

# ITM Entreprises Investor Presentation



**GROUPEMENT**  
**Mousquetaires**

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## SPEAKERS



**Thierry Cotillard**

*President of SLM*

Became a Partner Member\* in 2007 while managing his first Point of Sale. In 2015, he became Chairman of Intermarché and Netto and was elected President of ITM in January 2023.



**Lionel Peluhet**

*SLM member*

Lionel Peluhet is a member of the SLM Board. He began his journey with the Group as an employee in the position of Secretary General of ITM Sud-Ouest. In 2002, he applied to become a Mousquetaires Partner Member. After completing his training, he took over an Intermarché point of sale in the south of France. Since then, he has also acquired three other locations.



**Arnaud de Ligniville**

*Chief Financial Officer*

Arnaud de Ligniville is *Les Mousquetaires'* CFO since 2022 after 3 years in the group as head of financing and treasury. He previously spent 12 years in various finance functions in French industry groups.



**Laurent Bonhomme**

*Director Financing, treasury & Financial Communication*

Since 2022, Laurent Bonhomme is the Director of Financing and Treasury within *Les Mousquetaires* group after 15 years in banking (London), consulting (Geneva) and the industry (Paris).

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- 1. AT A GLANCE**
  - 2. BUSINESS DESCRIPTION**
  - 3. MARKET EVOLUTION AND POSITIONING**
  - 4. STRATEGY OVERVIEW**
  - 5. ACQUISITION OF THE EX-CASINO STORES**
  - 6. KEY FINANCIALS**
  - 7. KEY INVESTMENT HIGHLIGHTS AND HEAD OF TERMS**

# Agenda

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**At a Glance**

# KEY NUMBERS AND PERFORMANCE OF THE GROUP

## End of 2023 Key numbers:

- +3,000 Partner Members
- +150,000 employees
- 4,119 PoS in Europe
- €52.9bn PoS revenue\*

## Leadership positions with well-known brands:

- ✓ #1 Private label producer in France
- ✓ 17.6% market share in the French food market P10\*\*\* 2024.
- ✓ #3 DIY\*\*\*\* brand in France
- ✓ #5 Industrial agri-food business in France

Source : Kantar 2024, FMB 2023, RIA 2022, Les Mousquetaires

## 7 Brands Organized in 3 Markets

- ✓ Leading French supermarket and retail distributor cooperative with well-known brands



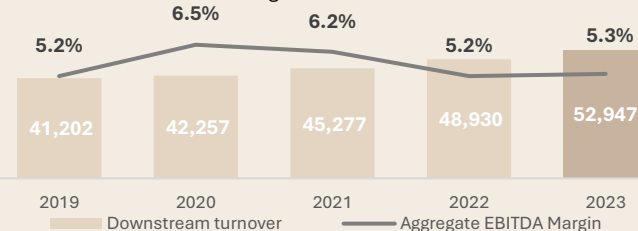
## A solid network – numbers of stores



\*\* LAI: 31, LEMI: 4, Countries: 8 (Poland / Portugal / Belgium / Shanghai)

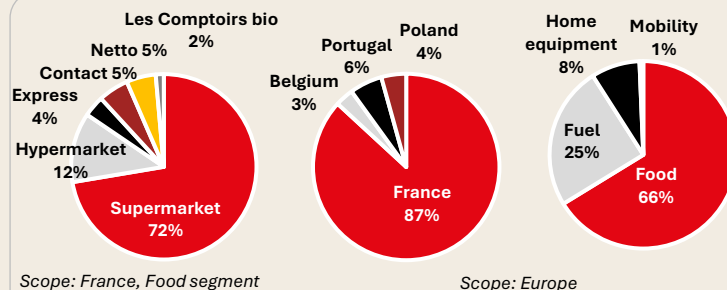
## Key Numbers (in €M)

Aggregated margin is above closest French retailers thanks to a well managed cost structure

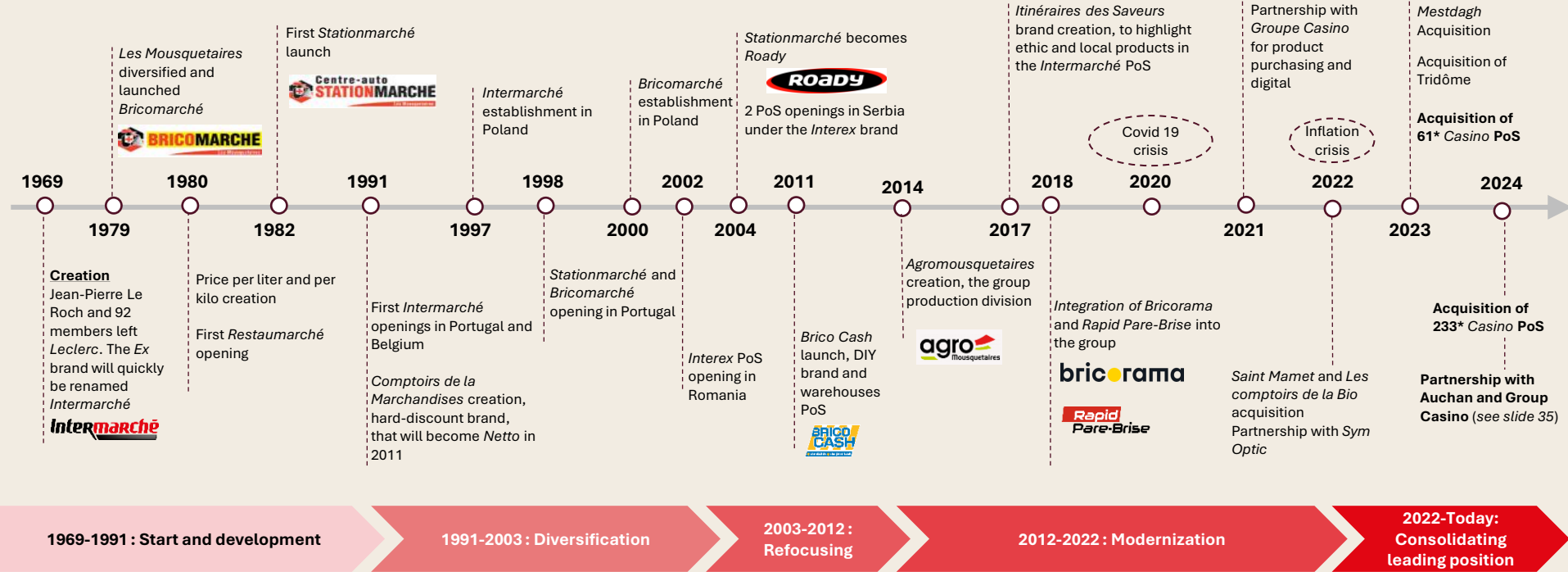


Source: ITM, unaudited figures

## A diversified group

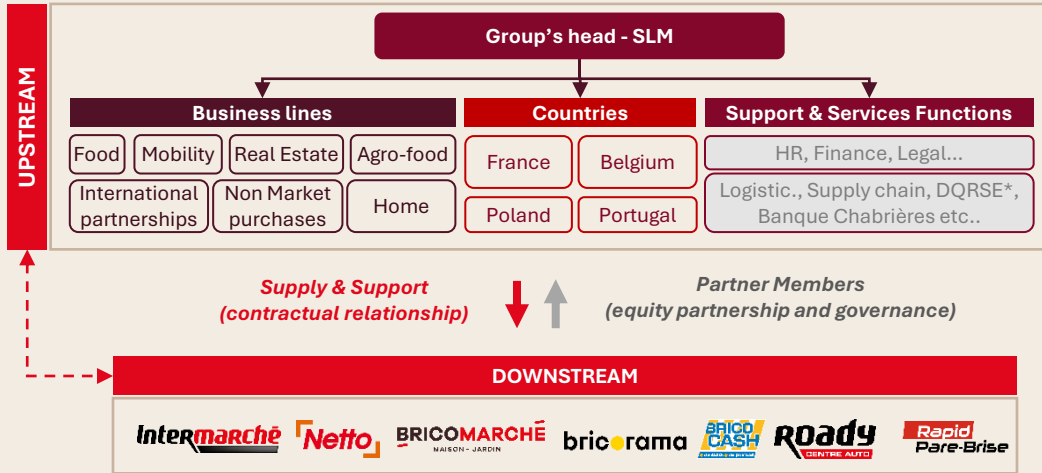


# MORE THAN 50 YEARS OF LES MOUSQUETAIRES' HISTORY



\*284 PoS were finally acquired on the 294 initial consideration (see slide 38)

# A UNIQUE FULLY INTEGRATED BUSINESS MODEL BETWEEN UPSTREAM AND DOWNSTREAM



## ► UPSTREAM

- ✓ **One goal** : purchasing and production of all products, logistics and all support functions for the Downstream development (energy, finance, marketing, trade, etc...)

