

Colruyt Group completes the sale of DATS 24 to Virya Energy

Colruyt Group and Virya Energy have reached an agreement to fully integrate DATS 24 NV ("DATS 24") into the energy holding company Virya Energy.

In light of the rapid greening of the energy market, Virya Energy will boost its clout by joining forces and expertise with DATS 24. This fits with Colruyt Group's long-term strategy, one of the pillars of which is 'Energy', which focuses on green, renewable and 'fit-for -purpose' energy.

Joining forces and expertise

On [25 October 2022](#) Colruyt Group announced its intention to bring together the energy activities of DATS 24 and Virya Energy. This transaction has been finalised.

Virya Energy and DATS 24 complement each other across the entire energy value chain; from development, financing, and construction of energy production projects, to their operation and maintenance, to energy supply and service offering. Awareness regarding the energy transition has increased significantly among consumers, families and companies. In view of this rapidly changing energy market and increasing attention to sustainable energy, both parties will be able to combine their energy expertise and reinforce one another throughout the entire energy value chain.

Colruyt Group aims to provide its customers with a sustainable offering in four areas of expertise, of which 'Energy' is one. The bundling of all energy activities into Virya Energy thus also fits into that context. DATS 24 will continue to be part of Colruyt Group's Xtra app ecosystem.

The transaction

The transaction is based on an enterprise value of EUR 56 million, plus a potential earn-out consideration of up to EUR 11 million. Arm's length principles were applied for the valuation. Following this transaction, Colruyt Group's cash flow statement is expected to include a cash inflow of approximately the same order of magnitude (inter alia after settlement of intragroup positions and net of cash and cash equivalents disposed of, which in total are estimated at approximately EUR 25 million – based on preliminary figures per 31 March 2023). Furthermore, this transaction is expected to result in a limited one-off impact on the net result of the financial year 2023/24. Both are subject to the customary post-closing purchase price adjustments. Additionally, certain assets have been transferred from Colruyt Group for a total of EUR 6 million. Arm's length principles were applied for the valuation.

As of June 2023, DATS 24 will no longer be fully consolidated by Colruyt Group, but by Virya Energy. This means that as of June 2023, the results of DATS 24 will be accounted for in Colruyt Group's consolidated figures via Virya Energy using the equity method.

The fuel distribution activities in France are inseparably connected to, and therefore an integral part of, the stores in France and are not included in the above transaction.

The necessary measures have been taken in view of the conflict of interest rules. The public announcement in accordance with article 7:97, §4/1 of the Belgian Companies and Associations Code regarding the disposal of DATS 24 Belgium to Virya Energy, can be found on the next page.

Contact details

For questions on this press release or for further information, please send an email to investor@colruytgroup.com or debt.investors@colruytgroup.com (specifically for debt investors).

About Colruyt Group

Colruyt Group operates in the food and non-food distribution sector in Belgium, France and Luxembourg with more than 700 own stores and over 580 affiliated stores. In Belgium, this includes Colruyt Lowest Prices, OKay, Bio-Planet, Cru, Dreamland, Dreambaby, Bike Republic, ZEB, PointCarré, The Fashion Store and the affiliated stores Spar and PointCarré. In France, in addition to Colruyt stores, there are also affiliated Coccinelle, Coccimarket, Panier Sympa and PointCarré stores. JIMS operates fitness clubs in Belgium and Luxembourg. Solucious and Culinoa deliver food service and retail products to professional customers in Belgium (hospitals, SMEs, hospitality sector, etc.). The activities of Colruyt Group also comprise energy supply by DATS 24 in Belgium (fuels, natural gas and green energy) and France (fuels), and printing and document management solutions (Symeta Hybrid). The group employs nearly 33.000 employees and recorded a EUR 10,0 billion revenue in 2021/22. Etn. Fr. Colruyt NV is listed on Euronext Brussels (COLR) under ISIN code BE0974256852.

