

# Almacenes Éxito S.A.

## Consolidated Financial Results

## 2Q20

Envigado, Colombia, July 27, 2020 - Almacenes Éxito S.A. ("Grupo Éxito" or "the Company") (BVC: ÉXITO / ADR: ALAXL) announced its results for second quarter period ended June 30, 2020 (2Q20). All figures are expressed in millions (M) of Colombian Pesos (COP) unless otherwise stated. Consolidated data include results from Colombia, Uruguay and Argentina and the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations in 2019 and eliminations.

### **Net income driven by an improved retail operating performance and a leaner structure**

#### KEY BUSINESS HIGHLIGHTS

##### Financial Highlights

- Consolidated Net Revenue reached COP \$3.69 billion in 2Q20 benefited by strong retail performance from innovative formats, omni-channel growth (2.8x) and the evolution of the food category across the region (+13% YTD).
- Recurring EBITDA was COP \$299,143 million and margin gained 53 bps to 8.1%, driven by efficiencies and expense dilution from strong top line growth.
- Net Group Share Result was an income of COP \$12,787 million derived mainly from positive variations in retail operating performance in Colombia and Uruguay and lower financial expenditure from a leaner capital structure.
- Consolidated CAPEX of COP \$46,920 million (79% on expansion, innovation, omni-channel and digital transformation activities).

##### Operating Highlights

- Solid retail performance offset the effect of COVID-19 on complementary businesses.
- Strong omni-channel performance in Colombia (2.9x; 14.7% share) and in Uruguay (2.2x).
- Innovation in channels and customer service: strengthening of Click and Collect (to 491 from 75 stores in LatAm and launch of VIVA omnichannel platform).
- Creation of the Omnichannel VP to strengthen the digital transformation and omnichannel strategies.

##### Outlook

- Protocols applied in all countries to face and mitigate effects from COVID-19.
- Shifting retail investment into omnichannel activities and strengthening of e-commerce.
- Holding's net and gross financial debt ratios at a very healthy level by the end of 2020 with a strong cash position.
- CapEx in Colombia of COP \$200,000 million focused on innovation, omnichannel and projects related to logistic and IT for e-commerce.

Consolidated 2Q20 results showed a very positive retail business performance, boosted by the outcome of innovative formats and the omnichannel strategy in Colombia and Uruguay, which demonstrated a timely response to changing customers' habits during COVID-19. To highlight, the growth of consolidated net sales (7.0% excluding FX) driven by the strong performance in local currency in Colombia and Uruguay (+4.7% and +13.3% respectively adjusted by calendar effect), as well as the increase in profitability derived from a strict control of expenses across countries. Grupo Éxito continued its social commitment and during COVID-19, the company delivered basic food baskets and medical supplies to 26 states and continued granting advanced payments to nearly 1,000 small and medium-size suppliers in Colombia." **stated Carlos Mario Giraldo Moreno, CEO of Grupo Éxito.**

## I. Consolidated Financial and Operating Performance

Please note that for comparison purposes, 2Q19 and 1H19 consolidated results included the Brazilian segment (Companhia Brasileira de Distribuição – CBD, Segisor S.A.S. and Wilkes Participações S.A., sold on November 27, 2019; and Via Varejo S.A. sold on June, 2019) and subsidiary Gemex O&W S.A.S. (Colombia), as net result of discontinued operations. In addition, results reported in 2Q19, included an accounting adjustment fully applied to the base in Colombia, as per the allocation from the expense to the cost, of staff and other items associated to food production processes; thus, the variation in 2Q20 versus 2Q19 in Colombia used non-comparable bases at the expense and cost levels.

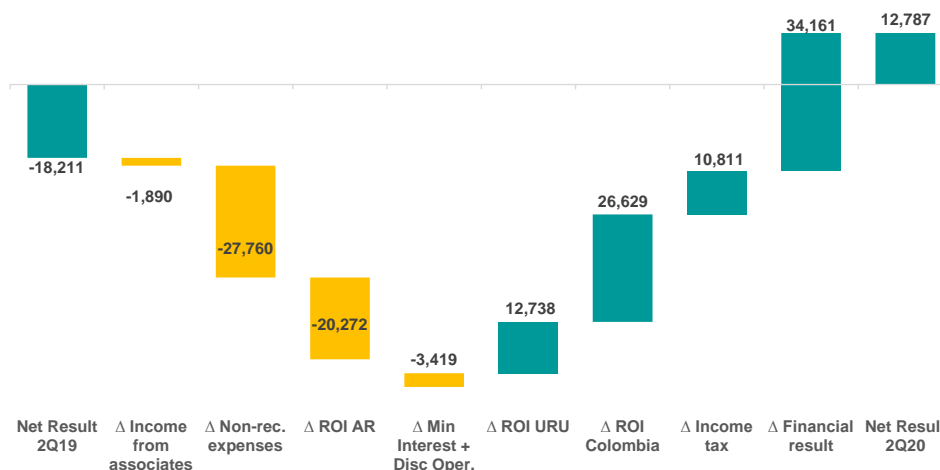
### Consolidated Operating Performance

in COP M	2Q20	2Q19	% Var	1H20	1H19	% Var
Net Sales	3,560,056	3,471,900	2.5%	7,459,944	6,999,029	6.6%
Other Revenue	128,400	178,423	(28.0%)	280,943	345,057	(18.6%)
<b>Net Revenue</b>	<b>3,688,456</b>	<b>3,650,323</b>	<b>1.0%</b>	<b>7,740,887</b>	<b>7,344,086</b>	<b>5.4%</b>
Cost of Sales	(2,759,014)	(2,761,046)	(0.1%)	(5,793,936)	(5,462,618)	6.1%
Cost D&A	(17,567)	(16,344)	7.5%	(33,954)	(29,379)	15.6%
<b>Gross Profit</b>	<b>911,875</b>	<b>872,933</b>	<b>4.5%</b>	<b>1,912,997</b>	<b>1,852,089</b>	<b>3.3%</b>
<i>Gross Margin</i>	<i>24.7%</i>	<i>23.9%</i>	<i>81 bps</i>	<i>24.7%</i>	<i>25.2%</i>	<i>(51) bps</i>
<b>Total Expense</b>	<b>(740,050)</b>	<b>(720,203)</b>	<b>2.8%</b>	<b>(1,605,226)</b>	<b>(1,574,258)</b>	<b>2.0%</b>
<i>Expense/Net Rev</i>	<i>20.1%</i>	<i>19.7%</i>	<i>33 bps</i>	<i>20.7%</i>	<i>21.4%</i>	<i>(70) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>171,825</b>	<b>152,730</b>	<b>12.5%</b>	<b>307,771</b>	<b>277,831</b>	<b>10.8%</b>
<i>ROI Margin</i>	<i>4.7%</i>	<i>4.2%</i>	<i>47 bps</i>	<i>4.0%</i>	<i>3.8%</i>	<i>19 bps</i>
<b>Net Group Share Result</b>	<b>12,787</b>	<b>(18,211)</b>	<b>NA</b>	<b>34,774</b>	<b>(30,552)</b>	<b>NA</b>
<i>Net Margin</i>	<i>0.3%</i>	<i>(0.5%)</i>	<i>85 bps</i>	<i>0.4%</i>	<i>(0.4%)</i>	<i>87 bps</i>
<b>Recurring EBITDA</b>	<b>299,143</b>	<b>276,523</b>	<b>8.2%</b>	<b>561,975</b>	<b>534,008</b>	<b>5.2%</b>
<i>Recurring EBITDA Margin</i>	<i>8.1%</i>	<i>7.6%</i>	<i>53 bps</i>	<i>7.3%</i>	<i>7.3%</i>	<i>(1) bps</i>
<b>EPS</b>	<b>28.6</b>	<b>(40.7)</b>	<b>NA</b>	<b>77.7</b>	<b>(68.3)</b>	<b>NA</b>

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations in 2019. Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-4.1% and -1.7% at top line and at recurring EBITDA in 2Q20 and of -3.0% and -1.7% in 1H20, respectively).