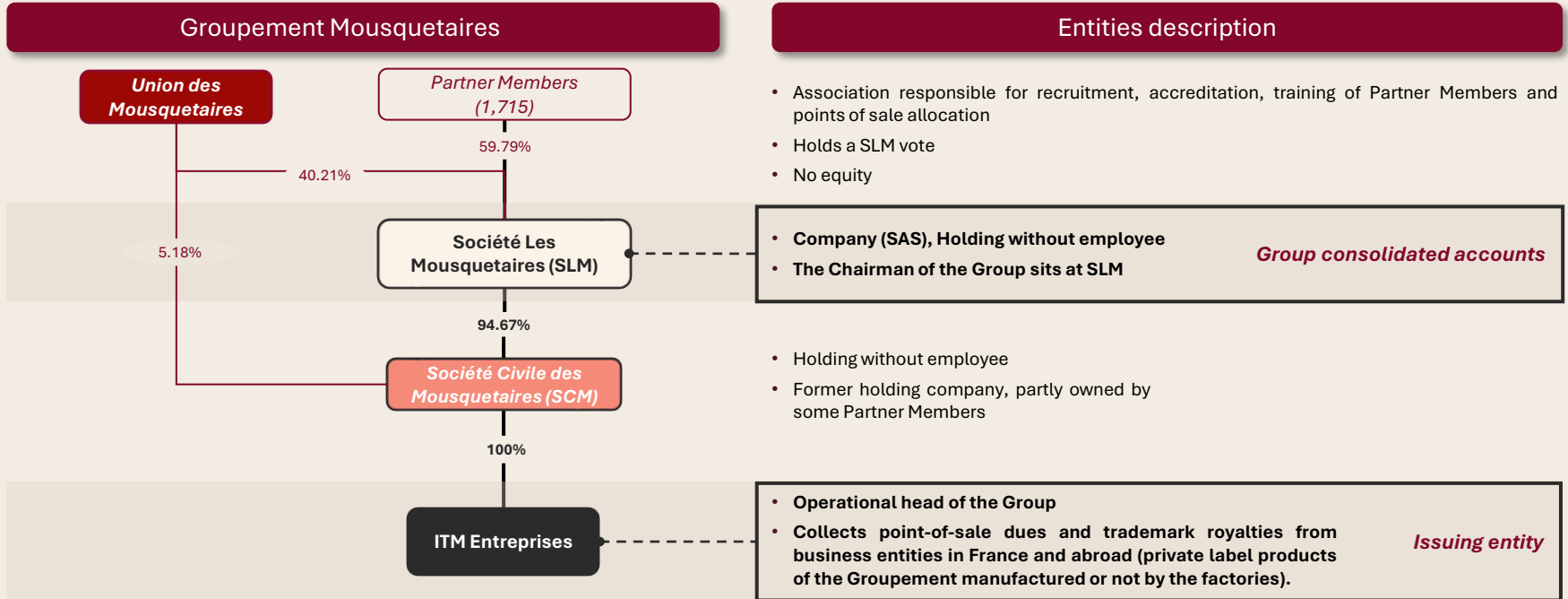
## ► DOWNSTREAM

- ✓ **Independent owners are linked to the Upstream by:**
  - **Shareholding structure** (shareholders of the Upstream)
  - **Partner Members' Charter** (unilateral engagement from the Partner Members to respect the group's ethic)
  - **Brand contracts** with a 15-years commitment
  - **Sales contracts** of products and services with the Upstream

Upstream business derives from downstream's willingness to develop a strong and sound partnership and to build an efficient platform combining global supply, logistics and various services

- ✓ **Business integration between Upstream and Downstream capitalizing on synergies and common interests**
- ✓ **To enable independent PoS owner (Partner Members) to concentrate on retail sales**
- ✓ **To enable efficient value distribution guided by two goals:**
  - To enable the Upstream to carry out necessary investment and secure access to funding
  - To enable Partner Members to implement an effective commercial policy

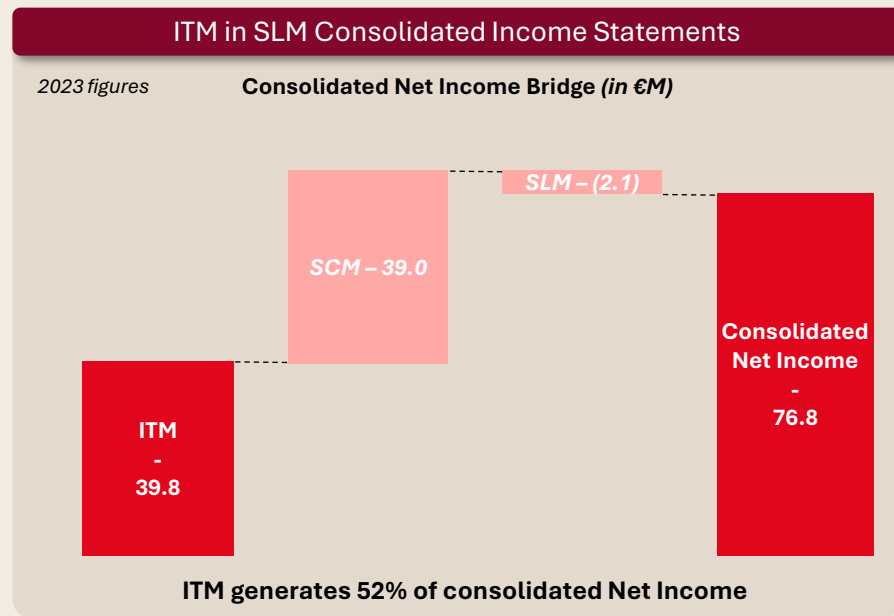
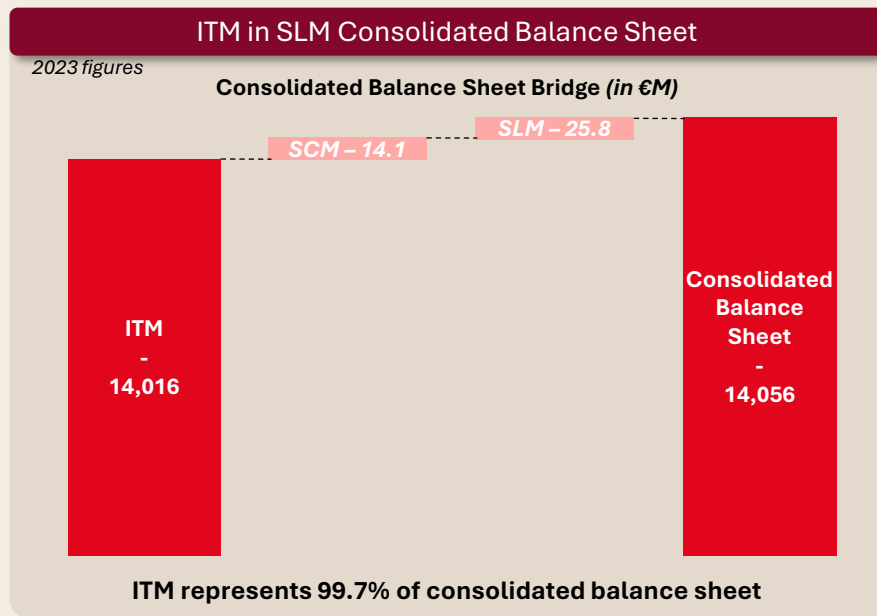
# GROUP STRUCTURE – ITM ENTREPRISES AS ISSUING ENTITY...



As of 31/10/2024



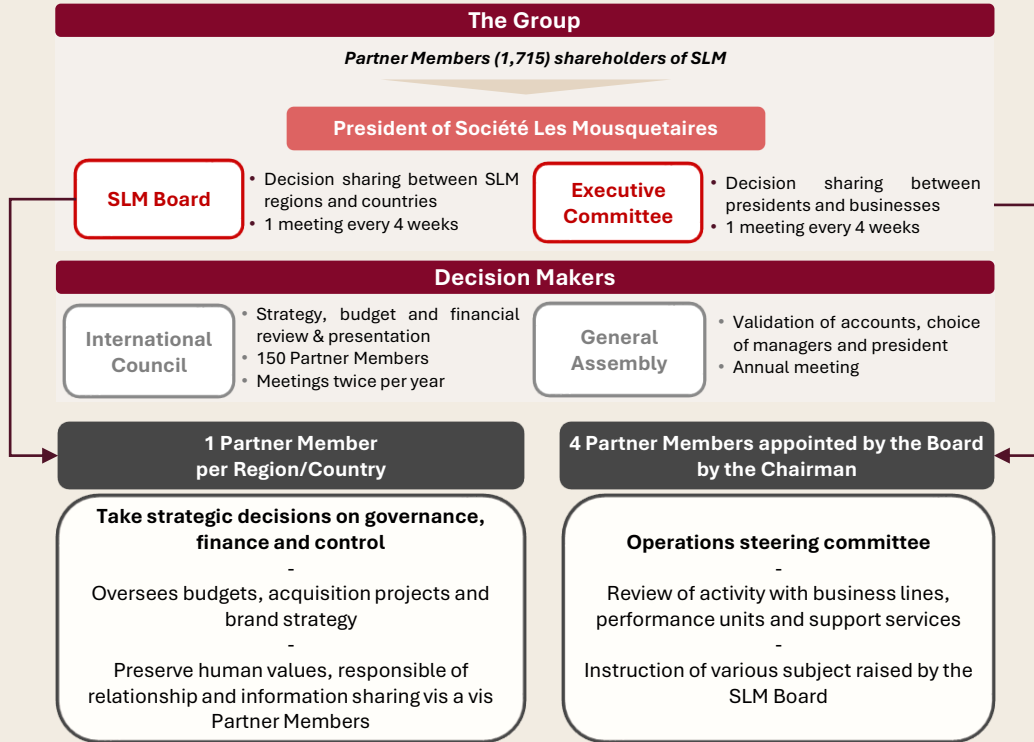
## ...REPRESENTS 99.7% OF SLM'S CONSOLIDATED BALANCE SHEET



**SLM and SCM income mainly consist of:**

- interest on current account with the UDM association
- income and expenses relating to the tax group headed by SCM

# A UNIQUE GOVERNANCE STRUCTURE



## A UNIQUE MODEL

- ✓ **A Group of more than 3,000 independent business owners (Partner Members) - +1,700 of them being shareholders**
- ✓ **Partner Members are recruited on a selective basis. Then, the future Partner Members benefit from a 5-6-month training program prior to opening or takeover of a point of sale**
- ✓ **One level of decision via the holding Société Les Mousquetaires (SLM)**
  - **One “shareholder” (Associé) - one vote** : 50%+ of the Partner Members are associated to the SLM and each Associé has one vote, irrespective of the number of shares possessed.
- ✓ **Regardless of their presence in the share capital, all Partner Members are invited to participate to the management of the group.** Each Partner Member can give 2 day per week on a volunteer basis to participate in the management of the Mousquetaires Group

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## AN EXPERIENCED MANAGEMENT TEAM AT THE SERVICE OF THE GROUP



**Thierry Cotillard**

*President of SLM*

Thierry joined the group in 1999 as employee before contributing to develop ITM in Italy. Thierry was named general secretary of the *Centre-Ouest* region in 2002 then general secretary of *Vêtinarché* in 2005. He became a Partner Member in 2007 while managing its first PoS. In 2015, he became Chairman of *Intermarché* and *Netto* and was elected President of SLM in January 2023.



