2022 HALF-YEAR FINANCIAL REPORT

Contents

The English version of the Half-year Financial Report is a free translation from the original which was prepared in French. The original French version of the document prevails over this translation.

1. Business review and consolidated income analysis

1.1 Main income statement indicators

Argentina is classified as a hyperinflationary economy within the meaning of IFRS. IAS 29 – *Financial Reporting in Hyperinflationary Economies* is therefore applicable to the condensed consolidated half-year financial statements as of June 30, 2022; data for the comparative period presented have also been adjusted for inflation.

At June 30, 2022, comparative data for the first half of 2021 have been restated (indicated as "first-half 2021 restated" below) in the consolidated financial statements to reflect the decision by the IFRS Interpretations Committee (IFRS IC) published in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements (see Note 4.2 to the condensed consolidated half-year financial statements as of June 30, 2022).

(in millions of euros)	**First-half 2022**	**First-half 2021 restated**	**% change**	**% change at constant exchange rates**
Net sales	**39,054**	**34,462**	**13.3%**	**10.3%**
Gross margin from recurring operations	**7,824**	**7,365**	**6.2%**	**3.6%**
in % of net sales	*20.0%*	*21.4%*		
Sales, general and administrative expenses, depreciation and amortisation	(7,010)	(6,625)	5.8%	3.8%
Recurring operating income	**814**	**740**	**10.0%**	**1.6%**
Recurring operating income before depreciation and amortisation	*1,987*	*1,873*	*6.1%*	*1.6%*
Recurring operating income after net income from equity-accounted companies	**826**	**730**	**13.1%**	**4.6%**
Non-recurring income and expenses, net	(85)	(70)	22.7%	21.8%
Finance costs and other financial income and expenses, net	(186)	(132)	40.3%	22.8%
Income tax expense	(202)	(186)	8.4%	4.4%
Net income/(loss) from continuing operations - Group share	**250**	**248**	**0.8%**	**(6.5)%**
Net income/(loss) from discontinued operations - Group share	5	23	(76.8)%	(76.8)%
Net income/(loss) - Group share	**255**	**271**	**(5.7)%**	**(12.4)%**
Free cash-flow[1]	**(1,177)**	**(1,398)**		
Net free cash-flow[2]	**(1,880)**	**(1,990)**		
Net debt[3]	**6,533**	**5,525**		

(1) Free cash flow corresponds to cash flow from operating activities before net finance costs and net interest related to lease commitments, after the change in working capital, less net cash from/(used in) investing activities.

(2) Net free cash flow corresponds to free cash flow after net finance costs and net lease payments.

(3) Net debt does not include lease liabilities or right-of-use assets (see Note 2.2).

Net sales amounted to 39.1 billion euros in first-half 2022, an increase of 10.3% at constant exchange rates.

Recurring operating income before depreciation and amortisation came in at 1,987 million euros, an improvement of 1.6% at constant exchange rates.

Recurring operating income increased by 1.6% at constant exchange rates, to 814 million euros.

Non-recurring operating income and expenses represented a net expense of 85 million euros, versus a net expense of 70 million euros in first-half 2021 as restated. This expense mainly corresponds to the combination of gains and losses on disposals of various assets (notably in France and Italy), revised estimates of historical risks (primarily tax risks), costs related to the acquisition of Grupo BIG in Brazil and impairment of assets (including Showroomprivé shares due to the alignment with the stock market share price at June 30, 2022).

Finance costs and other financial income and expenses represented a net expense of 186 million euros, an increase of 53 million euros from first-half 2021, reflecting a higher cost of net debt (see Note 1.2), partially offset by a higher positive impact of hyperinflation in Argentina under IAS 29.

The income tax expense for first-half 2022 amounted to 202 million euros, compared with the 186 million-euro expense recorded in first-half 2021 as restated.

The Group reported net income from continuing operations of 250 million euros, which was stable compared with the restated amount for the first-half 2021.

Net income – Group share came to 255 million euros, versus 271 million euros in first-half 2021 as restated.

Free cash flow amounted to a negative 1,177 million euros, versus a negative 1,398 million euros in first-half 2021. Net free cash flow was a negative 1,880 million euros, versus a negative 1,990 million euros in first-half 2021.

1.2 Analysis of the main income statement items

The Group's operating segments consist of the countries in which it does business, combined by region, and "Global functions", corresponding to the holding companies and other administrative, finance and marketing support entities.

Net sales by region

(in millions of euros)	**First-half 2022**	**First-half 2021**	**% change**	**% change at constant exchange rates**
France	17,910	16,889	6.0%	6.0%
Europe (excluding France)	10,636	10,158	4.7%	5.0%
Latin America	9,244	6,208	48.9%	33.2%
Asia (Taiwan)	1,263	1,208	4.6%	(3.1)%
TOTAL	**39,054**	**34,462**	**13.3%**	**10.3%**

The Carrefour group reported net sales of 39.1 billion euros in first-half 2022, up 10.3% at constant exchange rates and up 10.0% restated for the application of IAS 29.

- In France, sales increased by 6.0% up 0.7% on a like-for-like basis[1] (up 1.4% LFL in food and down 4.4% in non-food), reflecting a high basis of comparison relating to the health restrictions in place in the first half of 2021. The Group's market share increased in the first and second quarters, particularly in the hypermarket and convenience store formats.

- In Europe, excluding France, net sales increased by 5.0% at constant exchange rates and by 2.3% like-for-like compared with first-half 2021. This performance reflects growth in almost all countries. In Spain, lifted by steady market share gains, sales continued to grow during the period (up 4.1% LFL), notably with a good performance in food. In Italy (up 2.6% LFL), Carrefour confirmed its recovery with four consecutive quarters of like-for-like sales growth, driven by continuous improvement in customer satisfaction. In Belgium, sales were down 5.9% like-for-like in the first half of 2022 in an environment that remains highly competitive, still challenged by logistical difficulties that arose in the fourth quarter of 2021 due to significant disruptions experienced by an important logistics partner. In Poland (up 10.3% LFL), Carrefour confirmed its strong business momentum in a buoyant environment. In Romania (up 4.1% LFL), Carrefour posted solid growth.

- In Latin America, total sales rose by 33.2% at constant exchange rates and by 22.4% on a like-for-like basis. In Brazil, sales grew by 25.7% at constant exchange rates and 13.7% like-

[1] *Like-for-like sales generated by stores open for at least 12 months, excluding temporary store closures, at constant exchange rates, excluding petrol and calendar effects and excluding the IAS 29 impact.*

for-like, with a return to positive volumes observed during the first half of the year. Foreign exchange had a favourable effect of 22.7%. This excellent momentum reflects the ramp-up and success of sales initiatives designed to increase competitiveness. In Argentina, net sales growth was very strong, with a 67.0% increase on a like-for-like basis (pre IAS 29), particularly in food; Carrefour continued to strengthen its leadership position with continuous market share gains and increased volumes, amid high inflation.

- In Taiwan (Asia), sales fell by 3.1% at constant exchange rates (down 2.5% like-for-like), reflecting the impact of Covid-19-related store closures, compared with a strong historical performance associated with precautionary purchases in 2021.

Net sales by region – contribution to the consolidated total

(in %)	**First-half 2022[1]**	**First-half 2021**
France	47.1%	49.0%
Europe (excluding France)	28.1%	29.5%
Latin America	21.8%	18.0%
Asia (Taiwan)	3.1%	3.5%
TOTAL	**100%**	**100%**

(1) At constant exchange rates.

At constant exchange rates, the portion of sales generated outside France continued to rise, representing 52.9% in first-half 2022 versus 51.0% in first-half 2021.

Recurring operating income by region

(in millions of euros)	**First-half 2022**	**First-half 2021**	**% change**	**% change at constant exchange rates**
France	194	187	3.8%	3.8%
Europe (excluding France)	163	225	(27.8)%	(27.5)%
Latin America	444	309	43.7%	24.8%
Asia (Taiwan)	40	47	(14.8)%	(22.0)%
Global functions	(26)	(28)	(5.5)%	(0.5)%
TOTAL	**814**	**740**	**10.0%**	**1.6%**

Recurring operating income increased by 74 million euros in first-half 2022 (up 1.6% at constant exchange rates), to 814 million euros. The sales margin represented 20.0% of net sales, down 134 bps. The change reflects investments in competitiveness, the increased proportion of low-margin petrol sales in total sales, and changes in the integrated/franchised store mix.

In France, recurring operating income for the first half of 2022 totalled 194 million euros, up 3.8% in comparison with the first half of 2021. Operating margin was stable at 1.1%. This reflects the solid sales performance, combined with good cost reduction momentum, offsetting distribution cost inflation and investments in competitiveness.

In Europe (excluding France), recurring operating income stood at 163 million euros, versus 225 million euros in first-half 2021, a decrease of 27.5% at constant exchange rates, mostly due to a sharp drop in Belgium. Excluding Belgium, recurring operating income for the region was stable overall.

In Latin America, recurring operating income stood at 444 million euros, an increase of 24.8% at constant exchange rates, including a negative 16 million-euro impact related to the application of

IAS 29 for Argentina. Operating margin fell by 17 bps to 4.8%. In Brazil, recurring operating income increased by 55 million euros in first-half 2022 at constant exchange rates, to 414 million euros. The sales margin shrank by 33 bps, reflecting the commercial policy implemented by Carrefour Brazil to enhance its attractiveness and its price leadership, to protect its customers' purchasing power, and stronger promotional events. This resulted in steady market share gains in first-half 2022. In Argentina, recurring operating income improved significantly to represent 30 million euros, an increase of 22 million euros at constant exchange rates, thanks to excellent sales momentum and constant cost discipline. Operating margin increased by 77 bps to 2.1%.

In Taiwan (Asia), recurring operating income came to 40 million euros, versus 47 million euros in first-half 2021.

Depreciation and amortisation

Depreciation and amortisation of property and equipment, intangible assets and investment property amounted to 653 million euros in first-half 2022 compared with 633 million euros in first-half 2021.

Depreciation of right-of-use assets (IFRS 16) relating to property and equipment and investment property totalled 388 million euros in first-half 2022 compared with 369 million euros in first-half 2021.

Including depreciation and amortisation of logistics equipment and of the related right-of-use assets (IFRS 16) included in the cost of sales, a total depreciation and amortisation expense of 1,173 million euros was recognised in the consolidated income statement for first-half 2022, compared with an expense of 1,133 million euros for first-half 2021.

Net income/(loss) from equity-accounted companies

The net income/(loss) from equity-accounted companies represented net income of 12 million euros, versus a net loss of 10 million euros in first-half 2021, reflecting the improved operational performance of Carmila, after it was heavily impacted by the health crisis in 2020 and 2021.

Non-recurring income and expenses

This classification is applied to certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment of non-current assets, gains and losses on sales of non-current assets, restructuring costs and provision charges and income recorded to reflect revised estimates of risks provided for in prior periods, based on information that came to the Group's attention during the period.

Non-recurring items represented a net expense of 85 million euros in first-half 2022, and the detailed breakdown is as follows:

(in millions of euros)	**First-half 2022**	**First-half 2021 restated**
Gains and losses on disposals of assets	62	248
Restructuring costs	(16)	(260)
Other non-recurring income and expenses	(86)	4
Non-recurring income and expenses, net before asset impairments and write-offs	**(40)**	**(9)**
Asset impairments and write-offs	(45)	(61)
of which impairments and write-offs of goodwill	–	–
of which impairments and write-offs of property and equipment, intangible assets and others	*(45)*	*(61)*
NON-RECURRING INCOME AND EXPENSES, NET	**(85)**	**(70)**
of which:		
Non-recurring income	*135*	*405*
Non-recurring expense	*(220)*	*(474)*

Gains and losses on disposals of non-current assets comprise gains and losses arising on various asset disposals, notably in France and Italy.

Other non-recurring income and expenses recorded in first-half 2022 mainly included revised estimates of historical risks, mostly tax-related, as well as the costs related to the acquisition of Grupo BIG in Brazil (see Note 3.1 to the condensed consolidated half-year financial statements as of June 30, 2022).

Asset impairments and write-offs recorded in first-half 2022 include the retirement of a variety of non-current assets, notably IT equipment in France for 8 million euros and related to certain stores, namely in France and Argentina. Write-offs of property, plant and equipment – offset by insurance payouts receivable classified under other non-recurring income and expenses – were also recognised in Taiwan following the fire at the Yang Mei logistics centre (see Note 3.2 to the condensed consolidated half-year financial statements as of June 30, 2022). In addition, the alignment of the net carrying amount of Showroomprivé shares with the stock market share price at June 30, 2022 represented a non-recurring expense of 10 million euros.

Main non-recurring items in first-half 2021 (restated)

Gains and losses on sales of assets mainly included the gain arising on the loss of control of Market Pay in France for a net amount of around 230 million euros (see Note 2.3 to the 2021 consolidated financial statements).

Restructuring costs resulted from continued work towards objectives to improve operating performance and organisational efficiency. The expense included in non-recurring items related chiefly to severance paid or payable within the scope of the transformation plan concerning the headquarters in France (see Note 2.2 to the 2021 consolidated financial statements).

Other non-recurring income and expenses recorded in first-half 2021 resulted primarily from the following items in Brazil:

- the impact of the Pinheiros real estate transaction, which generated income of 81 million euros following an exchange of assets in the city of São Paulo (see Note 2.3 to the 2021 consolidated financial statements);
- provision reversals (net of costs) on ICMS credits notably related to transfers between states on "basic products" were recognised for around 23 million euros following expiry of the limitation period for tax claims or further relief under tax amnesty programmes introduced by certain Brazilian states (see Note 6.3 to the 2020 consolidated financial statements);
- following the death of Mr Silveira Freitas, commitments were made by Carrefour Brazil to public authorities and non-profit organisations as part of a settlement agreement ("*Termo de ajustamento de Conduta*") signed on June 11, 2021. It led to the recognition of a provision for 17 million euros (see Note 11.3 to the 2021 consolidated financial statements).

Other non-recurring income and expenses recorded in first-half 2021 also included revised estimates of historical risks in Spain and the impacts related to the decision taken in May 2021 to discontinue Carrefour Banque's operations in Italy (see Note 2.3 to the 2021 consolidated financial statements).

Asset impairments and write-offs included the retirement of a variety of non-current assets, in particular relating to IT in France for 23 million euros.

Asset impairments and write-offs also include the write-off of configuration and customisation costs for SaaS solutions that can no longer be capitalised as a result of the application of the final IFRS IC decision published in April 2021, for 28 million euros (see Note 4.2 to the condensed consolidated half-year financial statements as of June 30, 2022).

Operating income

The Group ended first-half 2022 with operating income of 741 million euros, versus 660 million euros in first-half 2021 as restated.

Finance costs and other financial income and expenses

Finance costs and other financial income and expenses represented a net expense of 186 million euros in first-half 2022, corresponding to a negative 0.5% of sales versus a negative 0.4% of sales in first-half 2021.

(in millions of euros)	**First-half 2022**	**First-half 2021**
Finance costs, net	(151)	(80)
Net interest, related to lease commitment	(72)	(52)
Other financial income and expenses, net	37	(1)
FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSES, NET	**(186)**	**(132)**

Finance costs, net amounted to 151 million euros, an increase of 71 million euros compared with first-half 2021. The change is attributable to Brazil and reflects several factors: the increase in bank borrowings relating to the acquisition of Grupo BIG, the increase in CDI (*Certificado de Deposito Interbancário*) interest rates, and the increase in the value of the Brazilian real against the euro.

From 2019, in accordance with IFRS 16, finance costs and other financial income and expenses also include interest expenses on leases along with interest income on finance sub-leasing arrangements.

Other financial income and expenses consist for the most part of late payment fees payable on certain liabilities, financial transaction taxes and the impacts of hyperinflation in Argentina, which increased in comparison with first-half 2021 due to rising inflation.

Income tax expense

The income tax expense for first-half 2022 amounted to 202 million euros, i.e., an effective tax rate of 36.4%, compared with the 186 million-euro expense recorded in first-half 2021 as restated, which corresponded to an effective tax rate of 35.3%.

The effective tax rates for the first six months of 2022 and 2021 (restated) were impacted by the recognition of the CVAE (local business tax) in France and the absence of deferred tax assets in Italy.

Apart from these factors, the first-half 2022 effective tax rate reflects the geographical breakdown of income before tax, with no other items significantly distorting the tax proof.

The restated effective tax rate for first-half 2021 combined several factors which:

- decreased the rate, such as the low tax rates applied to capital gains arising on disposal of 60% of Market Pay in France and on the Pinheiros asset exchange in Brazil;
- increased the rate, such as the rise in deferred tax liabilities relating to the remeasurement of non-current assets in accordance with IAS 29 as a result of the increase in the applicable tax rate in Argentina.

Net income attributable to non-controlling interests

Net income attributable to non-controlling interests came to 103 million euros in first-half 2022, versus 94 million euros in first-half 2021 as restated.

Net income/(loss) from continuing operations – Group share

As a result of the items described above, the Group share of net income from continuing operations amounted to 250 million euros in first-half 2022, compared with 248 million euros in first-half 2021 as restated.

Net income/(loss) from discontinued operations – Group share

Net income from discontinued operations totalled 5 million euros in first-half 2022, compared with 23 million euros in first-half 2021.

2.1 Shareholders' equity

At June 30, 2022, shareholder's equity stood at 12,122 million euros, compared with 11,830 million euros at December 31, 2021, an increase of 293 million euros.

The increase mainly reflects:

- net income for the period of 358 million euros;
- other comprehensive income net of taxes amounting to 655 million euros, which reflected the significant increase in the value of the Brazilian real compared to December 31, 2021 and, under other consolidated reserves and net income, the remeasurement of the net defined benefit liability following the increase in discount rates applied for the eurozone as of June 30, 2022;
- 2021 dividends distributed in a total amount of 413 million euros, of which 380 million euros paid to Carrefour shareholders (entirely in cash) and 33 million euros to non-controlling shareholders, relating mainly to the Spanish and Brazilian subsidiaries;
- the reduction of Carrefour SA's share capital by cancelling 21,232,106 shares and then 12,506,325 shares, following the share buyback carried out in first-half 2022 in two tranches of 400 million euros and 350 million euros respectively;
- the portion of the Grupo BIG acquisition paid for in newly issued Carrefour Brazil shares for approximately 430 million euros.