- Consolidated Net Revenue in 2Q20** grew by 1.0% (5.4% when excluding a -4.1% FX effect) to COP\$ 3.69 billion and by 5.4% in 1H20 (+8.7 when excluding a -3.0% FX effect) to COP\$ 7.74 billion. **Consolidated net sales** totalled COP \$3.56 billion (+2.5%) driven by the strong growth in local currency in Colombia (+4.7%) and in Uruguay (+13.3%) adjusted by calendar effect. Net sales performance reflected a consistent improvement of innovative models and formats across countries and a solid omnichannel sales growth (2.8x). Sales from the food category maintained a dynamic growth (+13.0% YTD) and the non-food category showed a progressive recovery along the quarter, especially in home and electronic products. Sales levels also benefited from the 35 stores opened, converted and refurbished during the last 12 months in the region. Other revenue continued affected by the effect of COVID-19 on mobility, the closure of shopping malls during most of the quarter and higher provisions required for the financial business.

- **Gross Margin** in 2Q20 grew 81 bps while decreased 51 bps in 1H20 to a 24.7% margin as a percentage of Net Revenue in both periods. Margin levels in 2Q20, reflected the accounting adjustment done to the allocation from the expense to the cost, of staff and other items associated to food production processes in Colombia (+131 bps) while the base in 1H20 is comparable. Besides, higher provisions for TUYA in Colombia and lower revenues from the real estate business both in Colombia and Argentina due to COVID-19 restrictions on mobility and mall closures reduced contribution. Finally, there was a negative impact from policies restricting prices that affected retail businesses in Uruguay and Argentina.
- **SG&A expense** levels in 2Q20 reflected the accounting adjustment explained above, however, a decrease of 3.6% versus the same period last year, when excluding this impact. Operating excellence activities across countries led to expense control mainly in labour and marketing, which allowed expenditure levels to grow below sales growth, thus favouring expense dilution. Expenses in 1H20 reduced 70 bps to 20.7% as a percentage of Net Revenue versus the same period last year (1H19 and 1H20 were comparable bases as per the accounting adjustment of the food production processes reclassification).
- **Recurring Operating Income** grew by 12.5% in 2Q20 to a 4.7% margin (+47 bps) and by 10.8% to a 4.0% margin (+19 bps) in the 1H20 versus the same periods last year.
- **Recurring EBITDA** was COP \$299,143 million in 2Q20 and grew 8.2% versus the same period of last year to an 8.1% margin (+53 bps), reflecting the strong performance of the retail business mainly in Colombia and Uruguay, that offset a lower margin contribution from complementary businesses due to COVID-19. In 1H20, the recurring EBITDA margin reached 7.3% in line with the level posted in 1H19.
- **Consolidated Net Group Share Result** in 2Q20 was an income of COP \$12,787 million that compares to the loss of COP \$18,211 posted the same period last year.



Note: ROI of international operations includes FX effect. Consolidated data include results from Colombia, Uruguay and Argentina, the net result of Brazil segment (2019) and Gemex O&W S.A.S. (2019 and 2020) registered as discontinued operations and eliminations.

The **Net Group Share Result** mainly reflected the positive variations in retail operating performance in Colombia and Uruguay operations, deferred tax and lower financial expenses from a leaner capital structure, partially offset by negative changes of income from associates related to higher provisions in TUYA and non-recurring expenses affected by COVID-19.

## Earnings per Share (EPS)

- Diluted EPS was COP \$28.6 per common share in 2Q20.

## CAPEX

- **Consolidated Capital Expenditures** in 2Q20 were COP \$46,920 million (related to Colombia, Uruguay and Argentina). Near to 79% of CapEx was allocated to expansion, innovation, omni-channel and digital transformation activities during the period and the remainder to maintenance and support of operational structures, IT systems updates and logistics.

## Food Retail Expansion

- The Company remodelled 1 Éxito and 6 Super Inter stores in Colombia and reached 35 stores from openings, conversions and remodelling in the region, within the last 12 months.
- Grupo Éxito ended the period with 638 food retail stores, geographically diversified as follows: 522 stores in Colombia, 91 in Uruguay and 25 in Argentina. The store count does not include allies in Colombia. The Company's consolidated selling area reached 1.04 million square meters.

## Corporate Governance and Sustainability Achievements

- Grupo Éxito adjusted its corporate structure and created the VP of Omnichannel led by Mr. Guillaume Seneclauze, to strengthen its strategy and maintain its focus on the profitable development of digital channels. In addition, the low-cost and Cash and Carry segments, were requested to report to the VP of Businesses, Development and Innovation, led by Mr. Jose Loaiza, to further improve the operation of these strategic business units.
- The Company continued with the strengthening of safety measures to offer a clean and safe environment and installed over 2,500 acrylic screens in 447 stores, provided 1,300 electronic thermometers at stores and distribution centres as well as equipment to disinfect areas and items of common use.
- Grupo Éxito continued supporting regional and national government campaigns and donated 700,000 masks across the country reaching regions in where the Company does not have commercial presence.
- Along the 2Q20, the Company anticipated payments to close to 1,000 small and mid-sized suppliers, reaching a total amount of COP \$75,000 million, aimed to improve their cash flow and ensure its operations during COVID-19.
- Grupo Éxito continued working together with Fundación Éxito, towards the improvement of the country's early childhood nutrition. More than 146,000 food packages, face masks and medical supplies, were delivered to nearly 120,000 children and families. The aid reached the states of Amazonas and Chocó, in where the Company do not have commercial presence.

## Commercial Activities

- In line with the government's decree to activate non-food sales, the first "Non-VAT day" was held in Colombia on June 19<sup>th</sup>. The outcome of the event was very positive to our sales and even surpassed other important commercial events such as Black Friday and strongly increased sales for the non-food category by over 12x.
- The Éxito banner exchanged one of its most important promotional events "Megaprima" (lasting 4 days during 2Q19) for "PromOnline" (lasting 2 days during 2Q20), which was conducted exclusively through digital channels. The objective of this adjustment was to adapt the Company's commercial proposition to the current social distance context, while leveraging on its omnichannel platform. The additional sales captured from both, the "Non-VAT day" and the "PromOnline" events, totally offset the effect from removing the "Megaprima" event from stores.

## Events after the reporting period

- On July 15<sup>th</sup>, Grupo Éxito informed that the Board of Directors modified the scope of its Expansion Committee and added other duties regarding the analysis of the Company's complementary businesses. Accordingly, the committee was renamed as the Business and Investment Committee. The reason for this modification, relied on the rapid response and assessment that the Company required, to adapt to other future challenges that the industry may bring, as well as to changes in the customer's behaviour and needs. Moreover, to accelerate its omnichannel strategy and to properly adjust its portfolio of complementary businesses. The Business and Investment Committee will support the Board of Directors in decision-making related to the business overall, including real estate, as well as to any other major investments that may be required. The Board of Directors also approved the amendments required by the Committee's rules of procedure contained in the Corporate Governance Code.

## II. Financial and Operational Performance by Country

### Colombia

The macroeconomic environment in Colombia during the second quarter of 2020, continued affected mainly by COVID-19 and low oil price levels. LTM inflation dropped to 2.2% (below the Central Bank's 3% target) because of measures taken by the government to compensate quarantine effects, such as lower gas prices, frozen rent rises and exemption of VAT on certain products. Nevertheless, food inflation reached 6.6% vs the 7.2% registered in the 1Q20 and versus the 5.0% posted in the 2Q19. Unemployment levels rose to 24.5% as of May, which compares to the 12.6% posted at the end of first quarter of 2020. To boost the economy, the Central Bank continued its expansion policy and cut the repo rate to a historically lower of 2.5% (the 4th consecutive reduction along the year). Within this challenging environment, total retail sales excluding gas and vehicles, decreased by -14.7% in May which compares to the 2.7% posted in March 2020 and the 8.1% growth reported on December 2019.

