

**“ETABLISSEMENTEN FRANZ COLRUYT”
Limited liability company
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<p>SPECIAL REPORT OF THE BOARD OF DIRECTORS CONCERNING THE CHANGE TO THE COMPANY'S OBJECTS</p>

Dear shareholder,

This report is drawn up in accordance with article 7:154 of the Companies and Associations Code and relates to the proposed change to the present article 3 of the articles of association concerning the company's purpose/objects. This article currently reads as follows:

“The objects of the company are:

Trade in the widest sense, on its own behalf and on behalf of third parties, in retail and wholesale with all distribution and service formulae, and in particular those more generally known under different names such as: supermarkets, hypermarkets, shopping centres, service stations, drugstores, cafeterias, etc.

The purchase, production, storage, conversion, handling, transport, sale and shipping, on its own behalf and on behalf of third parties, by or with others of: all foodstuffs, products, articles and merchandise that can be sold through the above-mentioned operations; and in general the provision of all services directly or indirectly relating to distribution.

The setting-up, acquisition, hiring, management or operation, on its own behalf and on behalf of third parties, by or with others of restaurants, hotels, motels, and boarding houses, drinks stores, which may be adjoining or separate, refreshment establishments, catering services, and all similar institutions.

The renting of motor vehicles, motor homes and all means of transport, throughout Belgium and abroad, recreational services, services to people and travel and tourism enterprises.

The sale of garden houses, log cabins, bungalows, including all contracting works and construction works, the setting-up and operation of all engineering offices, organisational offices and consultancy offices on a real-estate, financial and commercial level.

In addition:

- all activities in what is called the "HORECA" sector (hotel and catering industry).*
- trade in fuels and lubricants;*

- trade in the provision of services on an administrative level and everything in this respect relating to the sale of information processing programs, study programs, psycho-technical programs, etc.

((Moreover all brokerage activities relating to all types of insurance against risks of all types, including the possession, purchase, sale, management or assigning to management, of brokerage portfolios, advice, examinations, help or assistance relating to insurance in general, as well as all brokerage activities and mediation roles regarding consumer credit)).

(((The cooperation with, participation in or any direct or indirect securing of an interest in other companies, the management of this portfolio as well as the assistance of the companies concerned in exercising their activity at a financial, operational and administrative level, and this in the sectors in which the company itself is active or that support its activity directly or indirectly, as well as outside these sectors. In general, the company may perform all commercial, financial, industrial or civil operations, of a real or personal nature, that directly or indirectly, entirely or partially, relate to one or another branch of its objects, or which are of a nature to facilitate or develop realisation of them, among which but not restricted to, the development, elaboration, set-up, acquisition and exploitation of investments in environment, transport and energy for itself and/or on behalf and/or on account of others and the extension of financial, operational, administrative and technical assistance in such operations by third parties, all in direct or indirect cooperation or not, as well as everything associated with this.)))

This designation is indicative and is by no means exhaustive.”

The agenda for the Extraordinary General Meeting to be held before the notary, Willem MUYSHONDT, associate notary in Halle, on 8 October 2020, includes the following item:

“I. Amendment of the articles of association

1. Extension and amendment of the company’s objects (present article 3: Objects):

Acknowledgement of the report of the Board of Directors in accordance with article 7:154 of the Companies and Associations Code concerning the change to the objects.

Proposal for the amendment of the objects by the replacement of the present article 3 of the articles of association by the following text:

“The objects of the company are:

I. Specific activities

A/ Trade in the widest sense, whether electronic or not, on its own behalf and on behalf of third parties, in retail and wholesale with all distribution and service formulae, and in particular those more generally known under different names such as: supermarkets, hypermarkets, shopping centres, service stations, drugstores, cafeterias, etc.

B/ The purchase, production, cultivation, research, development and innovation, storage, conversion, handling, transport, sale and shipping, on its own behalf and on behalf of third parties, by or with others of: all foodstuffs, products, fuels and lubricants, articles and merchandise that can be sold through the above-mentioned operations; and in general the provision of all services directly or indirectly relating to distribution.

