crisis. While the conflict does not have a direct impact on the Colruyt Group's business, given that the Colruyt Group has no direct activities in Russia or Ukraine, the Colruyt Group is affected by the macroeconomic consequences of the war, such as price increases, high

inflation and a disrupted supply chain for a number of products. During its General Meeting of Shareholders held in September 2022, the Colruyt Group announced that inflationary pressure causes the Colruyt Group's expenses to increase significantly. This mainly affects energy, transport and labour costs. The latter have a major impact given the automatic wage indexation system in place in Belgium. The Colruyt Group also expects additional costs, in particular in relation to the rising energy prices, which will adversely affect the financial performance of the Colruyt Group. These macroeconomic consequences and the uncertainty as to how the conflict will evolve pose a risk to the Colruyt Group's performance and related financial results and cash flows, as well as discount rates, valuations and impairment assessments. The Colruyt Group may be unsuccessful in passing on cost increases to customers, whether in full or in part, without suffering reduced volume, revenue and operating income. In its half year results report for the six month period ended 30 September 2022, the Colruyt Group confirmed the expectation that the consolidated result, excluding possible one-off effects in 2022/23, will decrease considerably compared to 2021/22.

The Colruyt Group continues to closely monitor the situation with regard to the Covid-19 health crisis and the conflict in Ukraine and, where possible, takes the necessary measures to limit the impact and the (in)direct consequences of these events. Thanks to the Colruyt 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 the Colruyt Group has an interest. It is, however, possible that these measures do not have their desired effect, which can lead to losses for the Colruyt Group and, subsequently, impact the possibility for the Issuer to satisfy its obligations under the Bonds.

*(5) Actions by the Colruyt Group's workforce may impact the Colruyt Group's operations.*

Trade union representation exists in most of the Colruyt Group's operations in Belgium and France. A positive and constructive social climate contributes to the Colruyt Group's growth and development. Industrial action within or outside its organisation may have a negative impact on the continuity of the Colruyt Group's activities in that deliveries, sales, production or corporate services may be temporarily disrupted, in particular taking into account the fact that the Colruyt Group is active in labour-intensive sectors. In this respect, please also refer to the risk factor entitled "*The Colruyt Group may lose key management and personnel or fail to attract and retain skilled personnel and its financial position will furthermore be impacted by labour costs*".

It is possible that relations with the unionised portion of some or all of its workforce could deteriorate or that the workforce could initiate a strike, work stoppage or slowdown in the future. Similar actions by the non-unionised workforce of the Colruyt Group are also possible. In such an event, the Colruyt Group's business, results of operations, financial condition and prospects could be adversely affected, and the Colruyt Group entities may not be able to adequately meet the needs of customers by utilising the remaining unaffected workforce.

*(6) The Colruyt Group may be required to increase contributions to its defined contribution retirement plans.*

The Colruyt Group could be required to increase contributions to its defined contribution retirement plans, thereby reducing financial resources to repay its financial liabilities or invest in its business operations. The liability recognised in the balance sheet for a defined contribution retirement plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets (in this respect, see Note 24 (*Non-current liabilities related to employee benefits*) of the Issuer's consolidated financial statements for the financial year ended 31 March 2022, which are incorporated by reference into this Prospectus). Due to Belgian legislation, the employer is obliged to guarantee a minimum rate of return on the contributions. Therefore, the defined contribution plan is classified and accounted for as a defined benefit plan. As at 31 March 2022, the amount recognised in the Issuer's audited consolidated financial statements in respect of defined contribution plans amounted to EUR 90.6 million (31 March 2021: EUR 115.7 million). In case of adverse market situations, the present value of the future defined benefit (including the guaranteed rate of return on defined contribution plans) may increase and/or the fair value of plan assets may decrease, which may result in underfunding of the plan. For example, an increase of the salary inflation rate with 0.5% (keeping all other parameters constant) leads to an increase of the total obligations under the pension plans with EUR 8.3 million as at 31 March 2022, from EUR 90.6 million to EUR 98.9 million. In case of underfunding or changes to regulations applicable to such pension plans, the Colruyt Group may be required to increase contributions to the relevant pension plans, thereby reducing cash

flows available for the repayment of the Colruyt Group's financial liabilities or to invest in the Colruyt Group's business operations.

#### **4 Legal and regulatory risks**

##### *(1) Risks associated with product liability.*

The production, packaging and selling of goods for resale may entail risks of product liability, and obligations to take back and/or replace goods. The Colruyt Group is exposed to risks posed by involuntary or malicious product contamination, food spoilage, the availability and costs of products liability insurance cover and the potential cost and disruption of product withdrawals and recalls. The risks of food contamination and spoilage exist at each stage of the production cycle: from the purchase and delivery of raw materials through the production, packaging, transport, stocking and delivery processes. Products may be soiled, contaminated or defective and still be distributed by the Colruyt Group unintentionally. The high number of products and their nature (such as fresh or frozen products) sold increase the exposure of the Colruyt Group to this risk.

As a result, the Colruyt Group may be exposed to claims relating to product liability. Even if the product liability claims are not successful, the Colruyt Group could still suffer as a result, due to the impact that such a claim could have on its reputation. Any actual or alleged health risks associated to the Colruyt Group's products or even competitors' products may for example cause customers to lose confidence in the safety and quality of the Colruyt Group's products, to reduce their demand and to introduce individual or joint (class action) (defective) product liability claims, and ultimately have an adverse effect on the Colruyt Group's operations and financial condition. This may also lead to product withdrawals and/or recalls that are likely to be costly to the Colruyt Group. Serious cases of product contamination, food scare or food spoilage may lead to long-term loss of revenue until the Colruyt Group is able to regain consumer's confidence in the safety and quality of the Colruyt Group's products.

In addition, claims or liabilities with respect to product liability may not be covered by the Colruyt Group's insurance or by any rights of indemnity or contribution that the Colruyt Group may have against others, such as suppliers. The Colruyt Group may in such case incur claims or liabilities for which the Colruyt Group is not insured or that exceed the amount of its insurance coverage. It may also lead to a reduced availability or increased cost of liability insurance cover of product recalls.

The impact of the risks described above on the Colruyt Group will depend on many variables, such as the nature of the risk, the number and types of products affected and the timing of remedial actions. These factors could have reputational damages for the Issuer and/or the Colruyt Group and lead to unexpected costs and losses.

##### *(2) Antitrust rules and other laws and regulations may impact the Colruyt Group's activities and results of operation.*

The Colruyt Group is subject to the laws and regulations applying in every country in which it operates, as well as to the laws and regulations imposed by the European Union. Such laws and regulations are becoming more complex, more stringent and change faster and more frequently than before. Compliance efforts with those laws and regulations could lead to additional costs or capital expenditures, which could negatively impact the possibilities of the Colruyt Group to develop its activities. In addition, given the high level of complexity of these laws, there is also the risk that the Issuer may inadvertently breach some provisions. Violations of these laws and regulations could result in fines, criminal sanctions against the Colruyt Group, cessation of certain business activities, implementation of compliance programmes and prohibitions on the conduct of the Colruyt Group's business. Due to changing laws or regulations, the Colruyt Group may also have to invest further in its administrative or other processes.

This includes a variety of antitrust and similar legislation in the jurisdictions where the Colruyt Group operates. In a number of markets, the Colruyt Group has market positions which may make future significant acquisitions more difficult and may limit the Colruyt Group's ability to expand by acquisition or merger, if it wishes to do so. In addition, the Colruyt Group is subject to legislation relating to unfair competitive practices and similar behaviour.

The Colruyt Group is furthermore subject to privacy and data protection rules and regulations, including the General Data Protection Regulation (Regulation (EU) 2016/679). The Colruyt Group may obtain sensitive personal details of its

customers (for example in the context of the Colruyt Group's Xtra cards with respect to purchase information, intolerances and food preferences). This risk may also occur in the context of other means of digitalisation which are being introduced by the Colruyt Group. In this respect, please also refer to section 3 (*Strategy*) of Part 7 (*Description of the Issuer*).

The Colruyt Group makes use of information and communication technologies which are typically subject to information security risks, such as confidentiality, availability and integrity. Any unintended disclosure of personal details may lead to damages and reputational risk for the Colruyt Group. In this respect, please also refer to the risk factor entitled "*Failure of the Colruyt Group's IT systems could adversely affect its operations and reputation*".

(3) *Risks relating to environmental liability.*

The Colruyt Group is subject to laws, regulations and decrees applicable on the activities and transactions that could imply negative environmental effects. This is for example relevant for the Colruyt Group's fuelling activities through DATS 24. Those laws, regulations and decrees (which became more stringent in recent years) could force the Colruyt Group to pay for cleaning up and for damages at sites where the soil is contaminated. The Colruyt Group may furthermore be held liable for remedying accidental damage to the environment and be subject to related costs in its production sites, warehouses and offices and fuelling operations as well as the soil on which they are located, irrespective of the fact that the Colruyt Group owns, rents or sublets those production sites, warehouses and offices and irrespective of whether the environmental damage was caused by the Colruyt Group or by a previous owner or tenant.

A fire, explosion or leakage in production sites or fuelling stations could cause damage to the soil and the environment. Costs for research, repair or removal of environmental damage can be substantial and adversely affect the Colruyt Group's business, financial condition and results of operations and might therefore affect the Issuer's ability to satisfy its obligations under the Bonds. The Colruyt Group has taken out insurance policies for accidental environmental damage, of which the largest part is reinsured by the reinsurance entity of the Colruyt Group. This may, however, prove not to be sufficient to cover all risks.

(4) *Failure to rely on valid intellectual property rights such as trademarks, designs, patents and domain names and failure to exploit trade secrets may affect the Colruyt Group's competitive position and results.*

The Colruyt Group owns intellectual property rights such as, but not limited to:

- trademarks and designs for the names of the different brands under the Colruyt Group's umbrella (including Colruyt Lowest Prices, Boni Selection, Everyday Colruyt Group and Xtra);
- generic top level domain names consisting of the name of some members of the Colruyt Group followed by a global top level domain name (such as .com) and/or country code top level domain names that are specific to the countries where the Colruyt Group operates (such as .be or .fr);
- trade secrets in relation to certain aspects of the Colruyt Group's activities and operations (including new technologies such as vertical farming and automated order-picking);
- copyright on copyrightable work such as recipes and logos;
- legal protection of computer programmes; and
- legal protection of databases.

Consequently, the protection of its intellectual property is a key concern and risk for the Colruyt Group. It is possible that intellectual property of the Colruyt Group will be deemed invalid or will be objected to, opposed or declared null or void, will be infringed upon or will be circumvented by third parties. Intellectual property rights and trade secrets of the Colruyt Group could furthermore infringe third party rights.

The Colruyt Group takes reasonable measures to keep its knowhow secret, but there still remains a risk of leakage. Trade secret leakages can harm any member of the Colruyt Group and help its competitors, both in terms of product development and process innovation.

## RISKS RELATING TO THE BONDS

### 1 Risks relating to the nature of the Bonds

- (1) *The Issuer and other members of the Colruyt Group may incur more debt in the future which may prejudice the ability of the Issuer to pay interest amounts under or to repay the Bonds.*

The Issuer and other members of the Colruyt Group may incur additional indebtedness in the future, and the right of payment under the Bonds will be structurally subordinated to the secured debt of the Issuer or the secured or unsecured debt of the subsidiaries of the Issuer, whereas the Bonds are unsecured. In this respect, please also refer to the risk factor entitled “*The Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer’s subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders’ ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings*”. Such additional indebtedness may, for example, be entered into in connection with future acquisitions, some of which may be secured by some or all of the Issuer’s assets. In a situation of structural subordination, the Bondholders’ ability to obtain full or partial payment of interest amounts under the Bonds and repayment at maturity may be prejudiced. If the Issuer or other members of the Colruyt Group would incur substantial additional indebtedness and such indebtedness would not lead to increased cash flows for the Issuer, the additional indebtedness may affect the creditworthiness of the Issuer and, hence, its ability to satisfy its obligations under the Bonds. Bondholders may then risk losing all or part of their investment.

Furthermore, the Issuer may depend on distributions from its subsidiaries and this dependency may become more material in the future, if the Colruyt Group would be reorganised and the Issuer would become a holding and/or service company. In such case, if one or more subsidiaries face financial difficulties, insolvency, bankruptcy, liquidation, restructuring or other events that impair their ability to generate cash flows and/or to upstream such funds to the Issuer, the Issuer may not have sufficient funds to pay the interest and principal on the Bonds when due. In such cases, the Bondholders may not be able to recover the amounts they are entitled to and risk losing all or part of their investment. In this respect, please also refer to the risk factor entitled “*The Issuer is to a certain extent dependent on the distributions received from the other members of the Colruyt Group which impact its revenues and reorganisations of the existing group structure may have a further impact on these revenues of the Issuer, which may impair its ability to satisfy its obligations under the Bonds*”.

Any financings currently outstanding and any future financings of the Issuer and of other members of the Colruyt Group may include similar but also different and more favourable terms than the Bonds. They typically include customary events of default, such as the occurrence of insolvency proceedings and cross-defaults. In circumstances where such events of default are triggered, this may impact the Issuer’s financial position and its potential to satisfy its obligations under the Bonds.

In this respect, please also refer to the risk factors entitled “*The level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer’s ability to satisfy its obligations under the Bonds*” and “*The Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer’s subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders’ ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings*”.

- (2) *The allocation of an amount equal or equivalent to the net proceeds of the Bonds to Eligible Green Projects (as defined in Part 8 (Sustainable Financing Framework)) by the Issuer may not meet investor expectations (including any green, sustainable or other equivalently-labelled performance objective) and may not be aligned with future guidelines and/or regulatory or legislative criteria regarding green, sustainable or other equivalently-labelled performance, which could adversely affect the value of the Bonds and the failure of the Issuer to apply an amount*



*equal or equivalent to the net proceeds of the Bonds to Eligible Green Projects or to provide any allocation or impact reporting shall not constitute an Event of Default or a breach of contract.*

The Bonds constitute Sustainable Financing Instruments as defined in the Colruyt Group's Sustainable Financing Framework (see Part 8 (*Sustainable Financing Framework*)). The Issuer intends to apply an amount equal or equivalent to the net proceeds from the issue of the Bonds to finance and/or refinance, in whole or in part, Eligible Green Projects (as defined under Part 8 (*Sustainable Financing Framework*)). In this respect, please also refer to Part 9 (*Use of proceeds*).

If the fact that the use of proceeds of the Bonds is linked to the contribution of green, sustainable and/or other equivalently-labelled objectives is a factor in a prospective investor's decision to invest in the Bonds, it should in particular consider the disclosure in Part 8 (*Sustainable Financing Framework*) and Part 9 (*Use of proceeds*) and consult with its legal or other advisers before making an investment in the Bonds.

Investors should take into account that there is currently no clear single definition (legal, regulatory or otherwise) of, nor international market consensus as to what constitutes, a "green", "sustainable" or other equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or "sustainable" or to receive such other equivalent label. The European Union has already adopted various sustainability related rules and regulations, including the Taxonomy Regulation (Regulation (EU) 2020/852) which establishes the criteria to determine whether an economic activity qualifies as environmentally sustainable. The EU taxonomy is still being further developed and has and will be further supplemented by various delegated acts.

In addition, on 6 July 2021, the European Commission proposed the adoption of a Regulation on a voluntary EU Green Bond Standard which will (if applied), among other things, require EU taxonomy alignment.

For purposes of establishing the Colruyt Group's Sustainable Financing Framework in December 2022, the EU taxonomy has not been applied and it is therefore possible that the Sustainable Financing Framework and the allocation of the amount equal or equivalent to the net proceeds of the Bonds to Eligible Green Projects are not aligned with the provisions of the Taxonomy Regulation. In light of the continuing development of legal, regulatory and market conventions in the green and sustainable market, there is a risk that the use of the amount equal or equivalent to the net proceeds of the Bonds will not satisfy, whether in whole or in part, any such future legislative or regulatory requirements, or any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates.

While it is the intention of the Issuer to apply an amount equal or equivalent to the net proceeds of the Bonds in, or substantially in, the manner described under Part 8 (*Sustainable Financing Framework*) and Part 9 (*Use of proceeds*), the application of such amount to finance and/or refinance, in whole or in part, new or existing Eligible Green Projects may not be capable of being implemented in, or substantially in, such manner and/or in accordance with any timeframe, and it is possible that such amounts may not be totally or partially disbursed as planned, for reasons that are outside the Issuer's control or which the Issuer is not able to anticipate. The Colruyt Group intends to reach full allocation within three years following the issuance date or entry into of a Sustainable Financing Instrument (as defined in the Sustainable Financing Framework).

The Bonds or the Eligible Green Projects may not have the results or outcome (whether or not related to environmental or other objectives) originally expected or anticipated by the Issuer. The Issuer intends to provide regular information on the use of proceeds of the Bonds and to publish related allocation and/or impact reports on its website ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)), but it is under no obligation to do so. Any reports made available on the Issuer's website do not form part of, and are not incorporated by reference into, this Prospectus.

In addition, the Colruyt Group may change the Sustainable Financing Framework and/or the selection criteria used to select Eligible Projects (as defined under Part 8 (*Sustainable Financing Framework*)), including Eligible Green Projects, at any time. In particular, the Sustainable Financing Framework and definitions may or may not be modified to adapt to any update that may be made to the Green Bond Principles, the Social Bond Principles and the Sustainability Bond Guidelines published by the International Capital Market Association ("ICMA") and the Green Loan Principles and the

Social Loan Principles published by the Loan Market Association (“LMA”), which have been taken into account by the Colruyt Group to prepare the Sustainable Financing Framework, or to align with the EU taxonomy.

The Issuer’s failure to allocate an amount equal or equivalent to the net proceeds of the Bonds to finance and/or refinance Eligible Green Projects or to publish any allocation and/or impact reports or the failure of any of the Eligible Green Projects to meet any or all investor expectations regarding such “green”, “sustainable” or other equivalently-labelled performance objectives will not constitute an Event of Default under or breach of contract with respect to the Bonds and may affect the value of the Bonds and/or have adverse consequences for certain investors with portfolio mandates to invest in green or sustainable assets.

Pursuant to the voluntary guidelines set out in the Green Bond Principles, the Social Bond Principles and the Sustainability Bond Guidelines published by the ICMA and the Green Loan Principles and the Social Loan Principles published by the LMA, recommending that issuers use external review to confirm their alignment with the key features of the relevant green, social or sustainability principles, at the Issuer’s request, Sustainalytics, an independent global environmental, social and governance rating and consultancy agency, issued on 28 December 2022 a second party opinion (the “**Second Party Opinion**”) to confirm alignment of the Sustainable Financing Framework with, and provide views on the robustness and credibility of the Sustainable Financing Framework in the context of, the Green Bond Principles, the Social Bond Principles and the Sustainability Bond Guidelines published by the ICMA and the Green Loan Principles and the Social Loan Principles published by the LMA. The Second Party Opinion did not consider or confirm alignment with any other guidelines, regulations or principles such as the EU taxonomy for the Eligible Projects.

The Second Party Opinion is made available to investors on the Issuer’s website ([www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/second-party-opinion.pdf](http://www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/second-party-opinion.pdf)), but does not form part of, and is not incorporated by reference into, this Prospectus. It may furthermore be amended, supplemented or replaced from time to time. The Second Party Opinion is for information purposes only and none of the Issuer, any member of the Colruyt Group and the Joint Lead Managers are liable for the substance of the Second Party Opinion and/or any loss arising from the use of the Second Party Opinion and/or the information provided in it. Any such opinion or certification is not, and should not be deemed to be, a recommendation by the Issuer, any member of the Colruyt Group, the Joint Lead Managers or any other person to acquire any Bonds. Any such opinion or certification is only current as at the date that such opinion or certification was initially issued. The Issuer does not represent that any such opinion, report or certification is relevant, suitable and reliable. Currently, the providers of such opinions and certifications (including the provider of the Second Party Opinion) are not subject to any specific regulatory or other regime or oversight. In particular, investors should note that any such opinion, report or certification may not reflect any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. In case there are any shortcomings in the opinions or certifications of any such provider, such provider would typically be exclusively liable towards the relevant party having solicited the opinion or certification and not vis-à-vis the Bondholders. Opinions and certifications may also contain specific (limitation of) liability statements. In particular, the Second Party Opinion indicates that Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained therein, in any manner whatsoever, except where explicitly required by law. Without prejudice to the responsibility of the Issuer for the information contained in this Prospectus as indicated in the section “*Responsible person*” in Part 3 (*Important information*), the Bondholders furthermore have no recourse against the Issuer, any member of the Colruyt Group or the Joint Lead Managers for the contents of any such opinion or certification.

Any of the abovementioned events or changes (including the Issuer applying any proceeds of the Bonds to projects other than Eligible Green Projects, any withdrawal of any applicable opinion or certification (whether or not solicited by the Issuer) and/or the Issuer not complying in whole or in part with the Green Bond Principles and/or the Sustainability Bond Guidelines or with the criteria or requirements covered by any applicable opinion or certification), (i) will not constitute an Event of Default or a breach of contract under the Bonds, (ii) may have a negative impact on the market value and the liquidity of the Bonds, (iii) may have consequences for certain investors, in particular investors with portfolio mandates to invest in green and/or sustainable assets who may decide to sell the Bonds, which may in turn affect the market value and liquidity of the Bonds more generally and/or (iv) may result in the delisting of the Bonds from any dedicated “green”

or “sustainable” or other equivalently labelled segment of any stock exchange or securities market. Consequently, Bondholders may lose all or part of their investment in the Bonds.

(3) *The Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer’s subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders’ ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings.*

The Bonds are structurally subordinated to the secured obligations of the Issuer and the secured and unsecured debt of the Issuer’s subsidiaries. The right of the Bondholders to receive payments in respect of the Bonds is not secured or guaranteed. In the event of liquidation, winding-up, reorganisation, bankruptcy or similar proceedings affecting the Issuer, secured creditors of the Issuer will be paid out of the proceeds of the security they hold in priority to the holders of the Bonds. Also, in the event of an insolvency of a subsidiary of the Issuer, it is likely that in accordance with applicable insolvency laws the creditors of such subsidiary will need to be repaid in full prior to any distribution being possible to the Issuer as shareholder of such subsidiary. The right of the Bondholders to obtain (full or partial) repayment of the Bonds or to receive interest payments under the Bonds may be substantially affected due to the application of insolvency or reorganisation proceedings. Payments under the Bonds and enforcement measures may be suspended in such proceedings. Bondholders may also be forced to accept a reorganisation plan on the basis of which their claims to obtain payment of principal and interest under the Bonds are (significantly) reduced or even cancelled, without their prior consent.

The fully consolidated entities of the Colruyt Group only have a limited amount of secured debt as at the date of this Prospectus. For an overview of the existing financing arrangements and the applicable tenors, please refer to section 9 (*Financing arrangements*) of Part 7 (*Description of the Issuer*).

The Issuer and other members of the Colruyt Group may also incur additional indebtedness in the future. In this respect, investors should note that the Conditions do not limit the possibility for the Colruyt Group to enter into additional financing arrangements or to issue further debt. The right of payment under the Bonds might be structurally subordinated to such future additional indebtedness of the Issuer and other members of the Colruyt Group, which might be secured, whereas the Bonds are unsecured. In this respect, please also refer to the risk factors entitled “*The level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer’s ability to satisfy its obligations under the Bonds*” and “*The Issuer and other members of the Colruyt Group may incur more debt in the future which may prejudice the ability of the Issuer to pay interest amounts under or to repay the Bonds*”.

Where a Security (covering a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect) is granted by the Issuer or any of its Material Subsidiaries over any part of their respective assets or business to secure (i) any Relevant Indebtedness of the Issuer or of any member of the Group (which generally refers to any existing or future debt in the form of or represented by financial instruments/debt securities and not, for example, bank loans) or (ii) any guarantee or indemnity of the Issuer or of any member of the Group in respect of any Relevant Indebtedness of the Issuer or of any member of the Group, equivalent or similar security interests need to be granted to the Bondholders in accordance with Condition 3 (*Negative pledge*), subject to certain exceptions. Neither the Issuer nor any other member of the Colruyt Group is, however, restricted from granting security for other indebtedness (including bank loans). In addition, these restrictions do not apply in other specific circumstances set out in Condition 3 (*Negative pledge*), for example where the Security arises by operation of law or is required by law, where the Security secures financial indebtedness related to certain leases or where the Security is in relation to assets acquired after the Issue Date or in relation to assets of entities acquired after the Issue Date (in each case subject to certain conditions). Investors must refer to Condition 3 (*Negative pledge*) and the related definitions for a more detailed description of these restrictions and exclusions.

It cannot be excluded that the Issuer or any other member of the Colruyt Group would enter into secured financings in the future, which will then, in situations falling outside of the scope of the negative pledge provision, benefit first from

the proceeds from the enforcement of such security in the event of liquidation, dissolution, reorganisation, bankruptcy or any other similar procedure affecting the Issuer or such other member of the Colruyt Group.

In the event of an insolvency scenario (or similar procedure), due to the (structural) subordination described above, the holders of secured indebtedness of the Issuer and the creditors of the Issuer's subsidiaries will be repaid before the Bondholders. In these situations, the Bondholders' ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds may be prejudiced.

*(4) The Issuer may not have the ability to make interest payments or to repay the Bonds at maturity or in case of an Event of Default or a Change of Control.*

The Issuer may not be able to pay the interest under the Bonds when due or to repay the Bonds at their maturity. The Issuer may also be required to repay all or part of the Bonds in case of an Event of Default (see Condition 8 (*Events of Default*)) or a Change of Control (see Condition 5.2 (*Repayment upon a Change of Control*)). If the Bondholders were to ask the Issuer to repay their Bonds following an Event of Default or a Change of Control, the Issuer cannot be certain that it will be able to pay the required amount in full. The Issuer's ability to make interest payments under the Bonds and to repay the Bonds will depend on the Issuer's financial condition (including its cash position as well as its ability to receive income and dividends from other members of the Colruyt Group) at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend its existing or future indebtedness. The Issuer's failure to make interest payments under or repay the Bonds when these become due and payable, may result in an event of default (however described) under the terms of other outstanding indebtedness, which may cause the creditors under such other indebtedness to declare this debt to be immediately due and payable. This may have an adverse impact on the financial position of the Issuer and even cause the Issuer to enter into an insolvency scenario. In this respect, please also refer to the risk factors entitled "*The level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer's ability to satisfy its obligations under the Bonds*" and "*The Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer's subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders' ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings*".

For further information on the Change of Control put option, please refer to the risk factor entitled "*The Change of Control put option can only be exercised by Bondholders in specific circumstances and may not cover all situations where a change of control may occur*".

*(5) The market value of the Bonds may be affected by the creditworthiness of the Issuer and additional factors.*

The market value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest and yield rates (in this respect, please also refer to the risk factor entitled "*The Bonds are fixed rate bonds that are exposed to interest rate risks due to changes in market interest rates and inflation*"), the time remaining to the Maturity Date and, more generally, all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Bondholder.

*(6) Absence of credit rating may render the price setting for the Bonds more difficult.*

The Issuer and the Bonds do not have a credit rating and the Issuer currently does not intend to request a credit rating for itself or for the Bonds at a later stage. It may therefore be more difficult for investors to assess the Issuer's ability to comply with its payment obligations under the Bonds. Due to the absence of a credit rating, it may also be more difficult for Bondholders to benchmark their investment in the Bonds against other debt securities and to become aware of any adverse change in the credit risk of the Issuer. The foregoing elements may impact both the liquidity of the Bonds (in this respect, please also refer to the risk factor entitled "*There is currently no active trading market for the Bonds and the*

*Bonds are exposed to secondary market risks*”) and the trading price of the Bonds. There is no guarantee that the price of the Bonds will cover the credit risk related to the Bonds and the Issuer.

## **2 Risks relating to the Conditions**

*(1) The Conditions only contain certain restrictions on corporate reorganisations and the cessation of the business.*

The Conditions only provide for an Event of Default in specific situations of a reorganisation of the Group (taken as a whole) or of a cessation to carry on all or substantially all of the business of the Group (taken as a whole) compared to the business carried out on the Issue Date (see Condition 8(vii) (*Reorganisation and cessation of business*)). In particular, the Conditions only provide that there is an Event of Default in case of (a) a reorganisation of the Group (taken as a whole) which results in a transfer of all or substantially all of the assets of the Group (taken as a whole) to a third party which is not a member of the Group (unless such third party becomes a member of the Group following such transfer or unless all or substantially all of the proceeds of such transfer are or will be reinvested in the Group) or (b) the Group (taken as a whole) ceases to carry on all or substantially all of its business as compared to the business as carried out on the Issue Date. In other words, any reorganisation of the Group (taken as a whole) or cessation of all or substantially all of the business of the Group (taken as a whole) which does not fall within the above situations, does not constitute an Event of Default and is allowed.

Investors should note that the concept of ‘Group’ used in this Event of Default is not the same as the concept of ‘Colruyt Group’. The Group relates to the Issuer and its Issuer Subsidiaries, referring to companies which are exclusively controlled by the Issuer, legally and by reference to GAAP. This does not relate to the joint ventures and associates of the Issuer, such as Virya Energy and its subsidiaries.

In this respect, please also refer to the risk factor entitled “*The Issuer is to a certain extent dependent on the distributions received from the other members of the Colruyt Group which impact its revenues and reorganisations of the existing group structure may have a further impact on these revenues of the Issuer, which may impair its ability to satisfy its obligations under the Bonds*”.

*(2) The Bonds may be redeemed prior to maturity and investors may not be able to invest the repayment proceeds at a comparable yield.*

If an Event of Default (see Condition 8 (*Events of Default*)) or a Change of Control (see Condition 5.2 (*Repayment upon a Change of Control*)) occurs, the holder of any Bond may give written notice to the Issuer that such Bond is immediately due and repayable in accordance with the Conditions, in which case the repayment amount will be equal to the nominal amount of the Bond together with accrued interest (if any) to the date of payment or the Put Repayment Amount (which amount comprises in any event the nominal amount and the accrued interest (if any)), respectively. The Issuer may not be able to make such payments. In this respect, please also refer to the risk factor entitled “*The Issuer may not have the ability to make interest payments or to repay the Bonds at maturity or in case of an Event of Default or a Change of Control*”. Furthermore, in the event of an early repayment of the Bonds, an investor may not be able to reinvest the repayment proceeds (if any) at a yield comparable to that of the Bonds and investors will not be compensated for such (potential) loss.

Potential investors should furthermore be aware that, in the event that holders of a significant proportion of the Bonds exercise their right to early repayment or redemption, Bonds in respect of which such right is not exercised may be (more) illiquid and (more) difficult to trade. In this respect, please also refer to the risk factor entitled “*There is currently no active trading market for the Bonds and the Bonds are exposed to secondary market risks*”.

*(3) The Change of Control put option can only be exercised by Bondholders in specific circumstances and may not cover all situations where a change of control may occur.*

Each Bondholder, at its own initiative, will have the right to require the Issuer to redeem all of such holder’s Bonds at the Put Repayment Amount (which amount comprises in any event the nominal amount and the accrued interest (if any)), upon the occurrence of a Change of Control of the Issuer (see Condition 5.2 (*Repayment upon a Change of Control*)).

Potential investors should be aware that the put option can only be exercised in specified circumstances of a “Change of Control”. This may not cover all situations where a change of control (within the meaning of Belgian law) may occur or where successive changes of control occur in relation to the Issuer. For example, if a member of the Colruyt family would obtain control over the Issuer by acquiring more than 50 per cent. of the voting rights of the Issuer, this would not qualify as a Change of Control.

A Bondholder who wants to exercise the put option must, during the Put Exercise Period, deposit a duly completed Put Exercise Notice with the bank or other financial intermediary through which the Bondholder holds its Bonds. Bondholders are advised to check with the bank or other financial intermediary when it would be required to receive the instructions in order to meet the deadlines for such exercise to be effective and whether any fees and/or costs would be charged in this respect.

The Agent is not obliged to monitor or to check whether a Change of Control (or an event that could lead to a Change of Control) has taken place or could take place and will not be responsible or liable towards Bondholders or any other person for any loss that results from the fact that the Agent would not have done this, taking into account the fact that the Agent does not assume any fiduciary or other obligations to the Bondholders. A Bondholder therefore needs to monitor itself if a Change of Control has occurred.

*(4) The Conditions contain provisions which may permit their modification without the consent of all Bondholders.*

Bondholders acting by defined majorities as provided in Condition 10 (*Meetings of Bondholders and modifications*) and Schedule 1 (*Provisions on meetings of Bondholders*) to the Conditions, whether at duly convened meetings of the Bondholders or by way of written resolutions or electronic consents, may take decisions that are binding on all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority or, as the case may be, who did not sign the relevant written resolution or provide their electronic consents for the passing of the relevant resolution. Bondholders might therefore be bound by certain amendments to the Bonds to which they did not consent. Such decisions may include decisions relating to the interest payable on the Bonds (if any) and/or the amount paid by the Issuer upon redemption of the Bonds.

### **3 Risks relating to the subscription of the Bonds and their settlement**

*(1) The issue price of the Bonds will include certain fees and commissions to be paid by investors that may have an adverse effect on the value of the Bonds.*

Potential investors should note that the issue price of the Bonds will include certain additional fees and costs.

In particular:

- (a) investors who are not Qualified Investors (as defined below) (the “**Retail Investors**”) will pay a selling and distribution commission of 1.875% (the “**Retail Commission**”) of the nominal amount of the Bond;
- (b) investors who are qualified investors as defined in Article 2(e) of the Prospectus Regulation (the “**Qualified Investors**”) will pay a commission equal to the Retail Commission reduced, as the case may be, by a discount of up to 1.875% as determined in the sole discretion of the relevant Joint Lead Manager based, among other things, on (i) the evolution of the credit quality of the Issuer, (ii) the evolution of interest rates, (iii) the success (or lack of success) of the placement of the Bonds and (iv) the market environment (the “**QI Commission**”). No such discount will be granted to Qualified Investors acting as financial intermediaries within the framework of independent investment advice or portfolio management (as defined in MiFID II), including Authorised Offerors if applicable.

Any such commissions may not be taken into account for the purposes of determining the price of the Bonds on the secondary market and could result in a difference between the original issue price, the theoretical value of such Bonds and/or the actual bid/offer price quoted by any intermediary in the secondary market.

Any such difference may have an adverse effect on the value of the Bonds, particularly immediately following the Public Offer and the Issue Date of the Bonds, where any such fees and/or costs may be deducted from the price at which such

Bonds can be sold by the initial investor in the secondary market. An initial investor selling the Bonds in the secondary market may hence receive an amount that is less than the amount it paid when subscribing for the Bonds.