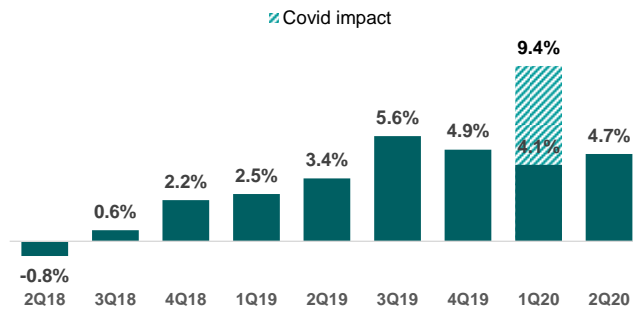
### Net Sales & SSS in Colombia

	2Q20					1H20				
	grupo éxito	éxito	Carulla	SM & SI (2)	B2B & Other (3)	grupo éxito	éxito	Carulla	SM & SI (2)	B2B & Other (3)
<b>Variations</b>										
<b>SSS</b>	4.7%	2.5%	18.6%	4.3%	-5.9%	7.7%	5.7%	17.4%	9.2%	3.3%
<b>Total</b>	4.7%	2.6%	18.5%	-1.4%	6.4%	7.6%	5.8%	17.3%	2.7%	13.9%
<b>SSS<sup>(1)</sup></b>	4.7%	2.5%	18.6%	4.3%	-5.9%	7.2%	5.2%	16.9%	8.7%	3.3%
<b>Total<sup>(1)</sup></b>	4.7%	2.6%	18.5%	-1.4%	6.4%	7.1%	5.3%	16.8%	2.2%	13.9%
<b>Total MCOP</b>	2,733,063	1,836,832	447,167	286,045	163,019	5,646,675	3,833,640	872,640	595,698	344,697

Note: The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country. (1) Variations in Colombia Net Sales and SSS included the effect of conversions and the calendar effect adjustment of 0.0% in 2Q20 and 0.5% in 1H20. (2) SM & SI: Surtimax and Super Inter brands. (3) B2B & Other: Includes sales from Surtimayorista, Allies, Institutional and third-party sellers and the sale of real estate projects worth COP \$11,000 in 1Q19, COP \$21,000 M in 1Q20 and COP \$43,000 in 1H20.

The Colombian operation contributed to 77% of quarterly consolidated sales in 2Q20. During the quarter, Grupo Éxito Colombia posted **Net Sales** growth of 4.7%<sup>(1)</sup> to COP \$2.73 billion and a rise of 7.1%<sup>(1)</sup> in 1H20 to COP \$5.65 billion. Quarterly net sales positive performance is explained by (i) a strong omni-channel sales growth (2.9x), (ii) solid sales from innovative formats (WOW +15.3%, FreshMarket +27.6%), (iii) a strong growth of the food category (+9.7%), and (iv) a recovery sales trend of the non-food category along the quarter. The result was also benefitted by the 31 stores included in the base in the last-twelve-months, from openings, conversions and remodellings.

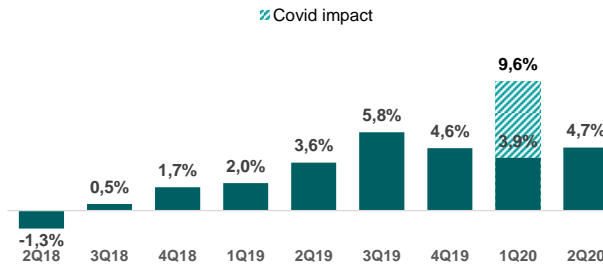
Net Sales Growth (1)



(1) Variations in Colombia Net Sales and SSS included the effect of conversions and the calendar effect adjustment of 0.0% in 2Q20.

- Same-store sales (SSS) in Colombia grew by 4.7%<sup>(1)</sup> in 2Q20, mainly driven by the strong LFL levels of the Carulla segment (+18.6%<sup>(1)</sup>) boosted by omnichannel.

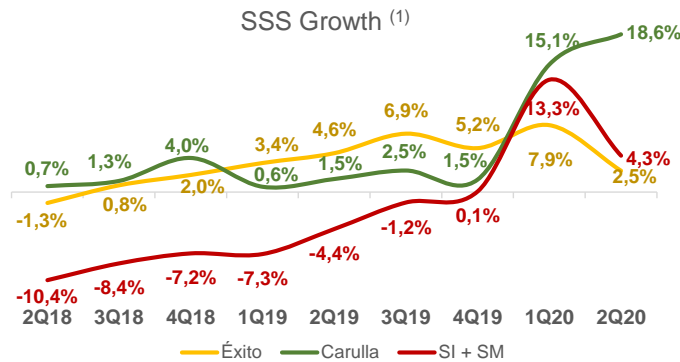
SSS Growth (1)



(1) Variations in Colombia Net Sales and SSS included the effect of conversions and the calendar effect adjustment of 0.0% in 2Q20.

- Net Sales and LFL levels in Colombia benefitted from the Company’s strength on omnichannel and rapid response to tailor current customer’s needs, its differentiated commercial proposition and efforts to guarantee safety and care at stores.

Net Sales & SSS Colombia – By Segment



(1) Including the effect of conversions and the calendar effect adjustment of 0.0% in 2Q20 and of 0.5% in 1H20. SI + SM: sales from Surtimax and Super Inter brands.

- The Éxito segment** represented approximately 67% of the sales mix in Colombia and posted LFL levels of 2.5%<sup>(1)</sup>. The banner posted low double-digit growth in Bogotá and mid-single digit SSS growth in Medellín and in the Coffee region; sales were also driven by the food category, mainly the FMCG which grew by mid-teens. There was a gradual recovery of the non-food category (electronics) along the quarter, boosted by the “Non-VAT Day” and the “PromOnline” events. The Éxito WOW stores also contributed to the segment performance, posted a strong growth (+16.5 p.p above other Éxito stores) and represented a 19.2% share of the banner’s total sales in 2Q20.
- The Carulla segment** was the best performing banner and represented 16% of the sales mix in Colombia during 2Q20. Net sales grew by 18.5%<sup>(1)</sup> and SSS by 18.6%<sup>(1)</sup>, driven by the strong growth of the FMCG (+24.4%) and the food (+18.2%) category. Moreover, the omnichannel platform served as an important sales lever amidst COVID-19. Finally, the solid performance of the FreshMarket stores, grew sales by 27.6% (which compares to the 15.1% growth posted by other Carulla stores) and represented a 27.9% share of the banner’s total sales in 2Q20.
- The low-cost segment** related to Super Inter and Surtimax brands, represented near to 11.0% of sales in Colombia in 2Q20. The segment posted mixed results as net sales contracted by -1.4%<sup>(1)</sup> while SSS grew by 4.3%<sup>(1)</sup>. Performance was affected by the store base optimization with the closure of the 3-last existing Surtimax stores in the Atlantic coast. Nevertheless, the high single-digit growth of the FMCG category contributed to sales growth as well as the opening during the 2Q20 of 6 “Vecino” Super Inter stores, enhanced with a model that seeks to position a profitable and dynamic brand through innovative and proximity concepts. Such stores grew sales by low double-digit and above of the rest of banner’s in June.
- The **B2B and Other** segment represented approximately 6.0% of sales in Colombia during 2Q20. Net sales in this segment rose by 6.4% during the quarter and posted a 5.9% decrease in terms of SSS. The segment benefited from the sale of property project Montevideo worth COP \$20.375 million while Surtimayorista, the Cash & Carry format, totalled 32 stores as of 2Q20 and posted a -5.9% sales and SSS growth, affected by mobility restrictions from mandatory lockdowns and the closure of several HORECA businesses due to the worsening of the macro environment due to COVID-19. Surtimayorista represented 3.8% of Colombia’s sales share, a stake that is expected to grow along the year given current market conditions. To improve performance, the Company launched “**Club del Comerciante**” at Surtimayorista, a relational marketing program to target institutional customers in the country and to strengthening its relationship.