About DATS 24

DATS 24 is Colruyt Group's fuel specialist and has a network of 144 filling stations throughout Belgium. Customers are able to fill up with traditional as well as alternative fuels: petrol and diesel, but also CNG (compressed natural gas), electricity and hydrogen. 75% of its fuel stations are located on a site of one or several Colruyt Group store formulas. DATS 24 is the largest supplier of natural gas for vehicles in Belgium and pioneers with green hydrogen. Eighty-five filling stations are equipped with a CNG pump and one station also allows individuals to fill up with hydrogen and recharge quickly. Meanwhile, it also has electric charging posts in more than 150 locations. In 2020, DATS 24 started rolling out AdBlue in part of its filling stations. Thanks to its rigorous environmental policy, the fuel specialist has been complying with the strict ISO 14001 standard for years. In January 2019, DATS 24 was the first in Belgium to launch mobile refuelling using the Xtra app. With this initiative, it has again lived up to its pioneering tradition. This app focuses on a smooth and pleasant experience for the customer. In April 2021, DATS 24 starts supplying natural gas and 100% green, local electricity to private customers and families, marking yet another milestone in the history of DATS 24.

About Virya Energy

Virya Energy is active in the development, financing, construction and operation of renewable energy production sources. The holding, established at the end of 2019 by Colruyt Group and its majority shareholder Korys, holds 100% of the shares in Parkwind, Eurowatt, Eoly Energy and Sanchore. Virya Energy is set to further develop the renewable energy generation capacities and deliver services across the entire value chain of sustainable energy solutions, including storage. Virya Energy and its subsidiaries, based in Belgium, own and operate more than 1 GW of green energy generation capacity globally and are active in numerous green hydrogen initiatives.

ETABLISSEMENTEN FRANZ COLRUYT*naamloze vennootschap / société anonyme*

Edingensesteenweg 196

1500 Halle

Register of Legal Entities Brussels (Dutch) 0400.378.485

("Colruyt")

Public announcement in accordance with Article 7:97, §4/1 of the Belgian Companies and Associations Code concerning the transfer of Colruyt's energy supply activities to Virya

Colruyt currently retains certain energy activities, including the supply of current and alternative energy sources, in particular petrol, diesel, AdBlue, natural gas (CNG), electricity and hydrogen in Belgium (the "**Energy Supply Activities**"), mainly through its subsidiary DATS 24 NV ("**DATS 24**"), of which it holds 100% of the shares. In addition to the shares in DATS 24, Colruyt itself owns a limited number of assets related to the Energy Supply Activities. During its meeting of 1 June 2023, the board of directors of Colruyt resolved to transfer its Energy Supply Activities to Virya Energy NV ("**Virya**"), a subsidiary of Colruyt and of Korys Investments NV (the "**Transaction**"). Korys Investments NV is in turn a 100% subsidiary of Korys NV, Colruyt's parent company.

The completion of the Transaction mainly consists of the transfer by Colruyt of 100% of the shares in DATS 24 to Virya. Immediately prior to this transfer of the DATS 24 shares, Colruyt will transfer a number of assets to DATS 24, in particular (i) all shares held by Colruyt in Some BV and (ii) hydrogen installations and equipment located in Haasrode, Erpe-Mere, Herve and Ollignies, as well as certain related assets and agreements. Furthermore, in the context of the Transaction, Colruyt will transfer to Virya all shares which it holds in PlugInvest BV ("**PlugInvest**"), representing a 25% participation in PlugInvest. The total price Colruyt will receive for the Energy Supply Activities amounts to EUR 86,862,974 rounded off (the "**Acquisition Price**"). This is a provisional price which Colruyt and Virya will finalise upon completion of the Transaction in function of the effective financial debt and working capital position of DATS 24 on the date of sale. Furthermore, the Company may potentially claim an earn-out amount of up to EUR 11,000,000 if DATS 24 achieves certain milestones concerning the roll-out of electric vehicle charging points.

Following completion of the Transaction, Virya will hold all the Energy Supply Activities.

Colruyt and Virya have determined the Acquisition Price on the basis of a valuation by an external expert, who applied various valuation methods to the different components of the Energy Supply Activities. These valuation methods include, amongst others, discounting future cash flows of the activities using discount rates, which were each determined in light of the specific business activity. In addition, where useful, the valuation takes into account available valuations in comparable transactions and the book value of certain assets.