(2) *The Issuer, the Joint Lead Managers and the Agent may engage in transactions adversely affecting the interests of the Bondholders.*

The Joint Lead Managers and the Agent might have conflicts of interest that could have an adverse effect on the interests of the Bondholders. Potential investors should be aware that the Issuer and other members of the Colruyt Group are involved in a general business relation and/or in specific transactions with the Joint Lead Managers and the Agent and that they might have conflicts of interest that could have an adverse effect on the interests of the Bondholders.

As at the date of this Prospectus, the Joint Lead Managers and the Agent provide, among other things, payment services, credit facilities and assistance in relation to bonds, treasury notes and structured products to the Issuer and other members of the Colruyt Group for which certain fees and commissions are being paid. These fees represent recurring costs which are being paid to the Joint Lead Managers and the Agent, as well as to other banks which offer similar services.

As at the date of this Prospectus, the aggregate existing financial indebtedness of the fully consolidated entities of the Colruyt Group outstanding towards and/or committed by the Joint Lead Managers amounts to an aggregate amount of approximately EUR 1,049 million, i.e., EUR 287 million for Belfius, EUR 380 million for BNPPF and EUR 382 million for KBC. It cannot be excluded that the amount of this indebtedness would increase over the lifetime of the Bonds or that the Issuer or other members of the Colruyt Group would grant security interests in respect thereof. In this respect, please also refer to the risk factors entitled “*The level of outstanding financial debt of the fully consolidated entities of the Colruyt Group and their ability to issue further debt or securities or borrow additional funds may impact the Issuer’s ability to satisfy its obligations under the Bonds*” and “*The Bonds are structurally subordinated to the current and future secured obligations of the Issuer and the current and future secured and unsecured debt of the Issuer’s subsidiaries and do not benefit from a security or guarantee, which could affect the Bondholders’ ability to obtain full or partial repayment in respect of the Bonds and to receive interest payments under the Bonds in situations of insolvency or similar proceedings*”).

Potential investors should also be aware that the Joint Lead Managers and the Agent may from time to time hold debt securities, shares and/or other financial instruments of the Issuer or other members of the Colruyt Group.

Belfius will furthermore act as the Agent in respect of the Bonds. In its capacity as Agent, it will act in its capacity in accordance with the Conditions and the Agency Agreement in good faith. However, Bondholders should be aware that the Agent does not assume any fiduciary or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or further the interests of the Bondholders. The Agent may rely on any information to which it should properly have regard to and is reasonably believed by it to be genuine and to have been originated by the proper parties.

(3) *The transfer of any Bonds, any payments made in respect of any Bonds and all communications with the Issuer will occur through the NBB-SSS and Bondholders are hence exposed to the risk of the proper performance of the NBB-SSS and its participants.*

A Bondholder must rely on the procedures of the NBB-SSS and the NBB-SSS participants for transfers of Bonds and to receive payments under the Bonds and communications from the Issuer. Neither the Issuer, the Joint Lead Managers nor the Agent will have any responsibility for the proper performance by the NBB-SSS or the NBB-SSS participants of their obligations under their respective rules and operating procedures. In accordance with Condition 6.1 (*Method of payment*), the payment of any amounts due by the Issuer in respect of the Bonds through the Agent to the NBB discharges the payment obligations of the Issuer.

All notices to be delivered and all payments to be made to the Bondholders will be delivered and made by the Issuer to the Bondholders in accordance with the Conditions, in particular, in respect of notices, with Condition 13. In the event that a Bondholder does not receive such notices or payments, its rights may be prejudiced, but it may not have a direct claim against the Issuer with respect to such prejudice.

Any such risk may adversely affect the rights and/or return on investment of a Bondholder.

(4) *The Agent is not required to segregate amounts received by it in respect of the Bonds and any insolvency or bankruptcy proceeding against the Agent may affect payments to be made under the Bonds.*

The Conditions and the Agency Agreement provide that the Agent will debit the relevant account of the Issuer and use such funds to make payments to the Bondholders. In accordance with Condition 6.1 (*Method of payment*), the payment obligations of the Issuer under the Bonds will be discharged by payment to NBB as operator of the NBB-SSS in respect of each amount so paid. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, through the NBB, any amounts due in respect of the Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds and in the event that the Agent were subject to insolvency or bankruptcy proceedings at any time when it held any such amounts, the Issuer would be required to claim such amounts from the Agent in accordance with applicable insolvency laws. The Issuer may not be able to recover all or part of such amounts. This may impact the Issuer's ability to meet its obligations under the Bonds.

#### **4 Risks relating to the listing of the Bonds and the market in the Bonds**

(1) *The Bonds are fixed rate bonds that are exposed to interest rate risks due to changes in market interest rates and inflation.*

Interest on the Bonds will be payable at a fixed rate of interest until the Maturity Date. The holder of a fixed interest rate bond is exposed to the risk that the price of such bond falls as a result of changes in market interest rates. While the nominal interest rate of a fixed interest rate bond is fixed, the current interest rate on the market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such bond tends to evolve in the opposite direction. All other things being equal, if the market interest rate increases, the price of such bond typically falls.

Inflation risk is the risk relating to the future value of money. In this respect, the actuarial yield on the Bonds would be reduced due to the effect of inflation. The higher the inflation, the lower the actuarial return of a Bond. If the inflation is equal to or higher than the interest rate applicable to the Bonds, then the actuarial return is equal to zero or could even be negative. The European Central Bank has increased its key interest rates by 50 basis points in July 2022, by 75 basis points in September 2022, by 75 basis points in November 2022, by 50 basis points in December 2022 and most recently by 50 basis points in February 2023. It is expected that further increases could be decided in the foreseeable future, in order to cope with inflation in the Eurozone.

Bondholders should be aware that movements of the market interest rate and inflation can adversely affect the price of the Bonds and can lead to losses for the Bondholders if they sell the Bonds before their maturity.

(2) *There is currently no active trading market for the Bonds and the Bonds are exposed to secondary market risks.*

The Bonds are new securities which may not be widely distributed and for which there is currently no active trading market. If the Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the Issuer's results of operations. Although application has been made for the Bonds to be listed and admitted to trading on the regulated market of Euronext Brussels, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Furthermore, potential investors should be aware that, in the event that holders of a significant proportion of the Bonds call upon an Event of Default or exercise their Change of Control put option, Bonds in respect of which the Event of Default is not called upon or the put option is not exercised may be illiquid and difficult to trade. In this respect, please also refer to the risk factors entitled "*The Change of Control put option can only be exercised by Bondholders in specific circumstances and may not cover all situations where a change of control may occur*" and "*The Bonds may be redeemed prior to maturity and investors may not be able to invest the repayment proceeds at a comparable yield*".

Illiquidity may have a severely adverse effect on the market value of Bonds. Furthermore, it cannot be guaranteed that the listing, once approved, will be maintained. If the trading of the Bonds on the regulated market of Euronext Brussels



is suspended or cancelled, this may under certain circumstances result in an Event of Default under the Bonds (in this respect, reference is made to Condition 8(viii) (*Delisting of the Bonds*)). The market for debt securities is influenced by economic and market conditions, interest rates and currency exchange rates. Global events may lead to market volatility which may have an adverse effect on the price of the Bonds.

## **5 Risk in connection with the status of the investor**

*(1) The Bonds do not benefit from tax gross-up protection.*

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. Investors should consult Part 10 (*Taxation*) for certain summary information about the Belgian and Luxembourg taxation.

Potential investors should be aware that the Conditions do not require the Issuer to gross up the net payments received by a Bondholder in relation to the Bonds with the amounts withheld or deducted for Belgian or Luxembourg tax purposes. All interest payments in respect of the Bonds are in principle subject to Belgian withholding tax, currently at a rate of 30% on the gross amount of the interest, subject to such relief as may be available under applicable domestic law or applicable tax treaties. Payments of interest made through non-exempt securities accounts in the NBB-SSS are in principle subject to such withholding tax, while payments of interest made through exempt securities accounts are free of withholding tax. In case the Belgian tax rules would be amended such that Bondholders holding their Bonds in an exempt securities account in the NBB-SSS are no longer exempt from Belgian withholding tax, such Bondholders will bear the risk that Belgian withholding tax will be applied to and withheld from the payments to be received in relation to the Bonds.

If any such withholding would apply or increase, this would have a material adverse effect on the net yield the Bondholder will receive.

### PART 3 – IMPORTANT INFORMATION

Etablissements Franz Colruyt NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Edingensesteenweg 196, 1500 Halle, Belgium and registered with the Crossroads Bank of Enterprises under number 0400.378.485, RLE Brussels, Dutch-speaking division and with LEI 5493000O0NZ1BCXO8K39 (the “**Issuer**”) intends to issue the Bonds for an aggregate minimum amount of EUR 125,000,000 and an aggregate maximum amount of up to EUR 250,000,000. The Bonds will be offered to the public in Belgium and in the Grand Duchy of Luxembourg (the “**Public Offer**”). The Bonds will bear interest at the fixed rate of 4.25% *per annum*, subject to Condition 4 (*Interest*). Interest on the Bonds is payable annually in arrears on the Interest Payment Dates falling on, or nearest to, 21 February in each year. The first interest payment will be made on 21 February 2024 and the last interest payment will be made on the date on which the Bonds will mature, being on 21 February 2028 (the “**Maturity Date**”). The International Securities Identification Number (ISIN) of the Bonds is BE0002920016. The Common Code is 258555503.

Unless otherwise stated, capitalised terms used in this Prospectus have the meanings set forth in the terms and conditions of the Bonds (see Part 5 (*Terms and conditions of the Bonds*)) (the “**Conditions**”). In this Prospectus, when reference is made to the condition (financial or otherwise), the business or the prospects of the Issuer, reference is made to the condition, the business or the prospects of the Issuer on a consolidated basis, unless expressly indicated otherwise.

Belfius Bank SA/NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Karel Rogierplein 11, 1210 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (“**Belfius**”), BNP Paribas Fortis SA/NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Warandeborg 3, 1000 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0403.199.702 (“**BNPPF**”) and KBC Bank NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Havenlaan 2, 1080 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0462.920.226 (“**KBC**”) are acting as joint lead managers and joint bookrunners (the “**Joint Lead Managers**”) in connection with the Public Offer. Belfius is also acting as paying, calculation and listing agent (the “**Agent**”, which expression shall include any successor agent).

The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 3 (*Negative pledge*)) unsecured obligations of the Issuer. The Bonds will at all times rank *pari passu*, without any preference among themselves and equally with all other existing and future unsubordinated and unsecured outstanding obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Bonds will be issued in dematerialised form in accordance with the provisions of the Belgian Companies and Associations Code (*Wetboek van Vennootschappen en Verenigingen/Code des Sociétés et des Associations*) dated 23 March 2019, as amended (the “**Belgian Companies and Associations Code**”) and cannot be physically delivered. The Bonds will be represented exclusively by book-entries in the records of the securities settlement system operated by the National Bank of Belgium (the “**NBB**”) or any successor thereto (the “**NBB-SSS**”). Access to the NBB-SSS is available through those of its NBB-SSS participants whose membership extends to securities such as the Bonds. NBB-SSS participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear Bank SA/NV (“**Euroclear**”), Euroclear France S.A. (“**Euroclear France**”), Clearstream Banking AG (“**Clearstream**”), SIX SIS AG (“**SIX SIS**”), Monte Titoli S.p.A. (“**Euronext Securities Milan**”), Interbolsa, S.A. (“**Euronext Securities Porto**”), and LuxCSD S.A. (“**LuxCSD**”). Accordingly, the Bonds will be eligible to clear through, and therefore be accepted by, Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto, LuxCSD and investors can hold their Bonds within securities accounts in Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto and LuxCSD.

The denomination of the Bonds shall be EUR 1,000.

The prospectus dated 7 February 2023 and drafted in English (the “**Prospectus**”) was approved on 7 February 2023 by the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et*

*Marchés Financiers*) (the “**FSMA**”) in its capacity as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (as amended, the “**Prospectus Regulation**”). The Prospectus has been translated in Dutch. The Summary of the Prospectus included in Part 1 (*Summary of the Prospectus*) has been translated in Dutch and French. The FSMA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FSMA should not be considered as an endorsement of the Issuer or of the quality of the Bonds. Investors should make their own assessment as to the suitability of investing in the Bonds. This Prospectus shall be notified by the FSMA to the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) in its capacity as competent authority for the purpose of the Prospectus Regulation in relation to the offer to the public of the Bonds in the Grand Duchy of Luxembourg.

An application has been or will be made to Euronext Brussels for the Bonds to be listed and admitted to trading on the regulated market of Euronext Brussels (“**Euronext Brussels**”). References in this Prospectus to the Bonds as being “listed” (and all related references) shall mean that the Bonds have been listed on Euronext Brussels and admitted to trading on the regulated market of Euronext Brussels. Prior to the Public Offer, there has been no public market for the Bonds.

The Prospectus is a prospectus for the purposes of Articles 3 and 6 of the Prospectus Regulation. The Prospectus has been prepared in accordance with the Prospectus Regulation and Commission Regulation (EU) 2019/980 of 14 March 2019 implementing the Prospectus Regulation (the “**Delegated Regulation**”) and has been drawn up as a prospectus in accordance with Articles 3 and 6 of the Prospectus Regulation and Annexes 6, 14 and 22 of the Delegated Regulation.

The Prospectus intends to give the necessary information with regard to the Issuer and the Bonds which is material to an investor for making an informed assessment of (a) the assets and liabilities, profits and losses, financial position, and prospects of the Issuer, (b) the rights attaching to the Bonds and (c) the reasons for the issuance and its impact on the Issuer.

Other than in relation to the documents which are deemed to be incorporated by reference (see Part 4 (*Documents incorporated by reference*)), the information on the websites to which this Prospectus refers does not form part of, and is not incorporated by reference into, this Prospectus and has not been scrutinised or approved by the FSMA.

An investment in the Bonds implies risks. Potential investors should carefully review all of the information in this Prospectus and, in particular, Part 2 (*Risk factors*) in order to understand which risk factors are capable of affecting the Issuer’s ability to fulfil its obligations under the Bonds. These risk factors are of material importance for an assessment of the market risks associated with an investment in the Bonds. Potential investors are invited to form their own opinion with respect to the Issuer as well as with respect to the conditions of the Public Offer, taking into account, amongst other things, the advantages and the risks associated with such an investment. The investors bear sole responsibility for the assessment of the advantages and the risks associated with a subscription to the Bonds. An investment decision should be based on a comprehensive review by the investor of the entire Prospectus. Each investor contemplating purchasing the Bonds should make its own independent assessment of the condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and must investigate carefully whether it is appropriate for this type of investor to invest in the Bonds, taking into account its own circumstances, knowledge and experience and must, if needed, obtain professional advice.

Neither the Issuer nor the Bonds will be rated by a rating agency.

All references in this Prospectus to “euro”, “**EUR**” or “€” refer to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on European Union, as amended.

This Prospectus contains various amounts and percentages which are rounded and, as a result, when these amounts and percentages are added up, the totals may not be an arithmetic aggregation of these amounts and percentages.

## RESPONSIBLE PERSON

The Issuer accepts the responsibility for the information contained in this Prospectus and, as the case may be, any supplement to the Prospectus.

The Prospectus has been prepared in English and has been translated in Dutch. The Summary of the Prospectus included in Part 1 (*Summary of the Prospectus*) has been translated in Dutch and French. The Issuer is responsible for the consistency of the English and Dutch language versions of the Prospectus and of the English, French and Dutch language versions of the Summary of the Prospectus. Without prejudice to the responsibility of the Issuer in case of inconsistency between the different language versions of the Prospectus or in case of inconsistency between the different language versions of the Summary, in case of a discrepancy between the English or Dutch language version of the Prospectus or between the English, Dutch or French language version of the Summary, the English language version shall in each case prevail.

To the best of the knowledge of the Issuer, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

No person is or has been authorised to give any information or to make any representation not contained in, or not consistent with, this Prospectus and any information or representation not so contained or inconsistent with this Prospectus or any other information supplied in connection with the Bonds, if given or made, must not be relied upon as having been authorised by or on behalf of the Issuer or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication:

- (a) that the information contained in this Prospectus is true subsequent to the date hereof or otherwise that there has been no change in the affairs of the Issuer, its subsidiaries or the Issuer and its subsidiaries, joint ventures and associates taken as a whole (the “**Colruyt Group**”) since the date hereof or, if later, the date upon which this Prospectus has been most recently amended or supplemented; or
- (b) that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer, its subsidiaries or the Colruyt Group since the date hereof or, if later, the date upon which this Prospectus has been most recently amended or supplemented; or
- (c) that the information contained in it or any other information supplied in connection with the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same,

in each case, without prejudice to the obligation the Issuer may have to publish a supplement to the Prospectus in accordance with Article 23 of the Prospectus Regulation (in this respect, please refer to the section “*Prospectus supplements*” below).

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) evaluate the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (b) evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor’s currency;
- (d) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Bonds unless it has evaluated how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact the investment will have on the potential investor's overall investment portfolio. Investors should note that they may lose all or part of their investment. Furthermore, each prospective investor in the Bonds must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Bonds is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Bonds.

Potential investors are advised not to rely upon the tax summary contained in this Prospectus, but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor.

To the fullest extent permitted by applicable law, the Joint Lead Managers disclaim all responsibility for the contents of this Prospectus (including any information incorporated by reference therein and any supplement thereto). Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers as to the accuracy or completeness of the information contained or incorporated in this Prospectus.

The Joint Lead Managers expressly do not undertake to review the condition (financial and otherwise) or affairs of the Issuer, its subsidiaries and the Colruyt Group during the life of the Bonds and do not undertake to provide an update of the information contained in the Prospectus or to provide the investors in the Bonds with information they may have, without prejudice to the Issuer's obligation to publish a supplement in accordance with Article 23 of the Prospectus Regulation (in this respect, please refer to the section "*Prospectus supplements*" below).

No Joint Lead Manager accepts any responsibility for any environmental or sustainability assessment of the Bonds or makes any representation or warranty or assurance whether such Bonds will meet any investor expectations or requirements regarding such "green", "sustainability" or similar labels. No Joint Lead Manager is responsible for the use of proceeds of the Bonds, nor the impact or monitoring of such use of proceeds. No representation or assurance is given by any Joint Lead Manager as to the suitability or reliability of any opinion or certification of any third party made available in connection with the Bonds, nor is any such opinion or certification a recommendation by the Issuer, any member of the Colruyt Group, any Joint Lead Manager or any other person to buy, sell or hold any such Bonds.

In the event any Bonds are, or are intended to be, listed or admitted to trading on a dedicated "green", "sustainability" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Issuer, any member of the Colruyt Group, the Joint Lead Managers or any other person that such listing or admission will be obtained or maintained for the lifetime of the Bonds.

Any information on, or accessible through, the Issuer's website relating to the Sustainable Financing Framework and the information in the Sustainable Financing Framework and any second party opinion does not form part of, and is not incorporated by reference into, this Prospectus and should not be relied upon in connection with making any investment decision with respect to the Bonds. In addition, no assurance or representation is given by the Issuer, any member of the Colruyt Group, the Joint Lead Managers or any other person as to the suitability or reliability for any purpose whatsoever of any opinion, report or certification of any third party in connection with the offering of the Bonds. Any such opinion, report or certification and any other document related thereto does not form part of, and is not incorporated by reference into, this Prospectus. Any such opinion, report or certification is only current as of the date that opinion, report or certification was initially issued. Prospective investors must determine for themselves the relevance of any such opinion, report or certification and/or the information contained therein and/or the provider of such opinion, report or certification for the purpose of any investment in the Bonds.

Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Joint Lead Managers that any recipient of this Prospectus or any other information supplied in connection with the offering of the Bonds should purchase any Bonds. Each investor contemplating a purchase of the Bonds should make its own

independent investigation of the condition (financial and otherwise) and affairs, and its own appraisal of the creditworthiness, of the Issuer.

The summaries and descriptions of legal provisions, taxation, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in the Prospectus may in no circumstances be interpreted as investment, legal or tax advice for potential investors. Potential investors are urged to consult their own legal advisor, accountant or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Bonds.

## **OFFER TO THE PUBLIC IN BELGIUM AND IN THE GRAND DUCHY OF LUXEMBOURG**

This Prospectus has been prepared in connection with the Public Offer and with the listing and admission to trading of the Bonds on the regulated market of Euronext Brussels.

This Prospectus has been prepared on the basis that any offer of Bonds in any Member State of the European Economic Area (each, a “**Relevant State**”), other than offers in Belgium and in the Grand Duchy of Luxembourg (the “**Permitted Public Offer**”), will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Bonds. Accordingly, any person making or intending to make an offer in that Relevant State of Bonds which are the subject of the offering contemplated in this Prospectus, other than the Permitted Public Offer, may only do so in circumstances in which no obligation arises for the Issuer or the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor the Joint Lead Managers have authorised, nor do they authorise, the making of any offer (other than the Permitted Public Offer) of Bonds in circumstances in which an obligation arises for the Issuer or the Joint Lead Managers to publish or supplement a prospectus for such offer.

This Prospectus does not constitute an offer or the solicitation of an offer in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of the Bonds may be restricted by law in certain jurisdictions. The Issuer and the Joint Lead Managers do not represent that this Prospectus may be lawfully distributed, or that the Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Lead Managers which is intended to permit a public offering of the Bonds or the distribution of this Prospectus in any jurisdiction (other than the Permitted Public Offer in Belgium and in the Grand Duchy of Luxembourg) where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about and observe any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see Part 4 (*Documents incorporated by reference*)) and each supplement. This Prospectus shall be read and construed on the basis that such documents are incorporated in, and form part of, the Prospectus.

The Issuer authorises that this Prospectus may be used for the purposes of a public offer until the last day of the subscription period, which runs from 10 February 2023 at 9 a.m. (CET) until, subject to early termination as specified in Part 11 (*Subscription and sale*), in particular section 1 (*Subscription Period*) and section 7 (*Early termination and reduction*), 14 February 2023 at 5.30 p.m. (CET) included (the “**Subscription Period**”), in Belgium and in the Grand Duchy of Luxembourg, by any financial intermediary authorised pursuant to MiFID II to conduct such offers (each, an “**Authorised Offeror**”).

**Any Authorised Offeror envisaging to use this Prospectus in connection with a Permitted Public Offer is obliged to state on its website, during the Subscription Period, that this Prospectus is used for a Permitted Public Offer with the authorisation of the Issuer and in accordance with the relevant applicable conditions.**

If, during the period for which the Issuer authorised the use of this Prospectus, a Permitted Public Offer is made by an Authorised Offeror, the Issuer accepts responsibility for the content of this Prospectus as set out below. Neither the Issuer, nor the Joint Lead Managers can be held responsible or liable for any act or omission from any Authorised Offeror, including compliance with any rules of conduct or other legal or regulatory requirements under or in connection with such public offer.

Neither the Issuer nor the Joint Lead Managers have authorised any public offer of the Bonds by any person in any circumstances and such person is under no circumstance authorised to use this Prospectus in connection with a public offer of the Bonds, unless (i) the public offer is made in Belgium or in the Grand Duchy of Luxembourg by an Authorised Offeror in accordance with the terms set out in this Prospectus or (ii) the offer is made in a Relevant State on the basis of an exemption from the requirement to publish a prospectus under the Prospectus Regulation and any local rules. Any such unauthorised public offer is not made by or on behalf of the Issuer or the Joint Lead Managers and the Issuer nor the Joint Lead Managers can be held responsible or liable for the actions of any such person engaging in such unauthorised public offers.

**Each offer and each sale of the Bonds by an Authorised Offeror will be made in accordance with the terms and conditions agreed between such Authorised Offeror and the investor, including in relation to the price, the allocation and the costs and/or taxes to be borne by an investor.**

**The Issuer is not a party to any arrangements or terms and conditions in connection with the offer and sale of the Bonds between the Authorised Offeror and an investor. This Prospectus does not contain the terms and conditions of any Authorised Offeror. The terms and conditions of the Public Offer of the Bonds by the Joint Lead Managers are however included in this Prospectus (see Part 5 (*Terms and conditions of the Bonds*) and Part 11 (*Subscription and sale*)). The terms and conditions in connection with the offer and sale of the Bonds by an Authorised Offeror will be provided to any investor by such Authorised Offeror during the Subscription Period. Neither the Issuer nor the Joint Lead Managers can be held responsible or liable for the terms and conditions of any Authorised Offeror or any information provided by such Authorised Offeror in respect thereof. This Prospectus may be used for the purposes of the Public Offer in Belgium and in the Grand Duchy of Luxembourg by an Authorised Offeror until the last day of the Subscription Period.**

The distribution of the Prospectus and the offer and sale of the Bonds can be subject to restrictions in certain jurisdictions. It is important that any person which receives this Prospectus or acquires any Bonds informs itself on the applicable restrictions.

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities law of any State or any jurisdiction in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

For a further description of certain restrictions on the offering and sale of the Bonds and on the distribution of this document, see Part 11 (*Subscription and sale*).

## **MIFID II PRODUCT GOVERNANCE / ELIGIBLE COUNTERPARTIES, PROFESSIONAL CLIENTS AND RETAIL CLIENTS**

The Joint Lead Managers acting as the manufacturers for the Bonds in accordance with MiFID II have communicated the results of their product approval procedures of the Bonds to the Issuer. Solely for the purposes of the manufacturers’ product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in MiFID II and (ii) all channels for distribution of the Bonds are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services (the “**Target Market Determination**”).

The Target Market Determination does not affect the requirements of any contractual, legal or regulatory selling restriction related to the Public Offer. In order to avoid any doubt, the Target Market Determination may not be considered as: (a) an

evaluation of the adequacy or of the appropriate character for the purpose of MiFID II or (b) a recommendation to any investor or group of investors to invest in, to purchase or to take any other measure relating to the Bonds.

The Target Market Determination is the exclusive responsibility of the Joint Lead Managers. Any distributor should take into account the manufacturers' target market assessment. However, a distributor subject to MiFID II is responsible for making its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining the appropriate distribution channels.

No provision of this Prospectus should be considered as a restriction on the protection granted to potential investors pursuant to mandatory investor protection rules, including such rules under MiFID II.

## **WARNINGS**

The Prospectus has been prepared to provide information on the Public Offer. When potential investors make a decision to invest in the Bonds, they should base their decision on the information set forth in this Prospectus. Investors should consider the associated benefits and risks, as well as the conditions of the Public Offer itself. Potential investors must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, taking into account their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds.

Belfius Bank SA/NV will act as the Issuer's Agent. In its capacity as Agent, it will act in accordance with the Conditions in good faith and endeavour at all times to make its determinations in a commercially reasonable manner. However, Bondholders should be aware that the Agent does not assume any fiduciary or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or further the interests of the Bondholders.

The Agent may rely on any information to which it should properly have regard that is reasonably believed by it to be genuine and to have been originated by the proper parties. The Agent shall not be liable for the consequences to any person (including Bondholders) of any errors or omissions in (i) the calculation by the Agent of any amount due in respect of the Bonds or (ii) any determination made by the Agent in relation to the Bonds, in each case in the absence of bad faith or wilful default. Without prejudice to the generality of the foregoing, the Agent shall not be liable for the consequences to any person (including Bondholders) of any such errors or omissions arising as a result of (i) any information provided to the Agent proving to have been incorrect or incomplete or (ii) any relevant information not being provided to the Agent on a timely basis. The limitations of liability set out in this paragraph are without prejudice to any legal obligations the Agent may have vis-à-vis any potential investor, including under MiFID II.

The Joint Lead Managers, the Agent as well as their respective affiliates have engaged in, or may engage in the future in, a general business relationship and/or specific business transactions with, and may offer certain services to, the Issuer and other members of the Colruyt Group in their capacity as dealer or in another capacity. As at the date of this Prospectus, the Joint Lead Managers and the Agent provide, among other things, payment services, investments of liquidities, credit facilities, bank guarantees and assistance in relation to bonds, treasury notes and structured products to the Issuer and other members of the Colruyt Group for which certain fees and commissions are being paid. These fees represent recurring costs which are being paid to the Joint Lead Managers and the Agent, as well as to other banks which offer similar services. Potential investors should also be aware that the Joint Lead Managers, the Agent and their respective affiliates may from time to time hold debt securities, shares and/or other financial instruments of the Issuer or other members of the Colruyt Group. Furthermore, the Joint Lead Managers and the Agent receive customary commissions and fees in relation to the Public Offer. As at the date of this Prospectus, the aggregate existing financial indebtedness of the fully consolidated entities of the Colruyt Group outstanding towards and/or committed by the Joint Lead Managers amounts to an aggregate amount of approximately EUR 1,049 million, i.e., EUR 287 million for Belfius, EUR 380 million for BNPPF and EUR 382 million for KBC. It cannot be excluded that the amount of this indebtedness would increase over the lifetime of the Bonds or that the Issuer or other members of the Colruyt Group would grant security interests in respect thereof. In this respect, please also refer to the risk factors entitled "*The issue price of the Bonds will include certain fees and commissions to be paid by investors that may have an adverse effect on the value of the Bonds*" and "*The Issuer, the Joint Lead Managers and the Agent may engage in transactions adversely affecting the interests of the Bondholders*" in Part 2 (*Risk factors*).



## PROSPECTUS SUPPLEMENTS

Every significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of the Bonds and which arises or is noted between the time when the Prospectus is approved and the closing of the Subscription Period or the time when trading of the Bonds on the regulated market of Euronext Brussels begins, whichever occurs later, shall be mentioned in a supplement to the Prospectus to be prepared by the Issuer in accordance with Article 23 of the Prospectus Regulation.

This supplement will need to be (i) approved by the FSMA, (ii) notified by the FSMA to the CSSF in its capacity as competent authority for the purpose of the Prospectus Regulation in relation to the Public Offer in the Grand Duchy of Luxembourg and (iii) published in compliance with at least the same regulations as applicable to the Prospectus and applicable law, and will be published on the websites of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)), the Joint Lead Managers (Belfius ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023)), BNPPF ([www.bnpparisfortis.be/nl/campaigns/Corporate1](http://www.bnpparisfortis.be/nl/campaigns/Corporate1)) and KBC ([www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023))) and the FSMA ([www.fsma.be/en/prospectus-iii-ems](http://www.fsma.be/en/prospectus-iii-ems)). The Issuer must ensure that any such supplement is published as soon as possible after the occurrence of such significant new factor, material mistake or material inaccuracy.

Investors who have already agreed to purchase or subscribe to the Bonds before the publication of the supplement to the Prospectus have the right to withdraw their agreement during a period of two working days after the publication of the supplement, provided that the significant new factor, material mistake or material inaccuracy referred to in the first paragraph of this section “*Prospectus supplements*” arose or was noted before the closing of the Subscription Period or the delivery of the Bonds, whichever occurs first. This period can be extended by the Issuer. The final date for the exercise of the withdrawal right shall be mentioned in the supplement.

Pursuant to Article 23(3) of the Prospectus Regulation, where Bonds are purchased or subscribed through a financial intermediary, that financial intermediary shall inform investors of the possibility of a supplement being published, where and when it would be published and that the financial intermediary would assist them in exercising their right to withdraw acceptances in such case. Such financial intermediary must contact the investors on the day when the supplement is published.

## INFORMATION FROM THIRD PARTIES

Unless expressly stated otherwise, market data and other statistical information with respect to the markets in which the Colruyt Group is active and the general economic situation have been extracted from a number of sources, including independent industry publications, government publications, reports by market research firms or other independent publications (each a “**Third Party**”).

Such information has been accurately reproduced and, so far as the Issuer is aware and is able to ascertain from information published by the relevant Third Party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. These statements appear in a number of places in the Prospectus, including, but not limited to, Part 1 (*Summary of the Prospectus*), Part 2 (*Risk factors*) and Part 7 (*Description of the Issuer*), and include statements regarding the Issuer’s intent, belief or current expectations, and those of the Issuer’s directors and officers, with respect to (among other things) its condition (financial and otherwise), business and prospects or that of the Colruyt Group. Such estimates and forward-looking statements are based mainly on current expectations and estimates of future events and trends which affect, or may affect, the Issuer’s condition (financial or otherwise), business and prospects or that of the Colruyt Group. Although the Issuer believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are based on information currently available to the Issuer.

The words “believe”, “plan”, “expect”, “anticipate”, “intend”, “continue”, “seek”, “may”, “can”, “will”, “should” and similar words and expressions are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements refer only to the date when they were made and neither the Issuer nor any member of the Colruyt Group nor the Joint Lead Managers undertake any obligation to update or review any estimate or forward-looking statement, whether as a result of new information, future events or any other factors. Estimates and forward-looking statements involve uncertainties and other factors that may cause the actual results, condition, performance or achievements of the Issuer, its subsidiaries, joint ventures or associates, the Colruyt Group or industry results to be materially different from future results, condition, performance or achievements expressed or implied in such forward-looking statements. Given these uncertainties, investors should only rely to a reasonable extent on such estimates and forward-looking statements in making decisions regarding investment in the Bonds.

#### **ACCESS TO THE PROSPECTUS**

This Prospectus will be published on the website of the FSMA ([www.fsma.be/en/prospectus-iii-ems](http://www.fsma.be/en/prospectus-iii-ems)). The Prospectus, the Dutch translation of the Prospectus and the French and Dutch translations of the Summary of the Prospectus will also be available on the website of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and the Joint Lead Managers (Belfius ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023)), BNPPF ([www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1)) and KBC ([www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023))).

A hard copy of the Prospectus can be obtained, free of charge, at the registered offices of the Joint Lead Managers.

The documents and other information available on the websites of the Issuer and/or the Joint Lead Managers do not form part of, and are not incorporated by reference into, the Prospectus, unless expressly stated otherwise.

#### **FURTHER INFORMATION**

For more information about the Issuer, please contact:

Etablissementen Franz Colruyt NV

Edingensesteenweg 196

1500 Halle

Belgium

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[debt.investors@colruytgroup.com](mailto:debt.investors@colruytgroup.com)

[www.colruytgroup.com](http://www.colruytgroup.com)

## PART 4 – DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with the below-mentioned sections of the following documents:

1. the annual reports and the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2022<sup>5</sup> and 31 March 2021<sup>6</sup> (prepared in accordance with IFRS), together with the auditor's reports on the aforementioned audited consolidated financial statements; and
2. the unaudited intermediary reports and the condensed consolidated interim financial statements of the Issuer for the six month periods ended 30 September 2022<sup>7</sup> and 30 September 2021<sup>8</sup> (prepared in accordance with IAS 34 – Interim Financial Reporting), together with the auditor's limited review reports on the aforementioned condensed consolidated interim financial statements.

Such documents or, as applicable, such sections of documents shall, in accordance with Article 19 of the Prospectus Regulation, be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained (free of charge) from the website of the Issuer ([www.colruytgroup.com](http://www.colruytgroup.com)). The Issuer confirms that it has obtained the approval from its auditor to incorporate the abovementioned audit and review reports in this Prospectus.