## Operating Performance in Colombia

in COP M	2Q20	2Q19	% Var	1H20	1H19	% Var
Net Sales	2,733,063	2,610,907	4.7%	5,646,675	5,249,835	7.6%
Other Revenue	120,392	160,988	(25.2%)	258,348	312,936	(17.4%)
<b>Net Revenue</b>	<b>2,853,455</b>	<b>2,771,895</b>	<b>2.9%</b>	<b>5,905,023</b>	<b>5,562,771</b>	<b>6.2%</b>
<b>Gross profit</b>	<b>639,242</b>	<b>576,587</b>	<b>10.9%</b>	<b>1,311,371</b>	<b>1,248,828</b>	<b>5.0%</b>
<i>Gross Margin</i>	<i>22.4%</i>	<i>20.8%</i>	<i>160 bps</i>	<i>22.2%</i>	<i>22.4%</i>	<i>(24) bps</i>
<b>Total Expense</b>	<b>(505,808)</b>	<b>(469,531)</b>	<b>7.7%</b>	<b>(1,109,456)</b>	<b>(1,068,492)</b>	<b>3.8%</b>
<i>Expense/Net Rev</i>	<i>17.7%</i>	<i>16.9%</i>	<i>79 bps</i>	<i>18.8%</i>	<i>19.2%</i>	<i>(42) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>133,434</b>	<b>107,056</b>	<b>24.6%</b>	<b>201,915</b>	<b>180,336</b>	<b>12.0%</b>
<i>ROI Margin</i>	<i>4.7%</i>	<i>3.9%</i>	<i>81 bps</i>	<i>3.4%</i>	<i>3.2%</i>	<i>18 bps</i>
<b>Recurring EBITDA</b>	<b>243,241</b>	<b>218,007</b>	<b>11.6%</b>	<b>421,027</b>	<b>401,184</b>	<b>4.9%</b>
<i>Recurring EBITDA Margin</i>	<i>8.5%</i>	<i>7.9%</i>	<i>66 bps</i>	<i>7.1%</i>	<i>7.2%</i>	<i>(8) bps</i>

Note: Includes Almacenes Éxito S.A. and its subsidiaries in Colombia. Differences in the base versus the one reported in 2019 associated the net result of Gemex O&W S.A.S. registered as a discontinued operation. Results in 2Q19 included the allocation from the expense to the cost associated to food production processes fully accrued to the 2Q19 base in 2019; thus, the effect versus the base in 2Q20 was of +172 bps at the cost and of -172 bps at the expense levels.



- **Net Revenue** grew by 2.9% in 2Q20 driven by a strong sales performance boosted by omnichannel growth (2.9x), the positive outcome of innovative formats WOW (+15.3%) and FreshMarket (+27.6%), the solid food category growth (+9.7%), and the gradual recovery of the non-food category along the quarter. This evolution is aligned with the growth posted in the previous quarter when excluding the COVID-19 effect on stock-up. **Other Revenue** continued affected by the negative COVID-19 effect on the travel, the insurance and the financial businesses; the last one experienced the absence of royalties and higher provisions required by TUYA to protect liquidity ratios. The real estate business also continued affected by the partial closure of shopping malls but gradually reactivated its dynamic at the end of the quarter, benefited by the launch of “VIVA online”, the first virtual shopping centre in the country, with a unique proposition that offers more than 112 brands within an enhanced virtual shopping experience. The omnichannel platform aimed to improve tenant’s sales and retention, a Click and Collect service at 12 shopping centers and VIVA delivery services at 9 sites. VIVA online already showed good results and recorded 7.8% of the tenants’ sales in reported in 2Q20.
- **Gross Margin** in 2Q20 was 22.4%, a gain of 160 bps versus the same period of last year. The variation reflected lower promotional efforts and the accounting adjustment related to the allocation from the expense to the cost level of staff and other items associated to food production processes (+172 bps) of 1H19 fully accrued to the 2Q19 base, partially offset by the lower contribution from complementary businesses. Gross margin performance excluding the accounting adjustment decreased by 12 bps during the 2Q20. Gross Margin in 1H20 was 22.2% as percentage of Net Revenue.
- **Recurring EBITDA** grew by 11.6% to 8.5% margin in 2Q20, gaining 66 bps versus the same period last year. The solid operating performance in Colombia derived from a stronger retail business that offset the lower contribution from complementary businesses. Besides, there was an SG&A reduction when excluding the accounting adjustment, derived from a leaner structure with efficiencies in labour and marketing that led expenditure to grow below inflation and favoured expense dilution from higher top line growth. Recurring EBITDA margin was 7.1% in 1H20 as percentage of Net Revenue.

## Omni-channel, Innovation and Digital Transformation in Colombia in 2Q20

### Omni-channel

Grupo Éxito outcome benefited from its solid omnichannel platform which timely responded to the new customer’s needs and habits, now more focussed on the use of digital channels and delivery services. Omni-channel sales in 2Q20, represented 14.7% of Grupo Éxito’s total sales in Colombia (vs. 4.7% in 2Q19 and 5.2% in 1Q20) and grew 2.9x to nearly COP \$410.000 million. Total omni-channel deliveries reached 2.6 M (2.3x vs 2Q19).

- **Ecommerce:** exito.com and carulla.com boosted sales by 3.6x in 2Q20 and totalled more than 40 million visits and 439,000 orders (vs. 21 million visits and 107,000 orders in 2Q19). Exito.com is positioned as one of the four ecommerce sites with the highest traffic and sales in Colombia.
- **Marketplace:** Reached near to 1,200 vendors and the business unit grew by 2.4x in Gross Merchandise Value (GMV) in 2Q20. During the quarter, the Company launched “VIVA online”, the first virtual shopping centre in the country, with a unique proposition that offered 112 brands within an enhanced virtual shopping experience.
- **Last Mile & Home Deliveries:** In 2Q20, the service available for food and non-food purchases of Carulla and Éxito clients, increased by 2.3x to 2.6 million deliveries versus 2Q19, benefitted by the alliance with the last mile leader – Rappi. During COVID-19, Rappi added over 300 personal shoppers at stores and Grupo Éxito trained more than

1,000 employees to improve the response brought by growing demand and serve deliveries through the Company's logistics and distribution network, prioritizing the use of electric vehicles to help mitigate air pollution in Bogotá and Medellín.

- **Digital catalogues:** Kiosks devices facilitate the customer purchasing experience and are available at 201 stores in Colombia. During the quarter, clients and sales levels decreased due to lower traffic at stores, effect which was totally compensated by the performance of the other channels.
- **Click & Collect:** In 2Q20, orders grew by 2.9x and Grupo Éxito extended this service to 450 stores in Colombia, 409 stores more than in 1Q20, to facilitate contactless purchasing. The service was also implemented for VIVA at 12 shopping centers offering 180 brands with a delivery service booked through WhatsApp.

## Innovation

- **Éxito Wow:** The model launched in 2018 is currently implemented in 9 top stores in terms of sales as of 2Q20, in Bogotá, Medellín, Cali, Santanderes, Boyacá, the Atlantic Coast and Cali regions. Stores from this model increased sales by 15.3% in 2Q20 (+1,654 bps versus other Éxito stores) and represented 19.2% share of the banner's sales.
- **Carulla FreshMarket:** The innovative model that offers superior quality in fresh categories and digital initiatives was awarded in 2019 as the best retailer in Colombia, recognition that was granted by America Retail (the largest retail information portal in Latin America). As of 2Q20, the company totalled 13 FreshMarket stores in Bogotá, Medellín, Barranquilla, Cali, Cartagena and Santa Marta; those grew sales by 27.6% (+1,253 bps versus other Carulla stores) and represented 27.9% share of the banner's sales.
- **Cash & Carry:** In 2Q20, 32 stores operated under the Surtimayorista brand and represented 3.8% share on Colombia's sales. Sales decreased by 5.9% affected by lockdown extensions due to COVID-19, especially in key markets Bogotá and the Atlantic coast, that led to the closure of HORECA businesses, mainly restaurants (the second main client for the brand after mom & pop stores). To revert this trend, Surtimayorista launched "El Club del Comerciante", the first relational marketing program in the Country, focused on institutional customers. The program aims to position the banner as the preferred purchasing channel for this segment, supported by its unique portfolio of rewards and to establish long-term relationship with clients. Activities include the setting of kiosks at stores, for institutional buyers to check on discounts and help them to improve their business profitability.
- **Private Label:** Grupo Éxito continued positioning the "Frescampo" brand to guarantee the lowest price available with quality and to compete within the low-cost market. The Company is also positioning "Taeq" as a healthy brand in Colombia. Private label represented around a mid-teen share on Colombia FMCG sales in 2Q20. Arkitect and Bronzini continued as relevant labels in the textile category, giving access to top designer's collection for all customers.