2.2 Net debt

Consolidated net debt increased from 2,633 million euros at December 31, 2021 to 6,533 million euros at June 30, 2022. The increase in net debt between December 31 and June 30 is due to seasonal effects, with the year-end figure being structurally lower due to the significant volume of business recorded during December.

The Group's net debt breaks down as follows:

(in millions of euros)		**June 30, 2022**	**December 31, 2021**
Bonds and notes		6,593	6,052
Other borrowings		1,587	741
Commercial paper		1,400	–
Total borrowings excluding derivative instruments recorded in liabilities		**9,580**	**6,793**
Derivative instruments recorded in liabilities		144	40
TOTAL BORROWINGS	**[1]**	**9,724**	**6,834**
of which borrowings due in more than one year		*5,915*	*5,491*
of which borrowings due in less than one year		*3,809*	*1,342*
Other current financial assets [1]		653	498
Cash and cash equivalents		2,539	3,703
TOTAL CURRENT FINANCIAL ASSETS	**[2]**	**3,192**	**4,201**
NET DEBT	**[1] – [2]**	**6,533**	**2,633**

(1) *This item does not include the current portion of amounts receivable from finance sub-leasing arrangements (see Note 13.2.5 to the condensed consolidated financial statements for the six-month period ended June 30, 2022).*

Long and short-term borrowings (excluding derivatives) mature at different dates, through 2029 for the longest tranche of bond debt, leading to balanced repayment obligations in the coming years, as shown below:

(in millions of euros)	**June 30, 2022**	**December 31, 2021**
Due within 1 year	3,665	1,302
Due in 1 to 2 years	1,386	1,259
Due in 2 to 5 years	2,782	2,731
Due beyond 5 years	1,747	1,502
TOTAL BORROWINGS (EXCLUDING DERIVATIVE INSTRUMENTS RECORDED IN LIABILITIES)	**9,580**	**6,793**

Cash and cash equivalents totalled 2,539 million euros at June 30, 2022 compared with 3,703 million euros at December 31, 2021, representing a decrease of 1,165 million euros.

2.3 Statement of cash flows

Net debt rose by 991 million euros in first-half 2022, versus a 307 million-euro increase in first-half 2021. The change is analysed in the Group's simplified statement of cash flows presented below:

(in millions of euros)	**First-half 2022**	**First-half 2021**	**Change**
Opening net debt	**(2,633)**	**(2,616)**	**(16)**
Cash flow from operations	1,645	1,566	79
Change in working capital requirement	(2,115)	(2,138)	23
Change in consumer credit granted by the financial services companies	54	(103)	157
Net cash (used in)/from operating activities - total	**(416)**	**(675)**	**259**
Acquisitions of property and equipment and intangible assets [1]	(557)	(539)	(18)
Proceeds from the disposal of property and equipment and intangible assets - Business-related	68	35	33
Change in amounts receivable from disposals of non-current assets and due to suppliers of non-current assets	(273)	(219)	(54)
Free cash flow	**(1,177)**	**(1,398)**	**220**
Payments related to leases (principal and interest) net of subleases payments received	(551)	(513)	(39)
Finance costs, net	(151)	(80)	(71)
Net Free cash flow	**(1,880)**	**(1,990)**	**110**
Acquisitions of investments	(936)	(248)	(688)
Disposal of investments	25	188	(163)
Change in treasury stock and other equity instruments	(96)	(443)	347
Decrease in capital of Carrefour SA	(657)	–	(657)
Increase in capital subscribed by non-controlling interests	2	0	1
Dividends paid	(424)	(473)	49
Other (including effect of changes in exchange rates)	66	57	9
Decrease/(Increase) in net debt	**(3,900)**	**(2,909)**	**(991)**
CLOSING NET DEBT	**(6,533)**	**(5,525)**	**(1,008)**

(1) Restated for the acquisition of Makro Atacadista stores in Brazil (acquisition of the 29th and last store on a full-ownership basis in first-half 2022 versus two in first-half 2021).

Free cash flow came to a negative 1,177 million euros in first-half 2022, compared with a negative 1,398 million euros in first-half 2021, and mainly comprised:

- cash flow from operations of 1,645 million euros, versus 1,566 million euros in first-half 2021, an increase reflecting the higher recurring operating income before depreciation and amortisation;
- the change in working capital requirement, which amounted to a negative 2,115 million euros, versus a negative 2,138 million euros in first-half 2021;
- operational investments in an amount of 557 million euros, compared with 539 million euros in first-half 2021.

2.4 Financing and liquidity resources

The Group's main measures for strengthening its overall liquidity consist of:

- promoting prudent financing strategies in order to ensure that the Group's credit rating allows it to raise funds on the bond and commercial paper markets;
- maintaining a presence in the debt market through regular debt issuance programmes, mainly in euros, in order to create a balanced maturity profile. The Group's issuance capacity under its Euro Medium-Term Notes (EMTN) programme totals 12 billion euros;
- using the 5 billion-euro commercial paper programme on Euronext Paris, described in a prospectus filed with the Banque de France;
- maintaining undrawn medium-term bank facilities that can be drawn down at any time according to the Group's needs.

The Group's financial position and liquidity were solid at end-June 2022. The average maturity of bond debt of Carrefour SA was 3.8 years at end-June 2022, compared with 3.1 years at end-December 2021 and 3.6 years at end-June 2021.

At June 30, 2022, the Group was rated Baa1 with a stable outlook by Moody's and BBB with a stable outlook by Standard & Poor's.

The main transactions in first-half 2022 included a bond issue consisting of two Sustainability-Linked tranches indexed to the Group's sustainability goals, for a total amount of 1.5 billion euros, and bonds redeemed ahead of maturity for a total amount of 1 billion euros (see Note 4.2.3).

2.5 Restrictions on the use of capital resources

There are no material restrictions on the Group's ability to recover or use the assets and settle the liabilities of foreign operations, except for those resulting from local regulations in its host countries. The local supervisory authorities may require banking subsidiaries to comply with certain capital, liquidity and other ratios and to limit their exposure to other Group parties.

At June 30, 2022, as at December 31, 2021, there was no restricted cash.

2.6 Expected sources of funding

To meet its commitments, Carrefour can use its net free cash flow and raise debt capital using its EMTN and commercial paper programmes, as well as its credit lines.

The Group remains very attentive to macroeconomic and market developments, especially food inflation and cost inflation, household consumption and customer satisfaction. The Group is confident in its teams and its model to:

- preserve its customers' purchasing power by relying on Carrefour-branded products, a dynamic promotional activity and its omnichannel model which offers, beyond its loyalty program, an unrivalled choice of formats, especially those offering the biggest discounts (hypermarkets, Supeco);
- consolidate its economic model with heightened vigilance on operational costs.

In this context, the Group:

- is raising its cost savings objective from 900 million euros to 1.0 billion euros for 2022, or 2.8 billion euros over the 2021-2023 period;
- confirms the level of capex of 1.85 billion euros for 2022, including approximately 150 million euros related to the integration of Grupo BIG in Brazil, which will be invested in the second half of the year;
- confirms its objective of generating at least 1 billion euros of net free cash flow in 2022.

4.1 Accounting principles

The accounting policies used to prepare the condensed consolidated financial statements for the six-month period ended June 30, 2022 are the same as those used for the 2021 consolidated financial statements, except for specific requirements of IAS 34 – *Interim Financial Reporting* (see Note 1.3 to the condensed consolidated financial statements for the six-month period ended June 30, 2022) and the following standards, amendments and interpretations which were applicable as of January 1, 2022:

- Amendments to IFRS 3 – *Business Combinations*, IAS 16 – *Property, Plant and Equipment*, IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* and *Annual Improvements to IFRSs – 2018-2020 cycle*

The application of these amendments had no material impact on the Group's consolidated financial statements.

Note that, in the consolidated financial statements for the year ended December 31, 2021, the Group applied the IFRS IC decision published in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements, as well as the decision published in May 2021 on attributing benefit to periods of service in the calculation of the provision for employee benefits falling within the scope of IAS 19 (see Notes 1.2 and 4 to the 2021 consolidated financial statements). The consequences of applying these decisions in the comparative consolidated financial statements for the six-month period ended June 30, 2021 are presented in Note 4 to the condensed consolidated financial statements for the six-month period ended June 30, 2022.

Adopted by the European Union but not yet applicable

Standards, amendments and interpretations	Effective date
IFRS 17 – *Insurance Contracts*	January 1, 2023
Amendments to IAS 1 – *Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies*	January 1, 2023
Amendments to IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*	January 1, 2023

Not yet adopted by the European Union

Standards, amendments and interpretations	Effective date(1)
Amendments to IAS 1 – *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*	January 1, 2023
Amendments to IAS 12 – *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	January 1, 2023
Amendments to IFRS 17 – *Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information*	January 1, 2023

(1) Subject to adoption by the European Union.

Carrefour does not expect the application of this standard and these amendments to have a material impact on its consolidated financial statements.

4.2 Significant events of the period

4.2.1 Main acquisitions, disposals and other transactions during the period

Acquisition of Grupo BIG (Brazil) – Business combination

On March 24, 2021, Carrefour Brazil entered into an agreement with Advent International and Walmart for the acquisition of **Grupo BIG**, Brazil’s third biggest food retailer. The acquiree reported net sales of around 20 billion Brazilian reals (approximately 3.1 billion euros) in 2021 and operates a multi-format network of 388 stores, including 181 stores owned by the Group.

With Carrefour Brazil's acquisition of Grupo BIG, the Company can expand into regions where its penetration is limited, such as the north-east and south of the country. This geographic fit will enrich the Company's ecosystem of products and services, which currently serves over 45 million customers, and broaden its customer base thanks to the addition of Grupo BIG customers.

The acquisition will allow the Company to expand in its traditional formats (mainly cash & carry and hypermarkets), while extending its footprint in formats in which it has a more limited presence, in particular supermarkets (98 *Bompreço* and *Nacional* stores) and soft discounters (97 *Todo Dia* stores). In addition, Carrefour Brazil will operate in a new market segment with the Sam's Club format, through a license agreement with Walmart Inc. This unique and highly profitable premium business model for the B2C segment is based on a membership system, with over two million members, and focuses mainly on private-label products.

Carrefour Brazil’s Extraordinary Shareholders’ Meeting and CADE, the Brazilian competition authority, approved this transaction on May 19, 2022 and May 25, 2022, respectively (subject to the disposal of 14 stores by the end of the year).

The acquisition was finalised on June 1, 2022, with payment made on June 6, 2022.

The preliminary purchase price for the entire share capital of Grupo BIG is 7,465 million Brazilian reals (1,471 million euros at the exchange rate as of the transaction date), which breaks down as follows:

- a cash payment of 5,292 million Brazilian reals (approximately 1 billion euros), representing 70% of the baseline price plus various preliminary earn-outs for 42 million Brazilian reals (approximately 8 million euros), including 900 million Brazilian reals (139 million euros) paid as part of a downpayment in March 2021;
- a share-based payment of 117 million new Carrefour Brazil shares (representing 30% of the baseline price), with a fair value of 2,173 million Brazilian reals (approximately 430 million euros) at June 6, 2022. As a result of this share-based payment, the Carrefour group’s interest in Carrefour Brazil was 67.6% at June 30, 2022 compared to 71.6% at December 31, 2021.

As this was a transaction with minority shareholders, the impact of paying for 30% of Grupo BIG in Carrefour Brazil shares was recognised in consolidated equity for approximately 180 million euros attributable to the Carrefour group and approximately 250 million euros attributable to non-controlling interests.

The agreement also provides for an earn-out to be paid six months after completion of the transaction if the Carrefour Brazil share price exceeds the reference value of 19.26 Brazilian reals. The price of the Carrefour Brazil share was 16.67 Brazilian reals at June 30, 2022.

Grupo BIG's preliminary opening balance sheet at June 1, 2022, as included in the Group's half-year consolidated financial statements, is presented in Note 3.1 to the condensed consolidated half-year financial statements as of June 30, 2022.

Changes in the period (i.e., Grupo BIG operations carried out in June 2022) are included in the consolidated income statement and statement of cash flows for first-half 2022. They are not material at the level of the Group.

The purchase price allocation process stipulated in IFRS 3 – *Business Combinations* was implemented and led to the recognition of provisional goodwill in the amount of 484 million euros in the consolidated half-year financial statements as of June 30, 2022.

This preliminary purchase price allocation process will continue in second-half 2022 and first-half 2023. As the process continues, the fair value adjustments may differ – even materially – at December 31, 2022 and June 30, 2023 from those included in the condensed consolidated half-year financial statements as of June 30, 2022.

Ofelia (Spain) – Acquisition of assets

The property company Ofelia leased nine stores and a shopping mall to Carrefour Spain. In February 2022, Carrefour Spain exercised its pre-emptive right and acquired these assets for approximately 40 million euros.

The disposal of these nine stores is expected to take place in the second half of 2022. Given the high probability of this disposal being completed, the stores have been classified as assets held for sale in the condensed consolidated half-year financial statements as of June 30, 2022 and valued at their net carrying amount.

Sale of the Group's stake in Cajoo (France)

On May 16, 2022, Germany-based Flink, Europe's leading quick commerce company, announced the acquisition of Cajoo from Carrefour and its founders in exchange for its own shares. This acquisition was finalised on June 23, 2022. The gain on the disposal of the Cajoo shares, amounting to approximately 6 million euros, net of fees, was recognised within non-recurring items for the period.

Also in June 2022, the Group contributed to Flink's reserved capital increase.

All Flink shares held by the Group at June 30, 2022 are recognised as investments in non-consolidated companies measured at fair value through other comprehensive income (see Note 13.5 to the condensed consolidated half-year financial statements as of June 30, 2022).

4.2.2 Warehouse fire in Taiwan

On March 14, 2022, a fire broke out in a logistics centre leased by Carrefour in the Yang Mei district of Taiwan. All employees were evacuated immediately with no injuries or casualties and the fire was brought under control on March 15, 2022.

A claim was submitted to the Group's insurance companies in this respect and was still being assessed at June 30, 2022. Losses incurred as a result of destroyed inventories and equipment were recorded in first-half 2022 against the payout receivable from insurers classified under other current assets. The same applies to the estimated operating losses up to June 30, 2022.

4.2.3 Securing the Group’s long-term financing

On March 30, 2022, the Group issued its first Sustainability-Linked Bond (SLB) indexed to its sustainable development goals. The 1.5 billion-euro bond comprises two tranches of 750 million euros each, with a maturity of 4.6 years (due in October 2026) and 7.6 years (due in October 2029) respectively, and paying a coupon of 1.88% and 2.38%.

This bond was issued as part of a financing strategy aligned with the Group's CSR objectives and ambitions as well as the Sustainability-Linked Bond Framework of its Euro Medium-Term Notes (EMTN) programme published in June 2021, whose CSR component was revised and enhanced in May 2022.

On June 8, 2022, the Group redeemed 1 billion euros worth of 1.75% 8-year bonds, ahead of their maturity (July 2022).

These transactions guarantee the Group's liquidity over the short- and medium-term in an unstable economic environment, and are part of the strategy to ensure the necessary financing is in place to meet Carrefour's needs. The average maturity of bond debt of Carrefour SA was 3.8 years at end-June 2022, compared with 3.1 years at end-December 2021 and 3.6 years at end-June 2021.

Financing of the Brazilian subsidiary Atacadão

Following the 2021 transactions, Carrefour's Brazilian subsidiary Atacadão has set up financing arrangements in 2022 enabling it to secure its medium- and long-term needs in connection with the acquisition of Grupo BIG.

The US dollar bank financing facilities put in place in December 2021 were finalised on January 5, 2022, with a total of 2,942 million Brazilian reals (approximately 537 million euros at the closing exchange rate of June 30, 2022) immediately swapped for Brazilian reals with maturities of 16 to 17 months.

On January 6 and May 17, 2022, two inter-company financing lines were set up between the companies Carrefour Finance and Atacadão. The first revolving credit facility (RCF) for an amount of 4 billion Brazilian reals (approximately 729 million euros at the closing exchange rate of June 30, 2022), bearing annual interest at 12%, falls due in July 2023 and had been fully drawn at the end of June 2022. The second RCF for 1.9 billion Brazilian reals (approximately 346 million euros at the closing exchange rate of June 30, 2022), bearing annual interest at 14.25%, has a maturity of three years and had not been drawn down at June 30, 2022.

Finally, on May 20, 2022, the Brazilian subsidiary obtained bank financing in euros and in US dollars, which was immediately swapped for Brazilian reals, for 1,500 million reals (approximately 274 million euros at the closing exchange rate of June 30, 2022). This facility falls due in six months and will be replaced by a medium-term financing facility in second-half 2022.

4.2.4 Payment of the 2021 dividend in cash

At the Shareholders' Meeting held on June 3, 2022, the shareholders decided to set the 2021 dividend at 0.52 euros per share to be paid entirely in cash.

On June 9, 2022, the dividend was paid out in an amount of 380 million euros.

4.2.5 Share buyback programme

As part of its share capital allocation policy, the Group commissioned an investment services provider to buy back shares corresponding to a maximum amount of 750 million euros, as authorised by the Shareholders' Meeting of May 21, 2021.

The first tranche of the share buyback programme began on March 7, 2022 and ended on April 13, 2022, with 21,232,106 shares acquired at an average price of 18.84 euros per share for a total amount of 400 million euros. These shares were cancelled following a decision by the Board of Directors on April 20, 2022 to reduce the share capital of Carrefour SA.

A second tranche of the share buyback programme began on May 2, 2022 and ended on May 24, 2022, with 17,191,700 shares acquired at an average price of 20.36 euros per share for a total amount of 350 million euros. Of the shares bought back, 12,506,325 shares were cancelled following a decision by the Board of Directors on June 3, 2022 to reduce the share capital of Carrefour SA.

These shares were cancelled in accordance with the authorisation granted by the Shareholders' Meeting of May 21, 2021.

Following cancellation of these shares, Carrefour SA has 742,157,461 shares outstanding and, consequently, 11,544,870 treasury shares, representing approximately 1.6% of the share capital.