The tables below include references to the sections of the above documents that are incorporated by reference into this Prospectus. Information contained in the documents incorporated by reference other than the sections listed in the tables below is for information purposes only and does not form part of this Prospectus. This information is either not relevant for the investors or covered elsewhere in the Prospectus.

The annual report and the audited consolidated financial statements of the Issuer for the financial year ended 31 March 2022 (prepared in accordance with IFRS), together with the auditor's report on the aforementioned audited consolidated financial statements.

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Consolidated statement of comprehensive income	p. 196
Consolidated statement of financial position	p. 197
Consolidated statement of cash flows	p. 198
Consolidated statement of changes in equity	p. 199-200
Auditor's report	p. 202-209

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<sup>5</sup> Available on:

<https://www.colruytgroup.com/content/dam/colruytgroup/investeren/jaarverslag-met-duurzaamheidsrapportering/pdf/en/Annual%20report%20with%20sustainability%20reporting%202021-22.pdf>

<sup>6</sup> Available on:

<https://www.colruytgroup.com/content/dam/colruytgroup/investeren/jaarverslag-met-duurzaamheidsrapportering/pdf/en/Annual%20report%20with%20sustainability%20reporting%202020-21.pdf>

<sup>7</sup> Available on:

[https://www.colruytgroup.com/content/dam/colruytgroup/investeren/financiele-persberichten/en/2022/Consolidated%20information%20on%20the%20first%20semester%20of%20financial%20year%202022-23\\_2.pdf](https://www.colruytgroup.com/content/dam/colruytgroup/investeren/financiele-persberichten/en/2022/Consolidated%20information%20on%20the%20first%20semester%20of%20financial%20year%202022-23_2.pdf)

<sup>8</sup> Available on:

<https://www.colruytgroup.com/content/dam/colruytgroup/investeren/financiele-persberichten/en/2021/Consolidated%20information%20on%20the%20first%20semester%20of%20financial%20year%202021-22%202021-12-14.pdf>

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The annual report and the audited consolidated financial statements of the Issuer for the financial year ended 31 March 2021 (prepared in accordance with IFRS), together with the auditor's report on the aforementioned audited consolidated financial statements.

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For the avoidance of any doubt any profit forecast or estimate contained in any of the documents above does not form part of, and is not incorporated by reference into, this Prospectus.

## PART 5 – TERMS AND CONDITIONS OF THE BONDS

*The following constitutes the text of the terms and conditions (the “Conditions”) of the Bonds (as defined below), save for the paragraphs in italics that shall be read as complementary information.*

The issue of the 4.25 per cent. fixed rate green bonds due 21 February 2028, for an expected amount of minimum EUR 125,000,000 and of maximum EUR 250,000,000 with ISIN code BE0002920016 (the “Bonds”, which expression shall, in these Conditions unless otherwise indicated or unless the context otherwise requires, include any Further Bonds (as defined below)) by Etablissements Franz Colruyt NV, a Belgian limited liability company (*naamloze vennootschap/société anonyme*), having its registered office at Edingensesteenweg 196, B-1500 Halle, Belgium and registered with the Crossroads Bank of Enterprises (*Kruispuntbank van Ondernemingen/Banque-Carrefour des Entreprises*) under number 0400.378.485 (Register of Legal Entities Brussels, Dutch-speaking division) (the “Issuer”), was authorised by a resolution of the Issuer’s Board of Directors adopted on 27 January 2023. The issue date of the Bonds will be 21 February 2023 (the “Issue Date”).

The Bonds are issued subject to and with the benefit of (i) a paying, listing and calculation agency agreement (such agreement as amended and/or supplemented and/or restated from time to time, the “Agency Agreement”) to be entered into between the Issuer and Belfius Bank SA/NV as paying agent, listing agent and calculation agent (the “Agent”, which expression shall include any successors as paying agent, listing agent and/or calculation agent under the Agency Agreement) on or about the date of the Prospectus and at the latest on the Issue Date and (ii) a service contract for the issuance of fixed income securities (such agreement as amended and/or supplemented and/or restated from time to time, the “Clearing Services Agreement”) to be entered into between the Issuer, Belfius Bank SA/NV as paying agent and the National Bank of Belgium (the “NBB”) on or about the Issue Date. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement and the Clearing Services Agreement. Copies of the Agency Agreement and of the Clearing Services Agreement are available for inspection during normal business hours at the specified office of the Agent. On the date of the Prospectus, the specified office of the Agent is at Karel Rogierplein 11, 1210 Brussels, Belgium.

The Bondholders are bound by and are deemed to have notice of all the provisions of the Agency Agreement and the Clearing Services Agreement applicable to them, in particular relating to the clearing and settlement of the Bonds through the NBB-SSS (as defined below) and the fact that all payments of principal and interest in respect of the Bonds shall be made through the Agent and the NBB-SSS in accordance with the NBB-SSS Regulations (as defined below).

References herein to “Condition” are, unless the context requires otherwise, to the numbered paragraphs below.

### 1 DEFINITIONS AND INTERPRETATION

For the purposes of these Conditions:

“**acting in concert**” means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate through the acquisition directly or indirectly of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate interests in the Issuer.

“**Agency Agreement**” has the meaning attributed thereto in the introduction to the Conditions.

“**Agent**” has the meaning attributed thereto in the introduction to the Conditions.

“**Bond**” or “**Bonds**” has the meaning attributed thereto in the introduction to the Conditions.

“**Belgian Civil Code**” means the Belgian Civil Code (*Burgerlijk Wetboek/Code Civil*), as amended.

“**Belgian Companies and Associations Code**” has the meaning attributed thereto in Condition 2.1.

“**Bondholder**” means each person who is from time to time shown in the records of a participant of the NBB, a sub-participant of the NBB or the NBB itself, as operator of the NBB-SSS, as the holder of a particular amount of Bonds.

“**Business Day**” means a day other than a Saturday or Sunday on which (i) the NBB-SSS is operating, (ii) banks and forex markets are open for general business in Belgium and (iii) if a payment in euro is to be made on that day, the TARGET2 System is operating.

“**Calculation Agent**” means the Agent in its capacity as calculation agent under the Agency Agreement.

A “**Change of Control**” shall occur if any person or group of persons (other than the Existing Shareholders) acting in concert, acquires, directly or indirectly, the beneficial ownership of the issued share capital of the Issuer having the right to cast more than 50 per cent. of the votes capable of being cast in a general meeting of the Issuer.

“**Change of Control Notice**” has the meaning attributed thereto in Condition 5.2.2.

“**Change of Control Put Date**” means the fourteenth Business Day after the expiry of the Change of Control Put Exercise Period.

“**Change of Control Put Exercise Period**” means the period commencing on the date of a Change of Control and ending 45 calendar days following the date on which a Change of Control Notice is given to the Bondholders.

“**Clearing Services Agreement**” has the meaning attributed thereto in the introduction to the Conditions.

“**Clearstream**” means Clearstream Banking AG.

“**EUR**”, “**euro**” or “**€**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

“**Euroclear**” means Euroclear Bank NV/SA.

“**Euroclear France**” means Euroclear France S.A.

“**Euronext Brussels**” means Euronext Brussels SA/NV.

“**Euronext Securities Milan**” means Monte Titoli S.p.A.

“**Euronext Securities Porto**” means Interbolsa, S.A.

“**Existing Shareholders**” means any member of the Colruyt family, including any relatives and successors as long as the ultimate beneficial ownership in the Issuer remains directly or indirectly within the same family structure.

“**Event of Default**” has the meaning attributed thereto in Condition 8.

“**Further Bonds**” means any further Bonds issued pursuant to Condition 12 and consolidated and forming a single series with the then outstanding Bonds.

“**GAAP**” means generally accepted accounting principles, standards and practices in Belgium, including IFRS, to the extent applicable to the relevant financial statements and as applied by the Issuer from time to time.

“**Group**” means the Issuer and all its Issuer Subsidiaries.

“**IFRS**” means international accounting standards within the meaning of IAS Regulation 1606/2002 from time to time to the extent applicable to the relevant financial statements.

“**Interest Payment Date**” has the meaning attributed thereto in Condition 4.1.

“**Interest Period**” means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“**Interest Rate**” has the meaning attributed thereto in Condition 4.1.

“**Intermediary**” means a bank or other financial intermediary through which the Bondholder holds (a) Bond(s).

“**Issue Date**” has the meaning attributed thereto in the introduction to the Conditions.

“**Issuer**” has the meaning attributed thereto in the introduction to the Conditions.

“**Issuer Subsidiary**” means, in relation to any company, a company which is exclusively controlled by the Issuer, legally and by reference to GAAP.

“**LuxCSD**” means LuxCSD S.A.

“**Material Subsidiary**” means each wholly-owned Issuer Subsidiary of the Group which has unconsolidated earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 7.5 per cent. or more of the consolidated EBITDA of the Group (calculated, in each case, on an unconsolidated basis and excluding all types of intra-group items, transactions and balances, including but not limited to payables, receivables, shares, goodwill, investments and participating interests).

“**Maturity Date**” means 21 February 2028.

“**Meeting Provisions**” has the meaning attributed thereto in Condition 10.1.

“**NBB**” means the National Bank of Belgium.

“**NBB-SSS**” has the meaning attributed thereto in Condition 2.1.

“**NBB-SSS Regulations**” has the meaning attributed thereto in Condition 2.1.

“**Principal Amount**” has the meaning attributed thereto in Condition 2.2.

“**Put Repayment Amount**” means an amount per Bond calculated by the Calculation Agent by multiplying the Repayment Rate by the Principal Amount of such Bond and rounding, if necessary, the resultant figure to the nearest minimum sub-unit of euro (half of such unit being rounded downwards), and by adding any accrued but unpaid interest of such Bond to (but excluding) the relevant repayment date.

*The Put Repayment Amount reflects a maximum yield of 0.75 points above the yield of the relevant Bonds on the date of issue of the Bonds up to the Maturity Date in accordance with the Royal Decree of 26 May 1994 on the deduction and the reimbursement of the withholding tax, which requires that in relation to Bonds that can be traded on N accounts, if investors exercise a right to have the Bonds repaid early, the actuarial return cannot exceed the actuarial return of the Bonds upon the issue up to the final maturity by more than 0.75 points.*

“**Relevant Indebtedness**” means any existing or future indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market) and with an original maturity in excess of one year. For the avoidance of doubt, Relevant Indebtedness does not include indebtedness for borrowed money arising under loan or credit facility agreements.

“**Repayment Rate**” means  $\text{MIN}[101 \text{ per cent.}, 100 \text{ per cent.} + ((1,0074720148386)^E - 1)]$  where  $E = \text{number of years} + \text{Act/Act}$  (number of days elapsed divided by number of actual days in that year).

“**Security**” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**SIX SIS**” means SIX SIS AG.

“**Subsidiary**” means in relation to any company, corporation or other legal entity (for the purpose of this definition, a “**holding company**”), a company, corporation or other legal entity:

- (i) which is controlled, directly or indirectly, by the holding company;
- (ii) in which a majority of the voting rights are held by the holding company (including, without limitation, through an agreement with another person or persons);



- (iii) more than half the issued voting share capital of which is beneficially owned, directly or indirectly, by the holding company; or
- (iv) which is a subsidiary of another Subsidiary of the holding company,

and, for this purpose, a company, corporation or other legal entity shall be treated as being controlled by another if that other company, corporation or other legal entity is able to determine the composition of the majority of its board of directors or equivalent body.

“**TARGET2 System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system, or any successor or replacement of that system.

References to any code, law, act or statute or any provision thereof shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

Where these Conditions refer to any computation of a term or period of time, Article 1.7 of the Belgian Civil Code shall not apply.

## 2 FORM, DENOMINATION AND STATUS

### 2.1 Form

The Bonds are issued in dematerialised form in accordance with the provisions of the Belgian Companies and Associations Code (*Wetboek van Vennootschappen en Verenigingen/Code des Sociétés et des Associations*) dated 23 March 2019, as amended (the “**Belgian Companies and Associations Code**”) and cannot be physically delivered. The Bonds will be represented exclusively by book-entries in the records of the securities settlement system operated by the NBB or any successor thereto (the “**NBB-SSS**”). The Bonds can be held by their holders through participants in the NBB-SSS, including Euroclear, Euroclear France, Clearstream, Euronext Securities Milan, Euronext Securities Porto, LuxCSD and SIX SIS, and through other financial intermediaries that in turn hold the Bonds through Euroclear, Euroclear France, Clearstream, Euronext Securities Milan, Euronext Securities Porto, LuxCSD, SIX SIS or other participants in the NBB-SSS.

The Bonds are accepted for settlement through the NBB-SSS and are accordingly subject to the applicable Belgian settlement regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the Terms and Conditions governing the participation in the NBB-SSS and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition are referred to herein as the “**NBB-SSS Regulations**”). Title to the Bonds will pass by account transfer. The Bonds may not be exchanged for securities in bearer form (*effecten aan toonder/titres au porteur*).

If at any time the Bonds are transferred to another securities settlement system that is not operated or not exclusively operated by the NBB, these provisions shall apply *mutatis mutandis* to such successor securities settlement system and successor securities settlement system operator or any additional securities settlement system and additional securities settlement system operator.

### 2.2 Denomination

The Bonds will have a denomination of EUR 1,000 each (the “**Principal Amount**”), which is the principal amount of each Bond as at the Issue Date.

### 2.3 Status

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 3) unsecured obligations of the Issuer. The Bonds rank and will at all times rank *pari passu*, without any preference among themselves and equally with all other existing and future unsubordinated and unsecured outstanding

obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

### 3 NEGATIVE PLEDGE

- 3.1 So long as any Bond remains outstanding, the Issuer shall not, and shall ensure that none of its Material Subsidiaries will, create or permit to subsist any Security over any part of their respective assets or business to secure (i) any Relevant Indebtedness of the Issuer or of any member of the Group or (ii) any guarantee or indemnity of the Issuer or of any member of the Group in respect of any Relevant Indebtedness of the Issuer or of any member of the Group, without in each case at the same time or prior thereto granting to the Bonds the same Security as is created or subsisting or such other Security as shall either (a) not be materially less beneficial to the interests of the Bondholders or (b) be approved by an Extraordinary Resolution (as defined in the Meeting Provisions) of the Bondholders.
- 3.2 The Issuer shall be deemed to have satisfied the obligation under Condition 3.1 if the benefit of such Security is granted to an agent or trustee on behalf of the Bondholders or through any other structure which is customary in the debt capital markets (whether by way of supplement, guarantee agreement, deed, intercreditor agreement or otherwise).
- 3.3 The prohibition contained in Condition 3.1 does not apply to:
- (i) any Security arising by operation of law or required by law;
  - (ii) any Security securing financial indebtedness related to any finance or capital lease, provided that such Security is over the asset the subject of that finance or capital lease;
  - (iii) any Security over or affecting any asset acquired by the Issuer or any Material Subsidiary after the Issue Date and existing at the time of such acquisition if:
    - (a) the Security was not created in contemplation of the acquisition of that asset;
    - (b) the outstanding principal amount secured has not been increased (otherwise than by the compounding of interest) in contemplation of or since the acquisition of that asset; and
    - (c) the Security is removed or discharged within six months of the date of acquisition of such asset;
  - (iv) any Security over or affecting any asset of any company which becomes a member of the Group after the Issue Date which qualifies as a Material Subsidiary and existing at the time of such acquisition, where the Security is created prior to the date on which that company becomes a member of the Group, if:
    - (a) the Security was not created in contemplation of the acquisition of that company;
    - (b) the outstanding principal amount secured has not increased (otherwise than by the compounding of interest) in contemplation of or since the acquisition of that company; and
    - (c) the Security is removed or discharged within six months of that company becoming a member of the Group;
  - (v) any Security arising as a result of legal proceedings discharged within 60 days or otherwise contested in good faith; and
  - (vi) any Security arising by operation of law in respect of taxes being contested in good faith.

## 4 INTEREST

### 4.1 Interest Rate and Interest Payment Dates

Each Bond bears interest from (and including) the Issue Date at the rate of 4.25 per cent. *per annum* (gross) (the “**Interest Rate**”) calculated by reference to its Principal Amount and such interest amount is payable annually in arrears in equal instalments on 21 February in each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on 21 February 2024.

When interest is required to be calculated in respect of any period which is shorter than an Interest Period, it shall be calculated by multiplying the product of the Interest Rate and the Principal Amount with (i) the actual number of days in the relevant period from (and including) the first day of such period to (but excluding) the date on which it falls due, divided by (ii) the actual number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next following Interest Payment Date.

### 4.2 Accrual of interest

Each Bond will cease to bear interest from and including its due date for repayment thereof unless payment of principal is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event interest will continue to accrue at the rate specified in Condition 4.1 (both before and after judgment) until the earlier of:

- (i) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder; or
- (ii) the day falling one Business Day after the NBB-SSS has received all amounts then due under the Bonds (except to the extent that any subsequent default would exist).

## 5 REPAYMENT, PURCHASE AND CANCELLATION

### 5.1 Final repayment

Unless previously repaid or purchased and cancelled as provided herein, the Bonds will be repaid by the Issuer at their outstanding Principal Amount (together with interest accrued to (but excluding) the Maturity Date) on the Maturity Date. The Bonds may not be repaid at the option of the Issuer prior to the Maturity Date, other than as set forth in Condition 5.3.

### 5.2 Repayment upon a Change of Control

#### 5.2.1 Exercise of put option

In the event that a Change of Control occurs, each Bondholder, at its own initiative, will have the right to require the Issuer to repay all of such Bondholder’s Bonds on the Change of Control Put Date at the Put Repayment Amount. The Issuer may not refuse to repay the Bonds, subject to compliance with the procedure described hereunder.

To exercise such right, the relevant Bondholder must deliver to its Intermediary (for further delivery to the Issuer) at any time during the Change of Control Put Exercise Period a duly completed and signed notice of exercise (a “**Change of Control Put Exercise Notice**”) substantially in the form attached in Schedule 2 to these Conditions and obtainable upon request during usual business hours from the specified office of the Agent. The Bondholder must however check with its Intermediary, as applicable, when such Intermediary would require to receive instructions and Change of Control Put Exercise Notices in order to meet the deadlines for such exercise to be effective, as well as the costs or fees that such exercise may entail. By delivering a Change of Control Put Exercise Notice, the Bondholder shall undertake to hold the Bonds through the Intermediary up to the date of effective redemption of the Bonds.

The Bonds shall be delivered for the account of the Issuer by no later than the second Business Day following the end of the Change of Control Put Exercise Period on a delivery against payment basis on the Change of Control Put Date through the Intermediary.

Payment in respect of any such Bond shall be made by transfer to a euro account maintained with a bank in a city in which banks have access to the TARGET2 System as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall repay all Bonds that are the subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

*Bondholders should note that the Put Repayment Amount applicable in the case of, or following, a Change of Control referred to under Condition 5.2.1 will be equal to the amount which is the lowest of the following two possibilities: (i) 101 per cent. of the principal amount of each Bond or (ii) such percentage (higher than 100 per cent.) of the principal amount of each Bond, which results in the actuarial yield of an investor between the Issue Date and the date of redemption in accordance with Condition 5.2.1 not being higher than the actuarial yield of the Bonds from the Issue Date up to the Maturity Date plus 0.75 points. This reflects a maximum yield of 0.75 points above the yield of the Bonds on the Issue Date up to the Maturity Date in accordance with the Royal Decree of 26 May 1994 on the deduction and the reimbursement of the withholding tax (the “**Royal Decree**”). It follows from the Royal Decree that, because the Bonds can be traded on N accounts in the NBB-SSS, the actuarial return cannot exceed the actuarial return of the Bonds upon the issue up to the final maturity by more than 0.75 points if investors exercise a right to have the Bonds redeemed early. This is to safeguard the exemption of Belgian withholding tax for the Bonds held on X accounts in the NBB-SSS.*

#### 5.2.2 Change of Control Notice

Within ten Business Days following a Change of Control, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 13 (a “**Change of Control Notice**”). The Change of Control Notice shall contain a statement informing the Bondholders of their entitlement to exercise their right to require repayment of their Bonds pursuant to Condition 5.2.1. The Change of Control Notice shall also specify:

- (i) to the fullest extent permitted by applicable law, all information concerning the nature of the Change of Control;
- (ii) the last day of the Change of Control Put Exercise Period;
- (iii) the Change of Control Put Date;
- (iv) the Put Repayment Amount; and
- (v) a summary of the procedure to request the early repayment of the Bonds as set out in Condition 5.2.1.

The Agent shall not be required to monitor or take any steps to ascertain whether a Change of Control or any event which could lead to a Change of Control has occurred or may occur and shall not be responsible or liable to the Bondholders or any other person for any loss arising from any failure by it to do so.

#### 5.3 Purchase

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer and each of its Subsidiaries may at any time purchase Bonds, both on the open market or otherwise, at any price.

#### 5.4 Cancellation

All Bonds that are repaid will be cancelled and may not be reissued or resold. Bonds purchased by the Issuer or any of its Subsidiaries may be held, reissued or resold at the option of the Issuer or the relevant Subsidiary, or cancelled. Any Bonds held by or on behalf of the Issuer or any of its Subsidiaries shall not entitle such holders to vote at any meeting of Bondholders and shall not be deemed to be outstanding for the purpose of calculating quorums at meetings of Bondholders or for the purpose of Condition 10.1 or Schedule 1 to these Conditions.

### 6 PAYMENTS

#### 6.1 Method of payment

Without prejudice to the provisions of the Belgian Companies and Associations Code, all payments of principal and interest in respect of the Bonds shall be made through the Agent and the NBB-SSS in accordance with the NBB-SSS Regulations. The payment obligations of the Issuer under the Bonds will be discharged by payment to the NBB as operator of the NBB-SSS in respect of each amount so paid.

#### 6.2 Payments subject to tax and other applicable laws

All payments in respect of the Bonds are subject in all cases to any applicable tax or other laws and regulations in the place of payment, without prejudice to Condition 7.

#### 6.3 Agents, etc.

The Issuer reserves the right under the Agency Agreement, at any time and in accordance with the terms of the Agency Agreement, to vary or terminate the appointment of the Agent and appoint additional or other agents, provided that it will, for so long as any Bonds are outstanding which are settled through the NBB-SSS, maintain a paying agent which is a participant in the NBB-SSS. Notice of any change in Agent or its specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 13.

#### 6.4 No charges

The Agent shall not make or impose on a Bondholder any charge or commission in relation to any payment in respect of the Bonds without prejudice to any such charges that may be charged by the Agent in another capacity, or any such fees or charges that may be charged by Intermediaries.

#### 6.5 Fractions

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

#### 6.6 Non-Business Days

If any date for payment in respect of the Bonds is not a Business Day, the Bondholder shall not be entitled to payment until the next following Business Day, nor to any interest or other sum in respect of such postponed or anticipated payment. For the purpose of calculating the interest amount payable under the Bonds, the Interest Payment Date shall not be adjusted.

### 7 TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Belgium or the Grand Duchy of Luxembourg or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. The Issuer will not be required to pay any additional or further amounts in respect of any withholding or deduction.

## 8 EVENTS OF DEFAULT

If and only if any of the following events (each an “**Event of Default**”) occurs and is continuing, then any Bond may, by notice in writing given by the Bondholder to the Issuer at its registered office with a copy to the Agent at its specified office, be declared immediately due and repayable at its outstanding Principal Amount together with accrued interest (if any) up to (but excluding) the date of payment, without further formality, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Issuer and the Agent:

- (i) **Non-payment:** the Issuer fails to pay the principal of or interest on any of the Bonds when due and such failure continues for a period of five Business Days in the case of principal or ten Business Days in the case of interest, except where such non-payment is due to any (in)action of the NBB or any participant to the NBB-SSS or to the malfunctioning of the NBB-SSS; or
- (ii) **Breach of other obligations:** the Issuer does not perform or comply with any one or more of its other obligations under these Conditions (other than those referred to under paragraph (i) above), which non-performance or non-compliance is incapable of remedy or, if capable of remedy, is not remedied within 20 Business Days after notice of such default by any Bondholder has been received by the Issuer; or
- (iii) **Cross-default:** any other present or future indebtedness of the Issuer or of any of its Material Subsidiaries for or in respect of moneys borrowed or raised (a) is not paid when due or, as the case may be, within any applicable grace period, or within fifteen Business Days of becoming due if a longer grace period is not applicable, or (b) becomes due and payable prior to its stated maturity by reason of the occurrence of an event of default (howsoever described), provided that in each case the aggregate amount of the relevant indebtedness in respect of which such event has occurred equals or exceeds EUR 65,000,000 (or its equivalent in any other currency or currencies); or
- (iv) **Insolvency:** (a) the Issuer or any of its Material Subsidiaries is judicially determined or formally admitted to be insolvent or bankrupt or unable to pay its debts as they fall due, (b) the Issuer or any of its Material Subsidiaries stops, suspends or announces its intention to stop or suspend payment of all or a material part of (or of a particular type of) its debts or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or (c) a moratorium is declared or comes into effect in respect of all or any part of (or of a particular type of) the debts of the Issuer or of any of its Material Subsidiaries; or
- (v) **Winding-up:** a court order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer or of any of its Material Subsidiaries (other than a solvent liquidation or reorganisation of any Material Subsidiary), provided that this paragraph shall not apply to any such step which is discharged, stayed or dismissed within 45 Business Days of commencement; or
- (vi) **Security enforced:** any Security, present or future, created or assumed by the Issuer or any of its Material Subsidiaries in respect of all or any material part of its respective property or assets becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person), provided that (a) the aggregate amount of indebtedness in respect of which one or more of the events mentioned in this paragraph have occurred equals or exceeds EUR 65,000,000 (or its equivalent in any other currency or currencies) and (b) this paragraph shall not apply to any such step which is being contested by the Issuer or any of its Material Subsidiaries in good faith; or
- (vii) **Reorganisation and cessation of business:** (a) a reorganisation of the Group (taken as a whole) which results in a transfer of all or substantially all of the assets of the Group (taken as a whole) to a third party which is not a member of the Group (unless such third party becomes a member of the Group following such transfer or unless all or substantially all of the proceeds of such transfer are or will be reinvested in the Group) or (b) the Group (taken as a whole) ceases to carry on all or substantially all of its business as compared to the business as carried out on the Issue Date; or

- (viii) **Delisting of the Bonds:** the listing of the Bonds on the regulated market of Euronext Brussels is withdrawn or suspended during at least fifteen consecutive Business Days as a result of a failure by the Issuer, provided that this paragraph shall not apply if the Issuer obtains the listing of the Bonds on another regulated market in the European Economic Area at the latest on the last day of this period of fifteen Business Days.

Without prejudice to the foregoing, the Bondholders waive to the fullest extent permitted by law their rights under Article 5.90, second paragraph of the Belgian Civil Code.

## 9 STATUTE OF LIMITATIONS

Claims against the Issuer for payment in respect of the Bonds shall be time-barred and become void unless made within, in the case of the principal amount of the Bonds, ten years from the date set for its repayment or, in the case of interest on the Bonds, five years from the relevant Interest Payment Date.

Claims in respect of any other amounts payable in respect of the Bonds shall be time-barred and become void unless made within ten years following the due date for payment thereof.

## 10 MEETINGS OF BONDHOLDERS AND MODIFICATIONS

### 10.1 Meetings of Bondholders

All meetings of Bondholders will be held in accordance with the provisions on meetings of Bondholders set out in Schedule 1 to these Conditions (the “**Meeting Provisions**”). The provisions of this Condition 10.1 are subject to, and should be read together with, the more detailed provisions contained in the Meeting Provisions (which shall prevail in the event of any inconsistency).

Meetings of Bondholders may be convened to consider matters relating to the Bonds, including the modification or waiver of any provision of the Conditions. For the avoidance of doubt, any such modification or waiver shall always be subject to the consent of the Issuer.

A meeting of Bondholders may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Bondholders holding not less than one fifth of the aggregate principal amount of the outstanding Bonds.

Any modification or waiver of any provision of the Conditions proposed by the Issuer may only be made if adopted by an Extraordinary Resolution, provided, however, that any such proposal to (i) amend the dates of maturity or redemption of the Bonds or any date for payment of interest or any other amounts due or payable under the Bonds, (ii) approve an extension of an interest period, a reduction of the applicable interest rate or a modification of the method of calculating the amount of any payment in respect of the Bonds on redemption or maturity or the date for any such payment in circumstances not provided for in the Conditions, (iii) approve a reduction of the principal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made, (iv) change the currency of payment of the Bonds, (v) modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution or a Special Quorum Resolution or (vi) amend this provision, may only be sanctioned by a Special Quorum Resolution (as defined in the Meeting Provisions).

Resolutions duly passed by a meeting of Bondholders in accordance with the Meeting Provisions shall be binding on all Bondholders, whether or not they are present at the meeting and whether or not they vote in favour of such a resolution.

The Meeting Provisions furthermore provide that, for so long as the Bonds are in dematerialised form and settled through the NBB-SSS, in respect of any matters proposed by the Issuer, the Issuer shall be entitled, where the terms of the resolution proposed by the Issuer have been notified to the Bondholders through the relevant securities settlement systems as provided in the Meeting Provisions, to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant securities settlement system(s) by or on behalf of the holders of not less than

75 per cent. in principal amount of outstanding Bonds. To the extent such electronic consent is not being sought, the Meeting Provisions provide that, if authorised by the Issuer, a resolution in writing signed by or on behalf of holders of not less than 75 per cent. in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of holders of Bonds duly convened and held, provided that the terms of the proposed resolution shall have been notified in advance to those Bondholders through the relevant securities settlement system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

## 10.2 Modifications

The Agent and the Issuer may agree, without the consent of the Bondholders, to (i) any modification of the provisions of, or any waiver or authorisation of any breach or potential breach of or any failure to comply with, the Agency Agreement or any agreement supplemental thereto that is not materially prejudicial to the interests of the Bondholders and (ii) any modification of the Bonds, the Conditions and the Agency Agreement that is (a) of a formal, minor or technical nature, (b) made to correct a manifest error or (c) made to comply with mandatory provisions of law.

Each such change is binding for all Bondholders and any such modification shall be notified to the Bondholders in accordance with Condition 13 as soon as practicable thereafter.

## 11 NO HARDSHIP

The Issuer hereby acknowledges that the provisions of Article 5.74 of the Belgian Civil Code shall not apply to it with respect to its obligations under these Conditions and that it shall not be entitled to make any claim under Article 5.74 of the Belgian Civil Code.

## 12 FURTHER ISSUES

The Issuer may from time to time without the consent of the Bondholders create and issue further tranches of bonds either having the same terms and conditions in all respects as the outstanding Bonds or in all respects except for the issue date, the issue price and the date of the first payment of interest thereon and so that such further issue shall be consolidated and form a single series with the outstanding Bonds, or upon such terms as to interest, premium, repayment and otherwise as the Issuer may determine at the time of their issue.

References in these Conditions and in Schedule 1 to these Conditions to the Bonds include (unless the context requires otherwise) any other bonds issued pursuant to this Condition and forming a single series with the relevant Bonds.

## 13 NOTICES

Notices to the Bondholders shall be valid if:

- (i) delivered by or on behalf of the Issuer to the NBB-SSS for communication by it to the NBB-SSS participants; and
- (ii) published on the website of the Issuer ([www.colruygroup.com/en/invest/debt-financing/debt-instruments](http://www.colruygroup.com/en/invest/debt-financing/debt-instruments)).

Any such notice shall be deemed to have been given on the first day of (i) seven days after its delivery to the NBB-SSS and (ii) the publication on the website of the Issuer.

The Issuer shall further ensure that all notices are duly published in a manner which complies with the rules and regulations of the regulated market of Euronext Brussels and on any stock exchange or other relevant authority on which the Bonds are listed. Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one manner, on the date of the first such publication in each required manner.



## **14 GOVERNING LAW AND JURISDICTION**

### **14.1 Governing law**

The Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law.

### **14.2 Jurisdiction**

The courts of Brussels, Belgium will have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds and accordingly any legal action or proceedings between any Bondholder and the Issuer arising out of or in connection with the Bonds is to be brought in such courts. This provision is made for the benefit of each of the Bondholders and shall not limit the right of any of them to bring proceedings in the courts designated pursuant to Article 624, 1<sup>o</sup>, 2<sup>o</sup> and 4<sup>o</sup> of the Belgian Judicial Code.

## SCHEDULE 1 PROVISIONS ON MEETINGS OF BONDHOLDERS

### Interpretation

1. In this Schedule, defined terms shall have the meanings given to them in the Conditions, and further:
  - 1.1 references to a “**meeting**” are to a meeting of Bondholders and include, unless the context otherwise requires, any adjournment;
  - 1.2 “**agent**” means a holder of a Voting Certificate or a proxy for, or representative of, a Bondholder;
  - 1.3 “**Block Voting Instruction**” means a document issued by a Recognised Accountholder or the NBB-SSS in accordance with paragraph 8;
  - 1.4 “**Electronic Consent**” has the meaning set out in paragraph 30.1;
  - 1.5 “**Extraordinary Resolution**” means a resolution passed (a) at a meeting of Bondholders duly convened and held in accordance with this Schedule 1 by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
  - 1.6 “**Ordinary Resolution**” means a resolution with regard to any of the matters listed in paragraph 4 and passed or proposed to be passed by a majority of at least 50 per cent. of the votes cast;
  - 1.7 “**Recognised Accountholder**” means an entity recognised as accountholder in accordance with the Belgian Companies and Associations Code with whom a Bondholder holds Bonds;
  - 1.8 “**Voting Certificate**” means a certificate issued by a Recognised Accountholder or the NBB-SSS in accordance with paragraph 7;
  - 1.9 “**Written Resolution**” means a resolution in writing signed by the holders of not less than 75 per cent. in principal amount of the Bonds outstanding; and
  - 1.10 references to persons representing a proportion of the Bonds are to Bondholders, proxies or representatives of such Bondholders holding or representing in the aggregate at least that proportion in principal amount of the Bonds for the time being outstanding.

### General

2. All meetings of Bondholders will be held in accordance with the provisions set out in this Schedule. Where any of the provisions of this Schedule would be illegal, invalid or unenforceable, that will not affect the legality, validity and enforceability of the other provisions of this Schedule.