## Digital Transformation

- **Apps:** Éxito and Carulla apps reached over 3 million downloads in the last-12-months and 2.6 million discounts were activated in 1H20.
- **Start-ups:** The Company's strategic partnership with Rappi, contributed to the fulfilment of the increasing demand posed during the quarter.

- In Colombia, the Company continued implementing developments in frictionless, customer service, data analytics, logistic and supply chain and HR Management according to the strategy established for 2020 to 2022.

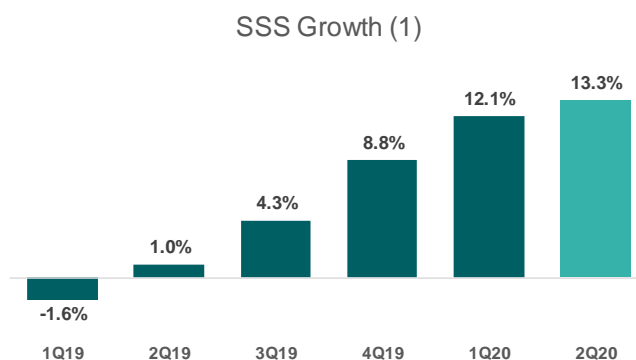
## Uruguay

in COP M	2Q20	2Q19	% Var	1H20	1H19	% Var
Net Sales	641,668	589,302	8.9%	1,345,668	1,257,623	7.0%
Other Revenue	6,058	5,346	13.3%	12,343	10,781	14.5%
<b>Net Revenue</b>	<b>647,726</b>	<b>594,648</b>	<b>8.9%</b>	<b>1,358,011</b>	<b>1,268,404</b>	<b>7.1%</b>
<b>Gross profit</b>	<b>217,767</b>	<b>202,750</b>	<b>7.4%</b>	<b>455,696</b>	<b>435,878</b>	<b>4.5%</b>
<i>Gross Margin</i>	<i>33.6%</i>	<i>34.1%</i>	<i>(48) bps</i>	<i>33.6%</i>	<i>34.4%</i>	<i>(81) bps</i>
<b>Total Expense</b>	<b>(164,565)</b>	<b>(162,286)</b>	<b>1.4%</b>	<b>(335,308)</b>	<b>(335,227)</b>	<b>0.0%</b>
<i>Expense/Net Rev</i>	<i>25.4%</i>	<i>27.3%</i>	<i>(188) bps</i>	<i>24.7%</i>	<i>26.4%</i>	<i>(174) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>53,202</b>	<b>40,464</b>	<b>31.5%</b>	<b>120,388</b>	<b>100,651</b>	<b>19.6%</b>
<i>ROI Margin</i>	<i>8.2%</i>	<i>6.8%</i>	<i>141 bps</i>	<i>8.9%</i>	<i>7.9%</i>	<i>93 bps</i>
<b>Recurring EBITDA</b>	<b>66,397</b>	<b>52,965</b>	<b>25.4%</b>	<b>146,543</b>	<b>125,738</b>	<b>16.5%</b>
<i>Recurring EBITDA Margin</i>	<i>10.3%</i>	<i>8.9%</i>	<i>134 bps</i>	<i>10.8%</i>	<i>9.9%</i>	<i>88 bps</i>

Note: Data in COP includes a FX effect of -4.1% and -5.4% for 2Q20 and 1H20 respectively. (1) In local currency and including the calendar effect adjustment of 0.3% in 2Q20 and 0.5% in 1H20. (2) Recurring EBITDA Margin grew by 30.8% in local currency.

## Net Sales & SSS in Uruguay

- Macroeconomic variables in Uruguay reflected a slowdown in the economy derived from COVID-19. Inflation reached 10.4% in 2Q20 (vs. 7.4% in 2Q19; 9.2% in 1Q20), while the food component increased to 16.6% (vs. 13.1% in 1Q20; 6.3% in 2Q19). The Consumer Confidence Index reached 45.1%, still showing the levels of moderated pessimism reported seen since March. The Manufacturing Industry Index decreased by 19.6% impacted by the partial stoppage of production during the last months. Unemployment rose to 9.7% in April (vs. 8.0% in Apr/19).
- Uruguay contributed to 18.0% of quarterly consolidated sales. **Net sales and SSS** in Uruguay in 2Q20, grew by 13.3%<sup>(1)</sup> versus the same period last year, a trend in line with the positive levels seen since 2Q19, driven by the double-digit sales growth of the Devoto and Disco banners. Top line was boosted by (i) the assertive execution and good performance of promotional activities, (ii) the strong omnichannel growth (2.2x), (iii) the solid growth of the non-food category (+17.8%), and (iv) the performance of the food category (+10.9% growth) boosted by the FreshMarket model. The 17 FreshMarket stores contributed to 40% of total sales in Uruguay and posted average ticket growth of 1.5x above the other stores.



(1) In local currency, including the calendar effect adjustment of 0.3% in 2Q20 and 0.5% in 1H20.

## Operating Performance in Uruguay

- Uruguay results in Colombian pesos had a -4.1% and -5.4% FX effect in 2Q20 and 1H20 respectively.
- **Net Revenue** grew by 8.9% in 2Q20 and 7.1% in 1H20. Top line performance reflected the solid evolution of retail sales driven by food, the outcome of FreshMarket stores and boosted omnichannel sales (2.2x).
- **Gross Margin** in 2Q20 reduced by 48 bps to 33.6% due to changes in promotional activities and the effect of the price freeze policy applied in retailers and established by the government to control inflation.
- **Recurring EBITDA** grew by 134 bps to a 10.3% margin in 2Q20 as a percentage of Net Revenues; recurring EBITDA grew by 30.8% when excluding the -4.1% FX effect. Improved profitability derived from strict internal adjustments and the dilution effect brought from a top line growing above expenditure levels. In 1H20 the recurring EBITDA margin reached 10.8% reflecting an improvement of 88 bps vs 1H19.

## Omni-channel, Innovation and Digital Transformation in Uruguay in 2Q20

### Omni-channel

The operation in Uruguay rapidly responded to the changing consumer habits due to COVID-19 and adapted its platforms to the market demands. In 2Q20 Omni-channel sales grew by 2.2x and represented 4.3% of Uruguay's sales (+205 bps vs 2Q19).

- **Ecommerce:** Sales increased by 3.4x in 2Q20 and represented 2.1% of Grupo Éxito's sales in Uruguay (+138 bps vs 2Q19).
- **Last Mile & Home Deliveries:** Grew by 60.6% in 2Q20, benefitted by the strong logistic platform in place.
- **Click and Collect:** The service was extended to 6 stores during the quarter totalling 40 stores and reached more than 9,700 orders.

### Innovation

- **FreshMarket:** The model is already present at 17 stores as of 2Q20; stores grew sales by 12.1% and represented 40% share of the sales in Uruguay.

### Digital Transformation

- **Apps:** reached over 29,000 downloads in 2Q20 (+70.0% growth vs. 1Q20).
- **Start-ups:** The Company is currently working with other diverse start-ups to enhance service, operational activities and back office.