**Christophe Bantquin**

*President of ITME*

As part of his third-time duties, he is a Partner Member at the Board of Directors of the Société Les Mousquetaires, holding company of the Groupement Mousquetaires. As Partner Member of the SLM board, he represents the Partner Members of the *Centre-Ouest* Region. Member since 1999, he manages with his wife Estelle four points of sale all located in Charente-Maritime.



**Lionel Peluhet**

*SLM Board Member*

Lionel Peluhet is a member of the SLM Board. He began his journey with the Group as an employee in the position of Secretary General of ITM *Sud-Ouest*. In 2002, he applied to become a Mousquetaires Partner Member. After completing his training, he took over the *Intermarché* in Glandon (87). Since then, he has also acquired three other locations located in Saint-Yrieix (87), Sauviat-sur-Vige (87), and Le Cendre (63).



**Ali Khosrovi**

*ITME Chief Executive Officer*

Ali graduated from Agro Paris-Tech and was successively CEO of *Immochan France* from 2014 to 2017 and CEO of *Auchan France* from 2017 to 2019 before joining *ITME*. In 2019 he was appointed *Immo Mousquetaires* CEO and in February 2023 CEO of *ITME*.

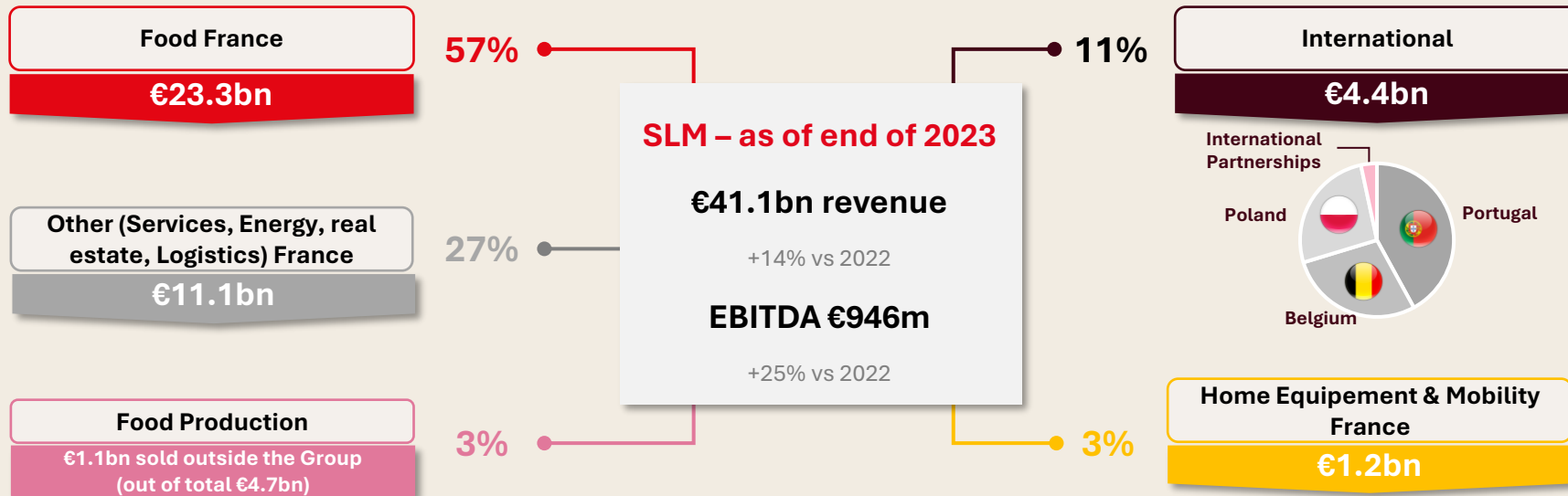
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# Business Description

## CONSOLIDATED KEY FINANCIAL HIGHLIGHTS - SLM'S LEVEL

Consolidated figures at SLM's level represents the Upstream activity i.e. in charge of own food private labels production, supply, logistics, etc.

SLM's 27,000 employees also support the downstream points of sales with all support functions



# FOOD: 3 BRANDS AND 6 DOWNSTREAM POINTS OF SALE FORMATS TO COVER ALL CONSUMER NEEDS

- ✓ **Intermarché** is the historical brand of the *Groupement Mousquetaires*, with 2,671 PoS in Europe in 4 markets (France, Portugal, Poland and Belgium)
- ✓ **Local brands** that offer 4 varieties of format adapted to consumers' expectations: **Hyper, Super, Contact and Express**
- ✓ The **Netto** brand with more than 380 PoS completes this offer with a **concept based on: unbeatable prices, fresh available at discount prices and destocking**

**Intermarché**  
HYPER



From 2,500 to 6,000 m<sup>2</sup>

PoS\*

128

Hyper-choice with a strong food focus

**Intermarché**  
SUPER



From 1,200 to 3,500 m<sup>2</sup>

1,426

611

The offer

**Intermarché**  
contact



From 500 to 1,200 m<sup>2</sup>

293

Suburban and rural proximity

**Intermarché**  
EXPRESS



From 300 to 1,200 m<sup>2</sup>

213

Services and urban proximity

**Netto**



850 m<sup>2</sup> in average

383

Price

les  
comptoirs  
de la  
bio



61


Specialized in organic products

# DIGITAL/DRIVE AND E-COMMERCE



PoS\*



  
Focus on

New shopping experience which is **faster, easier** and more **efficient**



- ✓ **Drive allows customers to place an order online or via the digital application and to collect it then from the store**
- ✓ **24/24 shopping** allowing customers to collect their groceries in 24/24 secure access lockers
- ✓ **Home delivery service** offering delivery services to clients to the **place of their choice** and at the **time of their choice**

## HOME EQUIPMENT: FOUR COMPLEMENTARY BRANDS

**BRICOMARCHÉ**  
MAISON - JARDIN

**bricorama**

**BRICO  
CASH**  
le moins à de prix bar

**TRIDÔME**  
BRICO - MAISON - JARDIN

**BRICOMARCHÉ**  
MAISON - JARDIN  
**bricorama**

Number of  
PoS\*

**743**

(o/w 472 in France, 212 in Poland and 59 in Portugal)

**117**

(in France)

**49**

(in France)

**13**

(in France)

Area

▪ From **1,000 to 5,000 m<sup>2</sup>**

▪ **2** formats: urban and big areas

▪ **2,000 / 3,000 m<sup>2</sup>** in warehouses format

▪ **64 000 m<sup>2</sup>**

Concept

- Large **low cost** and **private labels choice** to offer the best value for money to clients
- **Local stores:** biggest network in France & digital services

- Local urban stores, **complete offer** and digital services
- **Complementary network to Bricomarché and Brico Cash** and complementary offer

- **Warehouse stores** with large quantity and low cost products mostly for professionals (artisans and handymen)
- **Digital service:** website and app, Click & Collect and delivery

- **DIY stores and garden centers in the south of France** : known respectively under the brands Tridôme Bricolage and Tridôme Jardinerie
- These points of sale have been acquired by the Group in October 2023 and **will be transformed into Bricorama or Bricomarché**

Key numbers

- More than **7,000** items from private labels
- **5** universes: DIY, materials, decorating, gardening and pet shop

- **2,500** employees

- **11,000** items
- **4** universe
- **2** PoS formats

- **600** employees
- **10** DIY & 3 garden centers

**14.5% cumulated market share in September 2024 \*\***



# MOBILITY: A COMPLETE OFFER FOR CUSTOMERS



Number of  
car centers\*

156

(119 in France et 37 in Portugal)

158

(158 independents including 89  
integrated in Roady)

Concept

- Innovative offer that combines **workshops and sale spaces**, a first in the sector, combined with digital and e-commerce tools
- Teams of specialists able to perform more than 100 interventions

- Numerous services offered and **rapid intervention** from our agents

Key numbers

- **N°3** car center in France
- **700,000** vehicles checked at Roady each year
- Workshop space of more than **300 m<sup>2</sup>**

- **N°4** specialists in the repair and replacement of automotive glazing
- **99%** customer satisfaction



# INTERNATIONAL ACTIVITIES

## Europe



Portugal



Poland



Belgium



Export business

Number of  
PoS\*

Inter**Marché** **Roady** **BRICO** **MARCHE**

363

Inter**Marché** **BRICO** **MARCHE**

397

Inter**Marché**

159

Priorities

- Organic growth with focus on home equipment and mobility
- Use the Porsi brand as a pillar
- Reinforce price positioning

- Increase commercial effort
- Reaching critical size with new PoS
- Optimize PoS productivity
- Decrease logistic costs

- Acquisition of the 86 Mestdagh PoS in early 2023
- Doubling market share; ITM becomes a major player in Wallonia

17 partnerships with other brands

Main modes of intervention:

- Export via wholesalers
- Sales to distributors through simple supply contracts
- Export of concepts, products, and expertise through brand partnerships

# REAL ESTATE SUBSIDIARY – IMMO MOUSQUETAIRES



**Integrated real estate company of the Groupement**, manages the expansion of the Group's brands and its entire real estate portfolio. It offers comprehensive commercial planning solutions to local and regional authorities.