### Powers of meetings

3. A meeting shall, subject to the Conditions and (except in the case of sub-paragraph 3.5) only with the consent of the Issuer and without prejudice to any powers conferred on other persons by this Schedule, have power by Extraordinary Resolution:
  - 3.1 to adopt any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders against the Issuer (other than in accordance with the Conditions or pursuant to applicable law);
  - 3.2 to approve any modification of this Schedule or the Conditions proposed by the Issuer or the Agent;

- 3.3 to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 3.4 to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 3.5 to appoint any person or persons (whether Bondholders or not) as an individual or committee or committees to represent the Bondholders' interests and to confer on them any powers or discretions which the Bondholders could themselves exercise by Extraordinary Resolution;
- 3.6 to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Bonds or to approve the exchange, conversion or substitution of the Bonds into shares, bonds or other obligations or securities of the Issuer or any other person, in each case in circumstances not provided for in the Conditions or under applicable law; and
- 3.7 to accept any security interests established in favour of the Bondholders or a modification to the nature or scope of any existing security interest established in favour of the Bondholders or a modification to the release mechanics of any such existing security interests,

provided that the special quorum provisions in paragraph 18 shall apply to any Extraordinary Resolution (a "**Special Quorum Resolution**") for the purpose of sub-paragraph 3.6 or for the purpose of making a modification to this Schedule or the Conditions which would have the effect (other than in accordance with the Conditions or pursuant to applicable law):

- (i) to amend the dates of maturity or redemption of the Bonds or any date for payment of interest or any other amounts due or payable under the Bonds;
- (ii) to approve an extension of an interest period, a reduction of the applicable interest rate or a modification of the method of calculating the amount of any payment in respect of the Bonds on redemption or maturity or the date for any such payment in circumstances not provided for in the Conditions;
- (iii) to approve a reduction of the principal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made;
- (iv) to change the currency of payment of the Bonds;
- (v) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution or a Special Quorum Resolution; or
- (vi) to amend this provision.

### **Ordinary Resolution**

- 4. Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Schedule, a meeting of Bondholders shall have power by Ordinary Resolution:
  - 4.1 to adopt any decision to take any conservatory measures in the general interest of the Bondholders;
  - 4.2 to appoint any representative to implement any Ordinary Resolution; or
  - 4.3 to adopt any other decisions which do not require an Extraordinary Resolution or a Special Quorum Resolution to be passed.

Any modification or waiver of any of the Conditions shall always be subject to the consent of the Issuer.

## Convening a meeting

5. The Issuer may at any time convene a meeting. A meeting shall be convened by the Issuer upon the request in writing of Bondholders holding at least 20 per cent. in principal amount of the Bonds for the time being outstanding. Every meeting shall be held at a time and place approved by the Agent, it being understood that meetings can be held by way of conference call or by use of a videoconference platform.
6. Convening notices for meetings of Bondholders shall be given to the Bondholders in accordance with Condition 13 not less than fifteen days prior to the relevant meeting. The notice shall specify the day, time and place of the meeting (or, if relevant, the applicable dial-in details when the meeting will be held by way of conference call or by use of a videoconference platform) and the nature of the resolutions to be proposed and shall explain how Bondholders may appoint proxies or representatives, obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable.

## Arrangements for voting

7. A Voting Certificate shall:
  - 7.1 be issued by a Recognised Accountholder or the NBB-SSS;
  - 7.2 state that on the date thereof (i) the Bonds (not being Bonds in respect of which a Block Voting Instruction has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the NBB-SSS) held to its order or under its control and blocked by it and (ii) that no such Bonds will cease to be so held and blocked until the first to occur of:
    - (i) the conclusion of the meeting specified in such certificate or, if applicable, any such adjourned meeting; and
    - (ii) the surrender of the Voting Certificate to the Recognised Accountholder or the NBB-SSS who issued the same; and
  - 7.3 further state that until the release of the Bonds represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Bonds represented by such certificate.
8. A Block Voting Instruction shall:
  - 8.1 be issued by a Recognised Accountholder or the NBB-SSS;
  - 8.2 certify that the Bonds (not being Bonds in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the NBB-SSS) held to its order or under its control and blocked by it and that no such Bonds will cease to be so held and blocked until the first to occur of:
    - (i) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and
    - (ii) the giving of notice by the Recognised Accountholder or the NBB-SSS to the Issuer, stating that certain of such Bonds cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;

- 8.3 certify that each holder of such Bonds has instructed such Recognised Accountholder or the NBB-SSS that the vote(s) attributable to the Bond or Bonds so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing 48 hours prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;
  - 8.4 state the principal amount of the Bonds so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and
  - 8.5 name one or more persons (each hereinafter called a “**proxy**”) as being authorised and instructed to cast the votes attributable to the Bonds so listed in accordance with the instructions referred to in paragraph 8.4 above as set out in such document.
9. If a holder of Bonds wishes the votes attributable to it to be included in a Block Voting Instruction for a meeting, he must block such Bonds for that purpose at least 48 hours before the time fixed for the meeting to the order of the Agent with a bank or other depository nominated by the Agent for the purpose. The Agent or such bank or other depository shall then issue a Block Voting Instruction in respect of the votes attributable to all Bonds so blocked.
  10. No votes shall be validly cast at a meeting unless in accordance with a Voting Certificate or Block Voting Instruction.
  11. The proxy appointed for purposes of the Block Voting Instruction or Voting Certificate does not need to be a Bondholder.
  12. Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Bonds held to the order or under the control and blocked by a Recognised Accountholder or the NBB-SSS and which have been deposited at the registered office of the Issuer not less than 48 hours before the time for which the meeting to which the relevant voting instructions and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant Bonds continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Bonds to which such Voting Certificate or Block Voting Instruction relates.
  13. In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.
  14. A corporation which holds a Bond may, by delivering at least 48 hours before the time fixed for a meeting to a bank or other depository appointed by the Agent for such purposes a certified copy of a resolution of its directors or other governing body or another certificate evidencing due authorisation (with, in each case, if it is not in English, a translation into English), authorise any person to act as its representative in connection with that meeting.

### **Chairman**

15. The chairman of a meeting shall be such person as the Issuer may nominate, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Bondholders or agents present shall choose one of their number to be chairman, failing which the Issuer may appoint a

chairman. The chairman need not be a Bondholder or agent. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

**Attendance**

- 16. The following may attend and speak at a meeting:
  - 16.1 Bondholders and their respective agents and financial and legal advisers;
  - 16.2 the chairman and the secretary of the meeting;
  - 16.3 the Issuer and the Agent (through their respective representatives) and their respective financial and legal advisers; and
  - 16.4 any other person approved by the Issuer.

No one else may attend or speak.

**Quorum and adjournment**

- 17. No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Bondholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- 18. One or more Bondholders or agents present in person shall be a quorum:
  - 18.1 in the cases marked “**No minimum proportion**” in the table below, whatever the proportion of the Bonds which they represent;
  - 18.2 in any other case, only if they represent the proportion of the Bonds shown by the table below.

Purpose of meeting	Any meeting except for a meeting previously adjourned through want of a quorum	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a Special Quorum Resolution	75 per cent.	25 per cent.
To pass any other Extraordinary Resolution	A majority	No minimum proportion
To pass an Ordinary Resolution	10 per cent.	No minimum proportion

- 19. The chairman may, with the consent of (and shall if directed by) a meeting, adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 17.

20. At least ten days' notice of a meeting adjourned due to the quorum not being present shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. Subject as aforesaid, it shall not be necessary to give any other notice of an adjourned general meeting.

### **Voting**

21. Each question submitted to a meeting shall be decided by a show of hands, unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer or one or more persons representing 2 per cent. of the Bonds.
22. Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
23. If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
24. A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.
25. On a show of hands or a poll every person has one vote in respect of each nominal amount equal to the minimum Principal Amount of the Bonds so produced or represented by the Voting Certificate so produced or for which he/she is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
26. In case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

### **Effect and publication of an Extraordinary Resolution, a Special Quorum Resolution and an Ordinary Resolution**

27. An Extraordinary Resolution, a Special Quorum Resolution and an Ordinary Resolution shall be binding on all the Bondholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution, a Special Quorum Resolution or an Ordinary Resolution to Bondholders in accordance with Condition 13 within fourteen days but failure to do so shall not invalidate the resolution.

### **Minutes**

28. Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved, every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
29. The minutes must be published on the website of the Issuer within fifteen days after they have been passed.

### **Written Resolutions and Electronic Consent**

30. For so long as the Bonds are in dematerialised form and settled through the NBB-SSS, then in respect of any matters proposed by the Issuer:

- 30.1 Where the terms of the resolution proposed by the Issuer have been notified to the Bondholders through the relevant securities settlement system(s) as provided in sub-paragraphs (a) and/or (b) below, the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant securities settlement system(s) to the Agent or another specified agent in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds outstanding (the “**Required Proportion**”) by close of business on the Specified Date (“**Electronic Consent**”). Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.
- (a) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Bondholders through the relevant securities settlement system(s). The notice shall specify, in sufficient detail to enable Bondholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant securities settlement system(s)) and the time and date (the “**Specified Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant securities settlement system(s).
- (b) If, on the Specified Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination shall be notified in writing to the Agent. Alternatively, the Issuer may give a further notice to Bondholders that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Bondholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (a) above. For the purpose of such further notice, references to “Specified Date” shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved.

- 30.2 Unless Electronic Consent is being sought in accordance with paragraph 30.1, a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution, a Special Quorum Resolution or an Ordinary Resolution passed at a meeting of Bondholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Bondholders through the relevant securities settlement system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders. For the purpose of determining whether a resolution in writing has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the securities settlement system(s) with entitlements to the Bonds or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the NBB-SSS, Euroclear, Clearstream or any other relevant alternative securities settlement system (the “**relevant securities settlement system**”) and, in the case of (b) above, the relevant securities settlement system and the accountholder identified by the relevant securities settlement system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant securities settlement system (including Euroclear’s EUCLID or Clearstream’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal amount of Bonds is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by



reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

31. A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution, a Special Quorum Resolution or an Ordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Bondholders whether or not they participated in such Written Resolution and/or Electronic Consent.

**SCHEDULE 2**  
**FORM OF CHANGE OF CONTROL PUT EXERCISE NOTICE**

*Bondholders wishing to exercise the put option following a Change of Control pursuant to Condition 5.2 will be required to deposit during the Change of Control Put Exercise Period a duly completed and signed Change of Control Put Exercise Notice with the relevant Intermediary.*

*Such Intermediary is the bank or other financial intermediary through which the Bondholder holds the Bonds.*

To: *[Details of the Intermediary through which the Bondholder holds the Bonds]*

**Etablissementen Franz Colruyt NV**

(limited liability company (*naamloze vennootschap/société anonyme*) under Belgian law)

4.25% fixed rate green bonds due 21 February 2028 (issued in the denomination of EUR 1,000 and as described in the Prospectus dated 7 February 2023)

ISIN: BE0002920016 – Common Code: 258555503

(the “**Bonds**”)

**CHANGE OF CONTROL PUT EXERCISE NOTICE**

By sending this duly completed Change of Control Put Exercise Notice to the Agent in accordance with Condition 5.2, the undersigned holder of the Bonds specified below exercises its option to have such Bonds redeemed early in accordance with Condition 5.2 on the Change of Control Put Date falling on .....\* The undersigned holder of such Bonds hereby confirms to the Issuer that (i) he/she/it holds the amount of Bonds specified in this Change of Control Put Exercise Notice and (ii) he/she/it undertakes not to sell or transfer such Bonds until the Change of Control Put Date specified above.

Nominal amount of Bonds held:

EUR..... (*[amount in figures]* Euro)

Nominal amount of Bonds in respect of which the undersigned holder wishes to exercise its option to have such Bonds redeemed early in accordance with Condition 5.2 (which needs to be all of the Bonds held by it):

EUR..... (*[amount in figures]* Euro)

Bondholder contact details:

Name or Company: .....

Address: .....

Telephone number: .....

Payment instructions:

Please make payment in respect of the Bonds redeemed early pursuant to Condition 5.2 by Euro transfer to the following bank account:

Name of Bank: .....

Branch Address: .....

Account Number: .....

\* Complete as appropriate.

The undersigned holder of the Bonds confirms that payment in respect of the redeemed Bonds shall be made against debit of his/her/its securities account number ..... with [*name and address of bank*] for the above-mentioned nominal amount of Bonds.

All notices and communications relating to this Change of Control Put Exercise Notice should be sent to the address of the Bondholder specified above.

Terms used and not otherwise defined in this Change of Control Put Exercise Notice have the meanings given to them in the terms and conditions of the Bonds.

Signature of the holder: ..... Date: .....

N.B. The Agent shall not in any circumstances be liable to any Bondholder or any other person for any loss or damage arising from any act, default or omission of the Agent in relation to the said Bonds or any of them unless such loss or damage was caused by the fraud or negligence of the Agent.

**THIS CHANGE OF CONTROL PUT EXERCISE NOTICE WILL NOT BE VALID UNLESS (I) ALL OF THE PARAGRAPHS REQUIRING COMPLETION ARE DULY COMPLETED AND (II) IT IS DULY SIGNED AND SENT TO THE RELEVANT INTERMEDIARY.**

**BONDHOLDERS ARE ADVISED TO CHECK WITH THE RELEVANT INTERMEDIARY WHEN SUCH INTERMEDIARY WOULD REQUIRE RECEIVING THE COMPLETED CHANGE OF CONTROL PUT EXERCISE NOTICE TO ARRANGE TO DELIVER THE CHANGE OF CONTROL PUT EXERCISE NOTICE AND THE BONDS TO BE REDEEMED TO THE ACCOUNT OF THE AGENT FOR THE ACCOUNT OF THE ISSUER BY THE RELEVANT CHANGE OF CONTROL PUT DATE.**

**ONCE VALIDLY GIVEN THIS CHANGE OF CONTROL PUT EXERCISE NOTICE IS IRREVOCABLE.**

## PART 6 – CLEARING AND SETTLEMENT

The Bonds will be accepted for clearing and settlement through the NBB-SSS under the ISIN code BE0002920016 and Common Code 258555503 and will accordingly be subject to the NBB-SSS Regulations.

The number of Bonds in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB.

Access to the NBB-SSS is available through those of its NBB-SSS participants whose membership extends to securities such as the Bonds.

NBB-SSS participants include certain banks, stockbrokers and Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto and LuxCSD. Accordingly, the Bonds will be eligible to clear through, and will therefore be accepted by, Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto and LuxCSD and investors can hold their Bonds within securities accounts in Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto and LuxCSD.

Transfers of interests in the Bonds will be effected between NBB-SSS participants in accordance with the rules and operating procedures of the NBB-SSS. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB-SSS participants through which they hold their Bonds.

Belfius Bank SA/NV, having its registered office at Karel Rogierplein 11, 1210 Brussels, Belgium (the “**Agent**”) will perform the obligations of paying agent included in the Clearing Services Agreement in relation to the Bonds.

The Issuer and the Agent will not have any responsibility for the proper performance by the NBB-SSS or its NBB-SSS participants of their obligations under their respective rules and operating procedures.

## PART 7 – DESCRIPTION OF THE ISSUER

Unless stated otherwise, figures mentioned in this section refer to the consolidated financial figures of the Issuer, covering the Issuer and its fully consolidated subsidiaries. Joint ventures and associates are accounted for using the equity method.

### 1 General information in relation to the Issuer

#### 1.1 Name, legal form and duration

The legal name of the Issuer is “Etablissements Franz Colruyt” (shortened to “Etn. Fr. Colruyt”); in French “Etablissements Franz Colruyt” (shortened to “Ets. Fr. Colruyt”). The Issuer is a limited liability company (*naamloze vennootschap/société anonyme*) which was incorporated under Belgian law on 9 March 1950. The Issuer has been incorporated for an indefinite duration.

#### 1.2 Registered office, registration number and LEI

The Issuer has its registered office at Edingensesteenweg 196, B-1500 Halle, Belgium and is registered with the Belgian Crossroads Bank of Enterprises (*Kruispuntbank van Ondernemingen/Banque-Carrefour des Entreprises*) under number 0400.378.485 (Register of Legal Entities Brussels, Dutch-speaking division).

The Issuer’s LEI is 549300000NZ1BCXO8K39.

#### 1.3 Contact information and website

The Issuer can be contacted at the telephone number +32 (0)2 363 55 45 and through the email address [debt.investors@colruytgroup.com](mailto:debt.investors@colruytgroup.com). Additional information is included on the Issuer’s website ([www.colruytgroup.com](http://www.colruytgroup.com)). Unless expressly stated otherwise, the information set out on the website of the Issuer does not form part of, and is not incorporated by reference into, this Prospectus.

#### 1.4 Object

The Issuer’s object, as stated in article 3 of its articles of association, is as follows:

##### I Specific activities

- (A) Trade in the widest sense, whether electronic or not, on its own behalf and on behalf of third parties, in retail and wholesale with all distribution and service formulae, and in particular those more generally known under different names such as: supermarkets, hypermarkets, shopping centres, service stations, drugstores, cafeterias, etc.
- (B) The purchase, production, cultivation, research, development and innovation, storage, conversion, handling, transport, sale and shipping, on its own behalf and on behalf of third parties, by or with others of: all foodstuffs, products, fuels and lubricants, articles and merchandise that can be sold through the above-mentioned operations; and in general the provision of all services directly or indirectly relating to distribution.
- (C) The setting-up, acquisition, hiring, management or operation, on its own behalf and on behalf of third parties, by or with others of restaurants, hotels, motels, and boarding houses, drinks stores, which may be adjoining or separate, refreshment establishments, catering services and all similar institutions.
- (D) The renting of motor vehicles, motor homes and all means of transport, throughout Belgium and abroad, recreational services, services to people and travel and tourism enterprises.
- (E) The sale of garden houses, log cabins, bungalows, including all contracting works and construction works, the setting-up and operation of all engineering offices, organisational offices and consultancy offices on a real-estate, financial and commercial level.
- (F) All activities in the hospitality industry.

## II General activities

- (A) The acquisition of holdings in any form whatsoever in all legal entities and undertakings, existing or to be established, promotion, planning, coordination and development of and investment in legal entities and undertakings in which it may or may not already possess a holding.
- (B) Entering into loans and lines of credit; granting loans and credits to legal entities and undertakings or individuals, in whatever form; performing all commercial and financial operations in the broadest sense except for those reserved by law for credit and/or other financial institutions; all brokerage activities relating to all types of insurance against risks of all types, including the possession, purchase, sale, management or assigning to management of brokerage portfolios, advice, examinations, help or assistance relating to insurance in general, as well as all brokerage activities and mediation roles regarding consumer credit.
- (C) The development, elaboration, set-up, acquisition and exploitation of investments in environment, transport and energy for itself and/or on behalf and/or on account of others and the extension of financial, operational, administrative and technical assistance in such operations by third parties, all in direct or indirect cooperation or not.
- (D) The provision of advice of a financial, (psycho)technical, commercial or administrative nature; in the broadest sense, except for advice regarding (monetary) investments; the provision of assistance and services, directly or indirectly, in the area of administration and finance, sales, production and management in general.
- (E) The performance of all management duties, the exercise of duties and functions, including the appointment of liquidators.
- (F) The development, purchase, sale, in-licensing or out-licensing of patents, knowhow and related intangible fixed assets.
- (G) The provision of administrative and computer services.
- (H) The purchase and sale, import and export, commission agency business and representation of any goods whatsoever, acting as agent.
- (I) The research, development, manufacture or marketing of new products, new forms of technology and their applications.
- (J) The provision of real or personal guarantees in the widest sense.

## III Management of movable and immovable property

- (A) The building, judicious development and management of immovable assets; all operations relating to immovable property and immovable property rights such as the financial leasing of immovable property to third parties, the purchase, sale, exchange, construction, renovation, maintenance, letting, rental, parcelling out, prospecting and operation of immovable property, and all actions directly or indirectly related to this matter and likely to boost the yield from immovable property, and acting as guarantor for commitments given by third parties having the enjoyment of such immovable property.
- (B) The building, judicious development and management of movable assets, all operations relating to movable property and rights, of whatever nature, such as the purchase and sale, leasing and rental of movable property; the acquisition by subscription or purchase and administration of shares, bonds, savings certificates or other securities, of any form whatsoever, of Belgian or foreign, existing or yet to be established legal entities and undertakings, and all actions directly or indirectly related to this matter and likely to boost the yield from the movable

property, and acting as guarantor for commitments given by third parties having the enjoyment of such movable property.

#### IV Special stipulations

The company may perform all operations of a commercial, industrial or financial nature, or relating to movable or immovable property, which are directly or indirectly related to or associated with its objects or may further their realisation. The company may be involved by way of contribution, merger, subscription or in any other way, in undertakings, associations or companies which have similar, comparable or connected objects or which are useful for the realisation of all or part of its objects. Since the above list is not limitative, the company may perform all operations which may contribute in any way whatsoever to the realisation of its objects. The company may realise its objects both in Belgium and abroad, in all ways and manners which it deems most fitting. The company shall refrain from activities which are subject to regulatory requirements unless the company fulfils these requirements itself.

##### 1.5 Financial year

The Issuer's financial year starts on 1 April and ends on 31 March in each year.

##### 1.6 Legislation governing its activities

The Issuer is governed by existing and future company laws and regulations of Belgium and by its articles of association.

##### 1.7 Listing

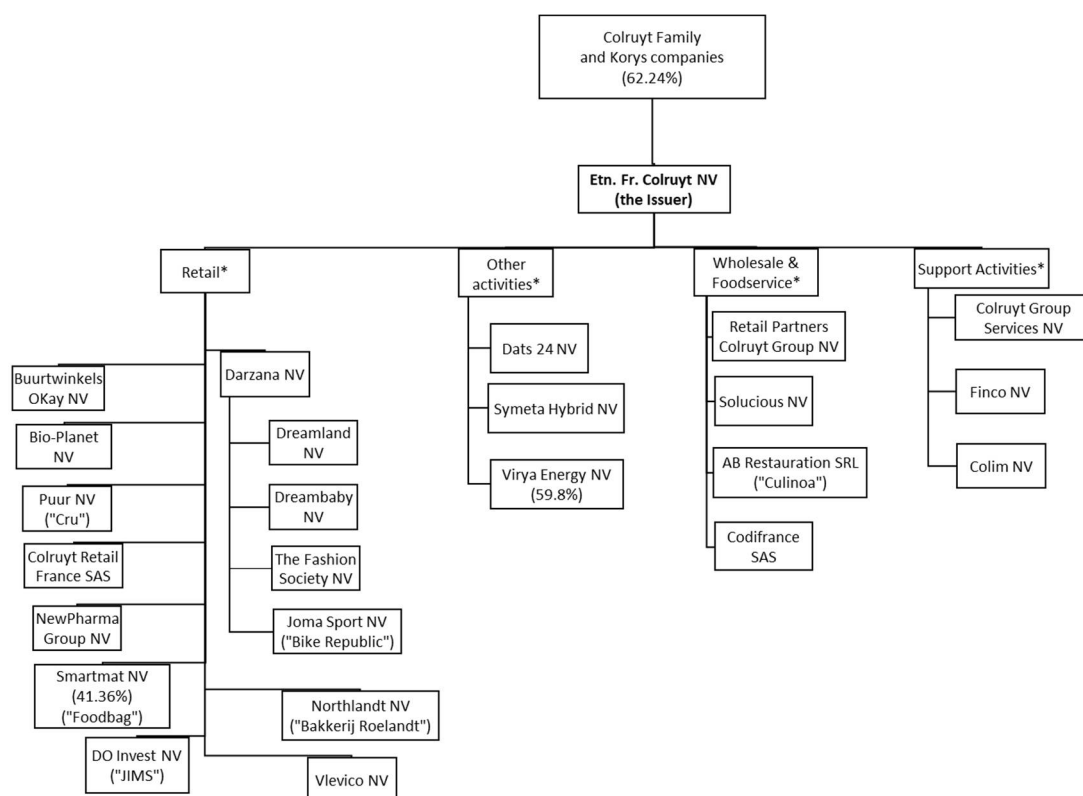
The shares of the Issuer are listed on Euronext Brussels since 1977 (code: COLR).

## 2 Structure

The Issuer is the parent company of the Colruyt group (the "**Colruyt Group**"), consisting of the Issuer and the subsidiaries of the Issuer as well as joint ventures and associates of the Issuer. In addition to benefits generated through its own activities, the Issuer relies on the benefits generated by the other members of the Colruyt Group.

Joint ventures and associates are those entities in which the Issuer has no control on the financial and operational policies, and in which it only has joint control or significant influence, respectively. The joint ventures and associates are accounted for using the equity method. As at the date of this Prospectus, the most material associate of the Issuer is Virya Energy NV ("**Virya Energy**") in which the Issuer holds 59.8% of the shares while Korys, the investment company of the Colruyt family and the main shareholder of the Issuer, holds the remainder of the shares. For further information on Virya Energy, please refer to section 5.1 and for further information on the shareholding of the Issuer, please refer to section 14.

Below is a simplified structure chart which includes certain important members of the Colruyt Group as at the date of this Prospectus:



\* These are not subsidiaries, but subdivisions which are indicated to clarify the structure of the Colruyt Group.

As indicated above, this structure chart provides a simplified overview of the Colruyt Group and therefore does not contain all members of the Colruyt Group in an effort to give a clear and concise overview of its legal structure. This structure chart shows the members of the Colruyt Group which undertake the Colruyt Group's principal activities as at the date of this Prospectus and includes the entities which provide essential intra-group services. For a complete overview of the Issuer's consolidated subsidiaries, joint ventures and associates as at 31 March 2022, please refer to note 34 (*List of consolidated entities*) of the Issuer's consolidated financial statements for the financial year ended 31 March 2022, which are incorporated by reference into this Prospectus.<sup>9</sup>

### 3 Strategy

The Colruyt Group is a family business that has grown over three generations into a retail group with nearly 33,000 employees as at the date of this Prospectus and a diverse portfolio of food and non-food formats, in Belgium and abroad. The most important activity of the Colruyt Group remains the exploitation of supermarkets under the commercial name 'Colruyt Lowest Prices', which has kept on delivering on its brand promise of "Lowest Prices" in Belgium. The Colruyt Group has, however, diversified its activities throughout the value chain over the years, while remaining true to retail, which still accounts for the largest part of its revenue (80.1% of total consolidated revenue as at 30 September 2022). Today, the Colruyt Group is active in retail with business formats which each contain their own brand promise (such as the lowest price guarantee for Colruyt Lowest Prices), with both physical outlets and online shops, mainly in Belgium, Luxembourg and France but also with activities on the African continent. In addition, the Colruyt Group operates in foodservice and wholesale, for instance as a dedicated partner for the independent Spar Colruyt Group stores. In recent years, the Colruyt Group has also grown strongly as a producer

<sup>9</sup> For material updates since 31 March 2022, please refer to section 5.3.



and supplier of renewable energy, such as solar and wind energy.<sup>10</sup> The Colruyt Group furthermore possesses experience and expertise in areas such as technology, IT and communication, as well as the processing and/or packaging of meat, coffee, cheese and wine, for example.

The Colruyt Group aims to make a positive difference in everything it does by being there for its customers in a suitable way at every stage of life and at all important moments in their lives. For this reason, the Colruyt Group aims for maximum complementarity between its different brands, such as Colruyt Lowest Prices, OKay, Spar Colruyt Group, Cru and Bio-Planet. The Colruyt Group finds that each of these brands differentiate themselves with simple solutions for specific requirements. Each in their own authentic way, these brands express the ‘simplicity in retail’ and core values of ‘simplify, empower and connect’ that the Colruyt Group represents.

The Colruyt Group’s mission statement can be summarised as follows: create sustainable added value together through value-driven craftsmanship in retail. In order to realise this mission, the Colruyt Group has formulated several ambitions and strategic objectives, in which the ultimate focus is always on the customer by creating simplicity in retail and as such making the lives of its customers easier. To this end, the Colruyt Group wants to offer its customers the right products and services and assists them in all phases of their lives with innovative and relevant solutions. This is being undertaken mainly in the food and non-food sectors, but also in other, related categories such as energy and health. Customers are reached via diverse, complementary formats focusing on efficiency and the lowest price, on proximity and convenience, on organic or quality in fresh products from a short chain, etc. Most of these store formats are operated by the Colruyt Group itself. Finally, the Colruyt Group not only focusses on individuals, but also offers business customers a growing range of quality services in areas such as foodservice and document management. The Colruyt Group furthermore aims to lead the way in many areas of sustainability. The Colruyt Group tries to continuously improve the sustainability of its assortment and provides customers with a maximum of information via the Eco-score and the Nutri-Score, for example. As a family business, the Colruyt Group keeps the unique company culture alive and aims to remain an attractive employer.

The Colruyt Group responds to changing customer needs with a strong offering of products and services in food, health, non-food and energy. To maintain and further strengthen the Colruyt Group’s position, the Colruyt Group will go ‘Phygital’, by keeping its focus on “bricks” (i.e., physical stores) and adding a digital dimension by for example rolling out concepts such as OKay Direct (a fully automated self-service store where clients can do their shopping 24/7). Through the partnership with Foodbag, customers can order meal boxes with 100% locally sourced ingredients. With SmartWithFood, the Colruyt Group offers customers digital coaching and personalised programmes for a healthier lifestyle. The Colruyt Group also continuous to invest in digital platforms such as Xtra and Collect&Go.

Given the brand promise to guarantee the lowest prices on the market for consumers in respect of its Colruyt Lowest Prices stores, the Colruyt Group continues to look for efficiency improvements. This is a big part of the Colruyt Group’s DNA: working in the most cost-efficient way and constantly looking at how it can organise itself better with an eye for creative solutions.

#### 4 History and development

The Issuer was incorporated under Belgian law on 9 March 1950. Both the Issuer and the Colruyt Group as a whole have undergone a transformation since their inception, whereby the main retail nature of the Colruyt Group has evolved and the Colruyt Group has diversified its activities into other areas such as health and energy.

The below table provides an overview of the key moments in the history of the Colruyt Group:

Year	Event
1901	Franz Colruyt is born as second son to baker Joseph Colruyt. Joseph has a store in Lembeek, under the church tower, where he sells bread and food.

<sup>10</sup> This is mainly undertaken through the Issuer’s participation in Virya Energy, which the Issuer accounts for using the equity method.

1928	Baker Franz Colruyt first supplies bread, and spices and coffee later on, to grocers around Lembeek. In 1928, he establishes a colonial wholesale goods business.
1948	During the war years, things are difficult. Together with his workers, Franz invests in efficiency. In 1948 he sends his son Jo to follow a “work simplification” course (organised by the American army), which is still a key word in the Issuer’s approach today.
1950	The Issuer is incorporated.
1953	Franz’ Boni stamps become a successful loyalty programme. In 1953, the first Boni stores open.
1958	On 4 November 1958, Franz Colruyt passes away at the age of 55. His son Jo takes over the company together with Franz’s brothers. Jo Colruyt tries to convince independent shop owners of the American ‘supermarket’ model, with self-service, and guides them in the change-over. The first Super Boni opens in 1958.
1964	In 1964, Jo opens his first own supermarket, where he offered all known brands 10% cheaper and got rid of all superfluous infrastructure. After all, he has no money to advertise and competition is stiff. This is the start of the Discount, with the lowest prices for consumers.
1972	Colruyt opens its first petrol station in January 1972, named DATS: Discount Automatic Tanking Service. At that time, being able to fuel day and night without the need for an employee to be present at the petrol station was quite revolutionary.
1973	In 1973, the “prices secretariat” was created in order to guarantee customers the lowest prices in food. Four employees started to systematically collect and compare prices of the competition. This further evolved in the well-known “Red Telephone” concept, where Colruyt encourages customers to call them when it doesn’t offer the lowest prices.
1977	Colruyt undertakes its initial public offering.
1984	Aldi’s successful entry to the market, combined with heavy investments and many new hirings (necessary to support growth), bring Colruyt to the brink of bankruptcy. By focusing on work simplification, craftsmanship and its lowest price policy, the company recovered and started an incredible growth path.
1987	Colruyt is the first retailer in Belgium to switch to full automated scanning (bar codes).
1990	By signing the Green Line Charter, Colruyt’s management and workers are committed to the environment, based on the conviction and the conclusion that ecology and economy go hand in hand. This was followed in 1999 by the construction of the first wind turbine in Halle, a milestone in the further evolution towards the well-thought-out sustainability policy that sets the company apart today.
1994	On 6 October 1994, Jo Colruyt suddenly passes away at the age of 66. His 36-year-old son Jef is appointed as the new chairman by the Board of Directors.
1996	Aware that Colruyt’s growth cannot continue indefinitely, Jef Colruyt focuses on the development of formulas such as OKay and Bio-Planet and he invests in non-food with Dreamland and Dreambaby. In 1996, Colruyt crosses the border into France for the first time.
2001	Colruyt opens its first organic supermarket in Kortrijk: Bio-Planet.
2003	Colruyt acquires the license of the Spar format in Belgium, where over 300 independent shopkeepers are affiliated.
2006	The second wind turbine is constructed, this time near the Ghislenghien distribution centre. In addition to that, Colruyt decides to add 8,000m <sup>2</sup> of solar panels to the roof of the distribution centre in Halle.

2007	The Colruyt Group's brand promise is: "Simplicity in Retail". With concrete products and services, the Colruyt Group wants to create simplicity in the complexity of every day. In 2007, Colruyt launched the Extra!-card, automatically gathering all coupons and offering customers immediate discounts at check-out.
2011	<p>The Colruyt Group presents Colruyt Group Academy, a place for customers and workers for all kinds of inspiring activities, from training courses and lectures to cooking workshops and birthday parties.</p> <p>In this way, the company wants to give further substance to its intention to use the economic impulse of its entrepreneurship to set a positive spiral in motion at an ecological and social level.</p>
2012	Colruyt tests hydrogen energy as a sustainable energy source for the first time.
2013	<p>The Colruyt Group expresses the intention to cover the energy it consumes by means of self-produced green electricity. To do so, the Colruyt Group created its own energy supplier: WE-power, later renamed Eoly.</p> <p>In 2013, Colruyt also launches its private label brand called Boni Selection.</p>
2014	<p>Cru, a new store concept for people who are passionate about food, is launched.</p> <p>The Colruyt Group takes a majority stake in The Fashion Society, which included at that time the fashion retail chain ZEB, with acquisitions of PointCarré in 2017 and The Fashion Store in 2018.</p>
2016	<p>The Colruyt Group becomes an ambassador of the sustainable development goals of the United Nations.</p> <p>Xtra, a joint loyalty card for nine store formats and webshops, is launched.</p>
2017	<p>The Colruyt Group acquires a participation in the online pharmacy specialist Newpharma (and fully acquired the company in 2022) and acquires PointCarré.</p> <p>DATS 24 introduces its first fuel station with green hydrogen in Halle.</p>
2018	In 2018, the Colruyt Group acquires Fiets!, which later becomes Bike Republic, and The Fashion Store.
2019	<p>At the end of 2019, Virya Energy was established by the Issuer and its majority shareholder Korys, and became the umbrella holding for all energy related activities.</p> <p>The Colruyt Group furthermore acquired a stake in Scallog, a robotics system provider for order-picking in logistics centres.</p>
2020	<p>The Colruyt Group acquires Joos Hybrid, active in printing and document management solutions complementary to those of Symeta (the then-current printing division of the Colruyt Group). After the acquisition, Joos Hybrid and Symeta bundled forces and merged into one company called Symeta Hybrid.</p> <p>The Colruyt Group furthermore acquires a stake in Daltix, a Belgian data-specialist.</p>
2021	By launching the Eco-score, which simply indicates the environmental impact of products, the Colruyt Group, together with its employees and customers, wants to contribute step by step to a better environment and make more conscious consumption possible.

