

CNOVA N.V.
EXPLANATORY NOTES TO THE AGENDA

Explanatory notes to the agenda for the annual general meeting of shareholders of **Cnova N.V.** (the "**Company**") to be held on Friday, May 25, 2018, at 2.00 p.m. CEST, at Hilton Amsterdam Airport Schiphol Hotel located at Schiphol Boulevard 701, 1118 BN, Schiphol Airport, the Netherlands (the "**AGM**").

Agenda item 2: Board report for the financial year 2017 (*discussion item*)

Dutch law requires the board of directors of the Company (the "**Board**") to annually prepare a board report, which must give a true and fair view of the position on the balance sheet date of the annual accounts, the developments during the financial year and the results of the Company and its group companies of which the financial information has been included in the annual accounts. Under Dutch law, the board report must also be discussed at the annual general meeting of shareholders. The contents of such board report are subject to Dutch law and the Dutch Corporate Governance Code.

In its meeting held on October 30, 2014 (the "**2014 EGM**"), the general meeting of shareholders of the Company (the "**General Meeting**") approved the use of the English language for the annual board report, in accordance with section 2:391(1) of the Dutch Civil Code ("**DCC**"), and for the balance sheet items in the annual accounts, in accordance with section 2:362(7) DCC. As such, and due to the international nature of the Company's business, the board report for the financial year 2017 (the "**Board Report**") and the balance sheet items in the annual accounts for the financial year 2017 (the "**Annual Accounts**") have been prepared in the English language

Agenda item 3: Disclosure of remuneration in the Board report and the annual accounts for the financial year 2017 (*discussion item*)

Dutch law requires a discussion of the Company's disclosure pursuant to sections 2:383c through 2:383e DCC regarding the remuneration of the current and former Board members and employees of the Company. This discussion must constitute a separate item on the agenda prior to the proposal to adopt the Annual Accounts. For purposes of such discussion, reference is made to the relevant paragraphs of the Board Report and Annual Accounts.

Agenda item 4: Allocation of results and dividend policy (*discussion item*)

The Dutch Corporate Governance Code recommends that the Company's dividend policy (the level and purpose of the addition to the reserves, the amount of the dividend and the type of dividend) be discussed at the AGM.

For the financial year 2017 the Company's Annual Accounts show a loss both on a standalone basis and on a consolidated basis. In view of these losses, the Board did not see any reason to reconsider its policy of not paying any dividends and resolved to charge the losses shown in the Annual Accounts against the profit reserves.

Agenda item 5: Adoption of the annual accounts for the financial year 2017 (voting item)

Dutch law requires the Board to annually prepare annual accounts, consisting of a balance sheet and a profit and loss account with respect to the preceding financial year, as well as consolidated accounts and explanatory notes thereto. The Board has drawn up the Annual Accounts, which were signed by all members of the Board. Dutch law provides that the general meeting of shareholders is the corporate body authorized to formally adopt the Annual Accounts.

As indicated above, the Company has finalized the Annual Accounts, and therefore it is now proposed to the General Meeting to adopt the Annual Accounts.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to adopt the Annual Accounts drawn up by the Board and signed by all members of the Board.

Agenda item 6: Release from liability of the members of the Board with respect to the performance of their duties during the financial year 2017 (voting item)

In accordance with Dutch law, if the General Meeting adopts the Annual Accounts, such adoption does not automatically release the members of the Board from liability with respect to the performance of their duties during the financial year 2017. Instead, such proposal should be made separate from the proposal to adopt the Annual Accounts. Consequently, it is now proposed to the General Meeting to release the members of the Board from liability with respect to the performance of their duties during the financial year 2017.

In principle, this proposed release from liability only extends to matters that are disclosed in the Annual Accounts or have otherwise been disclosed to the General Meeting.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general

meeting of shareholders, to release the members of the Board from liability with respect to the performance of their duties during the financial year 2017.

Agenda item 7: Instruction to Ernst & Young Audit for the external audit of the Company's annual accounts for the financial year 2018 (voting item)

Under Dutch law, the general meeting of shareholders is, in principle, the corporate body authorized to annually appoint the external independent auditor for the audit of the Company's annual accounts. In the 2017 annual general meeting of shareholders of the Company (the "**2017 AGM**"), Ernst & Young Audit was appointed as the external independent auditor for the audit of the annual accounts for the financial year 2017.

In selecting the external independent accountant for the financial year 2018, the Board has come to the conclusion that a renewal of the appointment of Ernst & Young Audit would best serve the Company, in view of its knowledge of the Company, engagement performance and quality.