Further, the main terms of the Transaction are set out below:

- (i) **Payment:** For the sale of the shares in DATS 24, Virya will pay a part of the (provisional) sale price amounting to EUR 45,806,473.60 to Colruyt on the date of the agreement, through a debt financing entered into by Virya. The balance of the sale price for the shares in DATS 24 remains outstanding in the form of a vendor loan, payable on (i) 31 August 2023 or (ii) if earlier, 5 business days after Virya receives the sale price for the sale of 100% of the shares in Parkwind NV. The part of the sale price that remains outstanding in the form of the vendor loan bears interest per annum consisting of the three-month *Euribor* interest rate, increased

by a margin of 1.10%. This interest is equal to the interest accruing on the debt financing that Virya enters into for the payment of the amount of the sale price. Virya will pledge half of the shares of DATS 24 to Colruyt as security for its obligations under the vendor loan. The sale prices for the shares in PlugInvest and the assets sold by Colruyt to DATS 24 are payable immediately.

- (ii) Seller's representations and warranties: Colruyt, as seller, provides a series of customary (fundamental and business) representations and warranties to Virya for the sale of the shares in DATS 24 and PlugInvest.

For the sale of the shares in Some BV, Colruyt only provides certain fundamental representations and warranties to DATS 24 that are limited to the ownership title to the shares and Colruyt's capacity to sell the shares. Regarding the other assets that Colruyt sells to DATS 24, Colruyt does not provide any representations or warranties. DATS 24 acquires these assets in their condition and waives any recourse against Colruyt in this regard.

Colruyt's liability as seller of the shares in DATS 24 and PlugInvest under the Transaction is subject to various financial and time limitations. The financial limitations include a minimum amount for individual claims and for all claims together, in each case in line with market practice. Colruyt's aggregate liability is limited to the purchase price for the fundamental representations and warranties and to a market-based percentage of the purchase price for the business representations and warranties. Furthermore, Colruyt's liability applies for the following periods: (a) 5 years for the fundamental representations and warranties, (b) 60 days after expiry of the applicable statute of limitations for business representations and warranties on licensing, compliance, environmental and tax matters and (c) 18 months for the other business representations and warranties.

Furthermore, in the context of the sale of the shares in DATS 24, Colruyt is providing a limited number of specific indemnities to Virya in relation to six elements identified by Virya in the context of its due diligence.

The completion of the Transaction takes place on the date of signing and is therefore not subject to conditions precedent.

As part of the Transaction, Colim NV, a subsidiary of Colruyt which holds immovable property in its portfolio, and DATS 24 will enter into a framework agreement with general terms and conditions for various commercial lease agreements entered into between Colim NV as lessor and DATS 24 as lessee, and one lease agreement for the lease of office spaces.

The general conditions in these framework agreements do not contain any provisions that deviate from what can be expected in an agreement entered into between third parties. The lease amounts laid down in the various commercial lease agreements have been confirmed by a financial expert on the basis of market prices agreed between independent parties.

In the framework of the Transaction and following its completion, Colruyt and Virya will continue to provide certain services to each other for a certain period of time. To define the modalities of such services, Colruyt and Virya will enter into a series of agreements, on the basis of a framework agreement, which vary according to the subject matter. Certain of these service agreements concern the provision of services for a certain limited period following completion of the Transaction. Other service agreements have a longer duration, given internal decisions to also organise in the long term certain tasks and services within the Colruyt Group on a centralised level in one particular entity, either Colruyt or Virya. Colruyt and Virya will charge certain rates for the various services. These

rates have been confirmed by a financial expert on the basis of market prices agreed between independent parties.

A committee of three independent directors of Colruyt has assessed the Transaction as described above, in accordance with Article 7:97 BCAC, and has issued a written and substantiated opinion on this matter to the board of directors of Colruyt. In this opinion, the committee deems the Transaction not to be manifestly illegitimate in nature and considers it unlikely that the Transaction would result in disadvantages for Colruyt that would not be outweighed by the Transaction-related advantages for Colruyt. The committee has therefore delivered a favourable opinion on the Transaction. Finally, the assessment made by Colruyt's auditor in accordance with Article 7:97 BCAC reads as follows: *"Based on our review, performed in accordance with the International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", nothing has come to our attention that causes us to believe that the accounting and financial data included in the minutes of the Board of Directors meeting held on 1 June 2023 and in the opinion of the independent directors dated 1 June 2023, both prepared in accordance with the requirements of article 7:97 of the Belgian Companies and Associations Code, would contain material inconsistencies when compared with the information available to us in the context of our engagement. We do not express an opinion on the suitability or appropriateness of the transaction or on whether it is lawful and fair ("no fairness opinion")."*