4.3 Restatement of the 2021 consolidated half-year financial statements

IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021

In May 2021, the IFRS IC published a final decision clarifying the attribution of benefit to periods of service. The decision came in response to a request regarding a defined benefit plan with the following characteristics: provided they are still with the company when they reach retirement age, employees are entitled to a lump-sum benefit depending on their length of service, which is capped at a specified number of consecutive years of service.

This decision has been applied retrospectively, and its impacts have been recognised in retained earnings in the comparative period presented in the consolidated financial statements for the year ended December 31, 2021 (see Note 4 of these financial statements).

This decision has not been applied in the issued consolidated financial statements for the six months ended June 30, 2021. The estimated impact for first-half 2021 was deemed immaterial for the Group; therefore, the comparative information for the six months ended June 30, 2021 has not been restated to reflect this decision in the consolidated half-year financial statements as of June 30, 2022.

Impact of the IFRS IC decision issued in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements

In the consolidated financial statements for the year ended December 31, 2021, the Group applied the IFRS IC decision published in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements (see Note 1.2 to the 2021 consolidated financial statements).

As a result of this decision, the Group changed the accounting policy for customisation and configuration costs when they do not meet the recognition criteria under IAS 38 (when the Group does not control the SaaS solution) or when they do not relate to the development of an interface (middleware) with this SaaS solution. These costs are now recognised as an expense either (a) as and when they are incurred if the development work is carried out internally or by a third party integrator (not related to the SaaS solution publisher), or (b) over the term of the SaaS arrangement if the development work is carried out by the SaaS solution publisher or its subcontractor.

This decision was applied in the consolidated financial statements as of December 31, 2021. For SaaS solutions implemented before January 1, 2021, the estimated impact was not deemed material for the Group; therefore, the comparative information for the year ended December 31, 2020 was not restated in light of this decision. The integration costs of SaaS solutions capitalised at December 31, 2020 that no longer meet the recognition criteria were written off at January 1, 2021, against non-recurring income and expenses, in accordance with the Group's accounting principles (see Note 6.3 to the 2021 consolidated financial statements).

As the consolidated financial statements for the six-month period ended June 30, 2021 did not include this write-off, the comparative information was restated in the consolidated half-year financial statements as of June 30, 2022 (see Notes 4.3 and 4.4 of these financial statements). For SaaS solutions implemented between January 1, 2021 and June 30, 2021, the estimated impact was not deemed material for the Group; therefore, the comparative information for the six months ended June 30, 2021 was not restated in light of this decision for these solutions in the consolidated half-year financial statements as of June 30, 2022.

The impacts on the consolidated half-year income statement as of June 30, 2021 are described in detail in Note 4 to the condensed consolidated financial statements for the six-month period ended June 30, 2022.

4.4 Main related-party transactions

There were no material changes in the nature of the Group's related-party transactions in first-half 2022 compared with the situation at December 31, 2021.

4.5 Subsequent events

Sale of Carrefour Taiwan to the Uni-President group

On July 19, 2022, the Group signed an agreement to sell its entire interest in its Taiwanese subsidiary (i.e., 60%) to the Uni-President group (holder of the remaining 40%). If the conditions precedent are met, this agreement will result in loss of control of the subsidiary. The enterprise value is around 2.0 billion euros.

Closing of the transaction is subject to approval by Taiwanese competition authorities (TFTC) and other customary conditions, and is expected by mid-2023. Following the completion of the transaction, the Uni-President group will own 100% of Carrefour Taiwan.

The sale of Carrefour Taiwan announced on July 19, 2022 was not highly probable at June 30, 2022 within the meaning of IFRS 5, given certain uncertainties existing at the reporting date as to whether the sale would be completed.

Accordingly, this subsidiary's assets and liabilities were not reclassified as assets held for sale and related liabilities in the consolidated statement of financial position at June 30, 2022. Similarly, the net income and cash flows of this subsidiary were not reclassified within line items for discontinued operations in the consolidated income statement and consolidated cash flow statement for first-half 2022.

It should be noted that since Carrefour Taiwan represents a geographical area presented under segment reporting ("Asia"), the main indicators on the subsidiary's income statement (net sales, other revenue, recurring operating income before depreciation and amortisation, depreciation and amortisation expense and recurring operating income), cash flow statement (capital expenditure) and balance sheet (goodwill, other intangible assets, property and equipment, investment property, right-of-use assets, other segment assets and segment liabilities) are presented in Note 5 to the condensed consolidated half-year financial statements as of June 30, 2022.

4.6 Risk factors

The risk factors at June 30, 2022 are the same as those set out in Chapter 4 *Risk Management* of the 2021 Universal Registration Document.

Condensed consolidated financial statements for the six-month period ended June 30, 2022

Consolidated income statement

Argentina is classified as a hyperinflationary economy within the meaning of IFRS. IAS 29 – *Financial Reporting in Hyperinflationary Economies* is therefore applicable to the condensed consolidated financial statements for the six-month period ended June 30, 2022; data for the comparative period presented have also been adjusted for inflation.

At June 30, 2022, comparative data for the first half of 2021 have been restated (indicated as "first-half 2021 restated" below) in the consolidated financial statements to reflect the decision by the IFRS Interpretations Committee (IFRS IC) published in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements (see Note 4.2).

The consolidated financial statements are presented in millions of euros, rounded to the nearest million. As a result, there may be rounding differences between the amounts reported in the various statements.

(in millions of euros)	Notes	First-half 2022	First-half 2021 restated	% change
Net sales	6.1	39,054	34,462	13.3%
Loyalty program costs		(428)	(403)	6.3%
Net sales net of loyalty program costs		**38,625**	**34,059**	**13.4%**
Other revenue	6.1	1,215	1,040	16.8%
Total revenue		**39,840**	**35,100**	**13.5%**
Cost of sales		(32,016)	(27,734)	15.4%
Gross margin from recurring operations		**7,824**	**7,365**	**6.2%**
Sales, general and administrative expenses, depreciation and amortisation	6.2	(7,010)	(6,625)	5.8%
Recurring operating income		**814**	**740**	**10.0%**
Net income/(loss) from equity-accounted companies	9.1	12	(10)	213.8%
Recurring operating income after net income from equity-accounted companies		**826**	**730**	**13.1%**
Non-recurring income and expenses, net	6.3	(85)	(70)	22.7%
Operating income		**741**	**660**	**12.1%**
Finance costs and other financial income and expenses, net	13.6	(186)	(132)	40.3%
Finance costs, net		*(151)*	*(80)*	*89.8%*
Net interest related to lease commitments		*(72)*	*(52)*	*39.9%*
Other financial income and expenses, net		*37*	*(1)*	*3306.0%*
Income before taxes		**555**	**528**	**5.1%**
Income tax expense	10	(202)	(186)	8.4%
Net income/(loss) from continuing operations		**353**	**342**	**3.2%**
Net income/(loss) from discontinued operations		5	23	(76.8)%
Net income/(loss) for the period		**358**	**365**	**(1.7)%**
Group share		**255**	**271**	**(5.7)%**
of which net income/(loss) from continuing operations - Group share		*250*	*248*	*0.8%*
of which net income/(loss) from discontinued operations - Group share		*5*	*23*	*(76.8)%*
Attributable to non-controlling interests		**103**	**94**	**9.7%**
of which net income/(loss) from continuing operations - attributable to non-controlling interests		*103*	*94*	*9.7%*
of which net income/(loss) from discontinued operations - attributable to non-controlling interests		–	–	–

Basic earnings per share *(in euros)*		First-half 2022	First-half 2021 restated	% change
Net income/(loss) from continuing operations - Group share - per share	12.3	0.33	0.31	7.7%
Net income/(loss) from discontinued operations - Group share - per share	12.3	0.01	0.03	(75.2)%
Net income/(loss) – Group share - per share	12.3	0.34	0.34	0.8%

Diluted earnings per share *(in euros)*		First-half 2022	First-half 2021 restated	% change
Net income/(loss) from continuing operations - Group share - per share	12.3	0.33	0.31	7.5%
Net income/(loss) from discontinued operations - Group share - per share	12.3	0.01	0.03	(75.2)%
Net income/(loss) – Group share - per share	12.3	0.34	0.34	0.6%

Consolidated statement of comprehensive income

(in millions of euros)	Notes	First-half 2022	First-half 2021 restated
Net income/(loss) - Group share		255	271
Net income - Attributable to non-controlling interests		103	94
Net income/(loss) for the period		**358**	**365**
Effective portion of changes in the fair value of cash flow hedges [1]	12.2	82	31
Changes in the fair value of debt instruments through other comprehensive income	12.2	(16)	(2)
Exchange differences on translating foreign operations [2]	12.2	461	251
Items that may be reclassified subsequently to profit or loss		**527**	**280**
Remeasurements of defined benefit plans obligation [3]	12.2	128	49
Items that will not be reclassified to profit or loss		**128**	**49**
Other comprehensive income/(loss) after tax		**655**	**329**
Total comprehensive income/(loss)		**1,013**	**694**
Group share		703	520
Attributable to non-controlling interests		310	173

These items are presented net of the tax effect (see Note 12.2).

(1) In first-half 2022, Carrefour Finance granted an intra-group revolving credit facility (RCF) to Atacadão, treated as part of the net investment in that operation. The derivatives contracted to hedge part of this loan were classified as a net investment hedge (see Note 3.3).

(2) Exchange differences recognised on translating foreign operations in first-half 2022 mainly reflect the significant increase in the value of the Brazilian real. Exchange differences recognised on translating foreign operations in first-half 2021 mainly reflected the slight increase in the value of the Brazilian real.

(3) Remeasurement of the net defined benefit liability recognised in first-half 2022 reflects the strong increase in discount rates applied for the eurozone, from 0.80% at end-December 2021 to 3.20% at end-June 2022. In first-half 2021, these discount rates increased from 0.40% at end-December 2020 to 0.80% at end-June 2021.

Consolidated statement of financial position

ASSETS *(in millions of euros)*	Notes	June 30, 2022	December 31, 2021
Goodwill	7.1	8,527	7,995
Other intangible assets	7.1	1,453	1,333
Property and equipment	7.2	12,521	10,721
Investment property	7.3	313	291
Right-of-use assets	8.1	4,654	4,361
Investments in companies accounted for by the equity method	9.1	1,200	1,256
Other non-current financial assets	13.5	1,288	1,152
Consumer credit granted by the financial services companies – portion more than one year	6.5	1,866	1,821
Deferred tax assets		667	631
Other non-current assets		679	321
Non-current assets		**33,169**	**29,883**
Inventories		7,227	5,858
Trade receivables		3,402	2,581
Consumer credit granted by the financial services companies – portion less than one year	6.5	3,708	3,473
Other current financial assets	13.2	687	532
Tax receivables		800	675
Other current assets		1,127	943
Cash and cash equivalents	13.2	2,539	3,703
Assets held for sale		96	20
Current assets		**19,586**	**17,785**
TOTAL ASSETS		**52,755**	**47,668**

SHAREHOLDERS' EQUITY AND LIABILITIES *(in millions of euros)*	Notes	June 30, 2022	December 31, 2021
Share capital		1,855	1,940
Consolidated reserves (including net income)		8,164	8,311
Shareholders' equity, Group share		**10,019**	**10,251**
Shareholders' equity attributable to non-controlling interests		2,103	1,579
Total shareholders' equity		**12,122**	**11,830**
Borrowings - portion more than one year	13.2	5,915	5,491
Lease commitments - portion more than one year	8.2	3,900	3,602
Provisions	11	3,652	2,455
Consumer credit financing – portion more than one year	6.5	2,115	1,573
Deferred tax liabilities		425	374
Tax payables - portion more than one year		210	193
Non-current liabilities		**16,216**	**13,688**
Borrowings - portion less than one year	13.2	3,809	1,342
Lease commitments - portion less than one year	8.2	1,047	995
Suppliers and other creditors		13,283	13,072
Consumer credit financing – portion less than one year	6.5	2,497	2,868
Tax payables - portion less than one year		1,121	1,108
Other current payables		2,659	2,765
Liabilities related to assets held for sale		–	–
Current liabilities		**24,417**	**22,150**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**52,755**	**47,668**

Consolidated statement of cash flows

(in millions of euros)	**First-half 2022**	**First-half 2021 restated**
Income before taxes	**555**	**528**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income tax	(205)	(165)
Depreciation and amortisation expense	1,173	1,133
Gains and losses on sales of assets	(26)	(253)
Change in provisions and impairment	(115)	152
Finance costs, net	151	80
Net interest related to lease commitment	72	52
Net income and dividends received from equity-accounted companies	45	48
Impact of discontinued operations [1]	(4)	(9)
Cash flow from operations	**1,645**	**1,566**
Change in working capital requirement [2]	(2,115)	(2,138)
Net cash (used in)/from operating activities (excluding financial services companies)	**(470)**	**(572)**
Change in consumer credit granted by the financial services companies	54	(103)
Net cash (used in)/from operating activities - total	**(416)**	**(675)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment and intangible assets [3]	(562)	(558)
Acquisitions of non-current financial assets [4]	(20)	(147)
Acquisitions of subsidiaries and investments in associates [5]	(911)	(87)
Proceeds from the disposal of subsidiaries and investments in associates [6]	21	186
Proceeds from the disposal of property and equipment and intangible assets	69	40
Proceeds from the disposal of non-current financial assets	4	2
Change in amounts receivable from disposals of non-current assets and due to suppliers of non-current assets [3]	(273)	(219)
Investments net of disposals - subtotal	**(1,672)**	**(782)**
Other cash flows from investing activities	94	44
Net cash (used in)/from investing activities - total	**(1,579)**	**(739)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Carrefour SA capital increase / (decrease) [7]	(657)	–
Proceeds from share issues to non-controlling interests	2	0
Dividends paid by Carrefour SA [8]	(380)	(383)
Dividends paid by consolidated companies to non-controlling interests	(44)	(90)
Change in treasury stock and other equity instruments [7]	(96)	(443)
Change in current financial assets [9]	(1)	15
Issuance of bonds [9]	1,500	–
Repayments of bonds [9]	(1,082)	(871)
Net financial interest paid	(99)	(82)
Other changes in borrowings [9]	2,056	649
Payments related to leases (principal) [10]	(500)	(480)
Net interest related to leases [10]	(70)	(51)
Net cash (used in)/from financing activities - total	**629**	**(1,735)**
Net change in cash and cash equivalents before the effect of changes in exchange rates	**(1,366)**	**(3,149)**
Effect of changes in exchange rates	201	4
Net change in cash and cash equivalents	**(1,165)**	**(3,145)**
Cash and cash equivalents at beginning of period	**3,703**	**4,439**
Cash and cash equivalents at end of period	**2,539**	**1,294**

(1) *In accordance with IFRS 5, this item concerned the remaining cash flows related to the discontinued operations reported in 2018 (integrated convenience stores in France).*

(2) *The change in working capital requirement is set out in Note 6.4.*

(3) *Acquisitions include operational investments in growth formats – in particular the payment of 27 million Brazilian reals (approximately 5 million euros) to acquire the final Makro Atacadista store in Brazil, bringing the total to 29 acquired stores as of June 30, 2022, the Group's digitalisation, and the roll-out of a leading omni-channel offering. In first-half 2021, acquisitions notably included the payment for two Makro Atacadista stores in Brazil.*

(4) *In first-half 2021, this item mainly corresponded to the downpayment of 900 million Brazilian reals in March 2021 (approximately 139 million euros) relating to the acquisition of Grupo BIG in Brazil (see Note 3.1).*

(5) *This line mainly corresponds to the acquisition of the entire share capital of Grupo BIG in Brazil (excluding the downpayment in March 2021) for 866 million euros (4,392 million Brazilian reals, see Note 3.1). In first-half 2021, this line mainly corresponded to the acquisition of Supersol franchise stores in Spain.*

(6) *In first-half 2021, this line corresponded to the 189 million-euro cash payment (before transaction costs) received on the sale of 60% of Market Pay.*

(7) *This item corresponds to the share buyback programme for 750 million euros (see Note 3.5) implemented between March and May 2022, of which 401 million euros worth of shares (including associated costs) were cancelled on April 20, 2022 following a decision by the Board of Directors and another 256 million euros worth (including associated costs) were cancelled on June 3, 2022. The shares covered by this programme, which were still held in treasury at June 30, 2022, are presented within "Change in treasury stock and other equity instruments".*

(8) *The dividend approved by the Shareholders' Meeting of June 3, 2022 was paid entirely in cash on June 9, 2022 for an amount of 380 million euros (see Note 3.4). In 2021, the dividend was paid entirely in cash on May 28, 2021 for 383 million euros.*

(9) *Note 13.2 provides a breakdown of net debt. Changes in liabilities arising from financing activities are detailed in Note 13.4.*

(10) *In accordance with IFRS 16, effective from January 1, 2019, payments under leases along with any related interest are shown in financing cash flows.*

Consolidated statement of changes in shareholders' equity

(in millions of euros)	Shareholders' equity, Group share: Share capital [1]	Effect of changes in foreign exchange rates	Fair value reserve [2]	Other consolidated reserves and net income	Total Shareholders' equity, Group share	Non-controlling interests	Total Shareholders' equity
Shareholders' equity at December 31, 2020	**2,044**	**(2,078)**	**(42)**	**10,178**	**10,103**	**1,507**	**11,609**
Net income/(loss) – First-half 2021 restated [3]	–	–	–	271	271	94	365
Other comprehensive income/(loss) after tax [4]	–	172	29	49	250	79	329
Total comprehensive income/(loss) – First-half 2021 restated	**–**	**172**	**29**	**319**	**520**	**173**	**694**
Share-based payments	–	–	–	13	13	0	13
Treasury stock (net of tax) [6]	–	–	–	(502)	(502)	–	(502)
2020 dividend payment [5]	–	–	–	(383)	(383)	(83)	(466)
Change in capital and additional paid-in capital	–	–	–	–	–	0	0
Effect of changes in scope of consolidation and other movements	–	–	–	(1)	(1)	0	(1)
Shareholders' equity at June 30, 2021 restated	**2,044**	**(1,906)**	**(13)**	**9,625**	**9,750**	**1,597**	**11,347**
Shareholders' equity at December 31, 2021	**1,940**	**(1,990)**	**(4)**	**10,305**	**10,251**	**1,579**	**11,830**
Net income/(loss) – First-half 2022	–	–	–	255	255	103	358
Other comprehensive income/(loss) after tax [4]	–	252	69	127	448	207	655
Total comprehensive income/(loss) – First-half 2022	**–**	**252**	**69**	**382**	**703**	**310**	**1,013**
Share-based payments	–	–	–	12	12	1	13
Treasury stock (net of tax) [6]	–	–	–	(96)	(96)	–	(96)
2021 dividend payment [5]	–	–	–	(380)	(380)	(33)	(413)
Change in capital and additional paid-in capital [6]	(84)	–	–	(570)	(655)	(0)	(655)
Effect of changes in scope of consolidation and other movements [7]	–	63	–	120	183	247	430
Shareholders' equity at June 30, 2022	**1,855**	**(1,675)**	**65**	**9,774**	**10,019**	**2,103**	**12,122**

(1) The share capital was made up of 742,157,461 ordinary shares at June 30, 2022.