2022	The Colruyt Group acquires JIMS, which operates fitness clubs, and a stake in Robinetto, a start-up which installs professional tap installations that supply filtered, cooled, still and sparkling water and also relieve users of plastic waste.
2023	The Colruyt Group acquires Roelandt Group, one of the largest industrial bakeries in Belgium.
2023	Today, the Colruyt Group has grown into a family of brands with nearly 33,000 employees. All principles are still based on the initial identity of the company, based on a positive idea of people and the world.

## 5 Business overview

### 5.1 Principal activities

The Colruyt Group’s operational activities are subdivided into retail, wholesale, foodservice, other activities and group support activities. The retail shop formulas and the deliveries to independent retailers (wholesale) and professional customers in foodservice represent the lion’s share of the Colruyt Group’s commercial activities. DATS 24, Symeta Hybrid and the Issuer’s stake in Virya Energy, among others, are included in ‘other activities’. The group support activities, such as IT and technical support, are not detailed further.

The below table provides an overview of the different brands in the retail segment, the wholesale and foodservice segment and the other activities segment as at 31 March 2022, including their proportion in the total consolidated revenues<sup>11</sup>:



<sup>11</sup> For material updates since 31 March 2022, please refer to section 5.3.

The below table provides an overview of the different brands in the retail segment, the wholesale and foodservice segment and the other activities segment as at 30 September 2022, including their proportion in the total consolidated revenues<sup>12</sup>:



A brief overview of the Colruyt Group’s main brands and shop formats is set out below.

Retail segment (representing 81.2% of the total consolidated revenue as at 31 March 2022 and 80.1% of the total consolidated revenue as at 30 September 2022)

#### Colruyt Lowest Prices

Colruyt Lowest Prices is primarily aimed at families who do their weekly shopping in a price-conscious way. It is also aimed at professionals, associations and households doing big shops in an efficient way. Colruyt has a wide range of products, a considerably expanded butcher’s section and fresh food department. Day after day, the store chain aims to offer its customers the lowest prices for national brands as well as own brands Boni Selection and Everyday. It is known for its brand promise of “Lowest Prices”: if a product is cheaper elsewhere nearby, Colruyt aims to immediately lower its price. The store format prioritises simplicity, efficiency, readiness to serve, friendliness of staff and a quality assortment.

As at the date of the Prospectus, the Colruyt Lowest Prices stores are operated by the Issuer itself.

As at 31 March 2022, Colruyt Lowest Prices accounted for EUR 6,069 million in consolidated revenue, representing 60.39% of the total consolidated revenue. At that time it had 249 stores in Belgium and five in Luxemburg, with an average store area of 1,700 m<sup>2</sup>, approximately 10,500 food and 7,500 non-food products and more than 15,000 employees.

#### Xtra

The Xtra app or card is the gateway to the many benefits and services of over 600 stores, online shops, collection points and filling stations. The app offers many additional services that make life easier and aims

<sup>12</sup> For material updates since 30 September 2022, please refer to section 5.3.

to grow into one of the best personal shopping assistants in Belgium. As at the date of this Prospectus, Xtra has around 4,100,000 users in Belgium.

#### *Collect&Go*

Collect&Go has been the market leader in the Belgian online food market for over 20 years.<sup>13</sup> Customers reserve items from the Colruyt and Bio-Planet assortments via the website or app. Staff in the stores and the Londerzeel and Erpe-Mere e-distribution centres carefully select the best products and prepare the order. Customers reserving before midnight can collect their groceries the next day from the respective collection points at Colruyt, OKay, Bio-Planet or standalone, or have them delivered to their home. The online shopping service stands for quality, reliability, expertise and personal service.

In June 2022, Collect&Go launched home delivery by its own drivers, initially for customers in the Brussels and Antwerp region, quickly expanding to Leuven, Namur, Turnhout, Kortrijk and Ostend. This new step forms part of Collect&Go's growth plan. By the end of 2023, Collect&Go aims to provide access to half of the Belgian households to home delivery through Collect&Go.

As at 31 March 2022, Collect&Go had 217 collection points in Belgium and Luxemburg and more than 550 employees.

#### *OKay (Compact/Direct)*

For more than 20 years, OKay has been the handy neighbourhood discounter where customers can do their daily shopping quickly, inexpensively and conveniently. The easy-to-reach stores are conveniently laid out, with a balanced range in a compact area. OKay is deemed strong in fresh products, including convenience foods, a range of ready-made dishes and bread baked on site. The store format stands for a warm welcome, guarantees the lowest prices in the neighbourhood and inspires customers with simplicity and convenience.

OKay Compact has been the metro store concept since 2012. It provides for fast, inexpensive and convenient shopping in city centres.

OKay Direct is the 24/7 self-service store where city customers shop completely autonomously which was launched in 2022.

As at 31 March 2022, OKay (together with Bio-Planet and Cru) accounted for EUR 1,038 million in consolidated revenue, representing 10.33% of the total consolidated revenue. At that time it had 156 stores (consisting of 144 OKay stores, eleven OKay Compact stores and one OKay Direct store) in Belgium, with an average store surface area of 400-650 m<sup>2</sup>, approximately 4,500 products (up to 3,500 products in OKay Compact) and more than 2,300 employees.

#### *Bio-Planet*

For more than 20 years Bio-Planet is a fully sustainable supermarket, offering organic and eco-friendly products. Highlights include the fresh food market and the self-service counter offering a quality range of meat, cheese, vegetarian products and ready-made dishes. Under the slogan 'Truly good', Bio-Planet inspires its customers to eat, enjoy and live consciously. Trained staff are there to advise and assist customers in stores. Bio-Planet plays an important role in making products more sustainable, working closely with growers and producers. It makes maximum use of sustainable materials and technologies in its stores as well.

As at 31 March 2022, Bio-Planet (together with Cru and OKay) accounted for EUR 1,038 million in consolidated revenue, representing 10.33% of the total consolidated revenue. At that time it had 31 stores in Belgium, with an average store area of 652 m<sup>2</sup>, approximately 6,000 products and more than 450 employees.

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<sup>13</sup> Source: Issuer's estimates.

## *Cru*

Cru is a multi-experience market for people who are passionate about food. Cru brings together ten artisan specialities under one roof, and offers a unique selection of fruit and vegetables, meat and charcuterie, fish and poultry, as well as cheeses, drinks, chocolate, sourdough bread and flowers. Cru follows the rhythm of the seasons and offers authentic, 'ordinary' pure-tasting products that are extraordinarily good. Expert staff present the products in their purest form, ready to cook or preprepared. Customers can taste the products at their leisure in the market, and enjoy breakfast, drinks, lunch and coffee in the adjacent Cuit eating facilities (Ghent and Overijse). Cru Groenplaats has an eating area for breakfast and snacks. Webshop orders can be delivered to the home of the customers or be collected from the market.

As at 31 March 2022, Cru (together with Bio-Planet and OKay) accounted for EUR 1,038 million in consolidated revenue, representing 10.33% of the total consolidated revenue. At that time it had three markets in Belgium, with an average store area of 650 m<sup>2</sup>, approximately 850 products and more than 100 employees. With a recently opened Cru market (September 2022) in Dilbeek, there are as at the date of this Prospectus four Cru markets.

## *Colruyt Prix Qualité*

Colruyt Prix Qualité is a clearly laid out and affordable neighbourhood supermarket where customers can find everything they need for their daily and weekly shopping. The stores aim to offer the best value in the neighbourhood for a similar shopping cart, and are strong on fresh produce, meat, charcuterie and bread. Other strengths include the wine section and the growing range of organic, regional and local products. The stores are mainly located along approach roads in (semi-)rural areas in the eastern part of France and almost all of them have a Collect&Go collection point. Approximately half of them have a DATS 24 filling station as well.

As at 31 March 2022, Colruyt Prix Qualité accounted for EUR 591.6 million in consolidated revenue, representing 5.89% of the total consolidated revenue. At that time it had 92 stores and 90 Collect&Go collection points in France, with an average store area of 750 to 1,000 m<sup>2</sup>, approximately 9,000 food and 2,500 non-food products and more than 2,000 employees.

## *Colex*

Colex (Colruyt Export) supplies retail and foodservice products to distributors, wholesalers and supermarkets all over the world, with a focus on the African continent and French Overseas Territories. The export department is especially active in Central and Western Africa, in particular in the Democratic Republic of Congo and Senegal. Colex offers a wide range of groceries, fresh produce and frozen food under the Colruyt Group's private labels (such as Everyday and Boni Selection), supplemented by a peripheral range of A-brands. Colex also aims to stand out due to its all-in export service and support for clients in marketing the products.

As at 31 March 2022, Colex had approximately 200 active clients, approximately 5,000 products and more than 40 employees.

## *Dreamland*

Family and seasonal store Dreamland has an extensive range of toys, outdoor toys, garden furniture, school supplies, multimedia and gaming, children's bedrooms, books, comic books, etc. Dreamland wants to inspire children and their parents to have fun connecting. The format consists of physical stores and an online shop. Customers can collect their online reservations from a Dreamland, Colruyt or OKay store. Home delivery is also an option. Dreamland is the market leader in toy sales in Belgium, both in-store and online.<sup>14</sup>

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<sup>14</sup> Source: Issuer's estimates.

As at 31 March 2022, Dreamland (together with Bike Republic, Dreambaby, JIMS and The Fashion Society) accounted for EUR 465.8 million<sup>15</sup> in consolidated revenue, representing 4.64% of the total consolidated revenue. At that time it had 47 stores in Belgium, with an average store area of 1,600 m<sup>2</sup>, approximately 60,000 products in-store and online and more than 800 employees.

#### *Dreambaby*

Dreambaby is a large national player in the Belgian baby market, with a wide offer for babies and toddlers up to 30 months. The physical stores and the online shop offer a choice of most major brands and the own brand Dreambee. Baby gift lists, which customers can put together and manage online and in-store, seem to be very popular. Online reservations can be collected from collection points at Colruyt and OKay or can be delivered to the customer's home. Dreambaby stands out through its personal guidance and advice from experienced staff.

As at 31 March 2022, Dreambaby (together with Bike Republic, Dreamland, JIMS and The Fashion Society) accounted for EUR 465.8 million<sup>16</sup> in consolidated revenue, representing 4.64% of the total consolidated revenue. At that time it had 31 stores in Belgium, with an average store area of 600 m<sup>2</sup>, approximately 8,000 products in-store and online and more than 300 employees.

#### *Fashion Society*

The Fashion Society groups together three retail chains for women's, men's and children's fashion, mainly operating in Belgium but also in Luxembourg and France. These are out-of-town destination stores, with a focus on customer satisfaction. The store concepts target broad but distinct groups, covering a large proportion of the fashion market. ZEB is designed for confident, fashion-conscious customers seeking inspiration. Family stores PointCarré and The Fashion Store target multi-generational trend followers and focus on personal advice.

As at 31 March 2022, the Fashion Society (together with Bike Republic, Dreambaby, Dreamland and JIMS) accounted for EUR 465.8 million in consolidated revenue, representing 4.64% of the total consolidated revenue. At that time it had 124 stores in Belgium, France and Luxemburg, with an average store area of 1,000 m<sup>2</sup>, an average of 7,500 products and more than 750 employees.

#### *Bike Republic*

Bike Republic is a player in the sale of branded bikes, cycling clothing and accessories. Sales of e-bikes are currently the most prominent. The wide range covers twenty top brands, including the own brand Hiron. As a constant '*compagnon de route*', Bike Republic wants to bring pure biking fun to as many people as possible, from commuters to leisure cyclists and sportspeople. The cycling specialist aims to excel in accessibility through its attractive stores, user-friendly website and easy contactability via live chat, phone and social media. Bike Republic also aims to stand out through first-class service: experts offer both individuals and companies sound advice, an excellent after-sales service, maintenance in Bike Republic's own workshops, bicycle insurance and so on.

As at 31 March 2022, Bike Republic (together with Dreambaby, Dreamland JIMS and The Fashion Society) accounted for EUR 465.8 million in consolidated revenue, representing 4.64% of the total consolidated revenue. At that time it had 21 stores in Belgium, with an average store area of 800 – 1,200 m<sup>2</sup>, more than 10,000 bikes in stock, including 7,000 e-bikes, and more than 100 employees.

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<sup>15</sup> Online revenue of Dreamland where collection took place at another store was accounted for under the revenue of that respective store.

<sup>16</sup> Online revenue of Dreambaby where collection took place at another store was accounted for under the revenue of that respective store.



## *JIMS*

JIMS operates fitness clubs in larger cities in Belgium and Luxembourg, and is also active online. Its mission is to encourage consumers to adopt a fit, healthier lifestyle. Customers can go there for conditioning or strength exercises and group classes at attractive prices. Online, JIMS offers live group classes and digital coaching by enthusiastic, well-trained staff. Club members can also call on personal coaches. JIMS has been an integral part of the Colruyt Group since the end of April 2021. In November 2022, the Colruyt Group's gym chain JIMS acquired six new clubs from Oxygen Fitness, which will be revamped with the new JIMS look and feel.

As at 31 March 2022, JIMS (together with Bike Republic, Dreambaby, Dreamland and The Fashion Society) accounted for EUR 465.8 million in consolidated revenue, representing 4.64% of the total consolidated revenue. At that time it had 27 fitness clubs (24 in Belgium and three in Luxembourg) and approximately 100 employees.

## *Newpharma*

Newpharma is a Belgian online pharmacy with more than 1,700 brands and 40,000 over-the-counter products as at the date of this Prospectus. A team of ten pharmacists screens orders and gives customers advice about products ordered and combinations with previous purchases. Newpharma has, as at the date of this Prospectus, a network of approximately 2,000 collection points and also offers home delivery.

## *MyComfort24*

The MyComfort24.be webshop stocks all textiles for personal comfort: from underwear and hosiery to nightwear and swimwear and bed and bath linen.

## *Robinetto (not fully consolidated but accounted for using the equity method)*

The Colruyt Group acquired a stake in Robinetto in July 2021. Robinetto's mission is to provide as many people as possible with high-quality drinking water that does not require packaging or transport and is much more ecological than bottled water. The Ghent start-up installs professional tap installations that supply filtered, cooled, still and sparkling water and also relieve users of plastic waste. In December 2022, the Colruyt Group raised its stake in Robinetto to 51.99%.

## *Scallog (not fully consolidated but accounted for using the equity method)*

The Colruyt Group acquired a stake in Scallog in August 2019. Scallog is a robotics system provider for order-picking in logistics centres, whereby robots fetch mobile racks or crates from the warehouse and bring them to operators. Within the Colruyt Group, Scallog technology is currently deployed in Newpharma's newest logistics centre.

## *Daltix (not fully consolidated but accounted for using the equity method)*

In 2020, the Colruyt Group took a stake in Daltix, a Belgian data-specialist. Daltix provides real-time insights in pricing and consumer behaviour.

Wholesale and foodservice segment (representing 10.6% of the total consolidated revenue as at 31 March 2022 and 10.9% of the total consolidated revenue as at 30 September 2022)

## *Retail Partners Colruyt Group*

Retail Partners Colruyt Group ("RPCG") is the licensee of the Spar Colruyt Group formula in Belgium and works closely with the independent Spar storekeepers. Besides supply and assortment management, the organisation also takes care of commercial policy and sales support. RPCG has a consultation model whereby it works in partnership with the elected delegation of entrepreneurs. Together they shape the look of the stores, range, commercial focus and the future of Spar Colruyt Group. RPCG also supplies fresh products and groceries to independent Alvo storekeepers and unaffiliated clients.

As at 31 March 2022, there were approximately 214 Spar stores, 56 Alvo stores and 87 independent retailers in Belgium, with more than 800 employees.

#### *Spar Colruyt Group*

Spar Colruyt Group is a neighbourhood supermarket for daily grocery shopping, offering a range of fresh products, personal service and competitive prices. The independent retailers add their own touches through their specific skills and product ranges. Spar aims to provide inspiration through its free KOOK magazine and is renowned for its weekly Top Deals with 50% off. Most stores are also open on Sundays (in the morning).

As at 31 March 2022, Spar Colruyt Group had approximately 214 stores in Belgium, with an average store area of 350 – 1,800 m<sup>2</sup>.

#### *Codifrance*

Codifrance supplies mini-markets affiliated to the Coccinelle, Coccimarket and Panier Sympa brands with dry goods, fresh produce and frozen food. The affiliated retailers also receive assistance with marketing, communication, deciding on their range, refurbishment and design of their point of sale. In addition, Codifrance supplies a number of independent shops and wholesalers. The mini-markets can be found in the city and the country and are primarily aimed at customers who shop daily. Codifrance offers the independent operators a wide assortment of products from national brands, private labels (Belle France) and discount brands.

As at 31 March 2022, Codifrance had approximately 303 affiliated stores in France (24 Coccinelle stores, 97 Coccimarket stores and 182 Panier Sympa stores), with an average store area of 100 – 400 m<sup>2</sup>, more than 8,000 products and more than 200 employees.

#### *Solucious*

Foodservice company Solucious supplies food products to professional customers throughout Belgium, primarily in the hospitality industry, social catering (schools, hospitals, care homes, etc.) and corporate catering. The range covers dry, fresh and frozen products, in small and large packs. Food professionals choose from national brands, the company's own foodservice brands for professional chefs (Culino and Econom), and its own retail brands (Boni Selection and Everyday). Solucious aims to stand out for its ease-of-use, fair and consistent pricing with bulk discounts and constant reliability, about which it communicates transparently.

As at 31 March 2022, Solucious accounted for EUR 154 million in consolidated revenue, representing 1.54% of the total consolidated revenue. At that time it had approximately 25,000 customers, approximately 13,000 food products (fresh and frozen) and more than 500 employees.

Other activities segment (representing 8.2% of the total consolidated revenue as at 31 March 2022 and 9.0% of the total consolidated revenue as at 30 September 2022)

#### *Symeta Hybrid*

Symeta Hybrid is specialised in personalised marketing communications and administrative document flows such as invoices and payroll. Featuring state-of-the-art printing and mailing technology and a high-performance information management platform, the company makes security for confidential data such as personal data one of their key priorities. Flexible all-in-one solutions result in efficiency for companies, as well as user-friendliness and freedom of choice for end customers. Symeta Hybrid serves both internal and external clients in such diverse sectors as retail, HR, finance, healthcare, utilities, telecoms, government and industry. The company has all relevant ISO certifications: 14001 (environment), 9001 (production) and 27001 (information security).

## DATS 24

DATS 24 offers all common and alternative energy sources in Belgium: petrol, diesel and AdBlue, as well as natural gas (CNG), electricity and hydrogen. DATS 24 is also active in France, where its main focus is on common energy sources such as petrol and diesel. The Colruyt Group's fuel specialist and energy supplier is working towards greener mobility. Several projects are being launched to install charging stations on the parking lots (both for existing and new shops). DATS 24 furthermore continues to invest in the expansion of its network, with a focus on electric charging infrastructure and public hydrogen stations. DATS 24 aims to inform and inspire individuals and companies about how to achieve more sustainable mobility via workshops, talks and webinars. It holds ISO 14001 certification for the ecological management of its stations.

As at 31 March 2022, DATS 24 accounted for EUR 798 million in consolidated revenue, representing 7.94% of the total consolidated revenue. At that time it had 141 stations and 116 retail sites with charging stations and more than 70 employees.

Please also refer to section 5.3 for information on the contemplated centralisation of the energy activities of DATS 24 Belgium into the energy holding company Virya Energy.

*Virya Energy (not fully consolidated but accounted for using the equity method)*

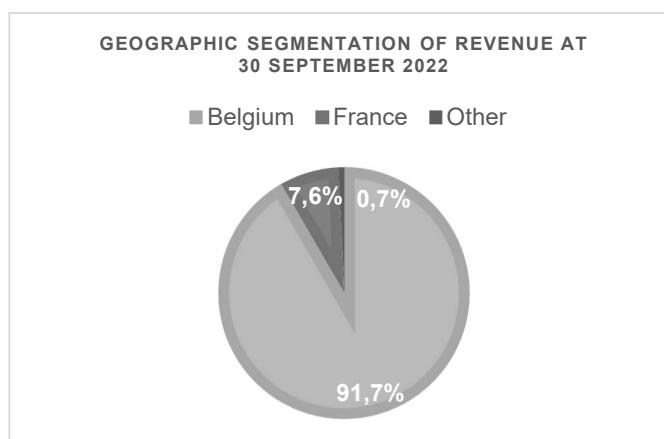
Virya Energy was established at the end of 2019 by the Issuer and its majority shareholder Korys. As at the date of this Prospectus, the Issuer holds 59.8% of the shares while Korys, the investment company of the Colruyt family and the main shareholder of the Issuer, holds the remainder of the shares.

Energy holding company Virya Energy is active in the development, financing, construction, operation and maintenance of sustainable energy sources, with a particular focus on offshore and onshore wind energy. Virya Energy, which groups several energy expertise companies, is also working towards developing a service offering in offshore renewable energy (with stakes in GEOxyz, DotOcean and Fluves), while being active in several projects aimed at producing and marketing green hydrogen. As at the date of the Prospectus, the energy holding company holds 100% stakes in, amongst others, Parkwind, which is active in offshore wind energy, and Eoly Energy and Eurowatt, which are active in onshore wind energy. The umbrella holding company facilitates the sharing of knowledge and technology between the companies and invests heavily in support services, research and development.

Virya Energy, grouping together several energy expertise companies, develops activities throughout the entire value chain and collaborates with universities and government bodies on various research programmes, including on the use of hydrogen as an energy buffer or a mobility application.

## 5.2 Geographic segmentation

The below graph provides an overview of the geographic segmentation of the total consolidated revenues as at 30 September 2022:



The main contributors to consolidated revenue in Belgium (accounting for 91.7% of the total consolidated revenues as at 30 September 2022, compared to 92.2% as at 31 March 2022) are the Issuer, Buurtwinkels OKay NV, DATS 24 and Retail Partners Colruyt Group NV.

A minor part of the consolidated revenue is also generated in France (accounting for 7.6% of the total consolidated revenues as at 30 September 2022, compared to 7.1% as at 31 March 2022), with concepts such as Colruyt Prix Qualité, Collect&Go, DATS 24 and Codifrance, and in other countries (accounting for 0.7% of the total consolidated revenues as at 30 September 2022, compared to 0.7% as at 31 March 2022) such as Luxemburg (with Colruyt Lowest Prices, JIMS and The Fashion Society) and the African Region (mainly in the Central and Western part of Africa, with Colex). For more information on these brands and shop formats, please refer to section 5.1.

The Colruyt Group is also active in e-commerce in Belgium, France and Luxembourg for certain of its brands and shop formats. In addition, the Colruyt Group has trading activities in Hong Kong and Thailand and has its own service centre in India.

### 5.3 Recent developments and investments

#### Virya Energy and DATS 24

In early July 2022, the Colruyt Group communicated that Virya Energy would assess strategic options for offshore wind energy. The reason being that the recent energy market developments, the EU Green Deal and geopolitical tensions are having an impact on the speed of the evolution of the offshore industry. This results in: (i) a substantial increase in the size of offshore wind projects, resulting in a higher financial exposure of investors as from the early stage of the projects and (ii) an increased focus on renewable energy, resulting in fierce competition and thus requiring higher investments (for example in the form of entry tickets for investors) for new offshore wind projects. Several possible strategic development options have been explored. The option of a (partial) divestment of the subsidiary Parkwind NV will be developed further. A banker has been appointed in this respect.

At the end of October 2022, the Colruyt Group communicated its intention to centralise the energy activities of DATS 24 Belgium into the energy holding company Virya Energy. In light of a rapidly changing energy market and increasing attention to sustainable energy, the intended bundling of the forces and expertise of DATS 24 Belgium and Virya Energy are expected to boost the companies' clout. This fits with the Colruyt Group's long-term strategy, of which one of the pillars is "Energy", which focuses on green, renewable and, above all, usable energy. The intention is to complete this transaction at the beginning of the financial year 2023/24. The Colruyt Group will act in accordance with the applicable regulations and communicate on further developments.

Investors should note that, as soon as the activities of DATS 24 Belgium would be centralised into Virya Energy, DATS 24 Belgium will no longer be fully consolidated and will be included in the result of Virya Energy, which the Issuer accounts for using the equity method.

#### Acquisition of Culinoa and JIMS

At the beginning of the financial year 2021/22, the Issuer acquired 100% of the shares of the Belgian foodservice partner Culinoa and of the Belgian fitness chain JIMS. Both have been fully consolidated since respectively April and May 2021, which has contributed to the consolidated revenue.

In November 2022, JIMS acquired six of the eight Oxygen Fitness clubs. In 2023, the six clubs will be revamped with the new JIMS' look and feel. This acquisition allows to accelerate JIMS' growth plans.

#### Acquisition of Roelandt Group

In the last quarter of the financial year 2021/22, the Issuer acquired 100% of the shares of the industrial bakery Roelandt Group. With this acquisition, the Colruyt Group invests further in vertical integration of

fresh products, in this case bread. Roelandt Group has been fully consolidated since January 2022, which contributed to consolidated revenue.

#### Acquisition of a 41% stake in Smartmat

On 3 February 2022, the Colruyt Group acquired a 41% stake in Smartmat NV, a company specialised in meal boxes under the brands Foodbag and 15gram. The Colruyt Group became a shareholder of this food e-commerce company together with the founders and with Korys, the investment company of the Colruyt family, which already held a stake in Smartmat NV. In addition to Foodbag and 15gram, Smartmat also launched the Rayon concept in January 2022, an online supermarket with home delivery across Belgium.

#### Acquisition of IMP Bike and Cyclom

In August 2022, Bike Republic, the Colruyt Group's chain of bike shops, acquired three more stores in Aalst, Ninove and Evere.

#### Acquisition of Newpharma Group

In October 2022, the Issuer 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 aims to enable the Colruyt Group not only to pursue its ambitions in the area of health, but also to further develop its leadership in online retail. As a result of this transaction, Newpharma will be fully consolidated by the Colruyt Group.

#### Acquisition of Degrenne Distribution

In February 2023, the Colruyt Group reached an agreement to acquire 100% of the shares of the French distribution group Degrenne Distribution. Degrenne Distribution is an important player in distribution operating in the North-West of France and in the Ile-de-France region. The family business supplies approximately 1,800 local stores with dry, fresh and frozen products. Degrenne's activities are complementary to those of Codifrance. This acquisition allows the Colruyt Group, which is already active in the French wholesale market through Codifrance, to further support and strengthen its growth in French local trade. The transaction is subject to the approval of the French Competition Authority as well as to the approval of the French Ministry of Economy and Finance under the international investment law. The closing of the transaction is expected in financial year 2023/24.

## **6 Recent events and trend information**

### **6.1 Covid-19 impact and the conflict in Ukraine**

After the Covid-19-related volume increases during financial year 2020/21, most product categories are following pre-Covid trends once again. 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.

From the end of financial year 2019/20 onwards, the Colruyt Group has experienced diverse impacts of the Covid-19 health crisis. The Covid-19 pandemic had a direct impact on food consumption and especially the foodservice channel (i.e., restaurants, cafes, catering companies, etc.) in general, impacting the Colruyt Group's activities across all of its business lines. In 2021, the Colruyt Group encountered a specific challenge with sales to professional clients falling sharply. A significant impact on turnover was marked at professional clients of Colruyt Lowest Prices and Solucious. Although other formulas of the Colruyt Group saw clear growth during this period, larger stores of the Colruyt Group, such as the Colruyt Lowest Prices stores, were less popular than local stores, such as Spar and OKay, given that consumers wanted to shop as close as possible to their homes. This led to the fact that the Colruyt Group was not able to benefit as much as certain of its competitors from the growth that food retailers saw during the Covid-19 health crisis. Hence, competitors were able to benefit more from this growth than the Colruyt Group. In 2022, the re-opening of restaurants led to lower sales in the food retail.

The overall Covid-19 impact could however not be isolated in an unambiguous manner. As at the date of this Prospectus, the situation has stabilised and there are no longer any health measures in force that significantly affect the Colruyt Group's activities. A possible flare-up of the Covid-19 virus and potential new measures imposed by the government however continue to pose a risk and could result in an impact on the financial results of the Colruyt Group.

Following the outbreak of the Covid-19 virus, pandemic risk is now included in the Colruyt Group's global risk log. To ensure the continuity of the Colruyt Group's activities, a number of business continuity plans have been drawn up to manage this risk. These plans serve to guarantee the continuity of purchase, logistics and sales, as well as all necessary corporate services.

The conflict in Ukraine, which started at the end of February 2022, also creates risks and uncertainties for the Colruyt Group and accelerated some effects, such as inflation, created by the Covid-19 health crisis. While the conflict does not have a direct impact on the Colruyt Group's business, given that the Colruyt Group has no direct activities in Russia or Ukraine, the Colruyt Group is affected by the macroeconomic consequences of the war, such as price increases, high inflation and a disrupted supply chain for a number of products. During its General Meeting of Shareholders held in September 2022, the Colruyt Group announced that inflationary pressure causes the Colruyt Group's expenses to increase significantly. This mainly affects energy, transport and labour costs. The latter have a major impact given the automatic wage indexation system in place in Belgium. The Colruyt Group also expects additional costs, in particular in relation to the rising energy prices, which will adversely affect the financial performance of the Colruyt Group. These macroeconomic consequences and the uncertainty as to how the conflict will evolve pose a risk to the Colruyt Group's performance and related financial results and cash flows, as well as discount rates, valuations and impairment assessments. The Colruyt Group points out that the uncertainty arising from the geopolitical situation and the energy crisis may impact the 2022/23 outlook. In its half year results report for the six month period ended 30 September 2022, the Colruyt Group confirmed the expectation that the consolidated result, excluding possible one-off effects in 2022/23, will decrease considerably compared to 2021/22.

The Colruyt Group continues to closely monitor the situation with regard to the Covid-19 health crisis and the conflict in Ukraine and, where possible, takes the necessary measures to limit the impact and the (in)direct consequences of these events. Thanks to the Colruyt 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 the Colruyt Group has an interest.

## 6.2 Legal group structure

The Colruyt Group is actively looking at strengthening its expertise in four different areas, being food, non-food, health and energy, in order to enhance the Colruyt Group's customer-oriented service proposition and its value proposition model (simplify-empower-connect). In such a way, it wants to make its legal structure more efficient and more aligned with the strategic objectives of the Colruyt Group. In this respect, several steps have already been taken to streamline the legal structure of the Colruyt Group according to these different areas of expertise, including:

- Colim NV has already been functioning as a holding structure for several years, owning the vast majority of all real estate held by the Colruyt Group.
- In 2019, Virya Energy was created as an energy holding company, combining energy related assets and knowledge of both the Colruyt Group and Korys (being the main shareholder of the Issuer). In October 2022, the Colruyt Group announced its intention to integrate DATS 24 Belgium in Virya Energy, as set out in further detail in section 5.3.
- In 2022, Darzana NV was created, the non-food holding company of the Colruyt Group, comprising the activities of Bike Republic, Dreamland, Dreambaby, MyComfort24 and The Fashion Society.

The Colruyt Group is investigating whether the structure should be further amended in order to keep the Colruyt Group as efficient as possible, ensure easy steering, create new synergies and ensure that the structure is suitable to meet the long-term objectives of the Colruyt Group. Different scenarios can be investigated to further develop the different areas of expertise. Any such restructuring whereby cash generating activities and/or assets which are currently exercised or owned by the Issuer are transferred to another member of the Colruyt Group may make the Issuer more dependent on the revenues it receives from the other members of the Colruyt Group, including to be able to satisfy its payment obligations under the Bonds. In this respect, please also refer to the risk factor entitled *“The Issuer is to a certain extent dependent on the distributions received from the other members of the Colruyt Group which impact its revenues and reorganisations of the existing group structure may have a further impact on these revenues of the Issuer, which may impair its ability to satisfy its obligations under the Bonds”*.

## 7 Sustainability

The core of the Colruyt Group’s mission is ‘to create sustainable added value together’, which it tries to put into practice every day. Given its position in the supply chain, its economic impact also enables it to set in motion a positive social and ecological spiral, aiming at long-term results. The Colruyt Group believes that in this way its entrepreneurship serves as the driver for sustainable development and a source of inspiration to others. The Colruyt Group continuously aims to make its own activities and products more sustainable, concluding smart partnerships, and is committed to innovation, with a view to creating a sustainable positive impact. The Colruyt Group is investing in making its stores more energy efficient and invests in sustainable sourcing through sustainable chain projects, in which it works with all actors to achieve clear, agreed sustainability goals and to add value for everyone in the chain. The Colruyt Group furthermore continues to invest in greener and zero emission transport through the electrification of its vehicle fleet and heavy-duty transport and through further investments in green hydrogen transport. In addition to this, the Colruyt Group recently announced that it intends to make all its goods transport zero emission by 2035 both for its own transports to and from the stores and to the distribution centres via suppliers. The Colruyt Group expects to achieve this by using complementary technologies: both battery-electric vehicles and hydrogen-electric vehicles will be needed to make this transition happen. The Colruyt Group is also committed to circularity, with minimal consumption of raw materials and energy, and in so doing respecting the planetary boundaries. The Colruyt Group produces its own green power from solar energy and invests in onshore and offshore wind energy and green hydrogen production through its subsidiary Virya Energy. In all its activities, the Colruyt Group tries to nurture and stimulate strong mutual commitment and interaction between employees, customers, suppliers, partners and society, striving to make balanced and healthy nutrition accessible to everyone.

### Why is sustainable entrepreneurship important for the Colruyt Group?

- Care for the environment: the Colruyt Group inevitably makes use of raw materials and energy sources. It wants to do this with maximum respect for the earth and its natural boundaries. Because protecting the planet means protecting the future. “Prevention” – what we don’t consume – is a recurrent theme throughout the Colruyt Group’s approach.
- Maximum efficiency: with a minimum of raw materials, energy and human effort, the Colruyt Group wants to ensure maximum meaningful economic added value and human development.
- Social connection: as a retailer, the Colruyt Group has an impact on its workers, customers, suppliers, partners, society, etc. It wants to be meaningful to everyone involved in the Colruyt Group, near and far.

### What impact does the Colruyt Group have across the chain?

As a retailer with its own production departments, the Colruyt Group has an impact across the entire supply chain.

- Raw materials: the Colruyt Group builds sustainable partnerships with suppliers, farmers and other stakeholders and monitors them in the field.

- Processing, transport and sales: by making energy consumption, water use, goods transport and the like more sustainable, the Colruyt Group wants to avoid or reduce negative effects. At the same time, the Colruyt Group assumes a positive pioneering role through innovation.
- Use: the Colruyt Group informs and tries to inspire its customers to make more conscious choices.
- Waste/recycling: the Colruyt Group is constantly working on innovative solutions for packaging, food loss, reuse of materials, etc.