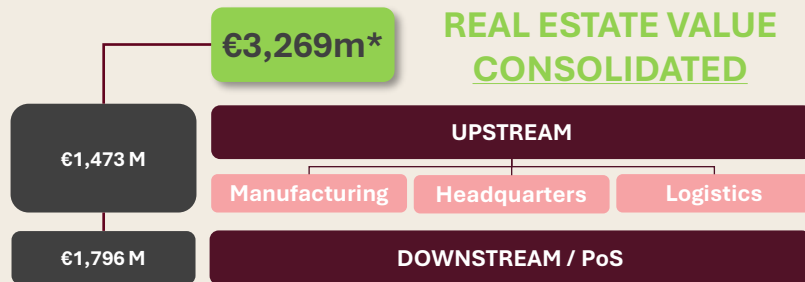
## A real estate branch assisting the group

- Construction, renovation and expansion of the group's sites: points of sale, production units and logistic bases
- Complete control of the value chain: development, construction, marketing and management of portfolio sites



## Innovative and responsible projects

- Intervention in partnership with local actors
- Integration of commercial, tertiary and/or residential functions according to local needs
- A sustainable approach with sustainable projects, part of a strategy of revitalizing the territory and creating value
- Around a hundred projects in progress



### UNCONSOLIDATED

€2,498m\*\* real estate value from two unconsolidated funds managed by the upstream

FONCIERE  
CHABRIERES

€1,145 M

FIDEMO

€1,353 M

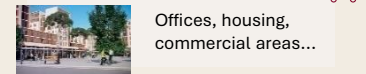
### By itself



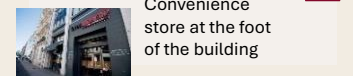
### Shopping center



### Mixed projects



### Dense urban



# FOOD PRODUCTION – AGROMOUSQUETAIRES

**€4.7bn** Revenue in 2023

**€1.1bn** 2023 Revenue Share out of the Group

**56** Integrated production units

**12,000** Employees

**15,000** Partnerships (farmer partners)

**€1.6bn** French agricultural raw materials purchased

- ✓ **Top private labels manufacturer in France**
- ✓ **5<sup>th</sup> French agri-food actor in 2022** (RIA ranking)
- ✓ **A "farm to fork" approach** in partnership with many stakeholders (associations, researchers, industrialists, etc.)
- ✓ **Ambition to become the leading player in sustainable production and feeding practices**

## A hinge around 6 pillars

 <b>Beef</b> <b>2,026 employees</b> <b>6 sites*</b> <b>€1.14bn</b>	 <b>Pork</b> <b>2,384 employees</b> <b>9 sites*</b> <b>€1.23bn</b>	 <b>Sea</b> <b>1,445 employees</b> <b>6 sites*</b> <b>€509m</b>
 <b>Flavors</b> <b>Milk / Wines / Alcohol-free drinks</b> <b>1,144 employees</b> <b>13 sites*</b> <b>€877m</b>	 <b>Plant Based</b> <b>Cereals</b> <b>1,975 employees</b> <b>13 sites*</b> <b>€694m</b>	 <b>Circular</b> <b>Non-food</b> <b>518 employees</b> <b>9 sites*</b> <b>€324m</b>

## Strong private labels

### 100% Made In France brands



- ✓ **One goal: ensure the independence of supply for Groupe Mousquetaires by integrating its own production plants**
- ✓ **A unique model that emphasizes its difference through the "Producers & Retailers" posture and that allows to bring differentiation and consumer benefits**

# LOGISTICS AND PARTNER MEMBERS SERVICES

” The *GroupeMENT Mousquetaires* has made a crucial choice: controlling its entire supply chain. With one ambition: providing optimal services at lower cost to its thousands of PoS

LOGISTICS

2 subsidiaries dedicated to specific needs

**ITM LAI\* dedicated to food:**

- Food supply from international, national and local suppliers
- Inventory Management
- Routing of products to points of sale (*Intermarché* and *Netto*)

**ITM LEMI\* dedicated to non-food:**

- Delivery of *Bricomarché*, *Brico Cash*, *Bricorama* and *Roady PoS*

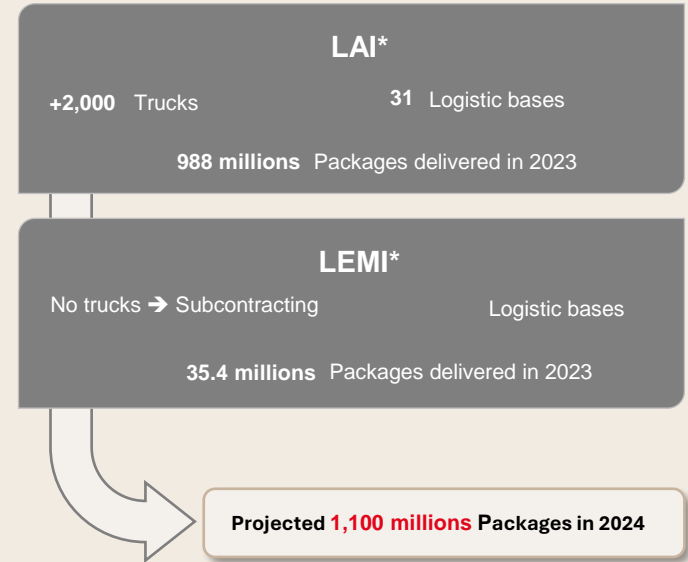
Controlled issues

- In order to respond to the changes in the logistics and business of current and future PoS and to develop its competitiveness, the *GroupeMENT* has committed to a “**Logistics Transformation Plan**” that involves the **modernization of its warehouse network**, created more than 50 years ago

SERVICES

Integrated business

- **Internal integration of different business areas** allowing the Group’s members to focus on managing and developing their point of sale



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# Market Evolution and Positioning

# OVERVIEW OF THE FRENCH FOOD RETAIL MARKET

## Key Numbers 2023



~€170bn of revenue



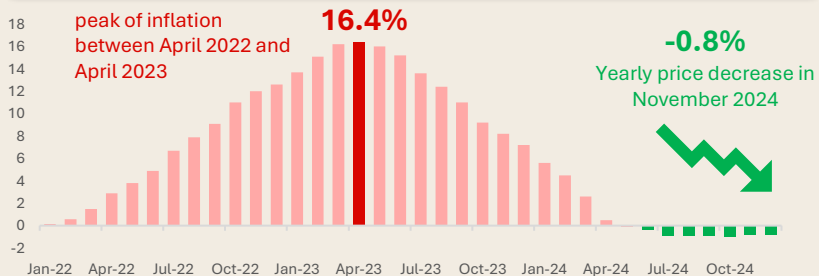
4 French Leaders amongst the world top 20



30,000 branded food Point of Sales

Sources : INSEE 2020, Nielsen/Q 2023

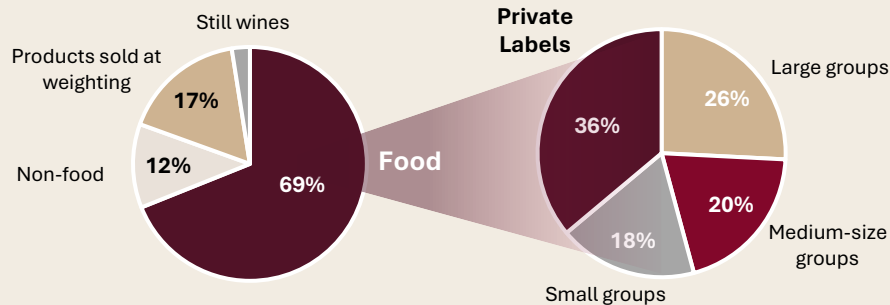
## Pricing normalisation following historical levels of inflation



Source : Circana November 2024, Kantar and INSEE 2023

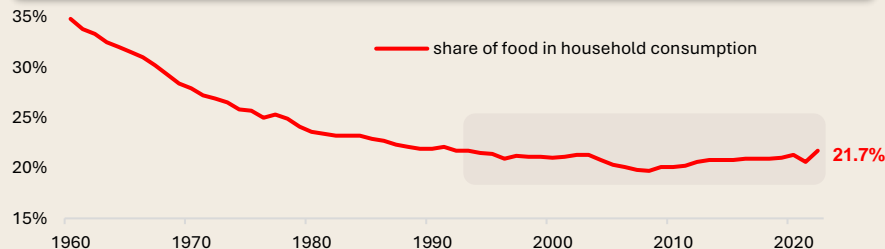
## Private labels take the lion's share in customers' food spending