(2) This item comprises:
- the hedge reserve (effective portion of changes in the fair value of cash flow hedges);
- the financial asset fair value reserve (changes in the fair value of financial assets carried at fair value through other comprehensive income).

(3) In April 2021, the IFRS IC issued a final decision on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements. Carrefour did not apply these decisions when preparing its condensed consolidated half-year financial statements as of June 30, 2021, since their potential impacts were still being analysed. As a result, the comparative information has been restated in the consolidated financial statements as of June 30, 2022 (see Note 4).

(4) In first-half 2022, other comprehensive income after tax reflects both the significant increase in the value of the Brazilian real compared to December 31, 2021 and, under other consolidated reserves and net income, the remeasurement of the net defined benefit liability following the increase in discount rates applied for the eurozone.

In first-half 2021, other comprehensive income after tax reflected both the slight increase in the value of the Brazilian real compared to December 31, 2020 and, under other consolidated reserves and net income, the remeasurement of the net defined benefit liability following the increase in discount rates applied for the eurozone as of June 30, 2021.

(5) The 2021 dividend distributed by Carrefour SA, totalling 380 million euros, was paid entirely in cash in first-half 2022.

The 2020 dividend distributed by Carrefour SA, totalling 383 million euros, was paid entirely in cash in first-half 2021.

Dividends paid to non-controlling interests mainly concern the Spanish and Brazilian subsidiaries for an amount of 33 million euros in first-half 2022, and 83 million euros in first-half 2021.

(6) The 750 million-euro share buyback programme announced on February 16, 2022 was launched in first-half 2022 in two tranches of 400 million euros and 350 million euros, corresponding to 38,423,806 shares. Carrefour SA's share capital was subsequently reduced by cancelling 33,738,431 shares (see Note 3.5). Following cancellation of these shares, Carrefour SA has 11,544,870 treasury shares, representing approximately 1.6% of the share capital in June 30, 2022.

In first-half 2021, a share buyback programme was launched for a maximum amount of 500 million euros. At the date the agreement was signed with the investment services provider, a short-term financial liability of 500 million euros in shares and related fees of 2 million euros were recorded against shareholders' equity.

(7) The effect of changes in the scope of consolidation and other movements mainly corresponds to the acquisition of Grupo BIG for the portion paid in newly issued Carrefour Brazil shares (see Note 3.1).

Notes to the condensed consolidated financial statements

NOTE 1: BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

The condensed consolidated financial statements for the six-month period ended June 30, 2022 were approved for publication by the Board of Directors on July 27, 2022.

Carrefour SA (the "Company") is domiciled in France at 93, avenue de Paris, 91300 Massy. The condensed consolidated financial statements for the six-month period ended June 30, 2022 reflect the financial position and results of operations of the Company and its subsidiaries (together "Carrefour" or the "Group"), along with the Group's share of the profits and losses and net assets of equity-accounted associates and joint ventures. The presentation currency of the consolidated financial statements is the euro, which is the Company's functional currency.

1.1 Statement of compliance

In accordance with European Regulation (EC) 1606/2002 dated July 19, 2002, the condensed consolidated financial statements for the six-month period ended June 30, 2022 have been prepared in compliance with the International Financial Reporting Standards (IFRS) as adopted for use in the European Union as of June 30, 2022 and applicable at that date, with comparative information for the same period of 2021 and at December 31, 2021 prepared using the standards applicable at the reporting date.

All of the standards and interpretations endorsed by the European Union are published in the Official Journal of the European Union, which can be accessed in the EUR-Lex.

At June 30, 2022, the standards and interpretations adopted for use in the European Union were the same as those published by the IASB and applicable at that date.

1.2 Changes in accounting policies

The accounting policies used to prepare the condensed consolidated financial statements for the six-month period ended June 30, 2022 are the same as those used for the 2021 consolidated financial statements, except for specific requirements of IAS 34 – *Interim Financial Reporting* (see Note 1.3) and the following standards, amendments and interpretations which were applicable as of January 1, 2022:

- Amendments to IFRS 3 – *Business Combinations*, IAS 16 – *Property, Plant and Equipment*, IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* and *Annual Improvements to IFRSs – 2018-2020 cycle.*

The application of these amendments had no material impact on the Group's consolidated financial statements.

Note that, in the consolidated financial statements for the year ended December 31, 2021, the Group applied the IFRS IC decision published in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements, as well as the decision published in May 2021 on attributing benefit to periods of service in the calculation of the provision for employee benefits falling within the scope of IAS 19 (see Notes 1.2 and 4 to the 2021 consolidated financial statements). The consequences of applying these decisions in the comparative consolidated financial statements for the six-month period ended June 30, 2021 are presented in Note 4.

Adopted by the European Union but not yet applicable

Standards, amendments and interpretations	Effective date
IFRS 17 – *Insurance Contracts*	January 1, 2023
Amendments to IAS 1 – *Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies*	January 1, 2023
Amendments to IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*	January 1, 2023

Not yet adopted by the European Union

Standards, amendments and interpretations	Effective date(1)
Amendments to IAS 1 – *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*	January 1, 2023
Amendments to IAS 12 – *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	January 1, 2023
Amendments to IFRS 17 – *Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information*	January 1, 2023

(1) Subject to adoption by the European Union.

Carrefour does not expect the application of this standard and these amendments to have a material impact on its consolidated financial statements.

1.3 Specific reporting treatments in the preparation of interim financial statements

1.3.1 Reporting principles

The condensed consolidated financial statements for the six-month period ended June 30, 2022 have been prepared in accordance with IAS 34 – *Interim Financial Reporting*. Condensed interim consolidated financial statements do not contain all of the disclosures that would be required in a complete set of annual financial statements. Consequently, these interim financial statements should be read jointly with the Group's consolidated financial statements for the year ended December 31, 2021, as included in the Universal Registration Document filed with the AMF (French financial markets authority) and available on request from the Company's head office at 93 avenue de Paris – 91300 Massy, France, or on the Company's website, www.carrefour.com.

1.3.2 Estimation of income tax expense

In accordance with IAS 34, income tax expense for first-half 2022 is calculated based on the estimated weighted average annual income tax rate for full-year 2022 (the effective tax rate), for each entity and tax sub-group (see Note 10). The tax impact of specific transactions is reflected in income tax expense for the period.

1.3.3 Post-employment benefits and other long-term benefits

The provision for pensions and other post-employment benefits is calculated using actuarial projections based on data from the previous period-end. The discount rate for the main contributing countries (eurozone) is reviewed at June 30 (see Note 11.3). The actuarial projections are updated to take into account any material changes to assumptions or one-off impacts (discount rates, applicable legislation, the population concerned, etc.) during the six-month period.

1.3.4 Conflict in Ukraine

The Group does not do business in Ukraine, Russia or Belarus. It does not hold any assets or interests in entities in these countries, nor is it party to any franchise agreements. In addition, the Group's exposure to the Russian and Belarusian markets is not deemed to be material. The Group is not materially affected by the trade restrictions and sanctions imposed by certain governments on Russia.

However, the Group is impacted to some extent by the macro-economic consequences of the conflict, particularly due to the resulting energy price fluctuations, which have led to the recognition of higher energy costs in the financial statements.

The Group is closely monitoring the development of the conflict and its macroeconomic and potentially operational consequences, particularly in its integrated countries bordering Ukraine (Poland and Romania). As expected, the inflationary pressure that began in the second half of 2021 intensified in the first half of 2022. In the current situation, Carrefour is committed to preserving consumer purchasing power while continuing to consolidate its business model. Carrefour did not encounter any significant supply problems during the first half of the year, despite a few localised, temporary shortages. However, in a tight supply environment, the Group is fully mobilised to ensure a steady supply of products, for example by increasing back-up inventory in certain sensitive categories, in order to improve the availability of products under favourable purchasing conditions.

1.4 Use of estimates and judgement

Preparation of consolidated financial statements involves the use of Group Management estimates and assumptions that may affect the reported amounts of certain assets, liabilities, income and expenses, as well as the disclosures contained in the notes. These estimates and assumptions are reviewed at regular intervals by Group management to ensure that they are reasonable in light of past experience and the current economic situation. Depending on changes in those assumptions, actual results may differ from current estimates. In addition to using estimates, Group management exercises its judgement when determining the appropriate accounting treatment of certain transactions and activities and how it should be applied.

The main estimates and judgements applied for the preparation of the condensed consolidated financial statements for the six-month period ended June 30, 2022 are the same as those described in the consolidated financial statements for the year ended December 31, 2021, except as explained in Note 1.3.

1.5 Measurement bases

The consolidated financial statements have been prepared using the historical cost convention, except for:

- certain financial assets and liabilities measured using the fair value model (see Note 13);
- assets acquired and liabilities assumed in business combinations, measured using the fair value model ;
- assets acquired through exchange, assessed at fair value if the exchange has commercial substance and if it is possible to reliably measure the fair value of the asset received or sold;
- non-current assets held for sale, measured at the lower of their carrying amount and fair value less costs to sell.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In accordance with the hierarchy defined in IFRS 13 – *Fair Value Measurement*, there are three levels of inputs:

- Level 1 inputs: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 inputs: models that use inputs that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., price-based data);
- Level 3 inputs: inputs that are intrinsic to the asset or liability and are not based on observable market data for the asset or liability.

Argentina is classified as a hyperinflationary economy within the meaning of IFRS. IAS 29 – *Financial Reporting in Hyperinflationary Economies* is therefore applicable to the consolidated financial statements for the six-months ended June 30, 2022; data for the comparative period presented have also been adjusted for inflation.

NOTE 2: SEASONAL FLUCTUATIONS IN BUSINESS

Like those of other retailers, Carrefour's sales are subject to significant seasonal fluctuations, with the result that comparisons between the consolidated financial statements for the first and second halves of the year are not particularly meaningful. This is particularly the case for recurring operating income and cash flow generation between the two periods.

The Group's second-half sales are traditionally higher than those for the first half, due to increased activity in December. Most of the operating expenses on the other hand – such as payroll costs, depreciation and amortisation – are spread more or less evenly over the year. As a result, the Group's recurring operating income is generally lower in the first half than in the second.

Cash flows generated by the Group are also strongly impacted by seasonal trends, with working capital requirement rising sharply in the first half as a result of the large volume of supplier payments due at the beginning of the year for the purchases made ahead of the previous year's peak selling period in December.

NOTE 3: SIGNIFICANT EVENTS OF THE PERIOD

3.1 Main acquisitions, disposals and other transactions during the period

Acquisition of Grupo BIG (Brazil) – Business combination

On March 24, 2021, Carrefour Brazil entered into an agreement with Advent International and Walmart for the acquisition of **Grupo BIG**, Brazil's third biggest food retailer. The acquiree reported net sales of around 20 billion Brazilian reals (approximately 3.1 billion euros) in 2021 and operates a multi-format network of 388 stores, including 181 stores owned by the Group.

With Carrefour Brazil's acquisition of Grupo BIG, the Company can expand into regions where its penetration is limited, such as the north-east and south of the country. This geographic fit will enrich the Company's ecosystem of products and services, which currently serves over 45 million customers, and broaden its customer base thanks to the addition of Grupo BIG customers.

The acquisition will allow the Company to expand in its traditional formats (mainly cash & carry and hypermarkets), while extending its footprint in formats in which it has a more limited presence, in particular supermarkets (98 *Bompreço* and *Nacional* stores) and soft discounters (97 *Todo Dia* stores). In addition, Carrefour Brazil will operate in a new market segment with the Sam's Club format, through a license agreement with Walmart Inc. This unique and highly profitable premium business model for the B2C segment is based on a membership system, with over two million members, and focuses mainly on private-label products.

Carrefour Brazil's Extraordinary Shareholders' Meeting and CADE, the Brazilian competition authority, approved this transaction on May 19, 2022 and May 25, 2022, respectively (subject to the disposal of 14 stores by the end of the year).

The acquisition was finalised on June 1, 2022, with payment made on June 6, 2022.

The preliminary purchase price for the entire share capital of Grupo BIG is 7,465 million Brazilian reals (1,471 million euros at the exchange rate as of the transaction date), which breaks down as follows:

- a cash payment of 5,292 million Brazilian reals (approximately 1 billion euros), representing 70% of the baseline price plus various preliminary earn-outs for 42 million Brazilian reals (approximately 8 million euros), including 900 million Brazilian reals (139 million euros) paid as part of a downpayment in March 2021;
- a share-based payment of 117 million new Carrefour Brazil shares (representing 30% of the baseline price), with a fair value of 2,173 million Brazilian reals (approximately 430 million euros) at June 6, 2022. As a result of this share-based payment, the Carrefour group's interest in Carrefour Brazil was 67.6% at June 30, 2022 compared to 71.6% at December 31, 2021.

As this was a transaction with minority shareholders, the impact of paying for 30% of Grupo BIG in Carrefour Brazil shares was recognised in consolidated equity for approximately 180 million euros attributable to the Carrefour group and approximately 250 million euros attributable to non-controlling interests.

The agreement also provides for an earn-out to be paid six months after completion of the transaction if the Carrefour Brazil share price exceeds the reference value of 19.26 Brazilian reals. The price of the Carrefour Brazil share was 16.67 Brazilian reals at June 30, 2022.

Grupo BIG's preliminary opening balance sheet at June 1, 2022, as included in the Group's half-year consolidated financial statements, is as follows:

ASSETS					
(in millions of Brazilian reals)	**Reference**	**Opening balance sheet (Net Book Value)**	**Fair Value adjustments**	**Opening balance sheet (Fair Value)**	**Opening balance sheet (in millions of euros)**
Goodwill	(a)	220	2,234	2,454	484
Other intangible assets	(e)	265	263	527	104
Property and equipment	(c)	4,887	3,804	8,691	1,713
Right-of-use assets	(b)	2,465		2,465	486
Other non-current financial assets	(f)	586		586	116
Deferred tax assets	(g)	2,407	(2,106)	302	59
Other non-current assets	(d) / (h)	3,095	(870)	2,226	439
Non-current assets		**13,925**	**3,325**	**17,250**	**3,400**
Inventories	(k)	2,955		2,955	582
Trade receivables	(k)	702		702	138
Other current financial assets	(k)	77		77	15
Tax receivables	(k)	513		513	101
Other current assets	(k)	204		204	40
Cash and cash equivalents	(k)	317		317	62
Assets held for sale	(i)	–	323	323	64
Current assets		**4,769**	**323**	**5,092**	**1,003**
TOTAL ASSETS		**18,694**	**3,648**	**22,342**	**4,403**

SHAREHOLDERS' EQUITY AND LIABILITIES					
(in millions of Brazilian reals)	**Reference**	**Opening balance sheet (Net Book Value)**	**Fair Value adjustments**	**Opening balance sheet (Fair Value)**	**Opening balance sheet (in millions of euros)**
Total shareholders' equity		**8,859**	**(1,394)**	**7,465**	**1,471**
Lease commitments - portion more than one year	(b)	2,598		2,598	512
Provisions	(d) / (j)	2,464	5,041	7,505	1,479
Deferred tax liabilities	(g)	150		150	30
Non-current liabilities		**5,212**	**5,041**	**10,254**	**2,021**
Borrowings - portion less than one year	(k)	631		631	124
Lease commitments - portion less than one year	(b)	196		196	39
Suppliers and other creditors	(k)	2,681		2,681	528
Tax payables - portion less than one year	(k)	96		96	19
Other current payables	(k)	1,018		1,018	201
Current liabilities		**4,622**		**4,622**	**911**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**18,694**	**3,648**	**22,342**	**4,403**

Changes in the period (i.e., Grupo BIG operations carried out in June 2022) are included in the consolidated income statement and statement of cash flows for first-half 2022. They are not material at the level of the Group.

The purchase price allocation process stipulated in IFRS 3 – *Business Combinations* was implemented and led to the recognition of provisional goodwill (a) in the amount of 484 million euros in the consolidated half-year financial statements as of June 30, 2022.

This preliminary purchase price allocation process will continue in second-half 2022 and first-half 2023 :

(b) In this respect, given the significant number of stores leased by Grupo BIG, the right-of-use assets and lease commitments have not been reviewed.
(c) Similarly, given the significant number of stores owned by Grupo BIG, only the land has been subject to a preliminary fair value measurement in the financial statements as of June 30, 2022. Other property and equipment have been included at their net carrying amounts, with the fair value measurement exercise set to be conducted in the second half of 2022.
(d) Reviews of the validity and value of ICMS and PIS COFINS tax credits will continue in second-half 2022 given their volume. The same applies to tax, labour and legal risks.

As the purchase price allocation process is still ongoing, the fair value adjustments may differ – even materially – at December 31, 2022 and June 30, 2023 from those included in the consolidated half-year financial statements as of June 30, 2022.

