

EMEA DC Meeting Statement – 26 September 2025

Issue no. 2025090801

Is there a Successor to ELO?

The EMEA DC concluded that both ELO and NIH are Successors to ELO and the Succession Date is 11 August 2025.

Background and reasons

The EMEA DC considered the Eligible Information¹ submitted with the DC Question, including (i) the investor presentation dated 24 July 2025 setting out the plan to push down certain of the debt issued by ELO to its subsidiary New Immo Holding (NIH) (the **Investor Presentation**); and (ii) the announcement of the approval of the issuer substitution by ELO's noteholders dated 11 August 2025, including confirmation that the transfer of issuer to NIH was effective on 11 August 2025.

According to such Eligible Information:

- (a) ELO had outstanding Bonds and Loans with a total principal amount of EUR 4,364,900,000 as of the date of the Investor Presentation;
- (b) On 11 August 2025, NIH replaced ELO as issuer of EUR 2,866,000,000 of its senior unsecured bonds (the **Transferred Bonds**);
- (c) EUR 150,000,000 of Schuldscheine will be pushed down under a separate process from ELO to NIH;²
- (d) EUR 848,900,000 of senior unsecured bonds will remain issued by ELO and will be redeemed at maturity in January 2026; and
- (e) ELO has a EUR 500,000,000 term loan (the **Term Loan**) – according to the Investor Presentation, it is “expected to be refinanced at Auchan Retail International (**ARI**) level”.

The Investor Presentation also references the existence of an RCF but states it is undrawn.

The EMEA DC first considered the impact of the change to the issuer of the Transferred Bonds. This Succession alone would mean that NIH had succeeded to c.65.7% of the Relevant Obligations of ELO on 11 August 2025, assuming that each of (b) to (e) qualify as Relevant Obligations (including that such instruments are not held by ELO or any of its Affiliates). Note that the intercompany loans between ELO and NIH are not Relevant Obligations as per Section 2.2(f)(i) of the 2014 Definitions.

The EMEA DC then assessed the proposal more broadly and considered whether or not a Steps Plan is present. ELO originally announced on 27 February 2025 that it was considering separating Auchan Retail's financing from that of New Immo Holding.³ In its H1 2025 half year results presentation,⁴ ELO referred to it having a “financial autonomy project for Auchan Retail & New Immo Holding” and that “in parallel to the bond debt pushdown, ELO/Auchan Retail/New Immo Holding are currently in advanced discussions with their banking

¹ Eligible Information is defined as information which is publicly available or which can be made publicly available without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

² The terms of the Schuldscheine are not publicly available. The EMEA DC performed its analysis on the assumption that each Schuldschein would be a Loan and a Relevant Obligation. However, the overall outcome would not differ if the Schuldscheine are not Relevant Obligations.

³ See: https://groupe-elo.com/app/uploads/2025/02/2024_FY_ELO_communique_EN.pdf

⁴ See: <https://groupe-elo.com/app/uploads/2025/07/H1-2025-results-1.pdf>

partners in connection with the pursuit of this strategy of financial autonomy for Auchan Retail and New Immo Holding, the conclusions of which are expected in the fall of 2025". Finally, in the Investor Presentation, the bond substitution is described as being a key part of ELO's strategic reorganisation to create two financially independent and dedicated businesses (being ARI and NIH). The Investor Presentation provided that the Schuldscheine will be pushed down to NIH under a "separate process" and the Term Loan is "expected to be refinanced" at ARI.

The EMEA DC considered the provisions of the 2014 Definitions relating to "Steps Plan", being "a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities". This requires, amongst other things, that there are at least two separate transfers of debt that would give rise to a "Succession". The Eligible Information does not confirm how ELO intends to push down the Schuldscheine or refinance the Term Loan and the Investor Presentation does not address the sequencing, although following the EMEA DC Meeting Statement of 22 September 2025, the EMEA DC notes the publication of an article⁵ quoting a spokesperson for ELO who confirmed that the Schuldscheine would be pushed down in the coming weeks and after that, ELO was aiming to complete discussions on its financing structure with its banks (which would presumably include the refinancing of the Term Loan).

On the basis that a "push down" may be more likely to result in a Succession than a "refinancing" (which, on balance, the EMEA DC considered was more likely to refer to entering into a separate new financing arrangement and repaying the old arrangement), the EMEA DC also considered whether or not the outcome would differ taking into account the proposed transfer of the Schuldscheine under the Steps Plan – in such case the percentage of Relevant Obligations being transferred would remain above 25% and below 75% and so the outcome would not differ. Under Section 2.2(j), if a Steps Plan is relevant, then the Succession Date is the "legally effective date of the final succession in respect of such Steps Plan, or if earlier [...] the date on which a determination pursuant to Section 2.2(a) would not be affected by any further related successions" – accordingly, the EMEA DC concluded that even if the proposed push down of the Schuldscheine forms part of a Steps Plan, the Succession Date occurred on 11 August 2025 (when NIH replaced ELO as issuer of the Transferred Bonds).

As the Relevant Obligations transferred to NIH exceed 25% but are less than 75% and more than 25% of the Relevant Obligations remain with ELO, both NIH and ELO are the Successors under Section 2.2(a)(iv) of the 2014 Definitions.

⁵ <https://9fin.com/news/9316469f-e3b4-4646-aeb0-af459a2df304>.