It is now proposed to appoint Ernst & Young Audit as the external independent auditor for the audit of the Company's annual accounts for the financial year 2018.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to appoint Ernst & Young Audit as the external independent auditor for the audit of the Company's annual accounts for the financial year 2018.

Agenda item 8: Appointment of Mr. Jean-Yves Haagen as Non-Executive Director (voting item)

By written resolution dated November 7, 2017, the Board appointed Mr. Jean-Yves Haagen as the temporary replacement of Mr. Yves Desjacques, who resigned as Non-Executive Director with effect from that same day, under Article 13.10 of the Company's articles of association (the "**Articles of Association**").

It is now proposed that Mr. Jean-Yves Haagen will be formally appointed as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2021.

Mr. Haagen, Groupe Casino's general counsel since September 2014, is a graduate of the Institut d'Etudes Politiques de Paris and the Centre Européen Universitaire of Nancy where he completed

Master's degrees in both European Community Law and Advanced European Studies. He also holds a Bachelor of Laws degree from the University of Nancy. He has been an in-house counsel for almost 30 years and has held various legal and executive positions in France and overseas in the industry/engineering sector (Areva and Thales) and more recently in the international soft commodities trading sector (Louis Dreyfus Commodities BV).

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to appoint Mr. Jean-Yves Haagen as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2021.

Agenda item 9: Reappointment of Mr. Silvio Genesini Jr. as Non-Executive Director (voting item)

In the annual general meeting of shareholders of the Company held on May 20, 2015 (the "2015 AGM"), the General Meeting appointed Mr. Silvio José Genesini Jr. as Non-Executive Director of the Company for a period ending at the at the end of the Company's annual general meeting of shareholders to be held in 2018, being this AGM.

It is now proposed that Mr. Genesini will be reappointed as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2021.

Mr. Genesini is one of our independent directors. He currently serves as a member of the board of directors of Algar, a Brazilian conglomerate with telecom, IT and agribusiness operations.

Mr. Genesini previously served as Chief Executive Officer of Grupo Estado from 2009 to 2012, a Brazilian media group, as the managing director of Brazilian operations for Oracle Corporation from 2004 to 2009, and as a partner at Accenture and Andersen Consulting. Mr. Genesini holds a degree in industrial engineering from Universidade de São Paulo.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to reappoint Mr. Silvio José Genesini Jr. as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2021.

Agenda item 10: Reappointment of Mr. Antoine Giscard d'Estaing as Non-Executive Director (voting item)

In the 2015 AGM, the General Meeting appointed the Company's Chairman, Mr. Giscard d'Estaing, as Non-Executive Director of the Company for a period ending at the at the end of the Company's annual general meeting of shareholders to be held in 2018, being this AGM.

It is now proposed that Mr. Giscard d'Estaing will be reappointed as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2021.

After serving four years in the auditing department of the French Treasury, he joined Suez-Lyonnaise des Eaux in 1990 and eventually became that company's Chief Financial Officer. He then joined Schneider Electric in 2000 as Executive Vice-President of Finance, Auditing and Legal Affairs, before moving to Groupe Danone S.A. in 2005 as Executive Vice-President of Finance, Strategy and Information Systems. He was appointed Danone's Corporate Secretary in 2007. Between 2008 and 2009, he was a partner with Bain & Company Paris. He joined Casino Group in April 2009 as Chief Financial Officer and member of the Executive Committee. Mr. Giscard d'Estaing is a graduate of the HEC School of Management and the École Nationale d'Administration.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to reappoint Mr. Antoine Giscard d'Estaing as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2021.

Agenda item 11: Authorization of the Board to acquire ordinary shares in the capital of the Company (voting item)

Under Article 10 of the Articles of Association and Dutch law, the Company may, subject to certain statutory Dutch law provisions, acquire for consideration and hold, hold as pledgee and/or hold through its subsidiaries, up to fifty percent (50%) of the Company's issued share capital. Any acquisition of shares in the Company's own capital for consideration is subject to the authorization of the General Meeting, which authorization shall be valid for no more than eighteen (18) months.

The General Meeting has most recently granted such authorization, subject to certain limitations, in the 2017 AGM, which authorization was effective as of, and for a period of eighteen months from, the date of the 2017 AGM. In Dutch corporate practice, an annual renewal of the authorization is customary.