In the 2022 half-year financial statements, Grupo BIG's preliminary opening balance sheet consists of the following items:

(e) recognition and measurement of acquired brands *(Maxxi, Big, Bompreço, Nacional* and *TodoDia*) and their indefinite useful lives;
(f) continued recognition of other non-current financial assets at their net carrying amount, mainly relating to legal deposits paid in connection with disputes;
(g) impairment of almost all deferred tax assets (before netting and tax effects relating to fair value adjustments to assets and liabilities) of legal entities within Grupo BIG due to the lack of taxable profits in recent years;
(h) partial impairment of other non-current assets, consisting mainly of ICMS and PIS COFINS tax credits, following a preliminary analysis of possible future use;
(i) classification as assets held for sale of the 14 stores to be disposed of in accordance with CADE's decision;
(j) increase in provisions, in particular for tax risks and to a lesser extent for labour and legal risks, following the review of litigation and contingent liabilities;
(k) continued recognition of other current assets and liabilities at their net carrying amount (including inventories, trade receivables, suppliers and other creditors, other current financial assets, cash and cash equivalents and borrowings, tax receivables and payables).

Ofelia (Spain) – Acquisition of assets

The property company Ofelia leased nine stores and a shopping mall to Carrefour Spain. In February 2022, Carrefour Spain exercised its pre-emptive right and acquired these assets for approximately 40 million euros.

The disposal of these nine stores is expected to take place in the second half of 2022. Given the high probability of this disposal being completed, the stores have been classified as assets held for sale in the condensed consolidated half-year financial statements as of June 30, 2022 and valued at their net carrying amount.

Sale of the Group's stake in Cajoo (France)

On May 16, 2022, Germany-based Flink, Europe's leading quick commerce company, announced the acquisition of Cajoo from Carrefour and its founders in exchange for its own shares. This acquisition was finalised on June 23, 2022. The gain on the disposal of the Cajoo shares, amounting to approximately 6 million euros, net of fees, was recognised within non-recurring items for the period.

Also in June 2022, the Group contributed to Flink's reserved capital increase.

All Flink shares held by the Group at June 30, 2022 are recognised as investments in non-consolidated companies measured at fair value through other comprehensive income (see Note 13.5).

3.2 Warehouse fire in Taiwan

On March 14, 2022, a fire broke out in a logistics centre leased by Carrefour in the Yang Mei district of Taiwan. All employees were evacuated immediately with no injuries or casualties and the fire was brought under control on March 15, 2022.

A claim was submitted to the Group's insurance companies in this respect and was still being assessed at June 30, 2022. Losses incurred as a result of destroyed inventories and equipment were recorded in first-half 2022 against the payout receivable from insurers classified under other current assets. The same applies to the estimated operating losses up to June 30, 2022.

3.3 Securing the Group’s long-term financing

On March 30, 2022, the Group issued its first Sustainability-Linked Bond (SLB) indexed to its sustainable development goals. The 1.5 billion-euro bond comprises two tranches of 750 million euros each, with a maturity of 4.6 years (due in October 2026) and 7.6 years (due in October 2029) respectively, and paying a coupon of 1.88% and 2.38%.

This bond was issued as part of a financing strategy aligned with the Group's CSR objectives and ambitions as well as the Sustainability-Linked Bond Framework of its Euro Medium-Term Notes (EMTN) programme published in June 2021, whose CSR component was revised and enhanced in May 2022.

On June 8, 2022, the Group redeemed 1 billion euros worth of 1.75% 8-year bonds, ahead of their maturity (July 2022).

These transactions guarantee the Group's liquidity over the short- and medium-term in an unstable economic environment, and are part of the strategy to ensure the necessary financing is in place to meet Carrefour's needs. The average maturity of bond debt of Carrefour SA was 3.8 years at end-June 2022, compared with 3.1 years at end-December 2021 and 3.6 years at end-June 2021.

Financing of the Brazilian subsidiary Atacadão

Following on from the 2021 transactions, Carrefour's Brazilian subsidiary Atacadão has set up financing arrangements in 2022 enabling it to secure its medium- and long-term needs in connection with the acquisition of Grupo BIG.

The US dollar bank financing facilities put in place in December 2021 were finalised on January 5, 2022, with a total of 2,942 million Brazilian reals (approximately 537 million euros at the closing exchange rate of June 30, 2022) immediately swapped for Brazilian reals with maturities of 16 to 17 months.

On January 6 and May 17, 2022, two inter-company financing lines were set up between the companies Carrefour Finance and Atacadão. The first revolving credit facility (RCF) for an amount of 4 billion Brazilian reals (approximately 729 million euros at the closing exchange rate of June 30, 2022), bearing annual interest at 12%, falls due in July 2023 and had been fully drawn at the end of June 2022. The second RCF for 1.9 billion Brazilian reals (approximately 346 million euros at the closing exchange rate of June 30, 2022), bearing annual interest at 14.25%, has a maturity of three years and had not been drawn down at June 30, 2022. These intra-group RCF loans are qualified as net investments in foreign operations and are therefore remeasured at fair value through equity. They are hedged in an amount of 1.4 billion Brazilian reals by derivatives classified as net investment hedges.

Finally, on May 20, 2022, the Brazilian subsidiary obtained bank financing in euros and in US dollars, which was immediately swapped for Brazilian reals, for 1,500 million reals (approximately 274 million euros at the closing exchange rate of June 30, 2022). This facility falls due in six months and will be replaced by a medium-term financing facility in second-half 2022.

3.4 Payment of the 2021 dividend in cash

At the Shareholders' Meeting held on June 3, 2022, the shareholders decided to set the 2021 dividend at 0.52 euros per share to be paid entirely in cash.

On June 9, 2022, the dividend was paid out in an amount of 380 million euros.

3.5 Share buyback programme

As part of its share capital allocation policy, the Group commissioned an investment services provider to buy back shares corresponding to a maximum amount of 750 million euros, as authorised by the Shareholders' Meeting of May 21, 2021.

The first tranche of the share buyback programme began on March 7, 2022 and ended on April 13, 2022, with 21,232,106 shares acquired at an average price of 18.84 euros per share for a total amount of 400 million euros. These shares were cancelled following a decision by the Board of Directors on April 20, 2022 to reduce the share capital of Carrefour SA.

A second tranche of the share buyback programme began on May 2, 2022 and ended on May 24, 2022, with 17,191,700 shares acquired at an average price of 20.36 euros per share for a total amount of 350 million euros. Of the shares bought back, 12,506,325 shares were cancelled following a decision by the Board of Directors on June 3, 2022 to reduce the share capital of Carrefour SA.

These shares were cancelled in accordance with the authorisation granted by the Shareholders' Meeting of May 21, 2021.

Following cancellation of these shares, Carrefour SA has 742,157,461 shares outstanding and, consequently, 11,544,870 treasury shares, representing approximately 1.6% of the share capital.

NOTE 4: RESTATEMENT OF THE 2021 CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

4.1 IAS 19 – Employee Benefits – Application of the IFRS IC decision of May 2021

In May 2021, the IFRS IC published a final decision clarifying the attribution of benefit to periods of service. The decision came in response to a request regarding a defined benefit plan with the following characteristics: provided they are still with the company when they reach retirement age, employees are entitled to a lump-sum benefit depending on their length of service, which is capped at a specified number of consecutive years of service.

This decision has been applied retrospectively, and its impacts have been recognised in retained earnings in the comparative period presented in the consolidated financial statements for the year ended December 31, 2021 (see Note 4 of these financial statements).

This decision has not been applied in the issued consolidated financial statements for the six months ended June 30, 2021. The estimated impact for first-half 2021 was deemed immaterial for the Group; therefore, the comparative information for the six months ended June 30, 2021 has not been restated to reflect this decision in the consolidated half-year financial statements as of June 30, 2022.

4.2 Impact of the IFRS IC decision issued in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements

In the consolidated financial statements for the year ended December 31, 2021, the Group applied the IFRS IC decision published in April 2021 on the recognition of configuration and customisation costs in Software as a Service (SaaS) arrangements (see Note 1.2 to the 2021 consolidated financial statements).

As a result of this decision, the Group changed the accounting policy for customisation and configuration costs when they do not meet the recognition criteria under IAS 38 (when the Group does not control the SaaS solution) or when they do not relate to the development of an interface (middleware) with this SaaS solution. These costs are now recognised as an expense either (a) as and when they are incurred if the development work is carried out internally or by a third party integrator (not related to the SaaS solution publisher), or (b) over the term of the SaaS arrangement if the development work is carried out by the SaaS solution publisher or its subcontractor.

This decision was applied in the consolidated financial statements as of December 31, 2021. For SaaS solutions implemented before January 1, 2021, the estimated impact was not deemed material for the Group; therefore, the comparative information for the year ended December 31, 2020 was not restated in light of this decision. The integration costs of SaaS solutions capitalised at December 31, 2020 that no longer meet the recognition criteria were written off at January 1, 2021, against non-recurring income and expenses, in accordance with the Group's accounting principles (see Note 6.3 to the 2021 consolidated financial statements).

As the consolidated financial statements for the six-month period ended June 30, 2021 did not include this write-off, the comparative information was restated in the consolidated half-year financial statements as of June 30, 2022 (see Notes 4.3 and 4.4). For SaaS solutions implemented between January 1, 2021 and June 30, 2021, the estimated impact was not deemed material for the Group; therefore, the comparative information for the six months ended June 30, 2021 was not restated in light of this decision for these solutions in the consolidated half-year financial statements as of June 30, 2022.

4.3 Impact on the consolidated income statement for first-half 2021

(in millions of euros)	**First-half 2021 published**	**SaaS IFRIC decision impacts**	**First-half 2021 restated**
Net sales	34,462	–	34,462
Loyalty program costs	(403)	–	(403)
Net sales net of loyalty program costs	**34,059**	**–**	**34,059**
Other revenue	1,040	–	1,040
Total revenue	**35,100**	**–**	**35,100**
Cost of sales	(27,734)	–	(27,734)
Gross margin from recurring operations	**7,365**	**–**	**7,365**
Sales, general and administrative expenses, depreciation and amortisation	(6,625)	–	(6,625)
Recurring operating income	**740**	**–**	**740**
Net income/(loss) from equity-accounted companies	(10)	–	(10)
Recurring operating income after net income from equity-accounted companies	**730**	**–**	**730**
Non-recurring income and expenses, net	(41)	(28)	(70)
Operating income	**689**	**(28)**	**660**
Finance costs and other financial income and expenses, net	(132)	–	(132)
Finance costs, net	*(80)*	–	*(80)*
Net interest related to lease commitments	*(52)*	–	*(52)*
Other financial income and expenses, net	*(1)*	–	*(1)*
Income before taxes	**556**	**(28)**	**528**
Income tax expense	(187)	1	(186)
Net income/(loss) from continuing operations	**369**	**(27)**	**342**
Net income/(loss) from discontinued operations	23	–	23
Net income/(loss) for the period	**392**	**(27)**	**365**
Group share	**298**	**(27)**	**271**
of which net income/(loss) from continuing operations - Group share	*275*	*(27)*	*248*
of which net income/(loss) from discontinued operations - Group share	*23*	–	*23*
Attributable to non-controlling interests	**94**	**(0)**	**94**
of which net income/(loss) from continuing operations - attributable to non-controlling interests	*94*	*(0)*	*94*
of which net income/(loss) from discontinued operations - attributable to non-controlling interests	–	–	–

4.4 Impact on the consolidated statement of cash flows for first-half 2021

(in millions of euros)	First-half 2021 published	SaaS IFRIC decision impacts	First-half 2021 restated
Income before taxes	**556**	**(28)**	**528**
CASH FLOWS FROM OPERATING ACTIVITIES			
Income tax	(165)	–	(165)
Depreciation and amortisation expense	1,133	–	1,133
Gains and losses on sales of assets	(281)	28	(253)
Change in provisions and impairment	152	–	152
Finance costs, net	80	–	80
Net interest related to lease commitments	52	–	52
Net income and dividends received from equity-accounted companies	48	–	48
Impact of discontinued operations	(9)	–	(9)
Cash flow from operations	**1,566**	**–**	**1,566**
Change in working capital requirement	(2,138)	–	(2,138)
Net cash (used in)/from operating activities (excluding financial services companies)	**(572)**	**–**	**(572)**
Change in consumer credit granted by the financial services companies	(103)	–	(103)
Net cash (used in)/from operating activities - total	**(675)**	**–**	**(675)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment and intangible assets	(558)	–	(558)
Acquisitions of non-current financial assets	(147)	–	(147)
Acquisitions of subsidiaries and investments in associates	(87)	–	(87)
Proceeds from the disposal of subsidiaries and investments in associates	186	–	186
Proceeds from the disposal of property and equipment and intangible assets	40	–	40
Proceeds from the disposal of non-current financial assets	2	–	2
Change in amounts receivable from disposals of non-current assets and due to suppliers of non-current assets	(219)	–	(219)
Investments net of disposals - subtotal	**(782)**	**–**	**(782)**
Other cash flows from investing activities	44	–	44
Net cash (used in)/from investing activities - total	**(739)**	**–**	**(739)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid by Carrefour SA	(383)	–	(383)
Dividends paid by consolidated companies to non-controlling interests	(90)	–	(90)
Change in treasury stock and other equity instruments	(443)	–	(443)
Change in current financial assets	15	–	15
Issuance of bonds	–	–	–
Repayments of bonds	(871)	–	(871)
Net financial interest paid	(82)	–	(82)
Other changes in borrowings	649	–	649
Payments related to leases (principal)	(480)	–	(480)
Net interest related to lease commitments	(51)	–	(51)
Net cash (used in)/from financing activities - total	**(1,735)**	**–**	**(1,735)**
Net change in cash and cash equivalents before the effect of changes in exchange rates	**(3,149)**	**–**	**(3,149)**
Effect of changes in exchange rates	4	–	4
Net change in cash and cash equivalents	**(3,145)**	**–**	**(3,145)**
Cash and cash equivalents at beginning of period	**4,439**	**–**	**4,439**
Cash and cash equivalents at end of period	**1,294**	**–**	**1,294**

NOTE 5: SEGMENT INFORMATION

5.1 Segment results

First-half 2022 *(in millions of euros)*	**Group total**	**France**	**Europe**	**Latin America**	**Asia**	**Global Functions**
Net sales	39,054	17,910	10,636	9,244	1,263	–
Other revenue	1,215	383	278	474	47	33
Recurring operating income before depreciation and amortisation	**1,987**	**703**	**585**	**596**	**125**	**(23)**
Recurring operating income	**814**	**194**	**163**	**444**	**40**	**(26)**
Capital expenditure [1]	562	217	143	193	5	3
Depreciation and amortisation expense [2]	(1,173)	(509)	(423)	(153)	(86)	(3)

First-half 2021 *(in millions of euros)*	**Group total**	**France**	**Europe**	**Latin America**	**Asia**	**Global Functions**
Net sales	34,462	16,889	10,158	6,208	1,208	–
Other revenue	1,040	374	270	318	43	35
Recurring operating income before depreciation and amortisation	**1,873**	**710**	**648**	**414**	**126**	**(25)**
Recurring operating income	**740**	**187**	**225**	**309**	**47**	**(28)**
Capital expenditure [1]	558	217	97	220	18	5
Depreciation and amortisation expense [2]	(1,133)	(523)	(423)	(105)	(80)	(2)

(1) In first-half 2021, capital expenditure included the acquisition of two additional Makro Atacadista stores on a full ownership basis for approximately 19 million euros as well as operational investments for the 25 acquired stores at end-2020. On June 30, 2022, the 29th and final store was acquired on a full ownership basis for 5 million euros.

(2) Including the depreciation and amortisation relating to logistics equipment included in the cost of sales.

The increase in Latin America's segment earnings reflects the significant upturn in profitability, particularly in Brazil, in local currency terms, further reinforced by the increase in the value of the Brazilian real compared to first-half 2021. Segment results also reflect Grupo BIG's contribution for June 2022 (see Note 3.1).

5.2 Segment assets and liabilities

June 30, 2022 *(in millions of euros)*	**Group total**	**France**	**Europe**	**Latin America**	**Asia**	**Global Functions**
ASSETS						
Goodwill	8,527	5,187	2,374	815	149	1
Other intangible assets	1,453	578	573	266	29	7
Property and equipment	12,521	4,478	2,768	4,872	401	2
Investment property	313	10	114	134	54	–
Right-of-use assets	4,654	1,529	1,874	852	394	4
Other segment assets	18,809	7,862	3,398	6,790	338	420
Total segment assets	**46,277**	**19,645**	**11,102**	**13,730**	**1,365**	**434**
Unallocated assets	6,478					
TOTAL ASSETS	**52,755**					
LIABILITIES (excluding equity)						
Segment liabilities	**26,623**	**11,361**	**6,975**	**6,726**	**1,142**	**419**
Unallocated liabilities	14,010					
TOTAL LIABILITIES	**40,633**					

December 31, 2021 *(in millions of euros)*	**Group total**	**France**	**Europe**	**Latin America**	**Asia**	**Global Functions**
ASSETS						
Goodwill	7,995	5,147	2,379	321	147	1
Other intangible assets	1,333	580	574	144	28	6
Property and equipment	10,721	4,627	2,871	2,784	437	2
Investment property	291	11	115	111	54	–
Right-of-use assets	4,361	1,636	1,945	344	432	4
Other segment assets	15,672	7,326	3,126	4,569	315	336
Total segment assets	**40,373**	**19,327**	**11,009**	**8,274**	**1,414**	**350**
Unallocated assets	7,295					
TOTAL ASSETS	**47,668**					
LIABILITIES (excluding equity)						
Segment liabilities	**25,983**	**11,612**	**7,497**	**5,276**	**1,221**	**377**
Unallocated liabilities	9,856					
TOTAL LIABILITIES	**35,839**					

The increase in assets and liabilities in the Latin America region at June 30, 2022 compared to December 31, 2021 derives chiefly from Brazil and reflects two main components:

- the consolidation of Grupo BIG from June 1, 2022 (see Note 3.1);
- the increase in the value of the Brazilian real by 15%.

NOTE 6: OPERATING ITEMS

6.1 Revenue

6.1.1 Net sales

(in millions of euros)	First-half 2022	First-half 2021	% change
Net sales	39,054	34,462	13.3%

At constant exchange rates, first-half 2022 net sales amounted to 38,018 million euros compared with 34,462 million euros in first-half 2021, an increase of 10.3%. Changes in exchange rates reduced net sales by 1 billion euros in first-half 2022, almost exclusively attributable to the Latin America region.