% market share in November 2024



Source : Circana, November 2024

## Stable food expenditures in French people's budget

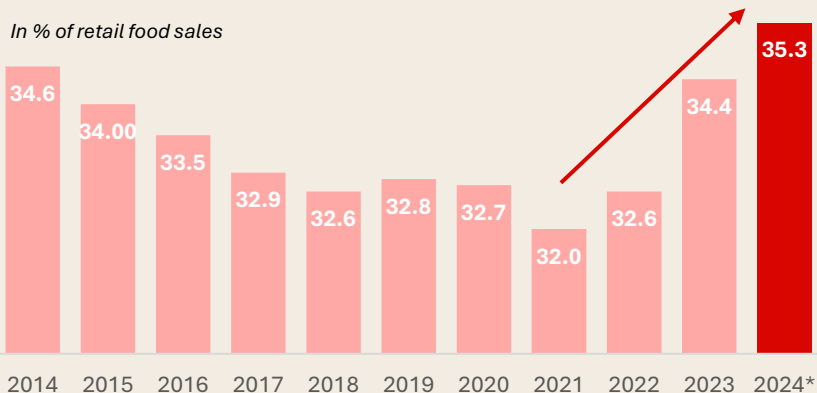


Source : INSEE 2022

# MAIN DYNAMICS

## Increased share of private label products consumption

In % of retail food sales



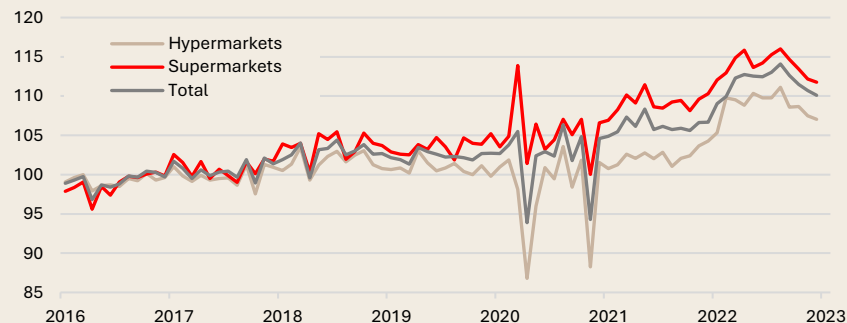
\*As of October 2024

- Consumption of private label products has recently increased in response to the significant price increase since 2022
- Private labels benefit from a better pricing positioning than other industrial brands

Sources : Olivier Dauvers 2023 and 2024

## Supermarkets are the main driver of market's dynamic

### FOOD SUPERSTORES REVENUE EVOLUTION BY STORE TYPE



Source : INSEE 2023, Dec-2015 as base 100

## Concentration move on the French food retail market

**4 Retailers**  
having +75% of  
market share

a **food market** whose  
volumes have not  
grown for 10 years

**Pressure on sales prices**  
leading to a race  
for critical mass

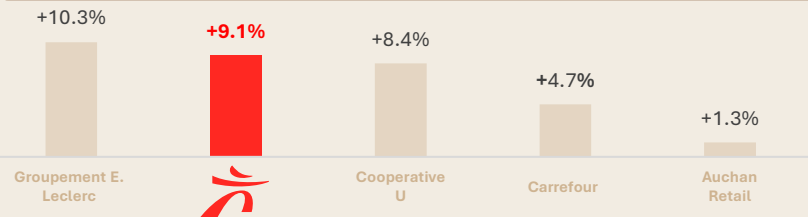
to **keep growing**, the Group must take market shares  
from its competitors



# POSITIONING OF ITM AMONG ITS COMPETITORS HIGHLIGHTED BY ITS COMPETITIVE EDGE

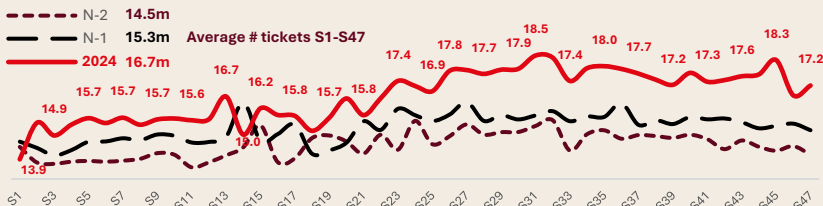
## Continued growth by retail major players

### 2023 FOOD SALES GROWTH – FRANCE (EXCL. FUEL)



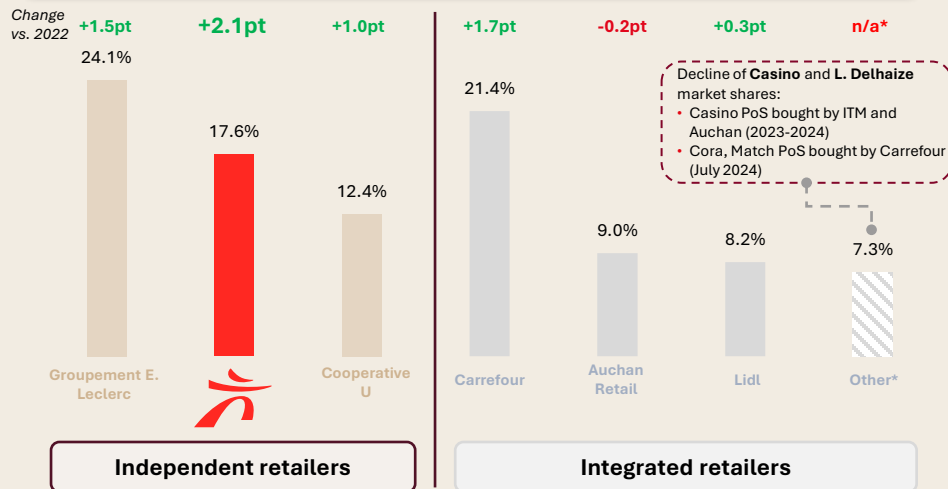
Source: ITM

### INCREASED ITM POS TRAFFIC - MILLIONS OF TICKET



**Strong 2024 performance** thanks to a **unique business model** offering attractive price and allowing to **maintain high in store traffic** level and a limited exposure to hypermarkets (12%). This also takes into account the change in perimeter linked to acquisition of new stores.

## Market share of the main food players in France (as of 3 Nov 2024)



Decline of **Casino** and **L. Delhaize** market shares:  
 • Casino PoS bought by ITM and Auchan (2023-2024)  
 • Cora, Match PoS bought by Carrefour (July 2024)

### Independent retailers

### Integrated retailers

In the past few years, **independent food retailers gained market shares** versus integrated retailers. In 2023, for the first time, **independent retailers reached +50% of the total market.**

Source : Kantar 2024

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# Strategy Overview

# GROUP'S STRATEGY

« *Les Mousquetaires* »  
becomes



New identity asserting the strength of model :

**Producer & Retailer with strong geographical presence**

**Indisputable actor in France &  
Strong dynamic in every other *Les Mousquetaires* countries**

## Discount

- Store management by Partner Members
- Controlling upstream costs
- Controlling CAPEX
- Purchasing alliances

## Growth



- Sales performance: revenue/m<sup>2</sup>
- Organic Growth: reinforce leading position
- Acquisition / Franchise
- Controlling indebtedness

## Human dynamics




- Through diligence and kindness
- Each Partner Member is involved at part-time
- Via competent, valued and committed employees

# CONSOLIDATE ITS LEADING POSITION WITH A CRITICAL SIZE AND AN ENHANCED PRODUCT OFFER

## Strengthen its pricing power and position as a “discounter”

- **Reinforce the pricing position of the group:** optimize upstream costs to increase downstream competitiveness and reinforce discount positioning
- **Implement a new pricing tool** to manage tariff ranges from 2024 onwards
- Continue to pursue **strict cost policy**. Costs reduction of €160m expected in 2024 following €100m in 2023
- **Build strategic partnerships and alliances** to gain bargaining power with suppliers

## Enhance the product offer

- **Renew the product ranges** of our subsidiaries by at least 25%
- 
- Remain competitive with **products that best meet customer expectations**
  - **Reinforce local footprint** by proposing regional products
  - Continue to **develop private labels**

## Reach a critical size

- **Make ITM unbreakable in the context of increasing price pressure**
- With PoS creation being more and more challenging, **several acquisitions** were targeted in the past few years:



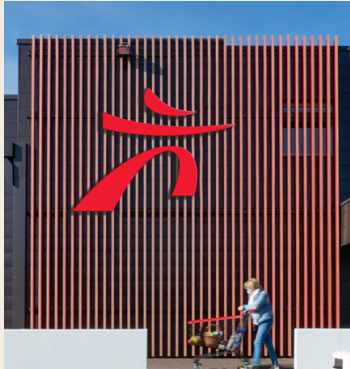
- Ensure the **successful deployment of the PoS acquired**
- Become an indisputable actor, with **20% market share by 2027**

## Develop digital to increase market reach

- **Digitalize** internal tools, through centralized, managed, high-quality product data
- **Strengthen e-commerce**
- **Develop and reinforce** new distribution methods
  - Click & Collect
  - Marketplace
  - Drive

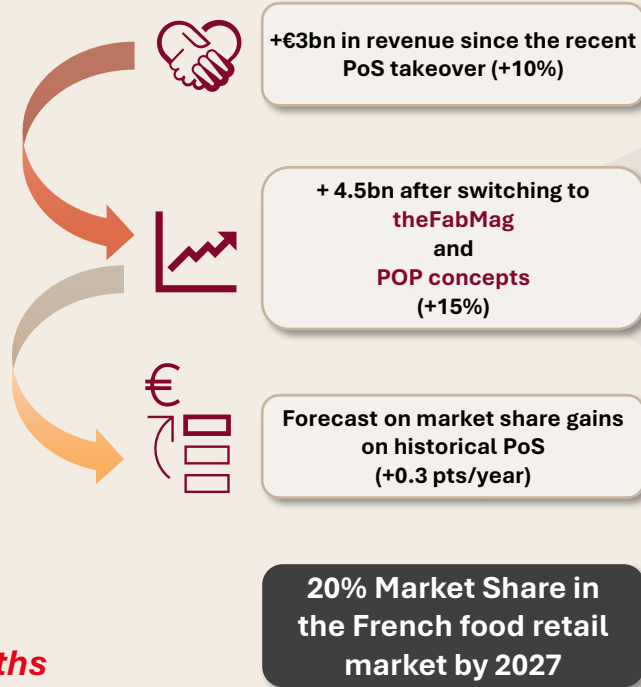
# ITM AMBITIONS TO BECOME AN INDISPUTABLE ACTOR IN FRANCE

**2024**  
1 PoS every 17 Km



**2025**  
1 PoS every 10 Km

*15 years of development in 10 months*



**theFabMag** this new concept promotes better eating habits in order to fit with customers' new eating expectations. At this stage, **655 InterMarché PoS** are already integrated to the concept



**PoP concept** stands for "Pricing, Optimism and Pleasure". This concept enables a reinforcing on discount. At this stage, **200 Netto PoS** are already integrated to the POP concept.