## Argentina

in COP M	2Q20	2Q19	% Var	1H20	1H19	% Var
Net Sales	185,325	271,691	(31.8%)	467,601	491,571	(4.9%)
Other Revenue	1,263	13,389	(90.6%)	10,517	23,387	(55.0%)
<b>Net Revenue</b>	<b>186,588</b>	<b>285,080</b>	<b>(34.5%)</b>	<b>478,118</b>	<b>514,958</b>	<b>(7.2%)</b>
<b>Gross profit</b>	<b>53,825</b>	<b>94,779</b>	<b>(43.2%)</b>	<b>145,750</b>	<b>169,242</b>	<b>(13.9%)</b>
<i>Gross Margin</i>	<i>28.8%</i>	<i>33.2%</i>	<i>(440) bps</i>	<i>30.5%</i>	<i>32.9%</i>	<i>(238) bps</i>
<b>Total Expense</b>	<b>(68,919)</b>	<b>(89,601)</b>	<b>(23.1%)</b>	<b>(160,565)</b>	<b>(172,430)</b>	<b>(6.9%)</b>
<i>Expense/Net Rev</i>	<i>36.9%</i>	<i>31.4%</i>	<i>551 bps</i>	<i>33.6%</i>	<i>33.5%</i>	<i>10 bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>(15,094)</b>	<b>5,178</b>	<b>(391.5%)</b>	<b>(14,815)</b>	<b>(3,188)</b>	<b>364.7%</b>
<i>ROI Margin</i>	<i>(8.1%)</i>	<i>1.8%</i>	<i>(991) bps</i>	<i>(3.1%)</i>	<i>(0.6%)</i>	<i>(248) bps</i>
<b>Recurring EBITDA</b>	<b>(10,778)</b>	<b>5,519</b>	<b>(295.3%)</b>	<b>(5,878)</b>	<b>7,054</b>	<b>(183.3%)</b>
<i>Recurring EBITDA Margin</i>	<i>(5.8%)</i>	<i>1.9%</i>	<i>(771) bps</i>	<i>(1.2%)</i>	<i>1.4%</i>	<i>(260) bps</i>

Note: Differences in the base versus the one reported in 2019 associated to the inclusion of Onper (the non-operating company through which the Brazilian segment was previously consolidated). Data includes the FX effect of -44.5% and -29.5% for 2Q20 and 1H20 respectively, 1H20 calculated with the closing exchange rate. According to CAME, Argentinian retail sales contracted by 32.5% YTD-June. (1) In local currency and including the calendar effect adjustment of -0.1% in 2Q20 and 0.8% in 1H20.

## Net Sales & SSS in Argentina

- The macroeconomic context in Argentina continued strongly affected by COVID-19 measures of extended mandatory isolation. Inflation contracted to 43.6% (vs. 55.4% in 2Q19) and food inflation reduced 8 p.p. to 49.6% versus the level posted in 2Q19. Unemployment increased to 10.4% and the repo rate remained stable at the 38.0% level posted since the previous quarter. Retail sales continued affected and contracted by 32.5% YTD-June 2020 (according to CAME) versus the same period last year.
- Libertad contributed to 5.2% of consolidated sales in 2Q20 and posted a 23.0%<sup>(1)</sup> growth both in terms of Net sales and SSS levels. The retail performance was affected by mobility restrictions affecting mostly stores located in the outskirts of the cities, the prohibition to sale non-food products in some stores, the lower commercial activities amidst a very competitive environment, and difficulties that arose in sourcing from the decrease in production from suppliers. The non-food sales mix reached 22.9% (+181 bps vs. 2Q19) during the quarter and grew above total sales by 33.4% mainly driven by the electronic category. In 1H20, net sales and SSS grew by 34.1% <sup>(1)</sup>.

## Operational Performance in Argentina

- Performance from Libertad in Colombian pesos had a -44.5% and -29.5% FX impact in 2Q20 and 1H20 respectively.
- **Net Revenue** fell by 34.5% in 2Q20 affected by the effect of COVID-19 on mobility and sourcing as well as from lower revenues from the real estate due to the closure of malls along the period.
- **Gross Margin** reduced to 28.8% as a percentage of Net Revenue during 2Q20, affected by the lower contribution from the real estate business and pressures at the cost level from maximum price levels set according to a decree and sourcing and production constrains. In 1H20, gross margin was 30.5%.

- **Recurring EBITDA margin** was -5.8% (-771 bps) in 2Q20 as a percentage of Net Revenue and -1.2% (-260 bps) in 1H20. Margin reflected internal efforts that drove lower expenditure in local currency offset by a shy top line trend and lower contribution from the real estate business.

## Omni-channel, Innovation and Digital Transformation in Argentina in 2Q20

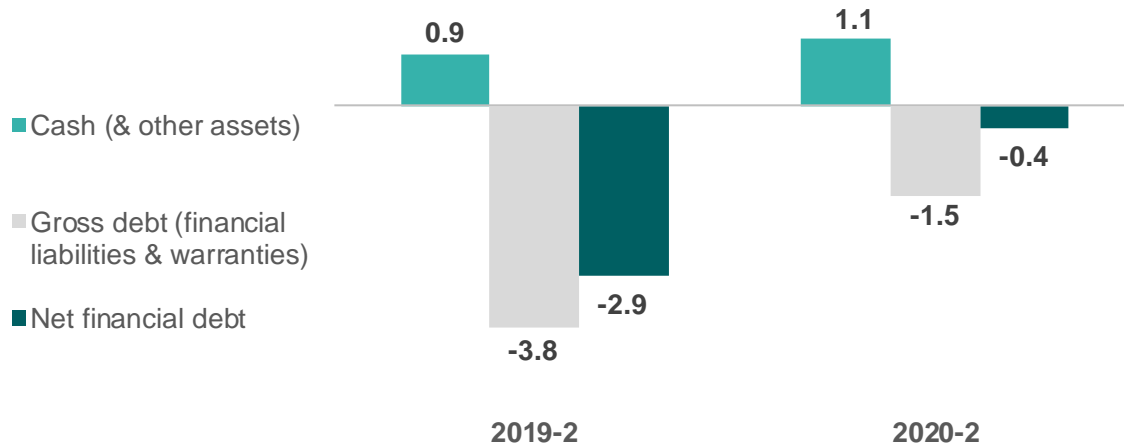
### Omni-channel

- **Last Mile & Home Deliveries:** Home deliveries were near to 16,500 and benefitted by the last mile service provided in partnership with “Rappi”, already available at 6 stores (2 Hyper and 4 proximity stores) ) and “Pedidos Ya” already available at 4 stores (4 proximity stores).
- **Click and Collect / Click and Car:** the service was launched during the second quarter at 1 store.

### Innovation

- **FreshMarket:** This model is present at 4 stores as of 2Q20; stores grew sales by 35.5% (+11.20 p.p. vs. other stores) and represented a 7.4% share of the sales in Argentina.

### III. Financial Performance at Holding<sup>(1)</sup> Level



(1) Holding: Almacenes Éxito S.A results without Colombian or international subsidiaries. Note: IBR 3M (Indicador Bancario de Referencia) - Market Reference Rate: 2.223%, Libor 3M 0.302%.

#### Cash and Debt at the holding level

- In 2Q20, cash position increased 265,000 M COP and net financial debt improved by 2.5 billion COP compared to the 2Q19.
- Gross debt reduced by 2.2 billion COP mainly explained by the 3.4 billion COP in payments and the 1.1 billion COP granted from new credit lines.
- The Net Financial Debt was impacted by working capital variations due to higher stock from changes in promotional activity and anticipated payments to suppliers. Nevertheless, the Company expects to compensate levels by the 2H20.
- The repo rate in Colombia was set at 2.5% as of the end of 2Q20 (-175 bps since March 2020).

## IV. 2020 Update on COVID-19

The government in Colombia declared a state of economic, social and ecological emergency since the 17th of March of 2020, to contain the spread of the pandemic and help to mitigate its associated risk; the decision was extended along the second quarter of the year. Likewise, the governments of Argentina and Uruguay continued with the safeguard, sanitary, security measures and provisions established since the first quarter of 2020.

Grupo Éxito's management and its subsidiaries analysed the different impacts caused by COVID-19 and considered that those did not affect the ability of the Company to further operate. The analysis regarded to the effect of COVID-19 on the investment's accrual, measurement of inventories, depreciation of property, plant and equipment, deterioration of accounts receivable from clients, provisions for liabilities and restructuring plans, employee benefits, deferred income tax, fair value, transactions with related parties, impairment of assets, income from ordinary activities, lease contracts, non-current assets held for sale, discontinued operations, and in all its liabilities, that may affect the financial situation and results from operations or that could affect its continuity. The effects generated on each item by the contingency, were disclosed on the Notes to the financial statements reported before the regulator in Colombia.