Restated for IAS 29 in Argentina, consolidated net sales for first-half 2022 would have increased by 10.0% at constant exchange rates.

Net sales by country[(1)]

(in millions of euros)	First-half 2022	First-half 2021
France	**17,910**	**16,889**
Europe (excluding France)	**10,636**	**10,158**
Spain	4,815	4,353
Italy	1,907	1,935
Belgium	1,884	1,998
Poland	973	872
Romania	1,058	1,000
Latin America	**9,244**	**6,208**
Brazil	7,824	5,271
Argentina	1,421	937
Asia	**1,263**	**1,208**
Taiwan	1,263	1,208
TOTAL NET SALES	**39,054**	**34,462**

(1) Substantially all revenue is recognised on a specific date. Revenue recognised over time is not material at Group level.

6.1.2 Other revenue

(in millions of euros)	First-half 2022	First-half 2021	% change
Financing fees and commissions [1]	661	549	20.5%
Franchise and business lease fees	193	185	4.5%
Rental revenue	101	75	33.9%
Revenue from sub-leases	18	15	14.8%
Property development revenue [2]	2	4	(58.6)%
Other revenue [3]	240	212	13.5%
TOTAL OTHER REVENUE	**1,215**	**1,040**	**16.8%**

(1) Including net banking revenue and net insurance revenue generated by the Group's financial services and insurance companies.

(2) Corresponding to the sale price of properties developed by the Group for resale. Taking into account development costs recorded in "Cost of sales", the property development margin amounted to 2 million euros in first-half 2022 (3 million euros in first-half 2021).

(3) Other revenue notably includes sales commissions, commissions received from suppliers, revenue from ticket/travel agency sales and in-store advertising fees.

Financing fees and commissions recognised in first-half 2022 bounced back, notably following the end of restrictive measures linked to the health crisis. In addition, growth observed in Brazil in local currency was buoyed by its translation into euros, given a more favourable average exchange rate over the period than in first-half 2021.

Furthermore, franchise and lease management fees continued to increase in France.

6.2 Sales, general and administrative expenses, and depreciation and amortisation

(in millions of euros)	First-half 2022	First-half 2021	% change
Sales, general and administrative expenses	(5,968)	(5,622)	6.2%
Depreciation and amortisation of property and equipment, intangible assets, and investment property	(653)	(633)	3.1%
Depreciation of right-of-use asset - Property and equipment and investment properties	(388)	(369)	5.1%
TOTAL SG&A EXPENSES AND DEPRECIATION AND AMORTISATION	**(7,010)**	**(6,625)**	**5.8%**

Sales, general and administrative expenses

Sales, general and administrative expenses break down as follows:

(in millions of euros)	First-half 2022	First-half 2021	% change
Employee benefits expense	(3,641)	(3,630)	0.3%
Maintenance and repair costs	(377)	(347)	8.7%
Fees	(373)	(319)	16.9%
Energy and electricity	(372)	(219)	70.3%
Taxes other than on income	(360)	(350)	2.9%
Advertising expense	(316)	(300)	5.3%
Property rentals (excl. IFRS 16)	(40)	(36)	13.5%
Other SG&A expenses	(488)	(422)	15.8%
TOTAL SG&A EXPENSES	**(5,968)**	**(5,622)**	**6.2%**

The increase in sales, general and administrative expenses results from a combination of factors in the first-half 2022, including a significant increase in energy costs (see Note 1.3.4), price inflation on certain purchased services, and the increase in the value of the Brazilian real.

Depreciation and amortisation

Including supply chain depreciation and amortisation recognised in cost of sales, total depreciation and amortisation expense recognised in the consolidated income statement amounted to 1,173 million euros in first-half 2022 (versus 1,133 million euros in first-half 2021), as follows:

(in millions of euros)	First-half 2022	First-half 2021	% change
Property and equipment	*(520)*	*(507)*	*2.6%*
Intangible assets	*(128)*	*(122)*	*4.7%*
Investment property	*(6)*	*(5)*	*19.2%*
Depreciation and amortisation of property and equipment, intangible assets, and investment property	(653)	(633)	3.1%
Depreciation of right-of-use asset - Property and equipment and investment properties	(388)	(369)	5.1%
Depreciation and amortisation of supply chain	(30)	(29)	6.2%
Depreciation of right-of-use asset - Supply chain	(101)	(101)	0.0%
TOTAL DEPRECIATION AND AMORTISATION	**(1,173)**	**(1,133)**	**3.5%**

6.3 Non-recurring income and expenses

This classification is applied to certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment of non-current assets, gains and losses on sales of non-current assets, restructuring costs and provision charges and income recorded to reflect revised estimates of risks provided for in prior periods, based on information that came to the Group's attention during the period.

Non-recurring items represented a net expense of 85 million euros in first-half 2022, and the detailed breakdown is as follows:

(in millions of euros)	**First-half 2022**	**First-half 2021 restated**
Gains and losses on disposals of assets	62	248
Restructuring costs	(16)	(260)
Other non-recurring income and expenses	(86)	4
Non-recurring income and expenses, net before asset impairments and write-offs	**(40)**	**(9)**
Asset impairments and write-offs	(45)	(61)
of which impairments and write-offs of goodwill	–	–
of which impairments and write-offs of property and equipment, intangible assets and others	*(45)*	*(61)*
NON-RECURRING INCOME AND EXPENSES, NET	**(85)**	**(70)**
of which:		
Non-recurring income	*135*	*405*
Non-recurring expense	*(220)*	*(474)*

Gains and losses on disposals of non-current assets comprise gains and losses arising on various asset disposals, notably in France and Italy.

Other non-recurring income and expenses recorded in first-half 2022 mainly included revised estimates of historical risks, mostly tax-related, as well as the costs related to the acquisition of Grupo BIG in Brazil (see Note 3.1).

Asset impairments and write-offs recorded in first-half 2022 include the retirement of a variety of non-current assets, notably IT equipment in France for 8 million euros and related to certain stores, namely in France and Argentina. Write-offs of property, plant and equipment – offset by insurance payouts receivable classified under other non-recurring income and expenses – were also recognised in Taiwan following the fire at the Yang Mei logistics centre (see Note 3.2). In addition, the alignment of the net carrying amount of Showroomprivé shares with the stock market share price at June 30, 2022 represented a non-recurring expense of 10 million euros.

Main non-recurring items in first-half 2021 (restated)

Gains and losses on sales of assets mainly included the gain arising on the loss of control of Market Pay in France for a net amount of around 230 million euros (see Note 2.3 to the 2021 consolidated financial statements).

Restructuring costs resulted from continued work towards objectives to improve operating performance and organisational efficiency. The expense included in non-recurring items related chiefly to severance paid or payable within the scope of the transformation plan concerning the headquarters in France (see Note 2.2 to the 2021 consolidated financial statements).

Other non-recurring income and expenses resulted primarily from the following items in Brazil:

- the impact of the Pinheiros real estate transaction, which generated income of 81 million euros following an exchange of assets in the city of São Paulo (see Note 2.3 to the 2021 consolidated financial statements);
- provision reversals (net of costs) on ICMS credits notably related to transfers between states on "basic products" were recognised for around 23 million euros following expiry of the

limitation period for tax claims or further relief under tax amnesty programmes introduced by certain Brazilian states (see Note 6.3 to the 2020 consolidated financial statements);

- following the death of Mr Silveira Freitas, commitments were made by Carrefour Brazil to public authorities and non-profit organisations as part of a settlement agreement ("*Termo de ajustamento de Conduta*") signed on June 11, 2021. It led to the recognition of a provision for 17 million euros (see Note 11.3 to the 2021 consolidated financial statements).

Other non-recurring income and expenses also included revised estimates of historical risks in Spain and the impacts related to the decision taken in May 2021 to discontinue Carrefour Banque's operations in Italy (see Note 2.3 to the 2021 consolidated financial statements).

Asset impairments and write-offs included the retirement of a variety of non-current assets, in particular relating to IT in France for 23 million euros.
Asset impairments and write-offs also include the write-off of configuration and customisation costs for SaaS solutions that can no longer be capitalised as a result of the application of the final IFRS IC decision published in April 2021, for 28 million euros (see Note 4.2).

6.4 Change in working capital requirement

The change in working capital requirement reported in the consolidated statement of cash flows under "Net cash from operating activities" breaks down as follows:

(in millions of euros)	**First-half 2022**	**First-half 2021**	**Change**
Change in inventories	(631)	(426)	(205)
Change in trade receivables	(422)	(103)	(319)
Change in trade payables	(844)	(1,448)	604
Change in loyalty program liabilities	16	25	(8)
Change in trade working capital requirement	**(1,881)**	**(1,953)**	**71**
Change in other receivables and payables	(234)	(186)	(48)
CHANGE IN WORKING CAPITAL REQUIREMENT	**(2,115)**	**(2,138)**	**23**

These items, like all other items in the statement of cash flows, are translated at the average rate for the period.

6.5 Banking and insurance businesses

6.5.1 Consumer credit granted by the financial services companies

At June 30, 2022, consumer credit granted by the financial services companies totalled 5,574 million euros (compared with 5,294 million euros at December 31, 2021), as follows:

(in millions of euros)	**June 30, 2022**	**December 31, 2021**
Payment card receivables	4,985	4,474
Loans	1,494	1,549
Consumer credit (on purchases made in Carrefour stores)	35	44
Other financing [1]	240	254
Impairment	(1,179)	(1,027)
Total Consumer credit granted by the financial services companies	**5,574**	**5,294**
Portion due in less than one year	*3,708*	*3,473*
Portion due in more than one year	*1,866*	*1,821*

(1) Other financing corresponds mainly to restructured loans and credit facilities.

Consumer credit granted by the financial services companies corresponds to customer receivables (credit card debt, personal loans, etc.).

The gross value of consumer credit increased by approximately 430 million euros compared with December 31, 2021. This reflects strong momentum in the consumer credit business in Brazil, boosted by the increase in the value of the Brazilian real during the period. Gross consumer credit in Spain and France remain relatively stable, excluding the impact of sales of mainly category 3 credit in both countries over the period.

At June 30, 2022, 71% of the gross value of consumer credit granted by the financial services companies was classified in category 1, 11% in category 2 and 18% in category 3. At December 31, 2021, categories 1, 2 and 3 represented 73%, 11% and 16%, respectively, of the gross value of consumer credit granted by the financial services companies.

The average impairment rate for consumer credit remains close to 17%.

6.5.2 Consumer credit financing

The related consumer credit financing amounted to 4,612 million euros at June 30, 2022 (December 31, 2021: 4,441 million euros), as follows:

(in millions of euros)	**June 30, 2022**	**December 31, 2021**
Bonds and notes [1]	832	1,202
Debt securities (Neu CP and Neu MTN) [2]	1,291	866
Bank borrowings [3]	562	498
Customer passbook savings deposits	292	304
Securitisations [4]	298	369
Other refinancing debt to financial institutions	1,333	1,202
Other	3	–
TOTAL CONSUMER CREDIT FINANCING	**4,612**	**4,441**
Portion due in less than one year	*2,497*	*2,868*
Portion due in more than one year	*2,115*	*1,573*

(1) In March 2022, Carrefour Banque redeemed ahead of term the 400 million-euro bond issued in June 2021 with a fixed rate swapped for the 3-month Euribor (4 years – June 2025 maturity, 3-month Euribor coupon +49 bps).

(2) Debt securities mainly comprised negotiable European Commercial Paper (NEU CP) and negotiable European Medium-Term Notes (NEU MTN) issued by Carrefour Banque.

(3) This item mainly includes the 360 million-euro refinancing operation with the European Central Bank (maturity March 2024) and drawdowns of credit lines.

(4) This item corresponds to the "Master Credit Cards Pass" reloadable securitisation programme with compartments launched by Carrefour Banque in November 2013 for an initial asset pool of 560 million euros. Proceeds from the securitisation amounted to 400 million euros. This vehicle was maintained at June 30, 2022 with a balance of 298 million euros.

NOTE 7: INTANGIBLE ASSETS, PROPERTY AND EQUIPMENT, INVESTMENT PROPERTY

7.1 Goodwill and other intangible assets

Goodwill, which constitutes the main intangible asset, is reported separately from other intangible assets in the statement of financial position.

(in millions of euros)	June 30, 2022	December 31, 2021
Goodwill	8,527	7,995
Other intangible assets	1,453	1,333
TOTAL INTANGIBLE ASSETS	**9,980**	**9,328**

The carrying amount of goodwill is monitored at the level of the operating segments corresponding to the countries in which the Group conducts its business through its integrated store networks.

The net carrying amount of goodwill can be broken down as follows:

(in millions of euros)	June 30, 2022	December 31, 2021
France	5,187	5,147
Spain	1,031	1,031
Belgium	950	950
Brazil	809	314
Poland	224	229
Taiwan	149	147
Romania	99	99
Italy	69	69
Argentina	7	8
Global Functions	1	1
TOTAL	**8,527**	**7,995**

The 531 million-euro increase in goodwill over first-half 2022 reflects the following:

- completion of the acquisition of Grupo BIG in Brazil (see Note 3.1), including the recognition of provisional goodwill in the amount of 484 million euros.
- various acquisitions in France for a total of 40 million euros, corresponding mainly to the Carré d'Or franchisee.
- a favourable 11 million-euro effect of changes in foreign exchange rates following the increase in the value of the Brazilian real compared with December 31, 2021.

Impairment tests at June 30, 2022

In accordance with IAS 36 - *Impairment of Assets*, goodwill recognised on business combinations is not amortised but is tested for impairment every year, or more frequently if there is an indication that its carrying amount may not be recovered. At each interim closing, as prescribed by IAS 36, the Group determines whether there are any indications of impairment and, if this is the case, performs additional impairment tests.
The main impairment indicators used by the Group are as follows:

- internal impairment indicator: a material deterioration in the ratio of recurring operating income before depreciation and amortisation to net revenues excluding petrol between the budget and the most recent forecast,
- external impairment indicator: a material increase in the discount rate and/or a severe downgrade in the IMF's GDP growth forecast.

Focus on Italy

Note that an impairment loss of 700 million euros was recorded against Italian goodwill in 2017 to reflect the significant decline in the value in use of the Group's operations in this country. In light of this, an in-depth analysis was carried out to determine the Italian operations' fair value. This analysis adopted a multi-criteria valuation approach which took into account multiples observed for comparable companies in the retail sector in Europe, and the market value of Italian real estate assets, determined based on independent appraisals.

In the impairment tests carried out at December 31, 2020 and 2021, partial impairments of Italian goodwill were recorded in an amount of 104 million euros and 80 million euros, respectively. This reflected the decline in net sales, earnings and property values.

The multi-criteria approach was also used to test goodwill for impairment at June 30, 2022 (as at December 31, 2019, 2020 and 2021). This approach did not lead to any additional impairment of Italian goodwill.

Ultimately, at June 30, 2022, the tests performed by the Group did not lead to the recognition of any goodwill impairment losses.

7.2 Property and equipment

	June 30, 2022			
(in millions of euros)	Gross carrying amount	Depreciation	Impairment	Net carrying amount
Land	3,686	–	(73)	3,614
Buildings	11,585	(6,037)	(202)	5,347
Equipments, fixtures and fittings	15,453	(12,338)	(317)	2,799
Other fixed assets	622	(394)	(4)	224
Assets under construction	538	–	–	538
TOTAL PROPERTY AND EQUIPMENT	**31,885**	**(18,768)**	**(595)**	**12,521**

	December 31, 2021			
(in millions of euros)	Gross carrying amount	Depreciation	Impairment	Net carrying amount
Land	2,698	–	(72)	2,626
Buildings	10,591	(5,860)	(205)	4,527
Equipments, fixtures and fittings	15,208	(12,091)	(321)	2,797
Other fixed assets	447	(326)	(4)	117
Assets under construction	655	–	–	655
TOTAL PROPERTY AND EQUIPMENT	**29,600**	**(18,277)**	**(602)**	**10,721**

The significant increase in the net carrying amount of property and equipment compared with December 31, 2021 mainly reflects the acquisition of such assets held by Grupo BIG, whose land has been measured at fair value in accordance with IFRS 3 (see Note 3.1). This fair value remains preliminary and will be adjusted based on the measurement of the buildings and other property and equipment in the second half of 2022.

To a lesser extent, the increase in this item also reflects translation gains resulting from the increase in the value of the Brazilian real as of the reporting date.

7.3 Investment property

(in millions of euros)	June 30, 2022	December 31, 2021
Investment property (gross carrying amount)	541	493
Depreciation and impairment	(229)	(202)
TOTAL INVESTMENT PROPERTY, NET	**313**	**291**

Investment property consists mainly of shopping malls located adjacent to the Group's stores.

The slight increase in the net carrying amount of investment property compared with December 31, 2021 chiefly reflects translation gains resulting from the increase in the value of the Brazilian real as of the reporting date.

NOTE 8: LEASES

The increase in right-of-use assets and lease commitments compared to December 31, 2021 mainly reflects the consolidation of those recognised by Grupo BIG at their net carrying amount; the fair value allocation process will be implemented in second-half 2022 (see Note 3.1).

To a lesser extent, the increase in this item also reflects translation gains resulting from the increase in the value of the Brazilian real as of the reporting date.

8.1 Right-of-use assets

(in millions of euros)	June 30, 2022				December 31, 2021			
	Gross carrying amount	Depre-ciation	Impairment	Net carrying amount	Gross carrying amount	Depre-ciation	Impairment	Net carrying amount
Land & Buildings	7,618	(3,120)	(4)	4,494	6,917	(2,733)	(4)	4,180
Equipment, fixtures and fittings	147	(40)	–	107	146	(24)	–	122
Investment property	93	(40)	–	53	92	(34)	–	58
TOTAL RIGHT-OF-USE ASSET	**7,857**	**(3,200)**	**(4)**	**4,654**	**7,155**	**(2,791)**	**(4)**	**4,361**

8.2 Lease commitments

Lease commitments by maturity

(in millions of euros)	June 30, 2022	December 31, 2021
Due within 1 year	1,047	995
Due in 1 to 2 years	910	917
Due in 2 to 5 years	1,608	1,619
Due beyond 5 years	1,383	1,065
TOTAL LEASE COMMITMENTS	**4,947**	**4,597**

NOTE 9: INVESTMENTS IN COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD

9.1 Changes in investments in equity-accounted companies

Changes in investments in equity-accounted companies can be analysed as follows:

(in millions of euros)

At December 31, 2021	**1,256**
Acquisitions and capital increases (net of decreases)	11
Disposals	(27)
Dividends	(56)
Share of net income	12
Effect of changes in foreign exchange rates and other movements	5
At June 30, 2022	**1,200**

9.2 Information about associates

At June 30, 2022, the two main associates were Carmila with a carrying amount of 732 million euros (December 31, 2021: 749 million euros) and Provencia with a carrying amount of 137 million euros (December 31, 2021: 132 million euros). These two associates represented 72% of the total value of equity-accounted companies at end-June 2022.