It is now proposed to authorize the Board to perform acquisitions by the Company of up to 50% of the issued share capital of the Company from time to time, by any means, including through derivative products, purchases on any stock exchange, through any private purchase or block trade, or otherwise, for a price or value that is between nil and an amount which is not higher than 110% of the average market price of such ordinary shares on Euronext Paris (such average market price being the average of the closing prices on each of the 10 consecutive trading days preceding the second day prior to the date the acquisition is agreed upon by the Company), for a period of eighteen (18) months with effect from the AGM, exclusive of any fees, commissions or other expenses related to such acquisitions, all subject to the limitations provided for in Article 10 of the Articles of Association and Dutch law.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to authorize the board of directors to perform acquisitions by the Company for a period of eighteen (18) months with effect from the 2018 annual general meeting of shareholders. The number of ordinary shares to be acquired pursuant to this authorization, the manner in which such shares may be acquired and the limits within which the price must be set have been specified in the explanatory notes to the agenda.

**Agenda item 12: Delegation of the authority to issue ordinary shares and special voting shares and to grant rights to subscribe for such shares
(voting item)**

Under Article 6 of the Articles of Association and Dutch law, the General Meeting may delegate to the Board the authority to resolve upon the issuance of ordinary shares and special voting shares and to grant rights to subscribe for such shares. Such delegation shall only be valid for a specified period of not more than five (5) years and may from time to time be extended by the General Meeting with a period of not more than five (5) years.

The General Meeting has most recently delegated the authority to resolve upon the issuance of ordinary shares and special voting shares and to grant rights to subscribe for such shares, in the 2017 AGM. In Dutch corporate practice, an annual renewal of the authorization is customary.

It is now proposed to delegate to the Board the authority to resolve on the issuance of ordinary shares and special voting shares up to the maximum number allowed to be issued under the Company's authorized share capital as stipulated in the Articles of Association from time to time, and to grant rights to subscribe for such ordinary shares and special voting shares up to such maximum number, for a period of five (5) years with effect from this AGM, which delegation shall include

the authority to determine the price and further terms and conditions of any such share issuance or grant.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to delegate to the board of directors the authority to resolve on the issuance of ordinary shares and special voting shares up to the maximum number allowed to be issued under the Company's authorized share capital as stipulated in the articles of association of the Company from time to time, and to grant rights to subscribe for such ordinary shares and special voting shares up to such maximum number, for a period of five (5) years with effect from the 2018 annual general meeting of shareholders, which delegation shall include the authority to determine the price and further terms and conditions of any such share issuance or grant.

Agenda item 13: Delegation of the authority to limit and exclude pre-emption rights in respect of any issue of ordinary shares or any granting of rights to subscribe for such shares (*voting item*)

Under Article 7 of the Articles of Association and Dutch law, the General Meeting may delegate to the Board the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares.

The General Meeting has most recently delegated the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares, in the 2017 AGM. In Dutch corporate practice, an annual renewal of the authorization is customary.

It is now proposed to delegate to the Board the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares, for a period of five (5) years, with effect from the AGM.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to delegate to the board of directors the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares, for a period of five (5) years, with effect from the 2018 annual general meeting of shareholders.

Agenda item 14: Reduction of the Company's issued share capital through cancellation of special voting shares (*voting item*)

[In 2016, the Company acquired 6,002,982 special voting shares (the "**Special Voting Shares**") in its own capital, which it currently still holds in treasury.

Pursuant to Dutch law and article 11 of the Articles of Association, the General Meeting is authorized to resolve to reduce the Company's issued share capital by cancelling shares held by the Company in its own share capital.

It is now proposed to resolve to reduce the Company's capital by cancelling the Special Voting Shares. The capital reduction proposed under this agenda item 14 will enable the Company to improve its capital structure, and shall take place with due observance of the requirements set forth in section 2:100 DCC or that otherwise follow from Dutch law, which requirements include observing the creditor opposition period specified in the aforementioned provisions.

The Board, as well as any individual member of the Board, shall be authorized to confirm the effectiveness of the capital reduction proposed under this agenda item 14 by means of a statement to that effect, confirming the date on which all of the aforementioned requirements have been fulfilled.

The resolution of the General Meeting to cancel the Special Voting Shares as described above shall require a two-thirds majority vote if less than half of the Company's issued share capital is present or represented at the AGM.

Proposed resolution

In accordance with and further to the explanatory notes to the agenda for the 2018 annual general meeting of shareholders, to cancel all 6,002,982 special voting shares held by the Company in its own share capital as at the date of the convocation of said meeting.

The Board of Directors
April 6, 2018