# ITM, A RESPONSIBLE COMPANY WITH A PRODUCER/RETAILER UNIQUE BUSINESS MODEL

## Be a responsible local actor

Roadmap on circular economy : 3R, anti-waste, water, carbon, biodiversity

Roadmap on local social & economic development

**82% of our private labels and own productions are manufactured in France, one third by Agromousquetaires**

## Build a strong and responsible relation with our clients

Launch of certification “Responsible Retailer” (*Commerçant Responsable*) with an objective of all PoS committed to this approach by 2025.

Deployment of the duty of vigilance plan on supply areas at risk

## Pay constant attention to employees

Roadmap on health, security & well-being

Roadmap on Employability, mobility & diversity



### Climat

Carbon neutral by 2050  
Decarbonation (SBTI), water and biodiversity



### Energy transition

Reduction, production and purchasing



### Food Transition

Sustainable French agriculture & healthy food



### Circular Economy

Waste reduction, collection, recovery and reuse



### Responsible Retailers

PoS valorization certification



### Responsible Digital

PING  
For a new generation IT



### Work evolution

Quality of life at work, attractiveness and loyalty

# SUSTAINABLE DEVELOPMENT STRATEGY

3 PILLARS

## Our Clients

### Quality & Security

100% of healthy, safe and qualitative private label products sold in responsible PoS

'Due diligence' plan on supply risk areas since 2018

### Environment

From 2020, sustainable commitments from all subsidiaries:

- for a positive forest impact
- to protect the sea

Launch of the *Commerçant Responsable* label with an objective of 500 PoS labelled at end of 2025

## Our Employees

### Health

Improving working quality

Health, Safety and Well-being Plan

### Training & Career

Develop employees and optimize their employability by developing their skills and offering them opportunities for change

Employability, mobility and diversity Plan

## Our Territories

### Establishment, Development & Solidarity

Optimize energy consumption

Reduce the environmental impact of logistics and Agro flows

Subscribe to the principles of the circular economy

Achieve zero waste

Preserve local employment

Local socio-economic development plan

Circular Economy Plan

SOCIETAL  
TRANSITION

Since 2022, the Group has been engaged in priority battles to achieve its societal transition:

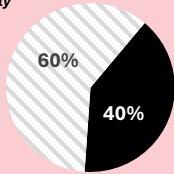
- **Energy transition** of all its sites
- **Agricultural transition** by strengthening its partnership with French agriculture
- **Circular economy plan** to limit resource uses and reuse those that are recoverable
- **Social transition** about the evolution of work
- **Low Carbon** Mousquetaires Strategy

# LOW CARBON STRATEGY

## Carbon footprint

*Les Mousquetaires* emission responsibilities  
2021, in %

**Indirect responsibility**  
Ability to influence  
(suppliers, carriers,  
customers)



**Direct responsibility**  
Groupement

### Indirect responsibility

Liability of the Group for other broadcasts related to Upstream and Downstream activities, which are not to be borne by the Group although the latter has a capacity of influence to reduce them significantly from its choices

### Direct responsibility

emissions that are specific to its activities including Agrom (about 40% of its emissions)

## Target to reduce its carbon footprint

### Guidelines

- Prioritize work on direct impact
- Set an ambitious course by aligning with European & national commitments (Greendal and Fit to 55)
- Choose a **base year** for which our data are available: 2023

### Roadmap

Ongoing revision based on the SBTi in 2024-2025 for a...

...targeted trajectory

**2030-2035**

to reach...

to reach **carbon neutrality** in

**2050**

80% of our carbon footprint is generated by purchasing and upstream

## European Greendal 2025 - 2030

**Climat project**

**CSRD project**

**3 projects**  
linked with the Greendal

**Due Diligence plan**

### 5 Challenges

- **Regulatory**
- **Economic** (energy prices)
- **Image, attractiveness and financing**
- **Competitive**
- **Corporate & Social Responsibility**

### 3 Pillars

- **Reduce** carbon footprint
- **Managing** water use
- **Reducing** our footprint on biodiversity



5

# Acquisition of the ex- Casino stores

# OVERVIEW OF THE GLOBAL ACQUISITION OF 294\* STORES



There is no real estate component in the Casino transaction, most of PoS being owned by external lessors, not by the Casino Group. Only a limited number of PoS real estate properties were acquired, when the lessor wished to sell.

EXECUTION

## 1<sup>st</sup> Wave

signing for the acquisition of **61 casino stores**

Completed in September 2023

## 2<sup>nd</sup> Wave

call option for a second group of **69 points of sales**

Completed in September 2024

## 3<sup>rd</sup> Wave

In January 2024, ITM together with Auchan Retail, signed an agreement to acquire Casino stores:

ITM to acquire **164 stores**, 15 hypermarkets and 149 supermarkets

This agreement also includes a powerful purchasing alliance with Auchan

May - September 2023

2024

FUNDING

### USES

Purchase price and related costs  
€600m

### SOURCES

RCF financing  
€600m  
signed in  
September  
2023

### USES

Purchase price and related costs  
€1,340m

### SOURCES

Bridge financing  
€1,100m  
(Put in place in  
2024)

Cash €240m

Partly repaid with ITM's  
**5-YEAR INAUGURAL  
€300M BOND**

**JULY 2024**

New bond to continue to repay the bridge

---

# RATIONALE

1

High quality assets

- **Increasing geographic diversification into areas with high purchasing powers**, especially city centers (i.e. Paris, Lyon, Marseille)
- Limited exposure to hypermarkets, and therefore discretionary products
- Bottom-up strategy in which independents selected assets beforehand – strong interest with 99% of PoS selected by independents

2

Strengthening of the group dominant position

- The objective of the deal was to reach a critical size to become an unbreakable actor of the discount market
- Post transaction, ITM targets to reach a **20% market share by 2027**
- **Pursue network densification, targeting one PoS every 10 km by 2025, vs. 17 km today**
- Existing difficulties in opening new sales outlets in France (scarcity of land and difficulty in obtaining administrative authorizations)

3

Strong purchasing power with Auchan

- **#1 purchasing alliance in France thanks to the partnership with Auchan**, increasing ability to negotiate prices
- **The purchasing structure was created in September in collaboration with Auchan and Casino, together the three members account for approximately 30% of the market share in France.**

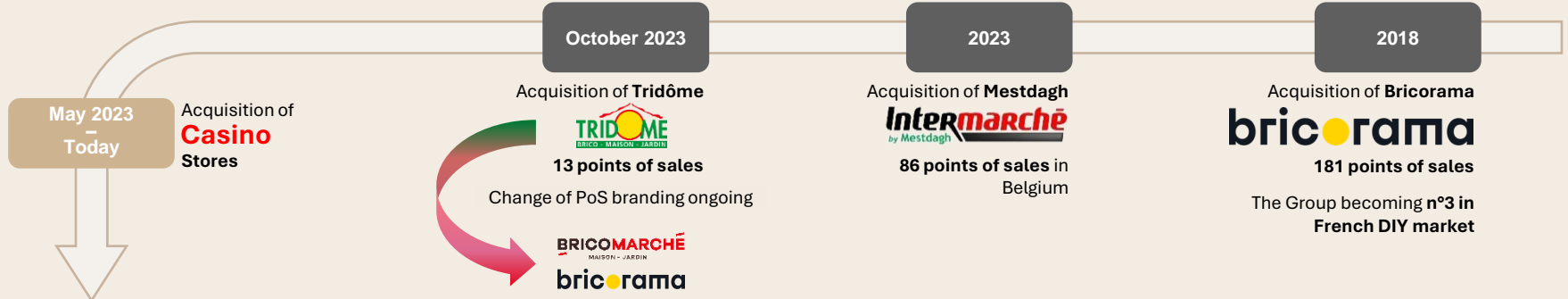
4

Clear commitment on a 2.5x leverage ratio in the near term

- ITM will hold the assets for a limited period of time before transferring them to independents
- **Temporary deviation in leverage as a result of this opportunistic transaction**, quick deleveraging expected reaching 2.5x in 2025 and below 2.5x from 2026 onwards, and a **clear commitment of SLM and the Partner Members on its leverage ratio level**
- Solid track record of ITM to integrate acquisitions, as demonstrated with the first batch and successful positive returns in a short-term period



# ITM HAS A HISTORY OF SUCCESSFUL TURNAROUND OF POINTS OF SALES, ENABLING TO INCREASE ITS MARKET SHARE



## Focus on the first batch

**ITM strategy after acquisition**



Average price decrease of 15%

**Resulting in**

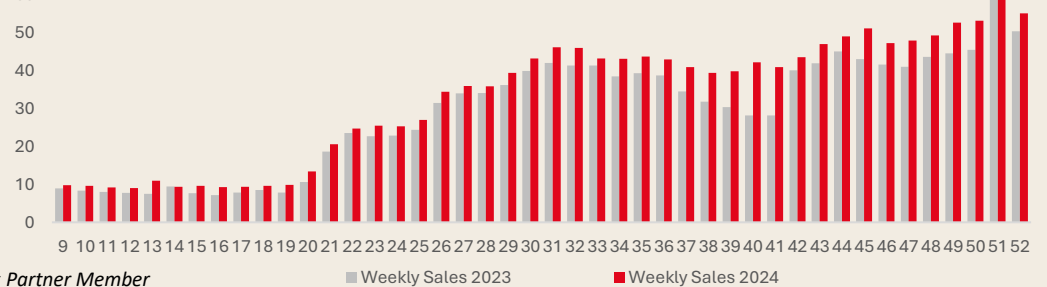
**+13.6%** YoY increase in sales aggregating all batches