Main transactions in first-half 2022

Carmila (France)

In first-half 2022, Carmila carried out two share buyback programmes followed by cancellation of the shares, representing approximately 1.4% of the share capital. This led to an increase in Carrefour's interest in Carmila, from 35.5% to 36.0%.

As a reminder, Carmila is accounted for by the equity method because the governance established with the co-investors allows Carrefour to exercise significant influence over Carmila (see Note 9.2 to the 2021 consolidated financial statements).

CarrefourSA (Turkey)

In first-half 2022, the Group sold on the market around 5% of its stake in the listed company CarrefourSA for 14 million euros, leading to the recognition in non-recurring items of a capital gain on disposal for the same amount. The remaining interest in CarrefourSA is 32% at June 30, 2022, compared with 38% at December 31, 2021.

Cosmopolitano (Brazil)

On April 1, 2022, the Group acquired the remaining 50% of shares in Cosmopolitano in Brazil, which has been fully consolidated since that date.

Proceeds of approximately 80 million Brazilian reals (15 million euros) were recognised within non-recurring items as a result of this takeover, which was accounted for in accordance with IFRS 3 and IAS 28.

Cajoo (France)

In July 2021, the Group acquired a 40% non-controlling interest in Cajoo, a French trailblazer in quick commerce, which has been accounted for by the equity method in the Group's consolidated financial statements since that date.

On May 16, 2022, Germany-based Flink, Europe's leading quick commerce company, announced the acquisition of Cajoo from Carrefour and its founders in exchange for its own shares. This acquisition was finalised on June 23, 2022. The gain on the disposal of the Cajoo shares, amounting to approximately 6 million euros, net of fees, was recognised within non-recurring items for the period.

Also in June 2022, the Group contributed to Flink's reserved capital increase.

All Flink shares held by the Group at June 30, 2022 are recognised as investments in non-consolidated companies measured at fair value through other comprehensive income (see Note 13.5).

Showroomprivé (France)

In first-half 2022, additional impairment of 10 million euros on the Showroomprivé shares was recognised against non-recurring income and expenses in order to align their value with the company’s share price at June 30, 2022.

NOTE 10: INCOME TAX

The income tax expense for first-half 2022 amounted to 202 million euros, i.e., an effective tax rate of 36.4%, compared with the 186 million-euro expense recorded in first-half 2021 as restated, which corresponded to an effective tax rate of 35.3%.

The effective tax rates for the first six months of 2022 and 2021 (restated) were impacted by the recognition of the CVAE (local business tax) in France and the absence of deferred tax assets in Italy.

Apart from these factors, the first-half 2022 effective tax rate reflects the geographical breakdown of income before tax, with no other items significantly distorting the tax proof.

The restated effective tax rate for first-half 2021 combined several factors which:

- decreased the rate, such as the low tax rates applied to capital gains arising on disposal of 60% of Market Pay in France and on the Pinheiros asset exchange in Brazil;
- increased the rate, such as the rise in deferred tax liabilities relating to the remeasurement of non-current assets in accordance with IAS 29 as a result of the increase in the applicable tax rate in Argentina.

Furthermore, the probable recoverability of deferred tax assets recognised in the consolidated statement of financial position at December 31, 2021 was confirmed at June 30, 2022, based in particular on a comparison between the budgeted performance of the different countries and the most recent forecasts.

Lastly, the amount of deferred tax assets net of deferred tax liabilities (before tax effects relating to adjustments to assets and liabilities at fair value) reported by Grupo BIG was almost fully written down in the preliminary opening balance sheet due to its lack of taxable profits in recent years (see Note 3.1).

NOTE 11: PROVISIONS AND CONTINGENT LIABILITIES

11.1 Changes in provisions

(in millions of euros)	December 31, 2021	Increases [3]	Reversals of surplus provisions	Utilisations	Discounting adjustment	Effect of changes in foreign exchange rates [4]	Other [5]	June 30, 2022
Employee benefits	786	25	(7)	(22)	(165)	1	(68)	550
Claims and litigation	844	130	(75)	(70)	–	(41)	1,440	2,228
Tax litigations	*503*	*75*	*(37)*	*(13)*	–	*(32)*	*1,195*	*1,690*
Employee related disputes	*109*	*32*	*(13)*	*(19)*	–	*(6)*	*140*	*242*
Legal disputes	*232*	*23*	*(25)*	*(39)*	–	*(2)*	*106*	*297*
Restructuring	356	27	(20)	(88)	–	(0)	–	275
Provisions related to banking and insurance businesses [1]	247	56	(6)	(10)	–	7	–	295
Other [2]	222	17	(39)	(7)	–	(3)	114	304
TOTAL PROVISIONS	**2,455**	**255**	**(146)**	**(198)**	**(165)**	**(36)**	**1,487**	**3,652**

(1) *Provisions relating to the banking and insurance businesses notably include provisions for credit risk on loan commitments (off-balance sheet) recognised in accordance with IFRS 9, and provisions set aside to cover insurance underwriting risk.*

(2) *Other provisions mainly concern onerous contracts. They also include provisions for dismantling assets under property leases or for restoring assets to the requisite condition, recognised against the related right-of-use asset following application of IFRS 16.*

(3) *Increases in provisions relating to the banking and insurance businesses for 56 million euros correspond, for 48 million euros, to the estimated cost incurred due to the fire that broke out in the Yang Mei logistics centre in Taiwan in March 2022. Payouts receivable from insurance companies in respect of this claim for an amount of 42 million euros are recognised under other current assets (see Note 3.2).*

(4) *The effect of changes in foreign exchange rates mainly reflects the decrease in the value of the Brazilian real during June 2022 on the provisions of Grupo BIG.*

(5) *This item corresponds mainly to the provisions recorded in the preliminary opening balance sheet of Grupo BIG, for which the fair value allocation process will continue in second-half 2022 (see Note 3.1). It also corresponds to the reclassification of the provision for employee benefits to other provisions for 68 million euros (see Note 11.3) following the transfer of integrated stores to lease management contracts in France in first-half 2022.*

Group companies are involved in a certain number of pre-litigation and litigation proceedings in the normal course of business. Furthermore, they have been or are currently the subject of tax audits, some of which may result in reassessments.

The Group is also subject to regular audits by the authorities responsible for overseeing compliance with the laws applicable to the retail industry and by the competition authorities. As for any company, disputes may also arise between the Group and its co-contractors, particularly its franchisees, service providers or suppliers.

In each case, the risk is assessed by Group management and their advisors.

11.2 Contingent liabilities

To the best of the Group's knowledge, there are no contingent liabilities that may be considered likely to have a material impact on the Group's results, financial position, assets and liabilities or business.

During first-half 2022, there was no material change in contingent liabilities compared to those described in Note 11.3 to the 2021 consolidated financial statements.

11.3 Post-employment benefits

The Group's post-employment benefit obligation (defined benefit plans) is calculated on the basis of actuarial assumptions such as future salary levels, retirement age, mortality, staff turnover and the discount rate.

At June 30, 2022, a discount rate of 3.20% was used for France, Belgium and Italy (December 31, 2021: 0.80%). The discount rate is based on an index of AA-rated corporate bonds with maturities that correspond to the expected cash outflows of the plans.

(in millions of euros)	France	Belgium	Italy	Other countries	**Group total**
Provision at December 31, 2021	**445**	**215**	**88**	**39**	**786**
Service cost	*22*	*9*	*0*	*0*	*31*
Settlement and plan amendments	*(4)*	*–*	*(1)*	*(0)*	*(5)*
Interest cost (discount effect)	*2*	*2*	*0*	*0*	*4*
Return on plan assets	*(0)*	*(1)*	*–*	*(0)*	*(1)*
Other items	*(3)*	*–*	*–*	*–*	*(3)*
Movements recorded in the income statement	17	10	(1)	1	27
Benefits paid directly by the employer	(8)	(7)	(8)	–	(23)
Effect of changes in scope of consolidation [1]	(68)	–	–	–	(68)
Change in actuarial gains and losses	(83)	(64)	(18)	*(0)*	(165)
Other	–	(4)	–	(3)	(6)
Provision at June 30, 2022	**301**	**150**	**62**	**38**	**550**

(1) The effect of changes in the scope of consolidation, which reduced the provision by 68 million euros, corresponds to the reclassification of the provision for employee benefits to other provisions (see Note 11.1) following the transfer of integrated stores to lease management contracts in France during first-half 2022.

The cost of services rendered was recognised in employee benefits expense, and interest income and expenses were recognised in financial income and expenses.

Sensitivity tests show that:

- a 25-bps increase in the discount rate would reduce the defined benefit obligation under the French, Belgian and Italian plans by around 17 million euros;
- a 25-bps increase in the inflation rate would increase the defined benefit obligation under the French, Belgian and Italian plans by around 13 million euros.

11.4 Performance share plan

Under the 2019 performance share plan which expired on February 27, 2022, the level of attainment achieved by the Carrefour group was 100%. Accordingly, 2,592,746 shares were delivered to the beneficiaries in accordance with the relevant settlement terms.

In addition, 5,298 shares were also delivered to heirs of employees under the ongoing 2020 and 2021 performance plans.

On February 16, 2022, based on the Compensation Committee's recommendation, Carrefour SA's Board of Directors decided to use the authorisation given in the 29th resolution of the Annual Shareholders' Meeting held on May 21, 2021 to grant new or existing performance shares. The plan provided for the grant of a maximum of 3,104,000 shares (representing 0.40% of the share capital at February 16, 2022). The shares will vest subject to a service condition and several performance conditions.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour SA share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

Details of the 2022 performance share plan are presented below.

	2022 Performance Plan
Shareholders' Meeting date	May 21, 2021
Grant date [1]	February 16, 2022
Vesting date [2]	February 16, 2025
Total number of shares approved at the grant date	3,104,000
Number of grantees at the grant date	809
Fair value of each share (*in euros*) [3]	14.21

(1) Date of the Board of Directors' decision to grant shares.
(2) The shares will vest only if the grantee remains with the Group until the end of the vesting period and performance conditions are met.
(3) The fair value of shares is determined according to a reference price adjusted for dividends expected during the vesting period.

11.5 Restructuring

Provisions set aside at December 31, 2021 for restructuring in an amount of 356 million euros mainly comprised costs related to plans undertaken to streamline operating structures, chiefly in France and Italy (see Note 2.2 to the 2021 consolidated financial statements). These costs primarily corresponded to severance pay, early retirement benefits, costs of notice periods not served, and costs of training and other support measures offered to employees being made redundant under restructuring plans.

Some of these provisions were used during first-half 2022 (see Note 11.1).

NOTE 12: EQUITY, OTHER COMPREHENSIVE INCOME AND EARNINGS PER SHARE

12.1 Share capital and treasury stock

At June 30, 2022, the share capital was made up of 742,157,461 ordinary shares with a par value of 2.5 euros each, all fully paid.

Furthermore, at June 30, 2022 a total of 11,544,870 shares were held in treasury.

(in thousands of shares)	Number of shares	Of which treasury stocks
Outstanding at January 1, 2022	**775,896**	**9,458**
Issued for cash	–	–
Issued / (used) under performance share plans [1]	–	(2,598)
Issued in payment of dividends	–	–
Share buyback programme [2]	–	38,424
Cancelled shares [2]	(33,738)	(33,738)
Outstanding at June 30, 2022	**742,157**	**11,545**

(1) See Note 11.4.

(2) See Note 3.5.

12.2 Other comprehensive income

Group share *(in millions of euros)*	First-half 2022			First-half 2021		
	Pre-tax	Tax	Net	Pre-tax	Tax	Net
Effective portion of changes in the fair value of cash flow hedges [1]	85	(8)	77	39	(9)	30
Changes in the fair value of debt instruments through other comprehensive income	(10)	3	(7)	(1)	0	(1)
Exchange differences on translating foreign operations [2]	252	–	252	172	–	172
Items that may be reclassified subsequently to profit or loss	**327**	**(6)**	**321**	**209**	**(8)**	**201**
Remeasurements of defined benefit plans obligation [3]	164	(37)	127	63	(14)	49
Items that will not be reclassified to profit or loss	**164**	**(37)**	**127**	**63**	**(14)**	**49**
Total other comprehensive income / (loss) - Group share	**491**	**(43)**	**448**	**272**	**(22)**	**250**

Non-controlling interests *(in millions of euros)*	First-half 2022			First-half 2021		
	Pre-tax	Tax	Net	Pre-tax	Tax	Net
Effective portion of changes in the fair value of cash flow hedges	7	(2)	5	2	(1)	1
Changes in the fair value of debt instruments through other comprehensive income	(11)	3	(8)	(1)	0	(1)
Exchange differences on translating foreign operations [2]	209	–	209	79	–	79
Items that may be reclassified subsequently to profit or loss	**205**	**1**	**206**	**79**	**(1)**	**79**
Remeasurements of defined benefit plans obligation [3]	1	(0)	1	1	0	1
Items that will not be reclassified to profit or loss	**1**	**(0)**	**1**	**1**	**0**	**1**
Total other comprehensive income / (loss) - Non-controlling interests	**206**	**0**	**207**	**80**	**(0)**	**79**

(1) In first-half 2022, Carrefour Finance granted an intra-group revolving credit facility (RCF) to Atacadão, treated as part of the net investment in that operation. The derivatives contracted to hedge part of this loan were classified as a net investment hedge (see Note 3.3).

(2) Exchange differences recognised on translating foreign operations in first-half 2022 mainly reflect the significant increase in the value of the Brazilian real. Exchange differences recognised on translating foreign operations in first-half 2021 mainly reflected the slight increase in the value of the Brazilian real.

(3) Remeasurement of the net defined benefit liability recognised in first-half 2022 reflects the strong increase in discount rates applied for the eurozone, from 0.80% at end-December 2021 to 3.20% at end-June 2022. In first-half 2021, these discount rates increased from 0.40% at end-December 2020 to 0.80% at end-June 2021.

12.3 Earnings per share (Group share)

Basic earnings per share	First-half 2022	First-half 2021 restated
Net income/(loss) from continuing operations	250	248
Net income/(loss) from discontinued operations	5	23
Net income/(loss) for the period	**255**	**271**
Weighted average number of shares outstanding [1]	752,242,509	803,785,482
Basic income/(loss) from continuing operations - per share *(in euros)*	**0.33**	**0.31**
Basic income/(loss) from discontinued operations - per share *(in euros)*	**0.01**	**0.03**
Basic income/(loss) - per share *(in euros)*	**0.34**	**0.34**

(1) In accordance with IAS 33, the weighted average number of shares used to calculate earnings per share as of June 30, 2022 was adjusted to take into account the impact of the share buybacks carried out during the period (see Note 3.5).

Diluted earnings per share	First-half 2022	First-half 2021 restated
Net income/(loss) from continuing operations	250	248
Net income/(loss) from discontinued operations	5	23
Net income/(loss) for the period	**255**	**271**
Weighted average number of shares outstanding, before dilution	752,242,509	803,785,482
Potential dilutive shares	4,129,274	3,165,431
Performance shares	*4,129,274*	*3,165,431*
Diluted weighted average number of shares outstanding	756,371,783	806,950,913
Diluted income/(loss) from continuing operations - per share *(in euros)*	**0.33**	**0.31**
Diluted income/(loss) from discontinued operations - per share *(in euros)*	**0.01**	**0.03**
Diluted income/(loss) - per share *(in euros)*	**0.34**	**0.34**

NOTE 13: FINANCIAL ASSETS AND LIABILITIES, FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSES

13.1 Financial instruments by category

At June 30, 2022 *(in millions of euros)*	Carrying amount	Breakdown by category: Fair value through profit or loss	Fair value through OCI	Amortised cost	Derivative instruments not designated as hedges	Derivative instruments designated as hedges	Fair value
Investments in non-consolidated companies	161	14	147	–	–	–	161
Other long-term investments	1,127	84	158	885	–	–	1,127
Other non-current financial assets	**1,288**	**99**	**305**	**885**	**–**	**–**	**1,288**
Consumer credit granted by the financial services companies	5,574	–	–	5,574	–	–	5,574
Trade receivables	3,402	–	–	3,402	–	–	3,402
Other current financial assets	687	1	119	241	36	291	687
Other current assets [1]	683	–	–	683	–	–	683
Cash and cash equivalents	2,539	2,539	–	–	–	–	2,539
ASSETS	**14,174**	**2,638**	**423**	**10,785**	**36**	**291**	**14,173**
Total borrowings	9,724	–	–	9,580	32	112	9,452
Total leases commitment	4,947	–	–	4,947	–	–	4,947
Total consumer credit financing	4,612	–	–	4,584	3	25	4,612
Suppliers and other creditors	13,283	–	–	13,283	–	–	13,283
Other current payables [2]	2,505	–	–	2,505	–	–	2,505
LIABILITIES	**35,071**	**–**	**–**	**34,899**	**35**	**137**	**34,799**