How is the Colruyt Group’s sustainability policy structured?

Product, infrastructure and people are the basis of the Colruyt Group’s sustainability policy. The Colruyt Group wants to create sustainable added value for these three driving forces with the purpose of making tangible progress in various fields through innovation and cooperation. It does this with more than 150 concrete projects, which also contribute to the sustainability goals of the United Nations. The Colruyt Group also involves its customers in its sustainability efforts with for example its “Step by Step” themes and its recently launched “Give Forward” programme. The “Step by Step” communication programme covers four themes: health, society, animal welfare and environment. The “Give Forward” programme aims at inspiring and helping consumers make more conscious choices.

How do we measure how sustainable the Colruyt Group is?

The Colruyt Group wants to generate a tangible and effective impact, without any pretence. The Colruyt Group measures this using internationally recognised and scientifically supported methodologies, such as the Greenhouse Gas Protocol and the Science-Based Targets initiative, which look at all facets of sustainability, across the entire value chain and life cycle. This gives the Colruyt Group an insight into the actual impact it creates with its products, services and organisation, and where it can improve. Only in this way, the Colruyt Group can balance the various forms of impact and find a good balance for people and planet.

Sustainability reporting

The Colruyt Group every year publishes an annual report with extensive sustainability reporting in accordance with the requirements of the Non-Financial Reporting Directive (Directive 2013/34/EU). In particular, since 2022, the annual report includes disclosure required by Article 8 of the Taxonomy Regulation (Regulation (EU) 2020/852), which sets forward an EU classification system for sustainable activities.

Overview

The sustainability approach of the Colruyt Group can be summarised with the following figure:



The Colruyt Group’s sustainability policy is guided by three drivers (see the left hand side of the above figure):



- products and services, the core of the Colruyt Group's activity as a retailer;
- the infrastructure which the Colruyt Group uses to bring those products and provide those services to its customers; and
- people, being the Colruyt Group's employees, who create added value every day, customers and partners with whom the Colruyt Group enters into sustainable relationships. Colruyt Group's organisational culture aims to ensure that this sustainability approach is deeply rooted in every part of the organisation.

The Colruyt Group aims to make a difference with twelve programmes which aim to make tangible progress through innovation and collaboration across the entire value chain. The word 'programme' makes clear that this work is never final and that the Colruyt Group is constantly refining the strategy and objectives. The Colruyt Group is working towards these clear objectives through more than 150 concrete projects. The twelve programmes cover the central part of the above figure and relate to health, working together, learning together, living together, animal welfare, biodiversity, agriculture, raw materials, atmosphere, water, energy and mobility.

## 8 Selected financial information

### 8.1 Key figures

The tables below set out a summary of the key financial information extracted from (i) the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2022 and 31 March 2021 and (ii) the unaudited consolidated financial statements of the Issuer for the six-month periods ended 30 September 2022 and 30 September 2021, in each case prepared in accordance with international financial reporting standards (IFRS).

Potential investors should note that this financial information covers the Issuer and its fully consolidated subsidiaries and that the joint ventures and associates of the Issuer are accounted for using the equity method. Furthermore, the figures take into account any acquisitions and investments which have been undertaken by the Colruyt Group in the course of the relevant financial period. For an overview of recent transactions, please refer to section 5.3.

#### Key figures for the financial years ended 31 March 2022 and 31 March 2021

##### *Income statement*

	01/04/2021 – 31/03/2022		01/04/2020 – 31/03/2021		Variance
	In million €	% of revenue	In million €	% of revenue	
<b>Revenue</b>	<b>10,049.3</b>		<b>9,930.7</b>		<b>1.2%</b>
<b>Gross profit</b>	<b>2,751.7</b>	<b>27.4%</b>	<b>2,791.9</b>	<b>28.1%</b>	<b>-1.4%</b>
Services and miscellaneous goods	-692.9	-6.9%	-633.3	-6.4%	
Employee benefit expenses	-1,478.5	-14.7%	-1,462.3	-14.7%	
Other operating expenses	-35.7	-0.4%	-31.4	-0.3%	
Other operating income	196.0	2.0%	185.5	1.9%	
<b>Total operating expenditures</b>	<b>-2,011.1</b>	<b>-20.0%</b>	<b>-1,941.5</b>	<b>-19.6%</b>	
<b>EBITDA<sup>17</sup></b>	<b>740.6</b>	<b>7.4%</b>	<b>850.4</b>	<b>8.6%</b>	<b>-12.9%</b>
Depreciation, amortisation and impairment of non-current assets	-365.4	-3.6%	-326.9	-3.3%	
<b>Operating profit (EBIT)</b>	<b>375.2</b>	<b>3.7%</b>	<b>523.5</b>	<b>5.3%</b>	<b>-28.3%</b>
Net financial result	1.5	0.0%	0.9	0.0%	
Share in the result of investments accounted for using the equity method	6.0	0.1%	-3.5	0.0%	
<b>Profit before tax</b>	<b>382.7</b>	<b>3.8%</b>	<b>520.9</b>	<b>5.2%</b>	<b>-26.5%</b>

<sup>17</sup> This is an alternative performance measure. Please refer to section 8.2 for further information.

Income tax expense	-94.7	-0.9%	-104.9	-1.1%	
<b>Profit for the financial year</b>	<b>288.0</b>	<b>2.9%</b>	<b>416.0</b>	<b>4.2%</b>	<b>-30.8%</b>

### Balance sheet

	01/04/2021 – 31/03/2022	01/04/2020 – 31/03/2021	Variance
	<i>In million €</i>	<i>In million €</i>	
Cash and cash equivalents	176.2	284.5	-38.1%
Total equity	2,462.1	2,527.2	-2.6%
Non-current bank and other borrowings	385.8	31.9	1111.1%
Non-current lease and similar liabilities	233.1	201.6	15.6%
Current bank and other borrowings	298.9	189.3	57.9%
Current lease and similar liabilities	50.9	41.2	23.7%
<b>Balance sheet total</b>	<b>5,613.6</b>	<b>5,195.3</b>	<b>8.1%</b>
Investments	488	469	4.0%

### Cashflow statement

<i>In million €</i>	01/04/2021 – 31/03/2022	01/04/2020 – 31/03/2021
Operating cashflow	498.8	708.3
Investment cashflow	-607.0	-594.7
Financing cashflow	0.8	-110.6
<b>Net increase/(decrease) of cash and cash equivalents</b>	<b>-107.4</b>	<b>3.0</b>

### Background

Revenue rose to over EUR 10.0 billion in financial year 2021/22 for the first time since the incorporation of the Issuer and 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 newly acquired 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).

Equity totalled EUR 2,462 million as at 31 March 2022, accounting for 43.8% of the balance sheet total.

The gross profit margin decreased to 27.4% of revenue in 2021/22. The operating cash flow (EBITDA) amounted to 7.4% and the operating profit (EBIT) totalled EUR 375 million or 3.7% of revenue in 2021/22. The effective tax rate increased from 20.0% to 25.2%. The profit for the period decreased from EUR 416 million (4.2% of revenue) in financial year 2020/21 to EUR 288 million (2.9% of revenue) in financial year 2021/22.

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. 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 Colruyt 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.

Financial year 2021/22 was further marked by a challenging macroeconomic environment. Net operating expenses climbed from 19.6% of revenue in financial year 2020/21 to 20.0% of revenue in financial year

2021/22. The increase was 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 acquired by the Colruyt Group and the Colruyt Group's ongoing investments in its employees, high-quality house-brand products, sustainability and digital transition. The effect of rising inflation was even more pronounced in the last quarter of the financial year 2021/22. Further Covid-19-related costs were incurred in financial year 2021/22, including additional benefits and days of leave that the Colruyt Group granted to its employees in sales, logistics and production as a token of gratitude for the efforts made. In the second half of financial year 2021/22, following a decision of the Belgian government and the various agreements concluded at sector level, the Colruyt Group granted 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.

These trends have led to a significant change in the financial performance and the financial position of the Colruyt Group compared to the previous financial year.

#### Key figures for the six-month periods ended 30 September 2022 and 30 September 2021

##### *Income statement*

	01/04/2022 – 30/09/2022		01/04/2021 – 30/09/2021		Variance
	<i>In million €</i>	<i>% of revenue</i>	<i>In million €</i>	<i>% of revenue</i>	
<b>Revenue</b>	<b>5,266.5</b>		<b>4,981.3</b>		<b>5.7%</b>
<b>Gross profit</b>	<b>1,391.9</b>	<b>26.4%</b>	<b>1,340.5</b>	<b>26.9%</b>	<b>3.8%</b>
Services and miscellaneous goods	-401.2	-7.6%	-309.3	-6.2%	
Employee benefit expenses	-774.1	-14.7%	-713.6	-14.3%	
Other operating expenses	-12.8	-0.2%	-16.9	-0.3%	
Other operating income	107.5	2.0%	88.3	1.8%	
<b>Total operating expenditures</b>	<b>-1,080.6</b>	<b>-20.5%</b>	<b>-951.5</b>	<b>-19.1%</b>	
<b>EBITDA<sup>18</sup></b>	<b>311.3</b>	<b>5.9%</b>	<b>389.0</b>	<b>7.8%</b>	<b>-20.0%</b>
Depreciation, amortisation and impairment of non-current assets	-188.0	-3.6%	-178.1	-3.6%	
<b>Operating profit (EBIT)</b>	<b>123.3</b>	<b>2.3%</b>	<b>210.9</b>	<b>4.2%</b>	<b>-41.6%</b>
Net financial result	-1.3	0.0%	1.6	0.0%	
Share in the result of investments accounted for using the equity method	-6.1	-0.1%	-0.1	0.0%	
<b>Profit before tax</b>	<b>115.9</b>	<b>2.2%</b>	<b>212.4</b>	<b>4.3%</b>	<b>-45.4%</b>
Income tax expense	-27.0	-0.5%	-50.5	-1.0%	
<b>Profit for the financial year</b>	<b>88.9</b>	<b>1.7%</b>	<b>161.9</b>	<b>3.3%</b>	<b>-45.1%</b>

##### *Balance sheet*

	01/04/2022 – 30/09/2022		01/04/2021 – 30/09/2021		Variance
	<i>In million €</i>		<i>In million €</i>		
Cash and cash equivalents		382.2		282.0	35.5%
Total equity		2,403.6		2,427.7	-1.0%
Non-current bank and other borrowings		344.4		264.5	30.2%
Non-current lease and similar liabilities		239.4		226.5	5.7%
Current bank and other borrowings		733.0		126.7	478.7%
Current lease and similar liabilities		55.4		48.5	14.2%
<b>Balance sheet total</b>		<b>6,032.6</b>		<b>5,432.4</b>	<b>11.0%</b>
Investments		228		238	-4.4%

<sup>18</sup> This is an alternative performance measure. Please refer to section 8.2 for further information.

## Cashflow statement

In million €

	01/04/2022 – 30/09/2022	01/04/2021 – 30/09/2021
Operating cashflow	172.0	262.5
Investment cashflow	-225.8	-299.8
Financing cashflow	259.6	36.0
<b>Net increase/(decrease) of cash and cash equivalents</b>	<b>205.8</b>	<b>-1.3</b>

## Background

The first half of the financial year 2022/23 was marked by a challenging macroeconomic context with high inflation, substantial cost increases and a negative business and consumer confidence. This context translated into a 5.7% increase in revenue (3.4% excluding fuels). The revenue increase was mainly driven by inflation, partially offset by lower volumes. The Belgian retail market was characterised by volume declines in food stores and high competitiveness. In this respect, the cash flow generated from operating activities was EUR 172 million as at 30 September 2022. The aim is that Colruyt Lowest Prices will continue to consistently implement its lowest price strategy. This implies that cost price inflation is not fully passed on to the customer, bringing down the gross profit margin.

In addition, the current context caused operating costs to climb significantly, mainly due to rising energy and transport costs and to employee benefit expenses being heavily impacted by Belgium's automatic wage indexation system. As far as wage indexation is concerned, the greatest impact on the operating costs is expected in the second half of the year.

This resulted in a decrease of the operating result and net result to respectively EUR 123 million (2.3% of revenue) and EUR 89 million (1.7% of revenue) in the first semester of 2022/23.

Investments amounted to EUR 228 million in the first half of 2022/23 (4.3% of revenue) and related mainly to new stores and the modernisation of existing stores, to the expansion of logistics capacity in Belgium and France, to innovation and digital transformation programmes, and to renewable energy and energy efficiency. In this respect, the cash flow from investing activities was EUR -225.8 million as at 30 September 2022.

Cash flow generated from financing activities amounted to EUR 259.6 million.

The combination of the above elements resulted in an increase of the net financial debt, since the cash flow generated from the operating activities do not cover for the investments made in the first half of the financial year 2022/23.

The Colruyt Group confirmed that it maintains its long-standing focus on simplicity and efficiency and maximises operational cost control and cash management to face up to these short-term challenges. In addition, the Colruyt Group retains its focus on its long-term strategy which is based on four areas of expertise, i.e., food, health and well-being, non-food and energy, that are supported by a physical component on the one hand (stores, distribution centres, etc.) and are interconnected by a digital component on the other (the personal shopping assistant Xtra). This allows the Colruyt Group to serve customers and respond to their needs in an optimal way. This means that investments in sustainability and efficiency, digital transformation and innovation, employees and high-quality house-brand products are pursued in a targeted manner.

## 8.2 Alternative performance measures

The below metric, which is consistently used to analyse the financial performance of the Colruyt Group, is considered as an alternative performance measure (“APM”) as defined in the European Securities and Markets Authority’s Guidelines on Alternative Performance Measures.

The Colruyt Group uses EBITDA as key APM in addition to the figures that are prepared in accordance with IFRS. It believes that the presentation of EBITDA enhances the understanding of its financial performance. The APM should be viewed as complementary to, rather than as a substitute for, the figures determined according to IFRS.

EBITDA, or Earnings Before Interest, Depreciation and Amortisation, consists of the operating result (EBIT) plus depreciations, amortisations and the impairment of non-current assets. EBITDA provides a measure of operating profitability before non-cash effects and working capital assets and is a widely used APM in the financial world.

The tables below reconcile the APM, being EBITDA, with the closest corresponding entry, subtotal or total as mentioned by the figures prepared according to IFRS for the financial years ended 31 March 2022 and 31 March 2021 and for the six-month periods ended 30 September 2022 and 30 September 2021.

	01/04/2021 – 31/03/2022		01/04/2020 – 31/03/2021		Variance
	<i>In million €</i>	<i>% of revenue</i>	<i>In million €</i>	<i>% of revenue</i>	
<b>EBITDA</b>	<b>740.6</b>	<b>7.4%</b>	<b>850.4</b>	<b>8.6%</b>	<b>-12.9%</b>
Depreciation, amortisation and impairment of non-current assets	-365.4	-3.6%	-326.9	-3.3%	
<b>Operating profit (EBIT)</b>	<b>375.2</b>	<b>3.7%</b>	<b>523.5</b>	<b>5.3%</b>	<b>-28.3%</b>

	01/04/2022 – 30/09/2022		01/04/2021 – 30/09/2021		Variance
	<i>In million €</i>	<i>% of revenue</i>	<i>In million €</i>	<i>% of revenue</i>	
<b>EBITDA</b>	<b>311.3</b>	<b>5.9%</b>	<b>389.0</b>	<b>7.8%</b>	<b>-20.0%</b>
Depreciation, amortisation and impairment of non-current assets	-188.0	-3.6%	-178.1	-3.6%	
<b>Operating profit (EBIT)</b>	<b>123.3</b>	<b>2.3%</b>	<b>210.9</b>	<b>4.2%</b>	<b>-41.6%</b>

## 9 Financing arrangements

The Issuer and the fully consolidated entities of the Colruyt Group finance their activities using cash generated by their business activities and a combination of bank loans, debt instruments and leasing. In the future, other products such as factoring may also be used. The fully consolidated entities of the Colruyt Group manage most of their debt through the Issuer and Finco NV (the Colruyt Group’s in-house financing vehicle). The indebtedness of the joint ventures and associates of the Issuer is not included in the consolidated debt figures of the Issuer. As at the date of this Prospectus, the debt at the level of Virya Energy and its subsidiaries, which is the most material associate of the Issuer, is mostly structured through non-recourse project financings and no guarantees have been granted for that indebtedness by the Issuer.

As at 30 September 2022, the total amount of outstanding financial debt of the fully consolidated entities of the Colruyt Group (non current and current together) was EUR 1,372.2 million (compared to EUR 968.7 million as at 31 March 2022). This consisted of bank and other borrowings of EUR 1,077.4 million (compared to EUR 684.7 million as at 31 March 2022) and lease and similar liabilities of EUR 294.8 million, including EUR 281.6 million of IFRS 16 liabilities (compared to EUR 284.0 million as at 31 March 2022, including EUR 269.3 million of IFRS 16 liabilities). As at 30 September 2022, EUR 788.4 million of the total amount of outstanding consolidated debt (being EUR 1,372.2 million) was maturing within one year. The total amount of cash and cash equivalents as at 30 September 2022 was EUR 382.2 million (compared to EUR 176.2 million as at 31 March 2022).

The largest part of the total amount of interest-bearing and other liabilities is related to unsecured bank borrowings and issuances under the short-term notes (commercial paper) programme and the short- and medium-term notes programme. As at 30 September 2022, EUR 865.1 million of such indebtedness was held at the level of the Issuer, EUR 144.5 million at the level of Finco NV and a limited part, representing less than 5% of the total amount outstanding of the consolidated debt, at the level of other subsidiaries (often consisting of external debt dating from before the acquisition of the relevant entity by the Colruyt Group).

The Issuer has entered into a number of financing arrangements, including with the Joint Lead Managers<sup>19</sup>, in order to diversify its financing sources, in addition to several uncommitted credit lines. As at the date of this Prospectus, the Issuer has in particular entered into:

- (i) bilateral amortising loans with three different financial institutions, being the Joint Lead Managers, for an aggregate amount of EUR 425 million (of which EUR 394 million was outstanding as at 30 September 2022, with EUR 91.1 million maturing within one year). These loans are maturing in 2026 and 2027. These financings are used for general corporate purposes and have been entered into at fixed interest rates. The agreements include customary representations, undertakings and events of default and no financial covenant. No security nor guarantees are granted thereunder;
- (ii) a bilateral committed credit line for an amount of EUR 100 million (which was undrawn as at 30 September 2022). No security nor guarantees are granted thereunder;
- (iii) a bilateral loan for an amount of EUR 50 million (not entered into as at 30 September 2022), with a fixed interest rate, customary representations, undertakings and events of default and a financial covenant based on a leverage ratio. EUR 20 million will mature in 2026 and EUR 30 million in 2028. No security nor guarantees are granted thereunder; and
- (iv) a committed revolving credit facility agreement with a syndicate of leading financial institutions, including the Joint Lead Managers, for an aggregate amount of EUR 530 million (of which EUR 350 million has been drawn as at 30 September 2022, fully maturing within one year). The interest rate under the revolving credit facility is linked to the respective EURIBOR benchmark plus an applicable margin that is dependent on the leverage ratio and may, in the future, also be linked to sustainability features. This facility will mature on 30 September 2027 unless the extension option (maximum two additional years) is used. The facility can be used for general corporate purposes. The agreement includes customary representations, undertakings and events of default and includes a financial covenant based on a leverage ratio. No security is granted thereunder. The Issuer is acting as borrower and guarantor under the agreement and Colruyt Group Services NV and Buurtwinkels Okay NV are acting as guarantors.

As at 30 September 2022, a bilateral loan in an amount of EUR 120 million was still outstanding at the level of the Issuer. This loan was repaid in November 2022.

Taking into account the circumstances as at the date of this Prospectus, the leverage ratios included in the Issuer's financing arrangements will not be breached by the issuance of the Bonds (keeping all other parameters constant).

At the level of Finco NV, there is:

- (i) an uncommitted short-term notes (commercial paper) programme for an aggregate amount up to EUR 100 million with KBC as dealer and agent; and
- (ii) an uncommitted short- and medium-term notes programme for an aggregate amount up to EUR 250 million with Belfius as dealer and agent.

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<sup>19</sup> In this respect, please also refer to the risk factor entitled "*The Issuer, the Joint Lead Managers and the Agent may engage in transactions adversely affecting the interests of the Bondholders*", including for an overview of the aggregate financial indebtedness of the Colruyt Group outstanding towards the Joint Lead Managers.

As at 30 September 2022, EUR 144.5 million has been issued under these programmes. The proceeds of issuances are typically used for general corporate purposes. Both programmes are unsecured and guaranteed by the Issuer. The interest rate for issuances under these programmes is fixed based on the respective EURIBOR benchmark plus a margin.

The remaining interest-bearing liabilities of the fully consolidated entities of the Colruyt Group consist mainly of lease liabilities. The lease liabilities are measured at the present value of the remaining lease payments, discounted at a predetermined discount rate. The Colruyt Group uses an incremental borrowing rate, which is revised annually for new contracts. At initial recognition of the lease, the right of use of the assets is measured at an amount equal to the lease liability. Under certain conditions the initial direct costs for concluding the lease are included in the value of the right-of-use asset. As at 30 September 2022, the lease liabilities of the fully consolidated entities of the Colruyt Group amounted to EUR 294.8 million (compared to EUR 284.0 million as at 31 March 2022), including EUR 281.6 million of IFRS 16 liabilities (compared to EUR 269.3 million as at 31 March 2022). The lease liabilities are recognised under IFRS 16 at a fixed interest rate.

The fully consolidated entities of the Colruyt Group have a limited amount of secured debt. Such secured debt is situated at the level of the Issuer's subsidiaries (for example at the level of The Fashion Society and Newpharma) and represented as at 30 September 2022 less than 5% of the total outstanding consolidated debt. A large part of these secured financings date from before the acquisition of the relevant entities by the Colruyt Group. At the level of the Issuer and Finco NV, no secured debt is outstanding as at the date of this Prospectus.

The below table provides an overview of the terms and repayment schedule of the outstanding financing arrangements of the fully consolidated entities of the Colruyt Group as at 31 March 2022 and 31 March 2021<sup>20</sup>:

<i>In million EUR</i>	< 1 year	1-5 years	> 5 years	Total
Lease and similar liabilities	50.9	151.1	82.0	284.0
Bank borrowings	298.3	378.8	1.0	678.1
Other	0.6	6.0	-	6.6
<b>Total as at 31 March 2022</b>	<b>349.8</b>	<b>535.9</b>	<b>83.0</b>	<b>968.7</b>
Lease and similar liabilities	41.2	126.7	74.9	242.8
Bank borrowings	189.3	31.9	-	221.2
<b>Total as at 31 March 2021</b>	<b>230.5</b>	<b>158.6</b>	<b>74.9</b>	<b>464.0</b>

As at 30 September 2022, the terms and repayment schedule of the outstanding financing arrangements of the fully consolidated entities of the Colruyt Group was<sup>21</sup>:

<i>In million EUR</i>	< 1 year	> 1 year	Total
Lease and similar liabilities	55.4	239.4	294.8
Bank borrowings	732.5	338.6	1,071.1
Other	0.6	5.8	6.4
<b>Total as at 30 September 2022</b>	<b>788.4</b>	<b>583.8</b>	<b>1,372.2</b>

The Colruyt Group maintains its long-term focus and will pursue its investments in sustainability and efficiency, digital transformation and innovation, employees and its house-brand products in a targeted manner. The combination of the circumstances as mentioned in section 6 (*Recent events and trend information*) and the targeted and consistent implementation of the long-term strategy are expected to lead to an increase of the net financial debt.

<sup>20</sup> Issuances under the short-term notes (commercial paper) programme and the short- and medium-term notes programme are included under bank borrowings.

<sup>21</sup> Issuances under the short-term notes (commercial paper) programme and the short- and medium-term notes programme are included under bank borrowings.

## **10 Dividend policy**

The Board of Directors of the Issuer aims to allow the dividend per share to evolve on an annual basis in proportion to the profit of the Colruyt Group. In recent years, where the Issuer had a positive result, at least one third of the earnings was paid out annually. In financial year 2021/22, the gross dividend per share equalled EUR 1.10 representing a dividend pay-out ratio of 50.8% (compared to earnings per share of EUR 2.16).

## **11 Material contracts**

Except as described in section 9, there are no material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any member of the Colruyt Group being under an obligation or an entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds.

## **12 Legal and arbitration proceedings**

The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Issuer is aware) during the twelve months preceding the date of this Prospectus that may have or have had in the recent past significant effects on the financial position or profitability of the Issuer and/or the Colruyt Group.

## **13 Governance and management**

### **13.1 Governance**

In addition to complying with applicable laws and regulations, including the provisions of the Belgian Companies and Associations Code, the Issuer applies the Belgian Corporate Governance Code for listed companies (2020) as its reference in this area.

The Issuer has also established an Audit Committee and a Remuneration Committee within its Board of Directors and an internal audit function set up as an independent control function reporting directly to the Issuer's Board of Directors.

### **13.2 Board of Directors**

#### Competences

The Board of Directors is the ultimate decision-making body of the Issuer, except in those areas reserved for the General Meeting of Shareholders pursuant to either company law or the articles of association of the Issuer.

In conformity with applicable law, an Audit Committee and a Remuneration Committee has been established within the Board of Directors. Furthermore, in accordance with the articles of association of the Issuer, the Board of Directors has delegated the daily management of the Issuer, together with the representation of the Issuer as far as the daily management is concerned, to the Management Committee.

#### Composition

The composition of the Board of Directors is the result of the structure of the share ownership of the Issuer, in which family shareholders are reference shareholders.



As at the date of this Prospectus, the Board of Directors comprises nine directors, three of whom are independent. It is composed as follows:

<b>Capacity</b>	<b>Name</b>	<b>Appointment expires at the General Meeting of Shareholders in</b>
Representative of the principal shareholders, executive director	Jef Colruyt (Chairman)	2026
Representatives of the principal shareholders, non-executive directors	Korys NV, permanently represented by: Griet Aerts	2024
	Korys Business Services I NV, permanently represented by: Hilde Cerstelotte	2025
	Korys Business Services II NV, permanently represented by: Frans Colruyt	2025
	Korys Business Services III NV, permanently represented by: Wim Colruyt	2026
	Korys Management NV, permanently represented by: Lisa Colruyt	2026
Independent directors	7 Capital SRL, permanently represented by: Chantal De Vrieze	2023
	Fast Forward Services BV, permanently represented by: Rika Coppens	2025
	Dirk JS Van den Berghe BV, permanently represented by: Dirk Van den Berghe	2023

Kris Castelein is secretary to the Board of Directors.

The business address of all directors of the Issuer is Edingensesteenweg 196, B-1500 Halle, Belgium.

Principal activities of the directors and of the permanent representatives of the directors outside the Issuer

Below is an overview of the principal activities of the directors and of the permanent representatives of the directors performed outside the Issuer:

<b>Director or permanent representative of director</b>	<b>Additional activities</b>
Jef Colruyt	holds mandates within and outside the Colruyt Group, of which the following (without being exhaustive): numerous mandates in subsidiaries of the Colruyt Group, Virya Energy (including some of its subsidiaries) and Korys NV (including some of its subsidiaries)
Wim Colruyt	holds mandates within and outside the Colruyt Group, of which the following (without being exhaustive): Virya Energy

	(including some of its subsidiaries) and Korys NV (including some of its subsidiaries)
Frans Colruyt	holds various mandates outside the Colruyt Group, of which the following (without being exhaustive): Torfs Import NV
Rika Coppens	holds various mandates outside the Colruyt Group, of which the following (without being exhaustive): Euronext Brussels NV and La Lorraine Bakery Group NV
Chantal De Vrieze	holds various mandates outside the Colruyt Group, of which the following (without being exhaustive): numerous mandates in the Econocom Group (e.g. managing director of Econocom Managed Services NV), Guberna – Instituut voor bestuurders VZW, Picanol NV, EVS Broadcast Equipment NV and AXA Belgium NV
Dirk Van den Berghe	holds various mandates outside the Colruyt Group, of which the following (without being exhaustive): The Very Group Ltd, GoTo Company (Indonesia) and Telenet Group Holding NV

### 13.3 Committees established within the Board of Directors

#### Audit Committee

The Audit Committee liaises with the Management Committee and the auditor. In general, the role of the Audit Committee is to supervise the correctness of the quantitative (accounting and financial) information of the Colruyt Group for the Board of Directors, the shareholders and third parties from the financial world and to report its findings in this respect to the Board of Directors.

As at the date of this Prospectus, the Audit Committee has the following members:

- Korys NV, permanently represented by: Griet Aerts;
- Korys Business Services III NV, permanently represented by: Wim Colruyt; and
- Fast Forward Services BV, permanently represented by: Rika Coppens.

#### Remuneration Committee

The Remuneration Committee fulfils the roles described in Article 7:100, §5 of the Belgian Companies and Associations Code regarding remuneration policy (in the broadest sense) for directors and members of the Management Committee. The Remuneration Committee also prepares the remuneration report for the Board of Directors each year. After approval by the entire Board of Directors, this remuneration report is added to the corporate governance statement. The explanation of the remuneration report for the General Meeting of Shareholders, as well as its communication to the works council, also fall under the responsibility of the Remuneration Committee.

As at the date of this Prospectus, the Remuneration Committee has the following members:

- Korys Business Services I NV, permanently represented by: Hilde Cerstelotte;
- 7 Capital SRL, permanently represented by: Chantal De Vrieze; and
- Dirk JS Van den Berghe BV, permanently represented by: Dirk Van den Berghe.

## 13.4 Management Committee

### Competences

The day-to-day management of the Issuer is in the hands of the Chief Executive Officer (“CEO”), who in turn delegates a number of powers internally. Under the chairmanship of the CEO, the Management Committee consists of the general managers of the various commercial and production activities of the Colruyt Group and the managers of the support services. The Management Committee determines general strategy and policy options at group level and coordinates the Colruyt Group’s various activities and corporate services.

### Composition

As at the date of this Prospectus, Jef Colruyt is performing the function of CEO of the Issuer. He is assisted by the other members of the Management Committee.

As at the date of this Prospectus, the Management Committee comprises eleven members. It is composed as follows:

<b>Name</b>	<b>Function</b>
Jef Colruyt	CEO
Stefaan Vandamme	CFO
Jo Willemyns	COO Food Retail and Marketing Services
Stefan Goethaert	COO Fine Food, Business and Group Services
Christian Van Wettere	General Manager Colruyt Lowest Prices
Bart De Schutter	General Manager Colruyt France (integrated and affiliated stores)
Christophe Dehandschutter	General Manager OKay
Johan Vermeire	General Manager Retail Partners Colruyt Group (RPCG) and Foodservice
Liesbeth Sabbe	Manager People & Organisation, Operate & Improve and Learning & Development
Peter Vanbellingen	IT Manager
Koen Baetens	Manager Technics, Real Estate and DATS 24

The business address of the members of the Management Committee is Edingensesteenweg 196, B-1500 Halle, Belgium.

### Principal activities of the members of the Management Committee outside the Issuer

Below is an overview of the principal activities of the members of the Management Committee performed outside the Issuer:

<b>Member of the Management Committee</b>	<b>Additional activities</b>
Jef Colruyt	see above

Jo Willemyns	holds mandates within the Colruyt Group, of which the following (without being exhaustive): numerous mandates in subsidiaries of the Colruyt Group and Agecore SA
Stefan Goethaert	holds numerous mandates within the Colruyt Group
Stefaan Vandamme	holds various mandates within the Colruyt Group, of which the following (without being exhaustive): numerous mandates in subsidiaries of the Colruyt Group and Virya Energy
Christian Vanwettere	holds one mandate outside the Colruyt Group: VZW Belgische federatie van de handel en diensten – Comeos
Johan Vermeire	holds several mandates within and outside the Colruyt Group, of which the following (without being exhaustive): several mandates in subsidiaries of the Colruyt Group and Alvo CV
Bart De Schutter	holds several mandates outside the Colruyt Group, of which the following (without being exhaustive): Francap Distribution SA, Hyperboissons Développement and Mouvement des Entreprises de France – Franche Comté
Koen Baetens	holds several mandates within the Colruyt Group, of which the following (without being exhaustive): Eoly Coöperatie CV and Hyve BV

### 13.5 Conflicts of interest

The Issuer is not aware of any potential conflicts of interest between any duties the directors have with respect to the Issuer and the private interests and/or other duties of the directors, nor between any duties the members of the Management Committee have with respect to the Issuer and the private interests and/or other duties of the members of the Management Committee, except that:

- certain members of the Board of Directors and certain members of the Management Committee directly or indirectly hold an interest in the share capital of the Issuer;
- the CEO and the Chairman of the Board of Directors have a conflict of interest with respect to any resolution of the Board of Directors in relation to their remuneration; and
- certain members of the Board of Directors and certain members of the Management Committee have principal activities outside the Issuer (as described above) which may cause conflicts of interest between their duties to the Issuer and their duties to or interests in such other companies (as applicable). The Issuer is not aware of such conflicts of interest existing as at the date of this Prospectus.

Members of the Board of Directors must apply the conflicts of interest procedures as provided by the Belgian Companies and Associations Code when they have a conflict of interest with a decision to be taken by the Board of Directors.

### 13.6 Auditor

EY Bedrijfsrevisoren BV, having its registered office at De Kleetlaan 2, B-1831 Diegem, Belgium and represented, as of the General Meeting of Shareholders held on 28 September 2022, by Ms Eef Naessens and, for the three previous financial years, by Mr Danny Wuyts, members of the Belgian institute of auditors (*Instituut voor Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*), has audited and rendered unqualified audit opinions on the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2021 and 31 March 2022.

## 14 Capital

### 14.1 Share capital

As at the date of this Prospectus, the issued capital of the Issuer is set at EUR 370,171,405.73, represented by 134,077,688 shares without face value. All shares are ordinary shares and represent an equal portion of the Issuer's share capital. All shares are fully paid up, with equal voting rights.

The capital may be increased or decreased by decision of the General Meeting of Shareholders, deliberating according to the requirements for an amendment to the articles of association of the Issuer. Furthermore, the Board of Directors of the Issuer is authorised, within the limits of the authorised capital, to increase the capital of the Issuer within the limits stipulated by law and in the articles of association.

Without prejudice to the particular stipulations of any agreements between shareholders, the articles of association of the Issuer contain no restriction on the transfer of the shares.

Every shareholder who holds at least 5% of the voting rights of the Issuer must comply with the Belgian law of 2 May 2007 on the disclosure of significant holdings in issuers whose shares are admitted to trading on a regulated market and containing various provisions, the Belgian Royal Decree of 14 February 2008 on the disclosure of significant holdings and the Belgian Companies and Associations Code. There are no additional statutory thresholds included in the Issuer's articles of association.

### 14.2 Major shareholders

The Issuer has a majority shareholder with the family Colruyt, who indirectly jointly controls the Issuer through Korys NV (and some minor participations through other legal entities) and the Stichting Administratiekantoor (STAK) Cozin, which has issued share certificates in respect of the shares in Korys NV.