**€1,529m** downstream turnover 2024

**Despite**

Casino PoS still under carry\*

**Weekly Sales performance for all batches of acquisition (since September 2023)**  
(downstream turnover - €m)



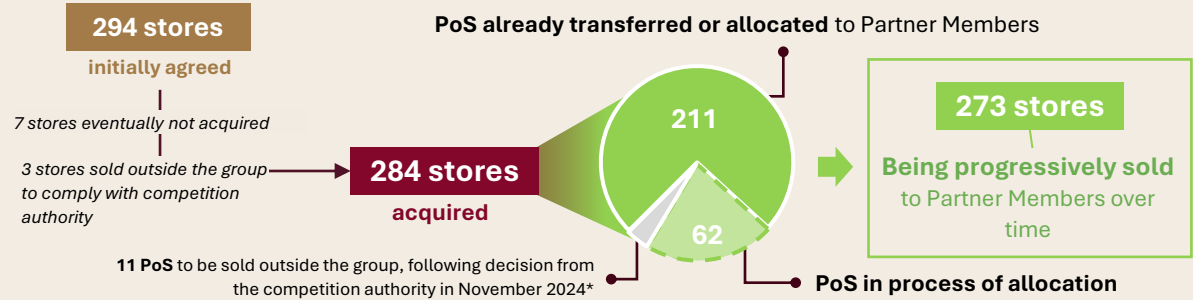
\*period during which a PoS remain held by ITM before being sold to an independent Partner Member

# DERISKING / TRACK RECORD OF INDEPENDANTS

## Allocation of the recent perimeter acquired – Situation as of 31 October 2024

The acquisition was fully completed in September 2024

ITM holds the PoS for a limited period of time before transferring to Partner Members. Given the large number of PoS to be integrated, the **typical carrying period of up to 6 months** may be slightly longer



## A clear strategy to support Partner Members post acquisition

### Operating expenses

Temporary increase to allow turnaround (margins, staff costs, transformation costs)

### Rents

Standardized rents (floor as a % of revenues)

### CAPEX

Maximum of €550 / m<sup>2</sup> for Intermarché  
€450 / m<sup>2</sup> for Netto

### Support budget

Special budget for commercial support over the first 5 years if necessary

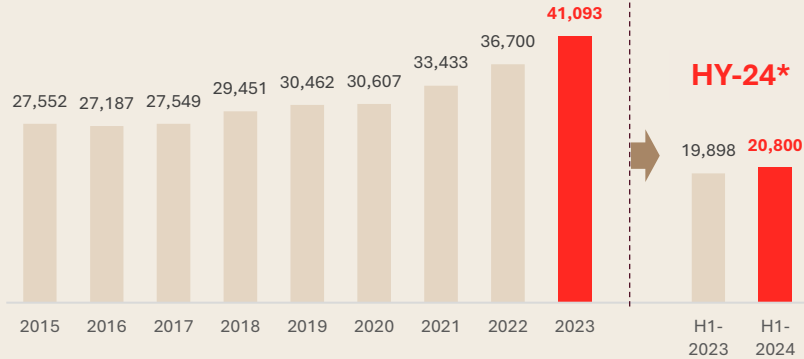
A clear strategy to give independents time and resources to achieve target topline

6

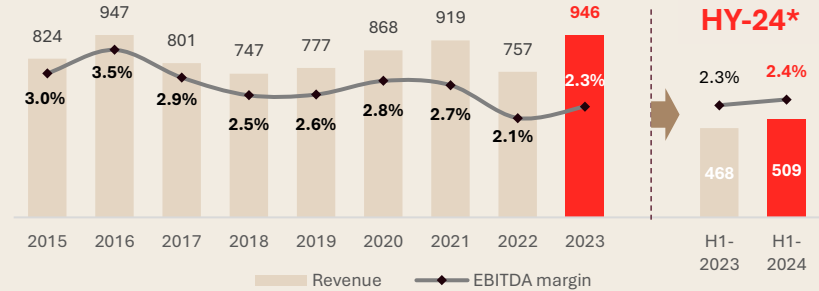
# Key Financials

# UPSTREAM - STABLE FINANCIAL PERFORMANCE OVER TIME

## Upstream – Revenue (in €M)

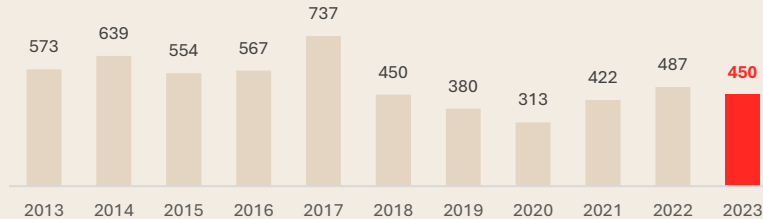


## Upstream – EBITDA (€M)

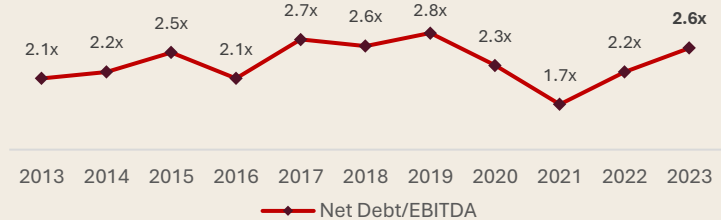


- ✓ Temporary deviation from EBITDA margin historical level due to inflationary context
- ✓ A marked improvement of EBITDA margin in FY23, confirmed in H1-24 thanks to the ability to pass through costs to prices

## Upstream – Net capex (in €M)\*\*



## Upstream – Leverage ratio





## UPSTREAM - SYNTHETIC PROFIT AND LOSS ACCOUNT

<i>in €M, as of 31/12</i>	2019	2020	2021	2022	2023
<b>Revenues</b>	<b>30 462</b>	<b>30 607</b>	<b>33 433</b>	<b>36 700</b>	<b>41 093</b>
<i>Growth (%)</i>	3.4%	0.5%	9.2%	9.8%	12.0%
<b>Margin</b>	<b>5 120</b>	<b>5 292</b>	<b>5 507</b>	<b>5 595</b>	<b>6 305</b>
<i>Revenue %</i>	16.8%	17.3%	16.5%	15.2%	15.3%
Other supplies and external expenses	(2 930)	(2 948)	(3 124)	(3 352)	(3 705)
Personnel expenses	(1 222)	(1 272)	(1 303)	(1 325)	(1 491)
Taxes	(191)	(203)	(162)	(161)	(163)
<b>EBITDA</b>	<b>777</b>	<b>868</b>	<b>919</b>	<b>757</b>	<b>946</b>
<i>Revenue %</i>	2.6%	2.8%	2.7%	2.1%	2.3%
D&A	(334)	(400)	(383)	(458)	(486)
<b>EBIT</b>	<b>443</b>	<b>468</b>	<b>536</b>	<b>299</b>	<b>460</b>
<i>Revenue %</i>	1.5%	1.5%	1.6%	0.8%	1.1%
<b>Financial result</b>	<b>(111)</b>	<b>(98)</b>	<b>(55)</b>	<b>(88)</b>	<b>(170)</b>
<b>Extraordinary items</b>	<b>(85)</b>	<b>(164)</b>	<b>(232)</b>	<b>(41)</b>	<b>(25)</b>
<b>Tax expenses</b>	<b>(113)</b>	<b>(88)</b>	<b>(131)</b>	<b>(43)</b>	<b>(81)</b>
<b>Goodwill amortization</b>	<b>(45)</b>	<b>(58)</b>	<b>(53)</b>	<b>(73)</b>	<b>(101)</b>
<b>Share of profits of associates</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>5</b>
<b>Net result</b>	<b>93</b>	<b>65</b>	<b>67</b>	<b>58</b>	<b>90</b>
<b>Attributable to minority interests</b>	<b>9</b>	<b>6</b>	<b>1</b>	<b>3</b>	<b>13</b>

### Key elements of the 2023 financial year

- ✓ Revenue (excl. Fuel) grew by 12.0% in 2023, driven by food inflation.
- ✓ The EBITDA margin increase to 2.3% in 2023 reflects the pass-through of purchase and operating costs into consumer sales prices.
- ✓ The higher financial costs in 2023 are driven by the additional debt being raised to finance new acquisitions.
- ✓ Non-recurring expenses are limited this year in 2023 with a positive impact due to a reversal provision in relation to international partnerships on International Alliances, a reversal provision for job saving plans, and extraordinary items in real estate

## UPSTREAM - SYNTHETIC CASH FLOW STATEMENT

<i>in €M, as of 31/12</i>	2020	2021	2022	2023
<b>EBITDA</b>	<b>868</b>	<b>919</b>	<b>757</b>	<b>946</b>
Change in working capital requirements	(496)	217	(122)	(196)
Financial Result – excl. cost of debt	(8)	(11)	1	2
Non-recurring income	(95)	(171)	(25)	(14)
Capex - Net of disposals	(313)	(422)	(487)	(1 077)
<b>Operating Free Cash Flow</b>	<b>(44)</b>	<b>532</b>	<b>124</b>	<b>(340)</b>
M&A, change in perimeter	14	4	(11)	(208)
Financial Result – cost of debt	(61)	(57)	(75)	(112)
Change in current accounts	383	204	111	290
Taxes – cash effect	143	(138)	(118)	(54)
<b>Net Free Cash Flow</b>	<b>436</b>	<b>545</b>	<b>31</b>	<b>(423)</b>
Dividend and change in share capital	(31)	(40)	24	(24)
<b>Change in Net Debt</b>	<b>404</b>	<b>505</b>	<b>55</b>	<b>(447)</b>
New debt issue	1 147	87	70	739
Debt repayments	(1 450)	(665)	(268)	(423)
<b>Change in Cash</b>	<b>101</b>	<b>(74)</b>	<b>(143)</b>	<b>(131)</b>
Opening cash position (*)	1 331	1 433	1 361	1 216
Closing cash position (*)	1 433	1 361	1 216	1 085