C/ The setting-up, acquisition, hiring, management or operation, on its own behalf and on behalf of third parties, by or with others of restaurants, hotels, motels, and boarding houses, drinks stores, which may be adjoining or separate, refreshment establishments, catering services and all similar institutions.

D/ The renting of motor vehicles, motor homes and all means of transport, throughout Belgium and abroad, recreational services, services to people and travel and tourism enterprises.

E/ The sale of garden houses, log cabins, bungalows, including all contracting works and construction works, the setting-up and operation of all engineering offices, organisational offices and consultancy offices on a real-estate, financial and commercial level.

F/ All activities in the hospitality industry.

II. General activities

A/ The acquisition of holdings in any form whatsoever in all legal entities and undertakings, existing or to be established, promotion, planning, coordination and development of and investment in legal entities and undertakings in which it may or may not already possess a holding.

B/ Entering into loans and lines of credit; granting loans and credits to legal entities and undertakings or individuals, in whatever form; performing all commercial and financial operations

in the broadest sense except for those reserved by law for credit and/or other financial institutions; all brokerage activities relating to all types of insurance against risks of all types, including the possession, purchase, sale, management or assigning to management of brokerage portfolios, advice, examinations, help or assistance relating to insurance in general, as well as all brokerage activities and mediation roles regarding consumer credit.

C/ The development, elaboration, set-up, acquisition and exploitation of investments in environment, transport and energy for itself and/or on behalf and/or on account of others and the extension of financial, operational, administrative and technical assistance in such operations by third parties, all in direct or indirect cooperation or not.

D/ The provision of advice of a financial, (psycho)technical, commercial or administrative nature; in the broadest sense, except for advice regarding (monetary) investments; the provision of assistance and services, directly or indirectly, in the area of administration and finance, sales, production and management in general.

E/ The performance of all management duties, the exercise of duties and functions, including the appointment of liquidators.

F/ The development, purchase, sale, in-licensing or out-licensing of patents, knowhow and related intangible fixed assets.

G/ The provision of administrative and computer services.

H/ The purchase and sale, import and export, commission agency business and representation of any goods whatsoever, acting as agent.

I/ The research, development, manufacture or marketing of new products, new forms of technology and their applications.

J/ The provision of real or personal guarantees in the widest sense.

III. Management of movable and immovable property

A/ The building, judicious development and management of immovable assets; all operations relating to immovable property and immovable property rights such as the financial leasing of immovable property to third parties, the purchase, sale, exchange, construction, renovation, maintenance, letting, rental, parcelling out, prospecting and operation of immovable property, and all actions directly or indirectly related to this matter and likely to boost the yield from immovable property, and acting as guarantor for commitments given by third parties having the enjoyment of such immovable property.

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

IV. Special stipulations

The company may perform all operations of a commercial, industrial or financial nature, or relating to movable or immovable property, which are directly or indirectly related to or associated with its objects or may further their realisation.

The company may be involved by way of contribution, merger, subscription or in any other way, in undertakings, associations or companies which have similar, comparable or connected objects or which are useful for the realisation of all or part of its objects.

Since the above list is not limitative, the company may perform all operations which may contribute in any way whatsoever to the realisation of its objects.

The company may realise its objects both in Belgium and abroad, in all ways and manners which it deems most fitting.

The company shall refrain from activities which are subject to regulatory requirements unless the company fulfils these requirements itself."

[...]"

This proposal is primarily designed to reformulate and modernise the company's objects and aims to structure the original text in a more logical and comprehensible manner by listing the specific activities

of the company, the general activities and the management of movable and immovable property, in addition to a number of special stipulations.

Several adjustments have been made to the text concerning the specific activities of the company. For instance, it is now expressed more clearly that trade can also refer to e-commerce and the emphasis is now placed on our ongoing commitment to R&D and innovation in the retail sector.

The text regarding the general activities and the management of movable and immovable property has been completely rewritten and complemented to improve readability and comprehensibility.

We are convinced that this proposal, which will strengthen the position of our company and expand and further its activities, will meet with your approval.

Drawn up and signed in Halle on 25 August 2020.

For the Board of Directors

Jef COLRUYT
Director

“KORYS BUSINESS SERVICES III” NV
Director
represented by Wim COLRUYT
permanent representative