On 26 August 2022, Korys NV, on behalf of the parties acting in concert (being Korys NV, the Colruyt family and relatives and Colruyt Group), updated the holdings in the Issuer and communicated the results to the FSMA. These parties also had at that date an agreement to act in concert in accordance with Article 74, §7, paragraph 3 of the Law of 1 April 2007 on public takeover bids. Under this law, an update of the holdings concerned must be communicated once per year at the end of August.

Based on the notification of the parties acting in concert on 26 August 2022, the most recent transparency declarations received by the Issuer (up to 20 December 2022) and the treasury shares held by the Issuer as of 20 December 2022 (being the date of the most recent transparency declaration of the Issuer), the shareholding of the Issuer is composed as follows:

Shareholders	Number of shares	Percentage
Colruyt family and Korys companies <sup>22</sup>	83,446,179	62.24%
The Issuer	6,687,980	4.99%
Free float	43,943,529	32.77%
<b>Total</b>	<b>134,077,688</b>	<b>100%</b>

As at the date of this Prospectus, the Issuer is not aware of any arrangement the operation of which may at a subsequent date result in a change in control of the Issuer.

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<sup>22</sup> Source: notifications of the most recently published agreements to act in concert dated 30 August 2022 and 20 December 2022.

## PART 8 – SUSTAINABLE FINANCING FRAMEWORK

### *Introduction*

The Colruyt Group has developed a sustainable financing framework (such framework as amended from time to time, the “**Sustainable Financing Framework**”) which was first prepared in December 2022 and published on or about 8 February 2023, and under which the Issuer and the fully consolidated entities of the Colruyt Group intend to attract specific funding to finance and/or refinance sustainable projects with a positive environmental and/or social benefit. While this section addresses the Bonds specifically, the Issuer and the fully consolidated entities of the Colruyt Group may more generally from time to time issue other financing instruments, limited to bonds and medium term notes, or enter into *Schuldscheindarlehen*, (syndicated) loans or financial leases in the context of the Sustainable Financing Framework (each a “**Sustainable Financing**” and together referred to as the “**Sustainable Financing Instruments**”).<sup>23</sup>

The Sustainable Financing Framework is available on the Issuer’s website ([www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/sustainable-financing-framework.pdf](http://www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/sustainable-financing-framework.pdf)). The Sustainable Financing Framework does not form part of, and is not incorporated by reference into, this Prospectus.

The Sustainable Financing Framework has been prepared taking into account the voluntary guidelines of the Green Bond Principles (last updated in June 2021, with a June 2022 Appendix 1), the Social Bond Principles (last updated in June 2021, with a June 2022 Appendix 1) and the Sustainability Bond Guidelines (last updated in June 2021) as published by the International Capital Markets Association (“**ICMA**”), as well as with the Green Loan Principles (last updated in February 2021) and the Social Loan Principles (last updated in April 2021) as published by the Loan Market Associations (“**LMA**”).

This section contains a short summary of the Sustainable Financing Framework as at the date of this Prospectus. As the sustainable finance market continues to evolve, the Sustainable Financing Framework may be subsequently revised, updated or replaced to remain consistent with shifting market expectations, best market practices and the regulatory landscape.

For each of the Sustainable Financing Instruments, including the Bonds, (i) the use of proceeds, (ii) the process for project evaluation and selection, (iii) the management of the net proceeds, (iv) the reporting on allocation and impact and (v) the external review will be carried out in accordance with the Sustainable Financing Framework.

### *Use of proceeds*

The Issuer and the fully consolidated entities of the Colruyt Group intend to use amounts equal or equivalent to the net proceeds of the Sustainable Financing Instruments, on an aggregated basis, to finance and/or refinance, in whole or in part, eligible green projects (the “**Eligible Green Projects**”) and/or eligible social projects (the “**Eligible Social Projects**”) and together with the Eligible Green Projects, the “**Eligible Projects**”) which have been evaluated and selected by the Colruyt Group in accordance with the Sustainable Financing Framework and the green and social eligibility criteria (the “**Eligibility Criteria**”) defined in the Sustainable Financing Framework, as summarised below.

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<sup>23</sup> Investment activities related to joint ventures and associates of the Issuer, such as Virya Energy, are out of scope from the Sustainable Financing Framework.

The Issuer intends to allocate an amount equal or equivalent to the net proceeds of the Bonds to Eligible Green Projects. The allocation of these amounts to the underlying Eligible Green Projects may not meet all investors' expectations and, in particular, may not be aligned with future guidelines and/or regulatory or legislative criteria regarding sustainability performance.

Eligible Green Projects	Eligibility Criteria
Green buildings	<ul style="list-style-type: none"> <li>- Buildings built with net primary energy demand (PED) of new construction at least 10% lower than the local threshold set for nearly zero building (NZEB) requirements.</li> <li>- Buildings that have obtained or are designed and intended to obtain an Energy Performance Certificate (EPC) label <math>\geq</math> "A".</li> <li>- Buildings that underwent a renovation that complies with the applicable local requirements for major renovations.</li> <li>- Buildings that underwent a renovation that has led to a reduction of primary energy demand (PED) of at least 30%.</li> </ul>
Renewable energy	<ul style="list-style-type: none"> <li>- Expenditures related to the procurement, acquisition, development, construction and/or installation of renewable energy production units. Renewable energy and storage projects include: <ul style="list-style-type: none"> <li>o solar photovoltaic technologies;</li> <li>o green hydrogen as an energy carrier produced only from the use of renewable electricity.</li> </ul> </li> <li>- Power purchase agreements (PPAs) and virtual power purchase agreements (vPPAs) with a term of at least 5 years.</li> </ul>
Clean transportation	<p>Expenditures for the establishment, acquisition, expansion, upgrades, maintenance and operation of low carbon transport, such as:</p> <ul style="list-style-type: none"> <li>- Zero emission transportation projects and technologies (such as electric or hydrogen vehicles) for the Colruyt Group's fleet and heavy duty transport.</li> <li>- The acquisition of bikes (both non-electrical and electrical) for the Colruyt Group's employees.</li> <li>- Implementation of infrastructure (e.g. EV charging stations, cyclist facilities, charging buildings and hydrogen fuel stations) to support clean transportation.</li> </ul>
Energy efficiency	<p>Expenditures related to the design, construction, operation and maintenance of energy-efficient facilities and infrastructure. Examples include costs related to:</p> <ul style="list-style-type: none"> <li>- Energy efficiency projects, such as: <ul style="list-style-type: none"> <li>o energy efficient lighting (e.g. LED lighting);</li> <li>o improvements to heating, ventilation and air conditioning using systems which are not powered by fossil fuels and/or which are certified as high efficiency systems;</li> <li>o improvements to thermal performance of the building fabric (e.g. windows, wall and roof insulation);</li> <li>o controls for energy using equipment and automatic metering (e.g. smart meters).</li> </ul> </li> <li>- Refrigeration projects: expenditures related to the installation and maintenance of refrigerants with low Global Warming Potential or the upgrading of refrigeration equipment to improve energy efficiency, including leak detecting and monitoring systems.</li> </ul>

Sustainable water and wastewater management	Investments in water efficiency, water conservation and water quality projects, including: <ul style="list-style-type: none"> <li>- implementation of water efficiency sanitary equipment, including low flush toilets and low consuming taps;</li> <li>- investments in water monitoring and control equipment;</li> <li>- investments in water harvesting, treatment and recycling infrastructure;</li> <li>- investments related to drinking water from taps.</li> </ul>
Eco-efficient and/or circular economy adapted products, production technologies and processes and/or certified eco-efficient products	This category includes costs related to the development / implementation of the ‘Eco-Score’ to inform consumers on the environmental impact of the food they choose so as to guide them towards more responsible consumption.

Eligible Social Project	Eligibility Criteria
Employment generation	Programmes and initiatives via Collibri Foundation dedicated to the prevention and/or alleviation of unemployment and with a focus on (re)integration into the labour market and society through education.  <i>Target population: young people (15-24 years).</i>

### ***Process for project evaluation and selection***

Projects to which a portion of the amount equal or equivalent to the net proceeds of the Sustainable Financing Instruments, including the Bonds, are intended to be allocated are evaluated and selected based on compliance with the Eligibility Criteria by the Colruyt Group’s Sustainable Finance Committee (“SFC”).

The SFC will make the final decision on the project selection and will manage any future update of the Sustainable Financing Framework, including changes to and/or expansions of the list of Eligible Projects and changes based on amendments to the voluntary guidelines for green, social and sustainability bonds and loans, on a best efforts basis and oversee its implementation.

Project evaluation and selection will also be undertaken in line with the Colruyt Group’s corporate and sustainability objectives and will take into account applicable national, European and international environmental and social standards and regulations in order to ensure a stringent management of any potential negative environmental and/or social impact.

### ***Management of proceeds***

The Issuer and the fully consolidated entities of the Colruyt Group will allocate amounts equal or equivalent to the net proceeds from the Sustainable Financing Instruments to an eligible project portfolio (the “**Eligible Project Portfolio**”) selected in accordance with the evaluation and selection process indicated above. Capital and operational expenditures shall qualify for financing and/or refinancing, provided that at the time of entry into or issuance of the relevant Sustainable Financing Instruments they are aligned with the relevant Eligibility Criteria. A maximum look-back period of 36 months will be applied.

It is the intention of the Colruyt Group to fully allocate the amounts equal or equivalent to the net proceeds raised from the Sustainable Financing Instruments to relevant Eligible Projects as soon as reasonably practicable. Amounts equal or equivalent to the net proceeds may be temporarily invested or otherwise maintained in cash and cash equivalents pending allocation to the relevant Eligible Projects.

The Colruyt Group intends to reach full allocation within three years following the issuance date or entry into of each Sustainable Financing Instrument.



Eligible Projects that no longer meet the definition of Eligible Projects will be removed from the Eligible Project Portfolio and will be replaced by other Eligible Projects as soon as practicable.

### **Reporting**

The Colruyt Group will, on an annual basis, until full allocation, and, if necessary, thereafter in case of material developments (such as a failure of the expected outcome of the Eligibility Criteria with respect to the ongoing investments) report on the allocation of the amounts equal or equivalent to the net proceeds from the Sustainable Financing Instruments.

The allocation report is expected to contain the following details:

- a description of the Eligible Projects to which the amounts equal or equivalent to the net proceeds from the Sustainable Financing Instruments have been allocated, by Eligible Project category;
- the total amount of the Sustainable Financing entered into and/or issued and the total Eligible Project Portfolio by Eligible Project category;
- the balance of unallocated amounts; and
- the share of financing and refinancing, showing the percentage of the total Eligible Project Portfolio corresponding to projects financed during the reporting year and to projects financed during previous reporting years, respectively.

Furthermore, the Colruyt Group intends, on an annual basis and to the extent possible, to report on the associated environmental and/or social impact of the relevant Eligible Projects. The Colruyt Group intends to align, on a best efforts basis, its impact reporting with the ICMA Handbook on ‘*Harmonised Framework for Impact Reporting*’, June 2021 version.

The first allocation and impact reports are expected to be made available at the latest one year after the Issue Date.

The reports, when available, will be published on the Issuer’s website ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)). These reports do not form part of, and are not incorporated by reference into, this Prospectus.

### **External review**

Prior to the publication of the Sustainable Financing Framework, the Colruyt Group has appointed Sustainalytics to conduct an independent external review of the Sustainable Financing Framework and to issue a second party opinion (the “**Second Party Opinion**”) to confirm alignment thereof with, and provide views on the robustness and credibility of the Sustainable Financing Framework in the context of, the Green Bond Principles, the Social Bond Principles and the Sustainability Bond Guidelines published by the ICMA and the Green Loan Principles and the Social Loan Principles published by the LMA. The Second Party Opinion does not consider or confirm alignment of the Bonds nor the Eligible Projects with the criteria and procedures set out in the Sustainable Financing Framework.

The Second Party Opinion is available on the Issuer’s website ([www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/second-party-opinion.pdf](http://www.colruytgroup.com/content/dam/colruytgroup/investeren/schuldfinanciering/schuldinstrumenten/groene-retail-obligatie-februari-2023/second-party-opinion.pdf)). The Second Party Opinion does not form part of, and is not incorporated by reference into, this Prospectus.

Starting at the latest one year after the entry into or issuance of a Sustainable Financing Instrument and until full allocation of amounts equal or equivalent to the net proceeds of Sustainable Financing Instruments, an external party (which can be the auditor of the Issuer) will be appointed to verify the internal tracking method and allocation of the amounts, providing a limited assurance report on the fact that an amount equal or equivalent to the net proceeds of the Sustainable Financing Instrument(s) has been allocated in compliance with the Eligibility Criteria set forth in the Sustainable Financing Framework.

Any such limited assurance report will be available on the Issuer’s website ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)). The limited assurance reports do not form part of, and are not incorporated by reference into, this Prospectus.

The Second Party Opinion and any limited assurance report is not, nor should it be deemed to be, a recommendation by the Issuer, any member of the Colruyt Group, the Joint Lead Managers or any other person to buy, sell or hold any Bonds. As a result, none of the Issuer, any member of the Colruyt Group, the Joint Lead Managers or any other person will be, or will be deemed to be, liable for any issue in connection with the content of the Second Party Opinion or any limited assurance report. This however does not affect the responsibility of the Issuer for the information contained in this Prospectus as indicated in the section “*Responsible person*” in Part 3 (*Important information*).

## PART 9 – USE OF PROCEEDS

The net proceeds from the issue of the Bonds are expected to amount to EUR 124,630,000 in case of an aggregate nominal amount of Bonds of EUR 125,000,000 and EUR 249,630,000 in case of an aggregate nominal amount of Bonds of EUR 250,000,000 (in each case after deduction of costs and expenses). The costs incurred by the Issuer with respect to the issue of the Bonds (including the costs of legal fees, the auditor, Euronext Brussels, the Agent, the FSMA and costs related to marketing) are estimated to be EUR 370,000. The Issuer will not pay separate commissions to the Joint Lead Managers in the context of the Public Offer.

An amount equal or equivalent to the net proceeds from the issue of the Bonds is expected to be applied by the Issuer to finance and/or refinance, in whole or in part, Eligible Green Projects (as defined in Part 8 (*Sustainable Financing Framework*)). In particular, it is the Issuer's intention to apply an amount to partially refinance amounts drawn under its revolving credit facility agreement<sup>24</sup> which were used to temporarily finance several projects qualifying as Eligible Green Projects in the past few months (such as relating to clean transportation, including the implementation of charging stations, renewable energy, including the development of hydrogen projects, and green buildings), representing expenditures up to EUR 150 million. The remaining amount is intended to be applied to finance and/or refinance other Eligible Green Projects, such as relating to clean transportation, renewable energy and green buildings, with an intended maximum forward-looking period of three years. The amounts are to be allocated to the Eligible Project Portfolio (as defined in Part 8 (*Sustainable Financing Framework*)) in accordance with the Sustainable Financing Framework.

Investors should note that investment activities related to joint ventures and associates of the Issuer, such as Virya Energy, are not within the scope of the Sustainable Financing Framework. Investment activities of DATS 24 are still within the scope, as DATS 24 is currently still a 100% subsidiary of the Issuer. The Colruyt Group has however communicated that it intends to centralise the energy activities of DATS 24 Belgium into Virya Energy. As soon as the activities of DATS 24 Belgium would be centralised into Virya Energy, DATS 24 Belgium will no longer be fully consolidated and will be out of the scope of the Sustainable Financing Framework.<sup>25</sup>

For further information, please refer to Part 8 (*Sustainable Financing Framework*).

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<sup>24</sup> For further information on the revolving credit facility agreement, please refer to section 9 (*Financing arrangements*) of Part 7 (*Description of the Issuer*).

<sup>25</sup> For further information on the contemplated centralisation of the energy activities of DATS 24 Belgium into the energy holding company Virya Energy, please refer to section 5.3 (*Recent developments and investments*) of Part 7 (*Description of the Issuer*).

## PART 10 – TAXATION

The tax legislation in force in any relevant jurisdiction, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Bonds.

Investors should furthermore note that the appointment by an investor, or by any person through which an investor holds Bonds, of a custodian, collection agent or similar person in relation to such Bonds in any jurisdiction may have tax implications. Investors should consult their own tax advisers in relation to the tax consequences of any such appointment.

During the entire lifetime of the Bonds, Bondholders are exposed to the risk of changes in the tax laws, or in the interpretation and application of the existing tax laws, which may cause new taxes to apply and/or existing taxes to increase. Even a minor increase could have a significant effect on the net yield of the Bonds and/or on its market value.

The summary provided below is based on the information provided in this Prospectus and on tax laws, regulations, resolutions and other public rules with legal effect in Belgium and in the Grand Duchy of Luxembourg, and the interpretation thereof under published case law, all as in effect on the date of this Prospectus and with the exception of subsequent amendments with retroactive effect. Investors should review, if necessary with their own tax adviser, their individual taxation regime with respect to the acquisition, sale and redemption of the Bonds.

### BELGIUM

This section provides a general description of the main Belgian tax issues and consequences of acquiring, holding, redeeming and/or disposing of the Bonds. This summary provides general information only and is restricted to the matters of Belgian taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Belgian tax issues and consequences associated with or resulting from any of the aforementioned transactions. Prospective acquirers are urged to consult their own tax advisors concerning the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing of the Bonds.

For the purpose of the following general description, a Belgian resident for tax purposes is: (a) an individual subject to Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) (i.e., an individual who has its domicile in Belgium or has its seat of wealth in Belgium or a person assimilated to a Belgian resident), (b) a legal entity subject to Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*) (i.e., a company that has its principal establishment or its effective place of management in Belgium; a company having its registered seat in Belgium shall be presumed, unless the contrary is proved, to have its principal establishment or effective place of management in Belgium), (c) an Organisation for Financing Pensions (*Organisme voor de Financiering van Pensioenen/Organisme de Financement de Pensions*) subject to Belgian corporate income tax (i.e., a Belgian pension fund incorporated under the form of an Organisation for Financing Pensions) or (d) a legal entity subject to Belgian legal entities tax (*rechtspersonenbelasting/impôt des personnes morales*) (i.e., an entity other than a legal entity subject to corporate income tax having its principal establishment or its effective place of management in Belgium). A Belgian non-resident is any person or entity that is not a Belgian resident.

#### 1 Belgian Withholding Tax

##### *General rules*

All interest payments in respect of the Bonds are in principle subject to Belgian withholding tax, currently at a rate of 30% on the gross amount of the interest, subject to such relief as may be available under applicable domestic law or applicable tax treaties.

In this regard, interest includes (i) periodic interest income, (ii) any amount paid by, or on behalf of, the Issuer in excess of the initial issue price (upon full or partial redemption of the Bonds or upon purchase by the Issuer) (whether or not on

their maturity date) and (iii) the pro rata of accrued interest corresponding to the detention period in case of a realisation of the Bonds between two interest payment dates.

#### *The NBB-SSS*

The holding of the Bonds in the NBB-SSS permits investors to collect interest on their Bonds free of Belgian withholding tax if and as long as at the moment of payment or attribution of interest the Bonds are held by certain investors (the “**Tax Eligible Investors**”, see below) in an exempt securities account (“**X-Account**”) that has been opened with a financial institution that is a direct or indirect participant (a “**Participant**”) in the NBB-SSS. Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto and LuxCSD are directly or indirectly Participants for this purpose.

Holding the Bonds through the NBB-SSS on an X-Account enables Tax Eligible Investors to receive the gross interest income (i.e., free of withholding tax) on their Bonds and to transfer Bonds on a gross basis.

Participants in the NBB-SSS must keep the Bonds they hold for the account of Tax Eligible Investors on X-Accounts and those they hold for the account of non-Tax Eligible Investors on a non-exempt securities account (“**N-Account**”). Payments of interest made through X-Accounts are free of withholding tax; payments of interest made through N-Accounts are subject to a withholding tax of 30%, which the NBB deducts from the payment and pays over to the tax authorities.

Tax Eligible Investors are those referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction and the reimbursement of the withholding tax (*koninklijk besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier*) (as amended, the “**Royal Decree of 26 May 1994**”), which includes, *inter alia*:

- (a) Belgian resident companies subject to corporate income tax as referred to in Article 2, §1, 5°, b) of the Belgian code on income tax of 1992 (*wetboek van de inkomstenbelastingen 1992/code des impôts sur les revenus 1992*, the “**Income Tax Code of 1992**”);
- (b) without prejudice to Article 262, 1° and 5° of the Income Tax Code of 1992, institutions, associations or companies referred to in Article 2, §3 of the law of 9 July 1975 on the supervision of insurance companies other than those referred to in (a) and (c);
- (c) state regulated institutions (*parastatale instellingen/institutions paraétatiques*) for social security, or institutions which are assimilated therewith, provided for in Article 105, 2° of the Royal Decree implementing the Income Tax Code of 1992 (*koninklijk besluit tot uitvoering van het wetboek van de inkomstenbelastingen 1992/arrêté royal d’exécution du code des impôts sur les revenus 1992*, the “**Royal Decree implementing the Income Tax Code of 1992**”);
- (d) non-resident investors provided for in Article 105, 5° of the Royal Decree implementing the Income Tax Code of 1992 whose holding of the Bonds is not connected to a professional activity in Belgium;
- (e) investment funds, recognised in the framework of pension savings, provided for in Article 115 of the Royal Decree implementing the Income Tax Code of 1992;
- (f) taxpayers provided for in Article 227, 2° of the Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to Article 233 of the Income Tax Code of 1992;
- (g) the Belgian State in respect of investments which are exempt from withholding tax in accordance with Article 265 of the Income Tax Code of 1992;
- (h) collective investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium and are not traded in Belgium; and

- (i) Belgian resident corporations, not provided for under (a) above, when their activities exclusively or principally consist of granting credits and loans.

Tax Eligible Investors do not include, *inter alia*, Belgian resident investors who are individuals or Belgian non-profit organisations, other than those referred to under (b) and (c) above.

The above categories only summarise the detailed definitions contained in Article 4 of the Royal Decree of 26 May 1994 to which investors should refer for a precise description of the relevant eligibility rules.

Transfers of Bonds between an X-Account and an N-Account may give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N-Account (to an X-Account or N-Account) gives rise to the payment by the transferor non-Tax Eligible Investor to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- A transfer (from an X-Account or N-Account) to an N-Account gives rise to the refund by the NBB to the transferee non-Tax Eligible Investor of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- Transfers of Bonds between two X-Accounts do not give rise to any adjustment on account of withholding tax.

Upon opening an X-Account with the NBB-SSS or a Participant therein, a Tax Eligible Investor is required to provide a statement of its tax eligible status on a form approved by the Belgian Minister of Finance. There are no ongoing declaration requirements for Tax Eligible Investors save that they need to inform the Participants of any changes to the information contained in the statement of their tax eligible status.

Participants are required to provide the NBB annually with listings of investors who have held Bonds in an X-Account during the preceding calendar year.

An X-Account may be opened with a Participant by an intermediary (an “**Intermediary**”) in respect of Bonds that the Intermediary holds for the account of its clients (the “**Beneficial Owners**”), provided that each Beneficial Owner is a Tax Eligible Investor. In such a case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself a Tax Eligible Investor and (ii) the Beneficial Owners holding their Bonds through it are also Tax Eligible Investors. A Beneficial Owner is also required to deliver a statement of its eligible status to the Intermediary.

These identification requirements do not apply to Bonds held in central securities depositaries, as defined by Article 2, §1, 1) of Regulation (EU) n° 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012, acting as Participants to the NBB-SSS, provided that (i) they only hold X-Accounts, (ii) they are able to identify the Bondholders for whom they hold Bonds in such account and (iii) the contractual rules agreed upon by these central securities depositaries acting as Participants include the contractual undertaking that their clients and account owners are all Tax Eligible Investors.

Hence, these identification requirements do not apply to Bonds held in Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto and LuxCSD or any other central securities depository acting as Participants to the NBB-SSS, provided that (i) they only hold X-Accounts, (ii) they are able to identify the holders for whom they hold Bonds in such account and (iii) the contractual rules agreed upon by these central securities depositaries include the contractual undertaking that their clients and account owners are all Tax Eligible Investors.

In accordance with the NBB-SSS, a Bondholder who is withdrawing Bonds from an X-Account will, following the payment of interest on those Bonds, be entitled to claim an indemnity from the Belgian tax authorities of an amount equal to the withholding on the interest payable on the Bonds from the last preceding Interest Payment Date until the date of withdrawal of the Bonds from the NBB-SSS.

## 2 Belgian Tax on Income (including Capital Gains)

### *Belgian Resident Individuals*

For natural persons who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) and who hold the Bonds as a private investment, payment of interest will in principle be subject to a 30% withholding tax in Belgium (see above). Payment of the 30% withholding tax fully discharges them from their personal income tax liability with respect to these interest payments. This means that they do not have to declare the interest obtained on the Bonds in their personal income tax return, provided Belgian withholding tax was levied on these interest payments.

Belgian resident individuals may nevertheless elect to declare interest in respect of the Bonds in their personal income tax return. Where the beneficiary opts to declare them, interest payments will normally be taxed at a flat rate of 30% (or at the progressive personal income tax rate taking into account the taxpayer's other declared income, whichever is more beneficial). No local taxes will be due. If the interest payment is declared, the withholding tax retained may be credited against the taxpayer's personal income tax liability.

Capital gains realised on the disposal of the Bonds are in principle tax exempt, except to the extent the capital gains are realised outside the scope of the management of one's private estate (in which case they are taxed at a rate of 33% plus local municipal surcharges) or except to the extent they qualify as interest (as defined in section 1 (*Belgian Withholding Tax*)). Capital losses realised upon the disposal of the Bonds held as a non-professional investment are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Bonds as a private investment.

### *Belgian Resident Corporations*

Bondholders who are Belgian resident corporations, subject to Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*), are liable to corporate income tax on the interest that is attributed or paid on the Bonds and capital gains realised upon the disposal of the Bonds. The standard corporate income tax rate in Belgium is 25%. Small companies (as defined in Article 1:24 of the Belgian Companies and Associations Code) are under certain conditions taxable at the reduced corporate income tax rate of 20% for the first tranche of EUR 100,000 of their taxable base.

Subject to certain conditions, the Belgian withholding tax paid, if any, may be credited against the corporate income tax and any excess may be refunded. Capital losses realised upon the disposal of the Bonds are in principle tax deductible.

Different tax rules apply to companies subject to a special tax regime, such as investment companies within the meaning of Article 185bis of the Income Tax Code of 1992.

### *Belgian Resident Legal Entities*

For a Belgian resident legal entity subject to Belgian legal entities income tax (*rechtspersonenbelasting/impôt des personnes morales*), the withholding tax on interest constitutes the final tax in respect of such income, which is neither creditable nor refundable.

Belgian resident legal entities holding the Bonds in an N-Account will be subject to a withholding tax of currently 30% on interest payments. They do not have to declare the interest obtained on the Bonds.

Belgian resident legal entities that qualify as Tax Eligible Investors and therefore are eligible to hold their Bonds in an X-Account will receive the interest without deduction of withholding tax. They are however required to declare the interest and pay the applicable withholding tax to the Belgian Treasury themselves.

Belgian legal entities are not liable to income tax on capital gains realised upon the disposal of the Bonds (unless the capital gains qualify as interest as defined above in section 1 (*Belgian Withholding Tax*)). Capital losses are in principle not tax deductible.

### *Organisations for Financing Pensions (“OFP”)*

Interest and capital gains derived by OFPs in the meaning of the law of 27 October 2006 on the supervision on institutions for occupational retirement provision (*wet van 27 oktober 2006 betreffende het toezicht op de instellingen voor bedrijfspensioenvoorziening/loi du 27 octobre 2006 relative au contrôle des institutions de retraite professionnelle*) are in principle exempt from Belgian corporate income tax. Capital losses are in principle not tax deductible. Subject to certain conditions, any Belgian withholding tax levied on the interest will be fully creditable against any corporate income tax due and any excess amount will in principle be refundable.

### *Non-Residents of Belgium*

Bondholders who are non-residents of Belgium for Belgian tax purposes, who are not holding the Bonds through a Belgian establishment and who do not invest the Bonds in the context of their Belgian professional activity will in principle not incur or become liable for any Belgian tax on income or capital gains (save, as the case may be, in the form of withholding tax) by reason only of the acquisition, ownership or disposal of the Bonds, provided that they qualify as Eligible Investors and that they hold their Bonds in an X-Account.

Non-resident corporations who hold the Bonds through a Belgian establishment are in principle subject to the same tax rules as Belgian resident corporations (see above).

### **3 Tax on stock exchange transactions**

A tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) will be levied on the purchase and sale (and any other transaction for consideration) in Belgium of the Bonds on a secondary market if such transaction is (i) executed in Belgium through a professional intermediary or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium by individuals with habitual residence (*gewone verblijfplaats/residence habituelle*) in Belgium or by legal entities for the account of their seat or establishment in Belgium.

The acquisition of Bonds upon their issuance (primary market) is not subject to the tax on stock exchange transactions.

The rate generally applicable for debt securities on secondary sales and purchases is 0.12% with a maximum amount of EUR 1,300 per transaction and per party. The tax is due separately from each party to any such transaction, i.e., the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

However, in the scenario where the transaction is deemed to be executed in Belgium (where the intermediary is established outside of Belgium), the tax will in principle be due by the ordering person or legal entity, unless that person or legal entity can demonstrate that the tax has already been paid. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*borderell/bordereau*), at the latest on the business day after the day the transaction concerned was realised. The qualifying order statements must be numbered in series and a duplicate must be retained by the professional intermediary. The duplicate can be replaced by a qualifying day-to-day listing, numbered in series. Alternatively, professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (a “**Stock Exchange Tax Representative**”). Such Stock Exchange Tax Representative will then be jointly liable toward the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes – see below) and for complying with the reporting obligations and the obligations relating to the order statement in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

However, tax referred to above will be not payable by exempt persons acting for their own account, including investors who are not Belgian residents (subject to the delivery of an affidavit to the professional intermediary confirming their non-resident status), and certain Belgian institutional investors as defined in Article 126/1, 2° of the Code of miscellaneous duties and taxes (*wetboek diverse rechten en taksen/code des droits et taxes divers*).



As stated below, the European Commission has published a proposal for a Directive for a common financial transactions tax (the “FTT”), which stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). Accordingly, the tax on stock exchange transactions should be abolished once the FTT enters into force.

#### 4 Annual tax on securities accounts

Following the law of 17 February 2021, a new annual tax on securities accounts was introduced (the “**Annual Tax on Securities Accounts**”) (*jaarlijkse taks op de effectenrekeningen/taxe annuelle sur les comptes-titres*). The Annual Tax on Securities Accounts is levied on securities accounts of which the average value during the reference period (i.e., a period of twelve consecutive months beginning on 1 October and ending, in principle, on 30 September of the next year) exceeds EUR 1,000,000.

The Annual Tax on Securities Accounts is applicable to securities accounts that are held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary in Belgium or abroad. The Annual Tax on Securities Accounts also applies to securities accounts held by non-residents individuals, companies and legal entities with a financial intermediary in Belgium. Furthermore, Belgian establishments of Belgian non-residents to which the securities accounts can be attributed are treated as Belgian residents for purposes of the Annual Tax on Securities Accounts so that both Belgian and foreign securities accounts fall within the scope of this tax. Note that pursuant to certain double tax treaties Belgium has no right to tax capital. Hence, to the extent the Annual Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

Each securities account is assessed separately. When multiple holders hold a securities account, each holder is jointly and severally liable for the payment of the tax and each holder may fulfil the declaration requirements for all holders.

There are several exemptions, such as for securities accounts held by specific types of regulated entities in the context of their own professional activity and for their own account.

The applicable tax rate is equal to the lowest amount of either 0.15% of the average value of the financial instruments and funds held on the account or 10% of the difference between the average value of the financial instruments and funds held on the account and EUR 1,000,000. The tax base is the sum of the values of the taxable financial instruments at the different reference points in time, i.e., 31 December, 31 March, 30 June and 30 September, divided by the number of those points in time. For an account opened or closed during the reference period, only the reference points at which the account existed, are taken into account.

A financial intermediary is defined as (i) the National Bank of Belgium, the European Central Bank and foreign central banks performing similar functions, (ii) a central securities depository included in Article 198/1, §6, 12° of the Income Tax Code of 1992, (iii) a credit institution or a stockbroking firm as previously defined by Article 1, §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies (currently defined by, respectively, Article 1, §3 of the law of 25 April 2014 on the status and supervision of credit institution and Article 2 of the law of 20 July 2022 on the status and supervision of stockbroking firms and containing various provisions) and (iv) the investment companies as defined by Article 3, §1 of the law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The Annual Tax on Securities Accounts needs to be withheld, declared and paid by the Belgian intermediary. Intermediaries not established or set up in Belgium have the possibility, when managing a securities account subject to the tax, to appoint a representative in Belgium approved by or on behalf of the Minister of Finance (the “**Annual Tax on Securities Accounts Representative**”). The Annual Tax on Securities Accounts Representative is jointly and severally liable vis-à-vis the Belgian State to declare and pay the tax and to fulfil all other obligations for intermediaries related to the Annual Tax on Securities Accounts, such as compliance with certain reporting obligations. In cases where no intermediary has withheld, declared and paid the Annual Tax on Securities Accounts, the holder of the securities account

needs to declare and pay the tax himself, unless he can prove that the tax has already been withheld, declared and paid by either a Belgian intermediary or Annual Tax on Securities Accounts Representative of a foreign intermediary.

Anti-abuse provisions, retroactively applying from 30 October 2020, were initially also introduced: a rebuttable general anti-abuse provision and two irrebuttable specific anti-abuse provisions. However, on 27 October 2022, the Constitutional Court annulled (i) the two irrebuttable specific anti-abuse provisions and (ii) the retroactive effect of the rebuttable general anti-abuse provision, meaning that the latter provision can only apply as from 26 February 2021. The other provisions of the law of 17 February 2021 were not considered to be unconstitutional.

Prospective Bondholders are advised to seek their own professional advice in relation to the new Annual Tax on Securities Accounts.

## **LUXEMBOURG**

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Bonds should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

### **1 Non-resident Bondholders**

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident Bondholders, nor on accrued but unpaid interest in respect of the Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Bonds held by non-resident Bondholders.

### **2 Resident Bondholders**

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the “**Relibi Law**”), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Bondholders, nor on accrued but unpaid interest in respect of the Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Bonds held by Luxembourg resident Bondholders.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payment of interest under the Bonds coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20%.

## **THE PROPOSED FINANCIAL TRANSACTION TAX**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial transactions tax in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**Participating Member States**”). In December 2015, Estonia withdrew from the group of Participating Member States.