Grupo Éxito continued working on behalf of its stakeholders implementing measures and good practices during the emergency generated by COVID-19. In 2Q20 the Company continued executing relevant mitigation strategies and actions focused on the well-being of our customers and employees guaranteeing their physical security through the accomplishment of strict sanitary protocols at stores, frequent disinfection of common areas, warehouses and shopping carts, delivery of personal hygiene kits and setting of acrylic screens. Additionally, massive implementation of home office for administrative employees.

With Fundación Exito, Grupo Éxito coordinated the donation of 1,000 basic grocery baskets and 500 food packages for children in vulnerable conditions and 20,000 masks and medical supplies in Amazonas. Additionally, 48,000 grocery baskets were donated, from contributions from employees, donations from clients through the "Goticas" program and the "Mercado para Colombia" card purchased at stores or on-line; the Company donates COP\$ 5,000 for every COP \$50,000 collected to a social work. Approximately 700,000 masks were also donated across the country.

The Company continued paying small and medium-sized suppliers in advance, with the aim of improving their cash flow and facilitating the continuity of their operation and the preservation of employment.

Grupo Éxito strengthened its omnichannel strategy by extending its Click and Collect service to 491 stores in the region and launched "VIVA Online" to improve the shopping experience and performance of the real estate business. The Company continued adapting to the changing retail context and adapting to customers' needs by strengthening the existing ecommerce channels, home deliveries, apps and frictionless payment methods.



## V. 2Q20 Conclusions

### LatAm Platform

- SSS growth (+7.0%<sup>(1)</sup>) driven by a strong omnichannel platform and innovative formats adapted to new retail and consumer trends.
- Consistency on the strategic relevance and focus on innovation and digital transformation across the region drove solid performance.
- Solid Recurring EBITDA margin at 8.1% (+53 bps), favoured by top line evolution and focus on cost and expense control.
- Net Income from strong retail operating performance and a leaner financial structure.
- Top bio-security standards guaranteed operational continuity and increased confidence among customers.

### Colombia

- The strongest quarterly omnichannel growth (2.9x; GMV share of 14.7%).
- Éxito WOW and Carulla FreshMarket posted strong growth sustained by a clear value proposition.
- Solid Recurring EBITDA margin growth supported by the performance of retail and a leaner corporate structure.

### Uruguay

- Quarterly net sales and SSS evolution (+13.3%<sup>(1)</sup>) confirmed the positive trend seen from previous quarters.
- Strong contribution to sales from Fresh Market stores (40% share on sales).
- Continuous recurring EBITDA margin expansion (+134 bps) from operating efficiencies.

### Argentina

- Net sales growth (+23.0%<sup>(1)</sup>) reflected macroeconomic headwinds and industry restrictions.
- Results reflected the effect of mobility restrictions and mall closures most of the period.

Consolidated data include results from Colombia, Uruguay and Argentina, the net result of Brazil segment (2019) and Gemex O&W S.A.S. (2019 and 2020) registered as discontinued operations, the accounting adjustment associated to food production processes in Colombia and eliminations. (1) Data excludes the FX effect (-4.1% at top line in 2Q20 at consolidated level) and the calendar effect adjustment.

## VI. Grupo Éxito Strategic Pillars 2020 - 2022

Grupo Éxito’s strategy for 2020 to 2022, is comprised of five pillars, to adapt to changes in consumer trends and guarantee the Company’s sustainable growth in the long run. The goal is to implement and improve key activities, such as customer service, relational marketing, supplier relationships all supported by IT developments. These activities involve all countries in which the Company operates, and the implementation of these initiatives will follow a top-down approach.



### 1. Innovation

Activities to constantly innovate on stores, in brands and products in accordance with customer requirements.

- Models:** upgrading retail by innovating premium stores with FreshMarket across the region and with the Wow model at hypermarkets in Colombia.
  - The “FreshMarket” model aims to innovate the fresh food category, renovate stores and improve layouts. Furthermore, it includes digital activities, such as apps, improved customer service and strengthening key offerings, such as events for wine, pasta, cheese and coffee related to the premium banner.
  - The “Wow” model: Launched in Colombia in 2018 regards to the hypermarket of the future, a shopping experience connected to the digital world, superior customer service and improved focus on fresh products.
- Formats/Banners:** improving the store portfolio base by focusing on converting and renovating stores into key profitable formats such:
  - Cash & Carry: to compete versus both the formal and informal markets. The format operates with low operating costs and CAPEX requirements, driving returns and boosting sales following conversions.

- **Private Label:** development of the current portfolio of products to improve competitiveness by offering customers the lowest price and the best quality available. The Group is already strengthening well-known brands such as Frescampo in Colombia and positioning Taeq as the most important one for healthy products across the region.

## 2. Omni-channel Model:

Integration of virtual and physical platform to offer clients various channels, products and services to interact with the Company. Related to the development of:

- **E-commerce:** differentiated websites by genre, for non-food and food categories.
- **Market Place:** to improve the customer shopping experience by including multiple vendors, raising the number of transactions through the Company's websites.
- **Home Delivery & Last Milers:** to enhance convenience for customers through the development of start-ups such as last milers.
- **Digital Catalogues:** kiosks available at stores to purchase and order online.
- **Click & Collect:** service available for food and non-food purchases online to be collected at stores.

## 3. Digital Transformation

This pillar included the creation of the Digital Transformation Department in Colombia.

- **Apps:** to improve customer service, reinforced loyalty and increase share of wallet.
- **Start-ups:** research and analyse the feasibility of start-ups with which the Company may enhance service, operational activities and back office. Other analyses underway include artificial intelligence and image recognition.
- **Additional Activities:**
  - **Frictionless developments:** to improve the customer service experience at stores, especially when purchasing and paying for groceries or services, to reduce waiting time perception, by implementing:
    - ✓ Self-check-out: customer self-scanning, payment and packaging.
    - ✓ Mobile POS: on-foot cashier.
    - ✓ Scan & Pay: customer self-scanning and on-line receipt ready to be processed at the cashier.
    - ✓ Shop & Go: customer self-scanning, on-line payment through the app and go.
  - **Customer Service:** activities to improve relationship with clients and improving waiting time perception by using trendy channels such as:
    - ✓ Chatbot: 24-hour virtual assistant to answer questions/requirements from clients.
    - ✓ Social Marketing: active attention to customer's social media behaviour and using data collected to improve service and processes.
    - ✓ Social Wi-Fi: free high-quality internet connection available for clients.
    - ✓ Kiosks: interactive devices to allow our customers to self-manage purchases.
  - **Data Analytics:** usage of all data collected through all channels and IT developments to improve customer knowledge and internal data management.
    - ✓ Predictive Models: analyse common trends to improve the understanding of customer, demand, logistics and supply chain.
    - ✓ CRM: Customer Relationship Management.

- ✓ Relational discounts models, such as “Club del Comerciante” recently launched by Surtimayorista to offer discounts to HORECA customers based on their purchases, aiming to increase average basket by improving cross-selling.
- **Logistic and Supply Chain**
  - ✓ Inventory Management: improvement and optimization by usage of data and trends.
  - ✓ Productivity Management: transforming processes by focusing in agility, flexibility, efficiency and supply chain precision.
- **HR Management**
  - ✓ Transforming management of human resources by creating on-line platforms for employee selection and recruitment processes, training and HR data management.

#### 4. **Best Practices and Integration**

- **Asset Monetization:** to improve the Company’s returns by developing:
  - Real Estate optimization.
  - Non-core asset disposal, to focus on the food segment cross the region.
- **Traffic Monetization:** to boost growth by leveraging activities through the development of:
  - Loyalty Programs: which provide high potential for data monetization – transactional information, consumer data and marketing focused campaigns.
  - Complementary businesses: to optimize revenue from the financial, insurance, travel, mobile and money transfer businesses.
- **Operational Excellence:** execution of the program across countries to maintain SG&A expense growth below inflation levels, by focusing on:
  - Logistics & Supply Chain: improving the operation by setting stores and dark stores to support omni-channel activities and rolling out inventory management activities.
  - Lean Productivity Schemes: review of processes and structures across the diverse business units.
  - Joint Purchasing: commodity purchasing activities, including indirect goods, services and technology across the region to deliver cost savings.
  - Back Office: opportunities to further optimize and centralize diverse processes across the region.