At December 31, 2021 *(in millions of euros)*	Carrying amount	Breakdown by category: Fair value through profit or loss	Fair value through OCI	Amortised cost	Derivative instruments not designated as hedges	Derivative instruments designated as hedges	Fair value
Investments in non-consolidated companies	126	14	112	–	–	–	126
Other long-term investments	1,026	159	163	704	–	–	1,026
Other non-current financial assets	**1,152**	**174**	**274**	**704**	**–**	**–**	**1,152**
Consumer credit granted by the financial services companies	5,294	–	–	5,294	–	–	5,294
Trade receivables	2,581	–	–	2,581	–	–	2,581
Other current financial assets	532	–	79	246	24	182	532
Other current assets [1]	467	–	–	467	–	–	467
Cash and cash equivalents	3,703	3,703	–	–	–	–	3,703
ASSETS	**13,729**	**3,877**	**353**	**9,292**	**24**	**182**	**13,729**
Total borrowings	6,834	–	–	6,793	22	18	7,101
Total leases commitment	4,597	–	–	4,597	–	–	4,597
Total consumer credit financing	4,441	–	–	4,431	1	9	4,441
Suppliers and other creditors	13,072	–	–	13,072	–	–	13,072
Other current payables [2]	2,660	–	–	2,660	–	–	2,660
LIABILITIES	**31,604**	**–**	**–**	**31,553**	**24**	**27**	**31,871**

(1) *Excluding prepaid expenses.*
(2) *Excluding deferred revenue.*

Analysis of assets and liabilities measured at fair value

The table below shows assets and liabilities presented according to the fair value hierarchy provided for in IFRS 13 – *Fair Value Measurement* (see Note 1.5):

June 30, 2022 *(in millions of euros)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments in non-consolidated companies	–	14	147	**161**
Other long-term investments	242	–	–	**242**
Other current financial assets – Fair Value through OCI	119	–	–	**119**
Other current financial assets - Fair Value through profit or loss	1	–	–	**1**
Other current financial assets - Derivative instruments	–	326	–	**326**
Cash and cash equivalents	2,539	–	–	**2,539**
Consumer credit financing - Derivative instruments recorded in liabilities	–	(28)	–	**(28)**
Borrowings - Derivative instruments recorded in liabilities	–	(144)	–	**(144)**

December 31, 2021 *(in millions of euros)*	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments in non-consolidated companies	–	14	112	**126**
Other long-term investments	322	–	–	**322**
Other current financial assets – Fair Value through OCI	79	–	–	**79**
Other current financial assets - Derivative instruments	–	207	–	**207**
Cash and cash equivalents	3,703	–	–	**3,703**
Consumer credit financing - Derivative instruments recorded in liabilities	–	(11)	–	**(11)**
Borrowings - Derivative instruments recorded in liabilities	–	(40)	–	**(40)**

13.2 Net debt

13.2.1 Breakdown of net debt

Consolidated net debt at end-June 2022 amounted to 6,533 million euros, breaking down as follows:

(in millions of euros)		**June 30, 2022**	**December 31, 2021**
Bonds and notes		6,593	6,052
Other borrowings		1,587	741
Commercial paper		1,400	–
Total borrowings excluding derivative instruments recorded in liabilities		**9,580**	**6,793**
Derivative instruments recorded in liabilities		144	40
TOTAL BORROWINGS	**[1]**	**9,724**	**6,834**
of which borrowings due in more than one year		*5,915*	*5,491*
of which borrowings due in less than one year		*3,809*	*1,342*
Other current financial assets [1]		653	498
Cash and cash equivalents		2,539	3,703
TOTAL CURRENT FINANCIAL ASSETS	**[2]**	**3,192**	**4,201**
NET DEBT	**[1]-[2]**	**6,533**	**2,633**

(1) The current portion of amounts receivable from finance sub-leasing arrangements is not included in this caption (see Note 13.2.5).

The increase in net debt between December 31 and June 30 is due to seasonal effects, with the year-end figure being structurally lower due to the significant volume of business recorded during December.

13.2.2 Breakdown of bond debt

(in millions of euros)	Maturity	Face value December 31, 2021	Issues	Repayments	Translation adjustments	June 30, 2022	Book value of the debt June 30, 2022
Public placements by Carrefour SA		**5,883**	**1,500**	**(1,000)**	**80**	**6,463**	**6,402**
EMTN, EUR, 8 years, 1.75%	2022	1,000	–	(1,000)	–	–	–
Cash-settled convertible bonds, USD 500 million, 6 years, 0%	2023	441	–	–	40	481	469
EMTN, EUR, 8 years, 0.750%	2024	750	–	–	–	750	748
EMTN, EUR, 10 years, 1.25%	2025	750	–	–	–	750	748
Cash-settled convertible bonds, USD 500 million, 6 years, 0%	2024	441	–	–	40	481	457
EMTN, EUR, 5 years, 0.88%	2023	500	–	–	–	500	499
EMTN, EUR, 7.5 years, 1.75%	2026	500	–	–	–	500	498
EMTN, EUR, 8 years, 1.00%	2027	500	–	–	–	500	498
EMTN, EUR, 7.5 years, 2.625%	2027	1,000	–	–	–	1,000	994
EMTN, EUR, 4.6 years, 1.88%	2026	–	750	–	–	750	748
EMTN, EUR, 7.6 years, 2.38%	2029	–	750	–	–	750	743
Placements by Atacadão SA		**237**	**–**	**(82)**	**36**	**191**	**191**
Debentures, BRL 500 million, 5 years, 105.75% CDI	2023	79	–	–	12	91	91
Debentures, BRL 450 million, 3 years, 100% CDI	2022	71	–	(82)	11	–	–
Debentures, BRL 350 million, 5 years, 100% CDI	2024	55	–	–	8	64	64
Debentures, BRL 200 million, 7 years, 100% CDI	2026	32	–	–	5	36	36
TOTAL BONDS AND NOTES		**6,120**	**1,500**	**(1,082)**	**116**	**6,654**	**6,593**

On March 30, 2022, Carrefour SA issued 1.5 billion euros worth of bonds. The issue consists of two Sustainability-Linked tranches indexed to the Group's sustainability goals:

- a fixed-rate tranche for 750 million euros maturing in 4.6 years and paying a coupon of 1.88% per year;
- a second fixed-rate tranche for 750 million euros maturing in 7.6 years and paying a coupon of 2.38% per year.

On June 8, 2022, Carrefour SA redeemed 1 billion euros worth of 1.75% 8-year bonds, ahead of their maturity (July 2022).

The Group’s financial position and liquidity were solid at end-June 2022. The average maturity of bond debt of Carrefour SA was 3.8 years at end-June 2022, compared with 3.1 years at end-December 2021 and 3.6 years at end-June 2021.

13.2.3 Breakdown of other borrowings

(in millions of euros)	June 30, 2022	December 31, 2021
Latin America borrowings	1,386	610
Other borrowings	87	59
Accrued interest [1]	33	38
Other financial liabilities	81	33
TOTAL OTHER BORROWINGS	**1,587**	**741**

(1) Accrued interest on total borrowings, including bonds and notes.

"Latin America borrowings" include USD and EUR financing swapped into Brazilian reals by the Brazilian subsidiary Atacadão:

- 750 million Brazilian reals (approximately 137 million euros at the closing exchange rate of June 30, 2022) in April 2020;
- 1,937 million Brazilian reals (approximately 353 million euros at the closing exchange rate of June 30, 2022) in September 2021;
- 2,942 million Brazilian reals (approximately 537 million euros at the closing exchange rate of June 30, 2022) in January 2022;
- 1,500 million Brazilian reals (approximately 274 million euros at the closing exchange rate of June 30, 2022) in May 2022.

These euro- and US dollar-denominated facilities, which were originally fixed-rate, were converted into Brazilian reals and indexed to the Brazilian interbank deposit (*Certificado de Deposito Interbancário* – CDI) rate at the time of issue through cross-currency swaps over the life of the borrowings. These instruments are documented and recognised as hedges (Fair Value Hedge).

13.2.4 Cash and cash equivalents

(in millions of euros)	June 30, 2022	December 31, 2021
Cash	1,316	1,108
Cash equivalents	1,223	2,596
TOTAL CASH AND CASH EQUIVALENTS	**2,539**	**3,703**

There are no material restrictions on the Group's ability to recover or use the assets and settle the liabilities of foreign operations, except for those resulting from local regulations in its host countries. The local supervisory authorities may require banking subsidiaries to comply with certain capital, liquidity and other ratios and to limit their exposure to other Group parties.

At June 30, 2022, as at December 31, 2021, there was no restricted cash.

13.2.5 Other current financial assets

(in millions of euros)	June 30, 2022	December 31, 2021
Derivative instruments [1]	326	207
Financial receivable [2]	153	162
Other current financial assets – Fair Value through OCI	119	79
Other current financial assets - Fair Value through profit or loss	1	–
Sub-lease receivable - less than one year	34	34
Deposits with maturities of more than three months	41	40
Other	13	10
TOTAL OTHER CURRENT FINANCIAL ASSETS	**687**	**532**

(1) The 120 million-euro increase compared to December 31, 2021 primarily reflects higher mark-to-market adjustments on the currency swaps and call hedging the US dollar-denominated convertible bonds (see Note 13.2.2) related to the increase in value of the US dollar against the euro over the period.

(2) This amount represents the financial receivable relating to the 20% stake in Carrefour China. In accordance with the agreement signed with Suning.com on September 26, 2019, the Carrefour group exercised its put option on the disposal of the remaining 20% interest in Carrefour China in the second half of 2021, with payment set to be made in the second half of 2022.

13.3 Analysis of borrowings (excluding derivative instruments recorded in liabilities)

13.3.1 Analysis by interest rate

	June 30, 2022		December 31, 2021	
(in millions of euros)	Before hedging	After hedging	Before hedging	After hedging
Fixed rate borrowings	7,789	6,545	6,518	5,936
Variable rate borrowings	1,791	3,035	276	857
Total borrowings (excluding derivative instruments recorded in liabilities)	**9,580**	**9,580**	**6,793**	**6,793**

13.3.2 Analysis by currency

(in millions of euros)	June 30, 2022	December 31, 2021
Euro	7,994	5,935
Brazilian real	1,583	855
Polish zloty	2	2
Romanian lei	1	1
Total borrowings (excluding derivative instruments recorded in liabilities)	**9,580**	**6,793**

The above analysis includes the effect of hedging.

Euro-denominated borrowings represented 83% of total borrowings (excluding derivative instruments recorded in liabilities) at June 30, 2022 (87% at December 31, 2021).

13.3.3 Analysis by maturity

(in millions of euros)	June 30, 2022	December 31, 2021
Due within 1 year	3,665	1,302
Due in 1 to 2 years	1,386	1,259
Due in 2 to 5 years	2,782	2,731
Due beyond 5 years	1,747	1,502
Total borrowings (excluding derivative instruments recorded in liabilities)	**9,580**	**6,793**

13.4 Changes in liabilities arising from financing activities

(in millions of euros)	Other current financial assets [1]	Borrowings	Total Liabilities arising from financing activities
At December 31, 2021	**(498)**	**6,834**	**6,336**
Changes from financing cash flows	**(19)**	**2,374**	**2,355**
Change in current financial assets	(19)	–	(19)
Issuance of bonds	–	1,500	1,500
Repayments of bonds	–	(1,082)	(1,082)
Net financial interest paid	–	(99)	(99)
Issuance of commercial paper [2]	–	1,400	1,400
Other changes in borrowings	–	656	656
Non-cash changes	**(136)**	**517**	**380**
Effect of changes in foreign exchange rates	(16)	162	145
Effect of changes in scope of consolidation [3]	–	126	126
Changes in fair values	(33)	(14)	(46)
Finance costs, net	–	151	151
Other movements	(87)	92	5
At June 30, 2022	**(653)**	**9,724**	**9,071**

(1) The current portion of amounts receivable from finance sub-leasing arrangements totalling 34 million euro is not included in this caption.

(2) In first-half 2022, the Group issued short-term commercial paper to secure its liquidity.

(3) The effects of changes in the scope of consolidation are mainly due to Grupo BIG's 124 million-euro debt.

13.5 Other non-current financial assets

(in millions of euros)	June 30, 2022	December 31, 2021
Deposits and guarantees [1]	742	559
Financial services companies' portfolio of assets	242	322
Sub-lease receivable - more than one year [2]	64	76
Investments in non-consolidated companies [3]	161	126
Other	79	69
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**1,288**	**1,152**

(1) Deposits and guarantees include legal deposits paid in Brazil in connection with tax disputes (relating mainly to tax reassessments challenged by the Group) pending final court rulings, as well as security deposits paid to lessors under property leases.

(2) Amounts receivable from finance sub-leasing arrangements were recognised following the application of IFRS 16 from January 1, 2019.

(3) At June 30, 2022, investments in non-consolidated companies notably included Flink (see Note 3.1).

13.6 Finance costs and other financial income and expenses

This item corresponds mainly to finance costs.

In accordance with IFRS 16, from 2019 it also includes interest expenses on leases along with interest income on finance sub-leasing arrangements.

Other financial income and expenses consist for the most part of late payment fees payable on certain liabilities, financial transaction taxes and the impacts of hyperinflation in Argentina.

(in millions of euros)	**First-half 2022**	**First-half 2021**
Interest income from loans and cash equivalents	**(2)**	**(5)**
Interest income from bank deposits	(2)	(5)
Interest income from loans	(0)	0
Finance costs	**(149)**	**(74)**
Interest expense on financial liabilities measured at amortised cost, adjusted for income and expenses from interest rate instruments	(137)	(72)
Cost of receivables discounting in Brazil	(13)	(3)
Finance costs, net	**(151)**	**(80)**
Interest charge related to leases commitment	(72)	(52)
Interest income related to financial sublease contracts	0	0
Net interest, related to leases commitment	**(72)**	**(52)**
Interest expense on defined employee benefit debt	(4)	(3)
Interest income on pension plan assets	1	0
Financial transaction tax	(16)	(10)
Late interest due in connection with tax reassessments and employee-related litigation	(8)	(15)
Dividends received on available-for-sale financial assets	2	1
Proceeds from the sale of available-for-sale financial assets	6	2
Cost of sold available-for-sale financial assets	(2)	2
Exchange gains and losses	1	6
Cost of bond buybacks	(7)	(6)
Changes in the fair value of interest rate derivatives	(1)	(8)
Impact of hyperinflation in Argentina - application of IAS 29	61	28
Other	4	1
Other financial income and expenses, net	**37**	**(1)**
Finance costs and other financial income and expenses, net	**(186)**	**(132)**
Financial expenses	*(261)*	*(257)*
Financial income	75	124

NOTE 14: OTHER INFORMATION

14.1 Scope of consolidation

14.1.1 Main changes in first-half 2022

The acquisition of Grupo BIG in Brazil and the sale of the Carrefour group's interest in Cajoo in exchange for Flink shares are detailed in Note 3.1.

With the exception of these transactions, there were no other material changes in the Carrefour group's scope of consolidation in first-half 2022.

14.1.2 Main changes in first-half 2021

The main changes in the scope of consolidation in first-half 2021 concerned the acquisition of Supersol in Spain, the equity-accounting of the investment in Cargan-LOG in France and the sale of a 60% stake in Market Pay in France.

14.2 Related parties

Group transactions with related parties mainly concern:

- compensation and other benefits granted to members of the Group Executive Committee and the Board of Directors;
- transactions with companies over which the Group exercises significant influence.

Related-party transactions are carried out on an arm's length basis.

There were no material changes in the nature of the Group's related-party transactions in first-half 2022 compared with the situation at December 31, 2021.

14.3 Off-balance sheet commitments

Commitments given and received by the Group that are not recognised in the statement of financial position correspond to contractual obligations whose performance depends on the occurrence of conditions or transactions after the period-end. There are four types of off-balance sheet commitments, related to: cash transactions, operations, acquisitions/disposals of securities, and leases (excluding contracts restated in accordance with IFRS 16).

14.4 Subsequent events

Sale of Carrefour Taiwan to the Uni-President group

On July 19, 2022, the Group signed an agreement to sell its entire interest in its Taiwanese subsidiary (i.e., 60%) to the Uni-President group (holder of the remaining 40%). If the conditions precedent are met, this agreement will result in loss of control of the subsidiary. The subsidiary has an enterprise value of around 2.0 billion euros.

Closing of the transaction is subject to approval by Taiwanese competition authorities (TFTC) and other customary conditions, and is expected by mid-2023. Following the completion of the transaction, the Uni-President group will own 100% of Carrefour Taiwan.

The sale of Carrefour Taiwan announced on July 19, 2022 was not highly probable at June 30, 2022 within the meaning of IFRS 5, given certain uncertainties existing at the reporting date as to whether the sale would be completed.

Accordingly, this subsidiary's assets and liabilities were not reclassified as assets held for sale and related liabilities in the consolidated statement of financial position at June 30, 2022. Similarly, the net income and cash flows of this subsidiary were not reclassified within line items for discontinued operations in the consolidated income statement and consolidated cash flow statement for first-half 2022.

It should be noted that since Carrefour Taiwan is designated as a region (“Asia”) for segment reporting purposes, the main indicators in its income statement (net sales, other revenue, recurring operating income before depreciation and amortisation, depreciation and amortisation expense and recurring operating income), cash flow statement (capital expenditure) and balance sheet (goodwill, other intangible assets, property and equipment, investment property, right-of-use assets, other segment assets and segment liabilities) are presented in Note 5.

CARREFOUR

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Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from January 1 to June 30, 2022

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders of CARREFOUR company,

In compliance with the assignment entrusted to us by Shareholders' Meetings and in accordance with the requirements of article L. 451-1-2-III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of the company, for the period from January 1 to June 30, 2022,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Specific verification

We have also verified the information presented in the half-yearly management report on the half-yearly condensed consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the half-yearly condensed consolidated financial statements.

Paris-La-Défense and Courbevoie, July 27, 2022

The Statutory Auditors

French original signed by

DELOITTE & ASSOCIES

BERTRAND BOISSELIER

MAZARS

JEROME DE PASTORS

Declaration by the persons responsible

We hereby certify that, to the best of our knowledge, the condensed consolidated financial statements for the six-month period ended June 30, 2022 were prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial situation and income of the company Carrefour and of all the consolidated companies, and that the attached half-year financial report gives a true and fair view of the significant events having occurred during the first six months of the financial year, of their impact on the financial statements, of the main related party transactions, as well as a description of the main risks and uncertainties for the remaining six months of the financial year.

July 27, 2022

Mr. Alexandre Bompard
Chairman and Chief Executive Officer

Mr. Matthieu Malige
Chief Financial Officer