### Key elements of the 2023 financial year

- ✓ **EBITDA** in 2023 recovers to an historical high level, a strong result comforting the Groupement strategic positioning
- ✓ **Working capital**
  - ✓ The working capital requirement increased by €196m in 2023, mainly due to inflation in the Food, Agro and Energy branches and the integration of Mestdagh in Belgium.
  - ✓ In 2022, increase in Working Capital was mainly due to inflation in the Food, Agro, Home and Energy branches
- ✓ **Net Capex** amounted to €450m in 2023, including €198m in real estate sales. Investments are mainly dedicated: the Logistics Transformation Plan, the digital transformation, to the Agri-Food pole and to the real estate
- ✓ As a result of the rising M&A activity in 2023 (Mestdagh & Tridôme and Casino 1<sup>st</sup> wave of acquisitions), net debt amounts to €2,445m.

# A STEADY FINANCIAL POSITION

Debt position as of 30/06/2024

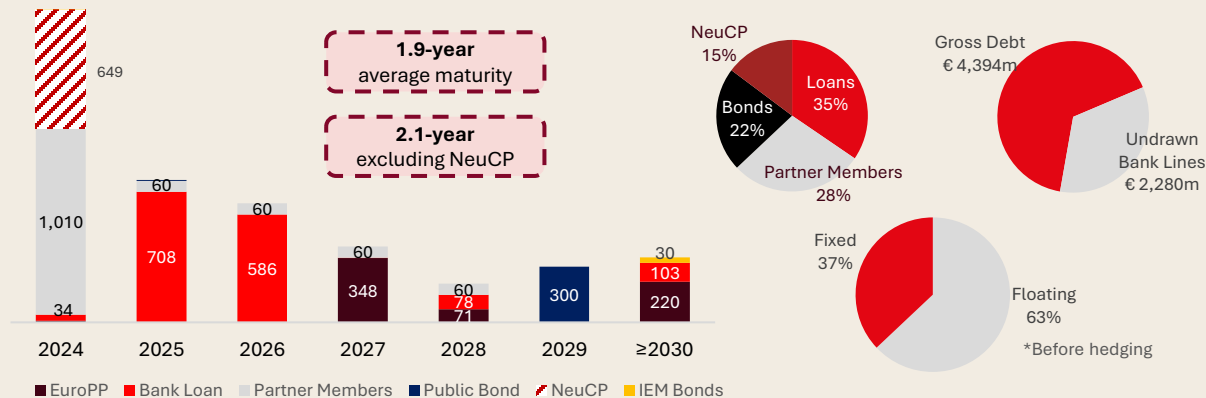
Gross Debt  
€4,949m

Sources of liquidity  
€3,239m

Cash available  
€1,419m

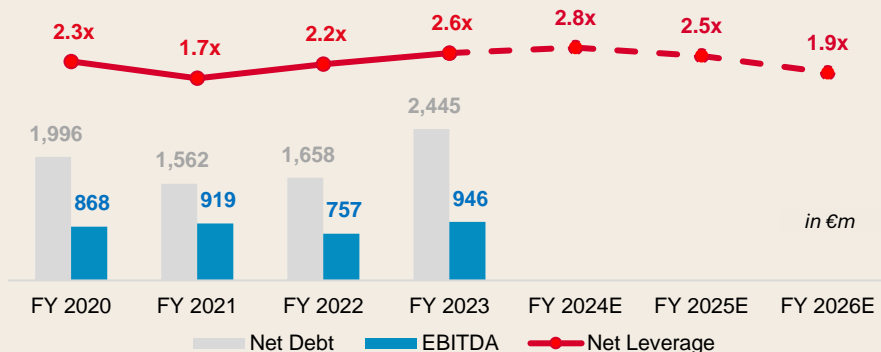
Undrawn committed  
bank lines  
€1,820m

Group's main debts schedule as of 31/10/2024\* (in €M)



- ✓ **Undrawn RCFs amount to €2,280m**, notably used as backup for the NeuCPs, which are 100% liquidity-covered and renewed on a rolling basis.
- ✓ **Financing coming from Partner Members** « GIE ITM\*\* » represents €1,010m with short term maturities and €240m medium to long term maturities.
- ✓ **€300m bond issued in July 2024** maturing in July 2029, used to partly refinance Bridge Facility

# A CLEAR FINANCIAL POLICY



## Leverage target

- Target leverage below 2.5x
- Temporary increase due to M&A but willingness to reduce net leverage in the short term

## Liquidity analysis

- Comfortable cash position at €1bn as of Dec. 2023 (€1.4bn as of Jun. 2024\*)
- Total undrawn committed bank lines of €1,940m as of Dec. 2023 (€2,280m as of Oct. 2024\*, €1,820m as of Jun. 2024\*)
- No large debt maturity upcoming

## Governance

- Balanced relationships with independents
- Common objective on leverage ratio level
- Visibility on SLM margins

## Key elements of Business Plan

- ✓ EBITDA margin is expected at 2.5% over the BP period in line with historical levels
- ✓ Net Debt calculations include Partner Member debt (€914m as of Dec. 2023).
- ✓ FY 2024 and FY 2025 include the full impact of costs related to the ex-Casino PoS acquisition. The disposals of certain real estate assets have been delayed from 2024 to early 2025.
- ✓ The Mousquetaires Group targets a strong deleveraging, initiated in 2024, and continuing through in 2025 and 2026
  - Disposals of real estate assets in Europe (€230m+ cash from disposals of Portugal assets already closed in December 2024)
  - Disposals of points of sale to Partner Members;
  - A solid Operational cash flow generation c.€400m in 2024 & 2025;
  - Optimising of the CAPEX (*the amount of gross capex on the 1H2024 was approximately 20% lower than that for 1H2023*);
  - Logistics transformation plan gradually coming to an end;

### Net Capex includes :

In €m	FY 2024	FY 2025	FY 2026	FY 2027
Gross CAPEX	-472	-440	-432	-384
Disposals	+352*	+389	+100	+89

\* incl. disposals in Portugal announced in January 2025

\* Unaudited

# RATING SUMMARY ITM ENTREPRISES – S&P Global Ratings

The publication of a rating demonstrates a clear commitment to transparency from the management

**S&P Global**  
Ratings

**BBB-**  
Negative Outlook

ITM standalone  
rating

ITM bond rating

Negative outlook

*S&P rating notes dated 18 November 2024*

- *“Our rating on ITME is intrinsically linked to the operating performance and financial strength of SLM and its unconsolidated independent retail members”*
  - *“This rating is underpinned by the group’s efficient business model, which has enabled it to consistently gain market share over the past few years.”*
  - *“The groupement is well positioned in the French grocery market. The groupement benefits from a store footprint largely composed of moderate-sized supermarkets (hypermarkets account for only 13% of sales), located near large consumer groups predominantly focused on food.”*
  - *“...the independent model has an incentive structure that enables greater price competition... The attractive prices generate high traffic, allowing the group to maximize volumes while enhancing SLM’s strong bargaining power with suppliers. In the context of soft volumes, the group can preserve its volumes and market position”*
- 
- *“We think SLM’s largely debt-funded acquisition of the 294 stores from Casino, which will be transferred to group members, presents significant execution risks since they were underinvested until now...”*
  - *“...However, we acknowledge the conversion of previously acquired stores has so far been successful”*

## RATING SUMMARY ITM ENTREPRISES – EthiFinance Ratings

EthiFinance  
Ratings

**BBB**  
Outlook Stable

ITM corporate  
rating

ITM bond rating

### EthiFinance Rating notes - January 2025

- *“The rating is underpinned by the **resilient nature of demand for food & grocery products** - which correspond to basic needs”*
- *“**Consumption habits have shifted towards promotional products and private-label products. In particular, sales of private-label products have strongly increased**”*
- *“**A solid positioning in the food retail sector in France** which is expected to improve following the acquisition of Casino stores*
- *“We consider that the group has **a good diversification profile**, sustained by its various activities and stores’ format”*
- *“We consider that the **group’s management has a good track record**. In 2023, it demonstrated its capacity to pass on to consumers higher costs in the form of price increases without losing market share. Moreover, **SLM’s operating model, with associates in charge of running local stores, is in our view efficient in terms of cost management and rewards/incentives**”*
- *“Based on latest figures available, we assess the ESG’s score of SLM as ‘Neutral’”*

7

# Key Investment Highlights and Head of Terms

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## KEY INVESTMENT HIGHLIGHTS

1

#3 food retail player in France, continuously conquering market shares – 17.6% market share in the French food market

2

Unique and successful integrated business model with independent format allowing more flexibility, and a good balance relationship with partner members thanks to common interests

3

Good price positioning supported by a strong bargaining power, particularly through powerful purchasing alliances

4

Large store footprint, mainly composed of supermarket formats, with limited exposure to non-food segment

5

Track record of integration with successful turnaround in M&A transaction

6

Clear management commitment on 2.5x leverage ratio in the near term, aligning with an IG rating



**Thank you for  
your attention**



**GROUPEMENT  
Mousquetaires**