The Commission’s Proposal has a very broad scope and could, if introduced, apply to certain dealings in Bonds (including secondary market transactions) in certain circumstances. The issuance and subscription of Bonds should, however, be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in Bonds where at least one party is a financial

institution (or a financial institution acting in the name of a party) established in a Participating Member State (or deemed to be so) and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

In 2019, Finance Ministers of the Member States participating in the enhanced cooperation indicated that they were discussing a new FTT proposal based on the French model of the tax and the possible mutualisation of the tax as a contribution to the EU budget.

According to the latest draft of this new FTT proposal (submitted by the German government), the FTT would be levied at a rate of at least 0.2 per cent. of the consideration for the acquisition of ownership of shares (including ordinary and any preference shares) admitted to trading on a trading venue or a similar third country venue, or of other securities equivalent to such shares (“**Financial Instruments**”) or similar transactions (e.g. an acquisition of Financial Instruments by means of an exchange of Financial Instruments or by means of a physical settlement of a derivative). Only transactions with Financial Instruments that have been issued by a company, partnership or other entity whose registered office is established within one of the Participating Member States and with a market capitalisation of at least EUR 1 billion on 1 December of the year preceding the respective transaction would be covered. The FTT would be payable to the Participating Member State in whose territory the issuer of a Financial Instrument has established its registered office. According to the latest draft of the new FTT proposal, the FTT would not apply to straight bonds. Like the Commission’s Proposal, the latest draft of the new FTT proposal also stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). However, the FTT proposal remains subject to negotiation between the Participating Member States. Therefore, it may be altered prior to any implementation, the timing of which also remains unclear. Additional EU Member States may decide to participate and/or other Participating Member States may decide to withdraw.

In any event, the European Commission declared that, if there was no agreement between the Participating Member States by the end 2022, it would endeavour to propose a new own resource, based on a new FTT, by June 2024 in view of its introduction by 1 January 2026, as also set out in the Council Regulation laying down the Multi-annual Financial Framework for the years 2021 to 2027.

Prospective Bondholders are advised to seek their own professional advice in relation to the FTT.

### **COMMON REPORTING STANDARD (CRS)**

The exchange of information is governed by the Common Reporting Standard (“**CRS**”).

On 29 October 2014, 51 jurisdictions signed the multilateral competent authority agreement (“**MCAA**”), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications. Subsequent signatures of the agreement brought the total number of jurisdictions that signed the MCAA as of 22 November 2022 on 119.

Currently more than 100 jurisdictions committed to exchange information under the MCAA.

Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC, as amended by Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (“**DAC2**”), implemented the exchange of information based on the CRS within the EU. The CRS has been transposed in Belgium by the law of 16 December 2015.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to

assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

Under DAC2 (and the Belgian law of 16 December 2015, see below), Belgian financial institutions holding the Bonds for tax residents in another CRS contracting state, shall report financial information regarding the Bonds (income, gross proceeds, etc.) to the Belgian competent authority, who shall communicate the information to the competent authority of the CRS state of the tax residence of the beneficial owner.

The Belgian government has implemented DAC2, respectively the Common Reporting Standard, pursuant to the law of 16 December 2015 regarding the exchange of information concerning financial accounts, by the Belgian financial institutions and the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (the “**Law of 16 December 2015**”).

As a result of the Law of 16 December 2015, the mandatory automatic exchange of information applies in Belgium (i) as of financial year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective of the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of financial year 2014 (first information exchange in 2016) towards the US and (iii) with respect to any other jurisdictions that have signed the MCAA, as of a date to be further determined by Royal Decree. In a Royal Decree of 14 June 2017, it was determined that the automatic provision of information has to be provided as from 2017 (for the 2016 financial year) for a first list of 18 jurisdictions, as from 2018 (for the 2017 financial year) for a second list of 44 jurisdictions, as from 2019 (for the 2018 financial year) for a third list of 1 jurisdiction and as from 2020 (for the 2019 financial year) for a list of 6 jurisdictions.

Investors who are in any doubt as to their position should consult their professional advisers.

## PART 11 – SUBSCRIPTION AND SALE

Belfius Bank SA/NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Karel Rogierplein 11, 1210 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (“**Belfius**”), BNP Paribas Fortis SA/NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Warandeborg 3, 1000 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0403.199.702 (“**BNPPF**”) and KBC Bank NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Havenlaan 2, 1080 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0462.920.226 (“**KBC**”) are acting as joint lead managers and joint bookrunners (the “**Joint Lead Managers**”) in connection with the Public Offer. The Joint Lead Managers have, pursuant to a placement agreement dated 7 February 2023 (the “**Placement Agreement**”), agreed with the Issuer, subject to certain terms and conditions, to use best efforts to place the Bonds for an aggregate minimum amount of EUR 125,000,000 and an aggregate maximum amount of EUR 250,000,000 with third parties at the Issue Price (less a discount, if applicable, as further specified below) and at the conditions specified below. Belfius also acts as Agent in the framework of the Public Offer.

This section contains the terms and conditions of the Public Offer of the Bonds by the Joint Lead Managers. Each offer and sale of the Bonds by any financial intermediary authorised pursuant to MiFID II to conduct such offers (each, an “**Authorised Offeror**”) will be made in accordance with the terms and conditions as agreed between the Authorised Offeror and an investor, including in relation to the price, the allocation and the costs and/or taxes to be borne by an investor. The Issuer and the Joint Lead Managers are not a party to any arrangements or terms and conditions in connection with the offer and sale of the Bonds between the Authorised Offeror and an investor. This Prospectus does not contain the terms and conditions of any Authorised Offeror. The terms and conditions in connection with the offer and sale of the Bonds by an Authorised Offeror will be provided to any investor by such Authorised Offeror during the Subscription Period. Neither the Issuer nor any of the Joint Lead Managers can be held liable or responsible for any such information.

Each of the services provided by the Joint Lead Managers may be provided by any of the Joint Lead Managers acting through any of its branches, subsidiaries or affiliates, and all references to “Joint Lead Managers” herein shall include such branches, subsidiaries and affiliates to the extent that such services are provided by them.

### 1 Subscription Period

The Bonds will be offered to the public in Belgium and in the Grand Duchy of Luxembourg (the “**Public Offer**”) during the Subscription Period (as defined below). The Joint Lead Managers expect to offer the Bonds to qualified investors (as defined in Article 2(e) of the Prospectus Regulation, the “**Qualified Investors**”) and to investors who are not Qualified Investors (the “**Retail Investors**”). The Bonds will be issued on 21 February 2023 (the “**Issue Date**”). However, in case a supplement to the Prospectus gives rise to withdrawal rights exercisable on or after the Issue Date of the Bonds in accordance with Article 23 of the Prospectus Regulation, the Issue Date will be postponed until the first business day following the last day on which the withdrawal rights may be exercised. Orders by investors to purchase the Bonds are irrevocable, provided that investors who have already agreed to purchase or subscribe securities before the publication of the supplement to the Prospectus have the right to withdraw their agreement during a period of two working days after the publication of the supplement. This period can be extended by the Issuer. The final date for the exercise of the withdrawal right shall be published in this supplement.

The Public Offer will start on 10 February 2023 at 9.00 a.m. (CET) and end on 14 February 2023 at 5.30 p.m. (CET) (the “**Subscription Period**”), or such earlier date as the Issuer may determine in agreement with the Joint Lead Managers, subject to the Minimum Sales Period (as defined below). In this respect, please refer to section 7 (*Early termination and reduction*). In such case, such closing date will be announced by or on behalf of the Issuer on its website ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and on the websites of the Joint Lead Managers (Belfius ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023)) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023)), BNPPF ([www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1)) and KBC ([www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023))).

In case of early termination of the Subscription Period, a supplement to the Prospectus may be published by the Issuer. In this respect, please refer to section 7 (*Early termination and reduction*).

Except in the case of oversubscription as set out under section 7 (*Early termination and reduction*) and section 8 (*Allotment / over-subscription in the Bonds*), a prospective subscriber will receive 100% of the amount of the Bonds validly subscribed to by it during the Subscription Period. Retail Investors are therefore encouraged to subscribe to the Bonds on the first business day of the Subscription Period before 5.30 p.m. (CET) to ensure that their subscription is taken into account when the Bonds are awarded, subject, as the case may be, to a proportional reduction of their subscription.

Prospective subscribers will be notified of their allocations of Bonds by the applicable financial intermediary in accordance with the arrangements in place between such financial intermediary and the prospective subscriber.

After having read the entire Prospectus, the investors can subscribe to the Bonds via the branches of the Joint Lead Managers, using the subscription form provided by the Joint Lead Managers as well via the digital channels provided by the Joint Lead Managers. The applications can also be submitted via agents of other financial intermediaries in Belgium and in the Grand Duchy of Luxembourg. In this case, the investors must obtain information concerning the commissions and fees that the agent or financial intermediary can charge. These commissions and fees are charged to the investors (please refer to section 6 (*Costs, fees and charges*) for more information regarding commissions and fees).

Subject to the withdrawal right described above, each subscription is irrevocable as from closing of the Subscription Period and no subscription may occur prior to the commencement of the Subscription Period.

## **2 Conditions to which the Public Offer is subject**

The Public Offer and the issue of the Bonds is subject to a limited number of conditions set out in the Placement Agreement, which are customary for this type of transaction, and which include, amongst others: (i) the correctness of the representations and warranties made by the Issuer in the Placement Agreement; (ii) the Placement Agreement, the Clearing Services Agreement and the Agency Agreement having been executed by all parties thereto prior to the Issue Date, (iii) the admission of the Bonds on the regulated market of Euronext Brussels having been granted on or prior to the Issue Date, (iv) there having been, as at the Issue Date, in the reasonable opinion of the Joint Lead Managers, no Material Adverse Change (as defined in the Placement Agreement and as described below), (v) the Issuer having performed all the obligations to be performed by it under the Placement Agreement on or before the Issue Date, (vi) the market conditions being satisfactory in the Joint Lead Managers' reasonable opinion and with the agreement of the Issuer and (vii) at the latest on the Issue Date, the Joint Lead Managers having received customary confirmations as to certain legal and financial matters pertaining to the Issuer and the Group.

A “**Material Adverse Change**” means a material adverse change in the financial condition, general business, results or operations of the Issuer that would adversely prejudice the success of the Public Offer.

These conditions may be waived (in full or in part) by the Joint Lead Managers. The Placement Agreement does not entitle the Joint Lead Managers to terminate their obligations prior to payment being made to the Issuer, except in certain limited circumstances.

If the conditions of the Public Offer and the issue of the Bonds are not fulfilled on the Issue Date (subject to the waiver by the Joint Lead Managers (as the case may be)) or if the Joint Lead Managers terminate the Placement Agreement in one of the circumstances described above, the Bonds will not be issued and the total amount of funds already paid by the investors for the Bonds will be reimbursed. For the avoidance of doubt, no interest shall accrue in respect of these funds. In case of cancellation of the Public Offer, a notification will be published on the websites of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and the Joint Lead Managers (Belfius ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023)), BNPPF ([www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1)) and KBC ([www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023))) and the Issuer shall publish a supplement to the Prospectus.

### 3 Issue Price

The issue price will be 101.875% for each Bond (the “**Issue Price**”). This price includes the Retail Commission (as further described below), reduced, as the case may be, by a discount up to 1.875% for investors who are Qualified Investors, as further described below.

Investors who are not Qualified Investors will pay a selling and distribution commission of 1.875% of the nominal amount of the Bond (i.e., the Retail Commission), which is included in the Issue Price.

The Qualified Investors will pay a commission equal to the Retail Commission reduced, as the case may be, by a discount up to 1.875% as determined in the sole discretion of the relevant Joint Lead Manager, based, among other things, on (i) the evolution of the credit quality of the Issuer, (ii) the evolution of interest rates, (iii) the success (or lack of success) of the placement of the Bonds and (iv) the market environment (i.e., the QI Commission). No such discount will be granted to Qualified Investors acting as financial intermediaries within the framework of independent investment advice or portfolio management (as defined in MiFID II), including Authorised Offerors if applicable.

The gross actuarial yield of the Bonds is 3.831% on an annual basis. The net actuarial yield of the Bonds is 2.571% on an annual basis. The yield is calculated on the basis of the issue of the Bonds on the Issue Date, the Issue Price, the original rate of interest of 4.25% *per annum* (the “**Original Rate of Interest**”) and is based on the assumption that the Bonds will be held until 21 February 2028 (the “**Maturity Date**”) when they will be repaid at 100% of their principal amount in accordance with the Conditions. The yield is not an indication of future yield if the Bonds are not held until the Maturity Date. The net yield reflects a deduction of Belgian withholding tax at the current rate of 30% (investors should consult Part 10 (*Taxation*) for certain summary information about the Belgian and Luxembourg taxation regime as well as section 6 (*Costs, fees and charges*) for more information regarding fees and expenses charged)).

The minimum amount of application for the Bonds is EUR 1,000. The maximum amount of application is the Aggregate Nominal Amount (as defined below).

### 4 Aggregate Nominal Amount

The aggregate minimum nominal amount of the Bonds amounts to EUR 125,000,000 (the “**Minimum Nominal Amount**”).

The aggregate maximum nominal amount of the Bonds amounts to EUR 250,000,000 (the “**Maximum Nominal Amount**”).

The criteria in accordance with which the final aggregate nominal amount (the “**Aggregate Nominal Amount**”) of the Bonds will be determined by the Issuer are the following: (i) the funding needs of the Issuer, which could evolve during the Subscription Period for the Bonds, (ii) the levels of the interest rates and the credit spread of the Issuer on a daily basis, (iii) the level of demand from investors for Bonds as observed by the Joint Lead Managers on a daily basis, (iv) the occurrence or not of certain events during the Subscription Period of the Bonds giving the possibility to the Issuer and/or the Joint Lead Managers to early terminate the Subscription Period or not to proceed with the Public Offer and the issue of Bonds, (v) the fact that the Minimum Nominal Amount is EUR 125,000,000 and (vi) the fact that the Maximum Nominal Amount is EUR 250,000,000.

As the case may be, upon the decision of the Issuer with the consent of the Joint Lead Managers (taking into account the demand from investors), the Aggregate Nominal Amount may be increased above the Maximum Nominal Amount at the end (or upon the early termination) of the Subscription Period. In such case, a supplement to the Prospectus shall be published.

The Aggregate Nominal Amount shall be published as soon as possible after the end (or the early termination) of the Subscription Period by the Issuer (and at the latest on the business day after the end (or the early termination) of the Subscription Period), on its website ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and on the websites of the Joint Lead Managers ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023) for Belfius, [www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1) for BNPPF and [www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023) for KBC).

If at the end of the Subscription Period there is insufficient demand from investors to issue the Minimum Nominal Amount of the Bonds, the Issuer reserves the right (upon agreement with the Joint Lead Managers) to (i) cancel the issuance of the Bonds, in which case a notification will be published on the website of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and the websites of the Joint Lead Managers ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023), [www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1) and [www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023)) and the Issuer may need to publish a supplement to the Prospectus or (ii) reduce such Minimum Nominal Amount by publishing a supplement to the Prospectus.

## **5 Payment date and details**

The expected payment date is 21 February 2023. The payment for the Bonds can only occur by means of debiting from a deposit account.

On the date that the subscriptions are settled, the NBB-SSS will credit the custody account of the Agent according to the details specified in the rules of the NBB-SSS.

Subsequently, the Agent, at the latest on the payment date, will credit the amounts of the subscribed Bonds to the account of the participants for onward distribution to the subscribers, in accordance with the usual operating rules of the NBB-SSS.

## **6 Costs, fees and charges**

The estimated gross proceeds (before deduction of costs and expenses) of the Bonds will be an amount equal to 100% of the Aggregate Nominal Amount.

The estimated net amount of the proceeds (after deduction of the estimated total costs and expenses) of the Bonds will be EUR 124,630,000 in case of an aggregate nominal amount of Bonds of EUR 125,000,000 and EUR 249,630,000 in case of an aggregate nominal amount of Bonds of EUR 250,000,000.

The Issue Price shall include the selling and distribution commission described below, such commission being borne and paid by the investors and paid to the benefit of the Joint Lead Managers.

The following expenses will be expressly charged to the investors when they subscribe to the Bonds:

- (a) the subscribers who are not Qualified Investors will bear a selling and distribution commission of 1.875% of the nominal amount of the Bond (i.e., the Retail Commission), which will be included in the Issue Price; and
- (b) the subscribers who are Qualified Investors will normally bear a distribution commission equal to the Retail Commission reduced, as the case may be, by a discount of up to 1.875% (i.e., the QI Commission). No such discount will be granted to Qualified Investors acting as financial intermediaries within the framework of independent investment advice or portfolio management (as defined in MiFID II), including Authorised Offerors if applicable.

Such fees will be included in the Issue Price applied to them.

Each subscriber shall make its own enquiries with its financial intermediaries on the related or incidental costs (transfer fees, custody charge, etc.) which the latter may charge.

All the costs incurred by the Issuer with respect to the issue of the Bonds (including the costs of legal fees, the auditor, Euronext Brussels, the Agent, the FSMA and costs related to marketing) are to be borne by the Issuer and are estimated to be EUR 370,000.

The financial services in relation to the issuance and the initial delivery of the Bonds will be provided free of charge by the Joint Lead Managers. Investors must inform themselves about the costs that their financial institutions might charge them. In relation to the Joint Lead Managers, this information is available in the brochures on tariffs which are available on the websites of the Joint Lead Managers.



Bondholders should be aware that additional costs and expenses may be due to the relevant financial intermediary upon exercising the Change of Control put option referred to in Condition 5.2 (*Repayment upon a Change of Control*) through a financial intermediary (other than the Agent) and the Bondholders should inform themselves thereof before exercising the put option.

Investors may be subject to taxes such as withholding taxes and a tax on stock exchange transactions. Please refer to Part 10 (*Taxation*) for more information.

## 7 Early termination and reduction

Early termination of the Subscription Period will intervene at the earliest on 10 February 2023 at 5.30 p.m. (CET) (the minimum Subscription Period being referred to as the “**Minimum Sales Period**”). This is the third business day in Belgium following the day on which the Prospectus has been made available on the websites of the Issuer and the Joint Lead Managers (including the day on which the Prospectus has been made available) and means that the Subscription Period will remain open at least one business day until 5.30 p.m. (CET). Thereafter, early termination can take place at any moment (including in the course of a business day). In case of early termination of the Subscription Period, a notice will be published as soon as possible (and at the latest on the business day after the date of early termination) on the websites of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and of the Joint Lead Managers (Belfius ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023)), BNPPF ([www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1)) and KBC ([www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023))).

The Subscription Period may be terminated early by the Issuer during the Subscription Period with the consent of the Joint Lead Managers and taking into account the Minimum Sales Period (i) as soon as the Minimum Nominal Amount is reached, (ii) in the event that a major change in market conditions occurs (including a change in national or international financial, political or economic conditions or changes in currency exchange rates or exchange controls) or (iii) in case a Material Adverse Change occurs. These situations do not need to occur cumulatively.

In case the Subscription Period is terminated early as a result of the occurrence described under (ii) or (iii) in the preceding paragraph, then the Issuer will publish a supplement to the Prospectus. The Issuer will ensure that any such supplement is published as soon as possible after the occurrence of such termination of the Subscription Period (as a result of the occurrence described under (ii) or (iii)) (see section “*Prospectus supplements*” in Part 3 (*Important information*) for further information with respect to the publication of supplements to the Prospectus). Investors who have already agreed to purchase or subscribe to the Bonds before the publication of the supplement to the Prospectus in relation to the Bonds have the right to withdraw their agreement during a period of two working days after the publication of the supplement. This period can be extended by the Issuer. The final date for the exercise of the withdrawal right shall be mentioned in the supplement.

In addition, the offer is subject to specific conditions negotiated between the Joint Lead Managers and the Issuer that are included in the Placement Agreement (see the introduction to this Part 11 (*Subscription and sale*) and section 2 (*Conditions to which the Public Offer is subject*)) and, in particular, the obligations of the Joint Lead Managers under the Placement Agreement could terminate, *inter alia*, as set out in section 2 (*Conditions to which the Public Offer is subject*).

## 8 Allotment / over-subscription in the Bonds

The Joint Lead Managers, acting on a several (and not joint) basis, agree to place the Bonds on a best efforts basis.

The Issuer agreed that the targeted allocation structure between the Joint Lead Managers for the placement of the Bonds will be the following:

- (a) each of the Joint Lead Managers shall place a minimum of EUR 31,250,000 and a maximum of EUR 62,500,000 of the Bonds (or 25% of the nominal amount of Bonds to be issued) on a best efforts basis allocated exclusively to Retail Investors in its own retail and private banking network, at a price equal to 100% of the nominal amount of the Bonds plus the Retail Commission, in aggregate a minimum of EUR 93,750,000 and a maximum of EUR 187,500,000 (or 75% of the nominal amount of Bonds to be issued) (the “**Retail Bonds**”); and

- (b) the Joint Lead Managers, acting together on a best efforts basis, shall place towards third party distributors and/or Qualified Investors at a price equal to 100% of the nominal amount of the Bonds plus the QI Commission a minimum of EUR 31,250,000 and a maximum of EUR 62,500,000 of the Bonds (or 25% of the nominal amount of Bonds to be issued) (the “**QI Bonds**”).

If, at 5.30 pm (CET) on the first business day of the Subscription Period, the Retail Bonds assigned to a Joint Lead Manager are not fully placed by such Joint Lead Manager, each of the other Joint Lead Managers having fully placed the Retail Bonds assigned to it shall have the right (but not the obligation) to place such Retail Bonds with Retail Investors in its own retail and private banking network, on an equal share basis (if possible) between those other Joint Lead Managers. In the event that any Retail Bonds remain unplaced pursuant to the mechanisms described in this paragraph, such Bonds may be allocated by the Joint Lead Managers to the orders relating to QI Bonds, towards third party distributors and/or Qualified Investors.

If the QI Bonds are not fully placed by the Joint Lead Managers, each of the Joint Lead Managers shall have the right (but not the obligation) to place such QI Bonds and any such QI Bonds shall be placed with Retail Investors in its own retail and private banking network, on an equal share basis (if possible) between those Joint Lead Managers.

If not all Bonds are placed at 5.30 pm (CET) on the first business day of the Subscription Period and taking into account the reallocation pursuant to the preceding paragraphs, each of the Joint Lead Managers shall have the right to place the unplaced Bonds with Retail Investors and with Qualified Investors.

This allocation structure can only be amended in mutual agreement between the Issuer and the Joint Lead Managers.

Upon the closing of the Subscription Period (as the case may be, upon an early termination as described in section 7 (*Early termination and reduction*)), the Aggregate Nominal Amount of the Bonds will be determined by the Issuer (upon consultation with the Joint Lead Managers), on the basis of the criteria set out in section 4 (*Aggregate Nominal Amount*).

Investors should note that the Joint Lead Managers will continue to collect subscriptions until the end of the Subscription Period, subject to any early termination of the Subscription Period. Retail Investors are encouraged to subscribe to the Bonds on the first business day of the Subscription Period before 5.30 p.m. (CET) to ensure that their subscription is taken into account when the Bonds are awarded, subject, as the case may be, to a proportional reduction of their subscription. All subscriptions that have been validly introduced by the Retail Investors with the Joint Lead Managers before the end of the Minimum Sales Period (as set out under section 1 (*Subscription Period*)) will be taken into account when the Bonds are allotted.

In case of oversubscription, a reduction may apply, i.e., the subscriptions will be scaled back proportionally, with an allocation of a multiple of EUR 1,000 and, to the extent possible (i.e., to the extent there are not more investors than Bonds), a minimum nominal amount of EUR 1,000, which is the minimum subscription amount for investors. Subscribers may have different reduction percentages applicable to them depending on the financial intermediary through which they have subscribed to the Bonds. The Joint Lead Managers shall in no manner whatsoever be responsible for the allotment criteria that will be applied by other financial intermediaries.

Investors should be aware that they should place an order for the Bonds they wish to subscribe to.

As soon as possible after the end (or the early termination) of the Subscription Period, the investors will be informed regarding the number of Bonds that have been allotted to them (at the latest on the third business day after the end (or the early termination) of the Subscription Period, it being understood that this information may be indicative and that final individual allotments may be communicated on the Issue Date). Dealing in the Bonds shall be possible as from the Issue Date, i.e., the date of listing and admission to trading of the Bonds on the regulated market of Euronext Brussels.

Any payment made by a subscriber to the Bonds in connection with the subscription of Bonds which are not allotted will be refunded within seven business days after the date of payment in accordance with the arrangements in place between such relevant subscriber and the relevant financial intermediary, and the relevant subscriber shall not be entitled to any interest in respect of such payments.

In accordance with Article 7, §1 of the Royal Decree of 17 May 2007 on primary market transactions, the Joint Lead Managers shall not, in case of full subscription or oversubscription in respect of the Public Offer, directly or indirectly acquire any Bonds for their own account.

## **9 Results of the Public Offer**

The results of the offer of the Bonds (including its net proceeds) shall be published as soon as possible after the end (or the early termination) of the Subscription Period (and at the latest on the business day after the end (or the early termination) of the Subscription Period), on the websites of the Issuer ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)) and of the Joint Lead Managers (Belfius ([www.belfius.be/obligatie-colruyt-2023](http://www.belfius.be/obligatie-colruyt-2023) / [www.belfius.be/obligation-colruyt-2023](http://www.belfius.be/obligation-colruyt-2023)), BNPPF ([www.bnpparibasfortis.be/nl/campaigns/Corporate1](http://www.bnpparibasfortis.be/nl/campaigns/Corporate1)) and KBC ([www.kbc.be/bonds/colruytgroup2023](http://www.kbc.be/bonds/colruytgroup2023) / [www.kbc.be/fr/bonds/colruytgroup2023](http://www.kbc.be/fr/bonds/colruytgroup2023))).

The same method of publication will be used to inform the investors in case of an early termination of the Subscription Period. A supplement to the Prospectus may also be published in case of early termination of the Subscription Period. In this respect, please refer to section 7 (*Early termination and reduction*).

Furthermore, the amount of Bonds will be notified to the FSMA as soon as possible at the earlier of the end of the Subscription Period and the date of the early termination of the Subscription Period.

## **10 Expected timetable of the Public Offer**

The main steps of the timetable of the Public Offer are as follows:

- 8 February 2023: publication of the Prospectus on the website of the Issuer and on the websites of the Joint Lead Managers;
- 10 February 2023, 9.00 a.m. (CET): opening of the Subscription Period;
- 10 February 2023, 5.30 p.m. (CET): earliest termination of the Subscription Period;
- 14 February 2023, 5.30 p.m. (CET): closing of the Subscription Period (if not terminated earlier);
- between 14 February 2023 and 17 February 2023: expected publication date of the results of the Public Offer (including its net proceeds), unless published earlier in case of early termination of the Subscription Period; and
- 21 February 2023: Issue Date and listing and admission to trading of the Bonds on the regulated market of Euronext Brussels, which is also the date of the initial delivery of the Bonds to subscribers.

The dates and times of the Public Offer and periods indicated in the above timetable and throughout this Prospectus may change. Should the Issuer decide to amend such dates, times or periods, it will inform investors through a publication on its website ([www.colruytgroup.com/en/invest/debt-financing/debt-instruments](http://www.colruytgroup.com/en/invest/debt-financing/debt-instruments)).

Every significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of the Bonds and which arises or is noted between the date of the Prospectus and the closing of the Subscription Period or the time when trading on the regulated market of Euronext Brussels begins (whichever occurs later), shall be mentioned in a supplement to the Prospectus without undue delay (see also Part 3 (*Important information*)).

## **11 Transfer of the Bonds**

Subject to the applicable selling restrictions, the Bonds are freely transferable (see below).

## **12 Selling restrictions**

### *General*

The Bonds are being offered only to investors to whom such offer can be lawfully made under any law applicable to those investors. The Issuer has taken necessary actions to ensure that the Bonds may be lawfully offered to the public in Belgium

and in the Grand Duchy of Luxembourg. The Issuer has not taken any action to permit any offering of the Bonds in any other jurisdiction outside of Belgium and the Grand Duchy of Luxembourg and neither the Issuer nor the Joint Lead Managers make any representation that any action will be taken in any jurisdiction (other than Belgium and the Grand Duchy of Luxembourg) by the Joint Lead Managers or the Issuer that would permit a public offering of the Bonds in any such jurisdiction, or possession or distribution of this Prospectus or any other offering or publicity material relating to the Bonds (including road show materials and investor presentations) in any country or jurisdiction where action for that purpose is required.

The distribution of this Prospectus and the subscription for, and acquisition of, the Bonds may, under the laws of certain countries other than Belgium and the Grand Duchy of Luxembourg, be governed by specific regulations or legal and regulatory restrictions. Individuals in possession of this Prospectus, or considering the subscription for, or acquisition of, the Bonds, must inquire about those regulations and about possible restrictions resulting from them, and comply with those restrictions. Intermediaries cannot permit the subscription for, or acquisition of, the Bonds for clients whose addresses are in a country where such restrictions apply. No person receiving this Prospectus (including trustees and nominees) may distribute it in, or send it to, such countries, except in conformity with applicable law. The subscribers undertake to abide to the legal and regulatory rules applicable to the offer and sale of the Bonds in any country where these Bonds would be placed and in particular undertake to abide with the selling restrictions set out below.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds, or an offer to sell or the solicitation of an offer to buy the Bonds in any circumstances in which such offer or solicitation is unlawful. Neither the Issuer nor the Joint Lead Managers have authorised, nor do they authorise, the making of any offer of the Bonds (other than the Public Offer in Belgium and in the Grand Duchy of Luxembourg) in circumstances in which an obligation arises for the Issuer or the Joint Lead Managers to publish a prospectus for such offer.

The following sections set out specific notices in relation to certain countries that, if stricter, shall prevail over the foregoing general notice.

#### *European Economic Area*

Each of the Joint Lead Managers has represented and agreed that it has not made and will not make an offer of Bonds (except for the Public Offer in Belgium and in the Grand Duchy of Luxembourg) which are the subject of the offering contemplated by this Prospectus to the public in the European Economic Area other than:

- (1) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (2) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the dealer(s) nominated by the Issuer for any such offer; or
- (3) in any other circumstances falling within Article 1(4) or Article 3(2) of the Prospectus Regulation,

provided that no such offer of Bonds shall require the Issuer or the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer of Bonds to the public” in relation to any Bonds in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

#### *United States*

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities law of any State or any jurisdiction in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Joint Lead Managers have represented and agreed that, except as permitted by the Placement Agreement, they have not offered, sold or delivered and will not offer, sell or deliver the Bonds (i) as part of their distribution at any time or

(ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons, and they will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the Public Offer, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

#### *United Kingdom*

Each of the Joint Lead Managers has represented and agreed that it has not made and will not make an offer of Bonds to the public in the United Kingdom, except that Bonds may be offered in the United Kingdom:

- (1) to any legal entity which is a qualified investor as defined under Article 2 the UK Prospectus Regulation;
- (2) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- (3) in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000 (the “**UK FSMA**”),

provided that no such offer of Bonds shall require the Issuer or the Joint Lead Managers to publish a prospectus pursuant to Section 85 of the UK FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “an offer to the public” in relation to Bonds in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and Bonds to be offered so as to enable an investor to decide to purchase or subscribe for Bonds and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

Moreover, each of the Joint Lead Managers has represented and agreed that:

- (1) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the UK FSMA received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the UK FSMA does not apply to the Issuer; and
- (2) it has complied and will comply with all applicable provisions of the UK FSMA with respect to anything done by them in relation to the Bonds in, from or otherwise involving the United Kingdom.

## PART 12 – GENERAL INFORMATION

- (1) Application has been made for the Bonds to be listed and admitted to trading on the regulated market of Euronext Brussels as from the Issue Date.
- (2) The Issuer has obtained all necessary consents, approvals and authorisations in Belgium in connection with the issue of, and the performance of its obligations under, the Bonds. The issue of the Bonds and the performance of its obligations thereunder was authorised by a resolution of the Board of Directors of the Issuer passed on 27 January 2023.
- (3) Except as set out in sections 5.3 (*Recent developments and investments*), 6 (*Recent events and trend information*) and 8 (*Selected financial information*) of Part 7 (*Description of the Issuer*), there has been no significant change in the financial performance or the financial position of the Colruyt Group since 30 September 2022 and no material adverse change in the prospects of the Issuer since 31 March 2022.
- (4) The Bonds have been accepted for settlement through the securities settlement system of the National Bank of Belgium with Common Code 258555503. The International Securities Identification Number (ISIN) for the Bonds is BE0002920016. As at the date of this Prospectus, the address of the National Bank of Belgium is 14 Boulevard de Berlaimont, 1000 Brussels, Belgium. A service contract for the issuance of fixed income securities will be entered into by the Issuer with Belfius Bank SA/NV as paying agent and the National Bank of Belgium on or about the Issue Date.
- (5) Except as set out in the risk factor entitled “*The Issuer, the Joint Lead Managers and the Agent may engage in transactions adversely affecting the interests of the Bondholders*” of Part 2 (*Risk factors*) and in section 9 (*Financing arrangements*) of Part 7 (*Description of the Issuer*), so far as the Issuer is aware, no other person involved in the Public Offer has any interest, including conflicting ones, that is material to the Public Offer.
- (6) The Issuer does not have the intention to furnish any information with respect to the Bonds after the issuance of the Bonds, unless expressly required by law or by the terms and conditions of the Bonds.
- (7) During the Subscription Period and during the life of the Bonds, copies of the following documents will be available on the website of the Issuer ([www.colruytgroup.com](http://www.colruytgroup.com)):
  - (a) the articles of association (*statuten/statuts*) of the Issuer in Dutch, French and English;
  - (b) the annual report and the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2022 and 31 March 2021 (prepared in accordance with IFRS), together with the auditors’ reports on the aforementioned audited consolidated financial statements;
  - (c) the unaudited intermediary reports and the condensed consolidated interim financial statements of the Issuer for the six month periods ended 30 September 2022 and 30 September 2021 (prepared in accordance with IAS 34 – Interim Financial Reporting), together with the auditor’s limited review reports on the aforementioned condensed consolidated interim financial statements; and
  - (d) a copy of this Prospectus, together with any supplement to this Prospectus.
- (8) EY Bedrijfsrevisoren BV, having its registered office at De Kleetlaan 2, B-1831 Diegem, Belgium and represented, as of the General Meeting of Shareholders held on 28 September 2022, by Ms Eef Naessens and, for the three previous financial years, by Mr Danny Wuyts, members of the Belgian Institute of Auditors (*Instituut voor Bedrijfsrevisoren/Institut des Réviseurs d’Entreprises*), has audited and rendered unqualified audit opinions on the audited consolidated financial statements of the Issuer for the financial years ended 31 March 2021 and 31 March 2022.

**Issuer**

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**Joint Bookrunners – Joint Lead Managers**

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**Agent**

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**Legal advisers**

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*to the Joint Lead Managers*

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**Statutory auditor of the Issuer**

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