#### 5. **Sustainable Shared Value**

- **Gen Cero**
  - Focusing on childhood nutrition
- **Sustainable trade**
  - Direct local purchasing
- **My Planet**
  - Protecting the environment
- **Healthy Lifestyle**
  - Offering a healthy portfolio to customers
- **Employee well-being**
  - HR development

## VII. Additional Information

### Conference Call Details

**Almacenes Éxito S.A.  
(BVC: EXITO)**

Cordially invites you to participate in its Second Quarter 2020 Results Conference Call

**Date: Tuesday, July 28, 2020**  
**Time: 10:00 a.m. Eastern Time**  
**9:00 a.m. Colombia Time**

#### **Presenting for Grupo Éxito:**

Carlos Mario Giraldo Moreno - Chief Executive Officer  
Ruy Souza - Chief Financial Officer  
María Fernanda Moreno - Investor Relations Manager

#### **To participate, please dial:**

**USA Toll Free: 1 (888) 771-4371**

**Colombia Toll Free: 01 800 9 156 924**

**International (Outside USA dial): +1 (847) 585-4405**

**Conference ID number: 49847196**

2Q20 results will be accompanied by a webcast presentation and audio webcast that will be available on the company's website at [www.grupoexito.com.co](http://www.grupoexito.com.co) or under

<https://onlinexperiences.com/Launch/QReg/ShowUUID=E3EFAF24-07DA-4AAB-85EC-0B4CD93996ED&LangLocaleID=1033>

For more information please contact: Almacenes Éxito S.A. Investor Relations,  
[exitoinvestor.relations@grupo-exito.com](mailto:exitoinvestor.relations@grupo-exito.com)

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### **Upcoming Financial Publications**

Third Quarter 2020 Earnings Release – October 30, 2020

## IR and PR contacts

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## Company Description

*Grupo Éxito is one of the largest multinationals in Colombia and a relevant food retailer in South America, with operations in Colombia, Uruguay and Argentina. The Company has clear competitive advantages derived from its strength in innovation, bricks and mortar, and the value of their brands, supported by the quality of its human resource. Grupo Éxito also leads an omnichannel strategy and diversifies its revenue with a sound set of complementary businesses to enhance its retail offering.*

*In 2019, Consolidated Net Revenues totalled COP \$15.3 billion derived from retail sales and its strong portfolio of complementary businesses: credit card, travel, insurance, mobile operator, money transfers and real estate with shopping malls in Colombia and Argentina. The Company operated 653 stores: in Colombia with Grupo Éxito, in Uruguay with Grupo Disco and Grupo Devoto, and in Argentina with Libertad.*

*Grupo Éxito's solid omni-channel model and multi-format and multi-brand strategies make it the leader in all modern retail segments. The Company's hypermarkets lead under the Éxito, Geant and Libertad banners; in premium supermarkets under the Carulla, Disco and Devoto brands; in proximity under the Carulla, Éxito, Devoto and Libertad Express brands. In the low-cost market the Group operates stores under banners Surtimax, Super Inter and Surtimayorista in Colombia.*

*In 2019 the Company officially declared its Digital Transformation Strategy to adapt to changes in consumer trends.*

## VIII. Appendices

### Notes:

- Numbers expressed in COP billion represent 1.000.000.000.000.
- Growth and variations expressed versus the same period last year, except when stated otherwise.
- Sums and percentages may reflect discrepancies due to rounding of figures.
- All margins are calculated as percentage of net revenue.

### Glossary

- **Colombia results** includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country.
- **Consolidated results:** includes Almacenes Éxito results, Colombian and international subsidiaries in Uruguay and Argentina.
- **EBIT:** Recurring Operating Income adjusted for the other non-recurring operational income/expense result.
- **EBITDA:** Earnings before Interest, Taxes, Depreciation and Amortization.
- **EPS:** Earnings Per Share calculated on an entirely diluted basis.
- **Financial Result:** impacts of interests, derivatives, financial assets/liabilities valuation, FX changes and other related to cash, debt and other financial assets/liabilities.
- **GLA:** Gross Leasable Area.
- **GMV:** Gross Merchandise Value.
- **Holding:** includes Almacenes Éxito results without Colombian and international subsidiaries.
- **Net Group Share Result:** net result attributable to Grupo Éxito's shareholders.
- **Net Revenue:** total revenue related to total net sales and other revenue.
- **Other Revenue:** revenue related to complementary businesses (real estate, insurance, financial services, travel, etc.) and other revenue.
- **Recurring EBITDA:** measure of profitability that includes Recurring Operating Income adjusted for Depreciation and Amortization both in cost and expense (D&A).
- **Recurring Operating Income (ROI):** includes the Gross Profit adjusted by SG&A expense and D&A.
- **SSS:** same-store-sales levels, including the effect of store conversions.
- **Total Net Sales:** sales related to the retail business.

## 1. Consolidated P&L

in COP M	2Q20	2Q19	% Var	1H20	1H19	% Var
Net Sales	3.560.056	3.471.900	2,5%	7.459.944	6.999.029	6,6%
Other Revenue	128.400	178.423	(28,0%)	280.943	345.057	(18,6%)
<b>Net Revenue</b>	<b>3.688.456</b>	<b>3.650.323</b>	<b>1,0%</b>	<b>7.740.887</b>	<b>7.344.086</b>	<b>5,4%</b>
Cost of Sales	(2.759.014)	(2.761.046)	(0,1%)	(5.793.936)	(5.462.618)	6,1%
Cost D&A	(17.567)	(16.344)	7,5%	(33.954)	(29.379)	15,6%
<b>Gross Profit</b>	<b>911.875</b>	<b>872.933</b>	<b>4,5%</b>	<b>1.912.997</b>	<b>1.852.089</b>	<b>3,3%</b>
<i>Gross Margin</i>	<i>24,7%</i>	<i>23,9%</i>	<i>81 bps</i>	<i>24,7%</i>	<i>25,2%</i>	<i>(51) bps</i>
SG&A Expense	(630.299)	(612.754)	2,9%	(1.384.976)	(1.347.460)	2,8%
Expense D&A	(109.751)	(107.449)	2,1%	(220.250)	(226.798)	(2,9%)
<b>Total Expense</b>	<b>(740.050)</b>	<b>(720.203)</b>	<b>2,8%</b>	<b>(1.605.226)</b>	<b>(1.574.258)</b>	<b>2,0%</b>
<i>Expense/Net Rev</i>	<i>20,1%</i>	<i>19,7%</i>	<i>33 bps</i>	<i>20,7%</i>	<i>21,4%</i>	<i>(70) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>171.825</b>	<b>152.730</b>	<b>12,5%</b>	<b>307.771</b>	<b>277.831</b>	<b>10,8%</b>
<i>ROI Margin</i>	<i>4,7%</i>	<i>4,2%</i>	<i>47 bps</i>	<i>4,0%</i>	<i>3,8%</i>	<i>19 bps</i>
Non-Recurring Income/Expense	(38.166)	(10.406)	N/A	(69.227)	(33.167)	N/A
<b>Operating Income (EBIT)</b>	<b>133.659</b>	<b>142.324</b>	<b>(6,1%)</b>	<b>238.544</b>	<b>244.664</b>	<b>(2,5%)</b>
<i>EBIT Margin</i>	<i>3,6%</i>	<i>3,9%</i>	<i>(28) bps</i>	<i>3,1%</i>	<i>3,3%</i>	<i>(25) bps</i>
Net Financial Result	(85.411)	(119.572)	(28,6%)	(119.739)	(221.691)	(46,0%)
Associates & Joint Ventures Results	(7.040)	(5.150)	36,7%	(30.438)	(7.329)	N/A
<b>EBT</b>	<b>41.208</b>	<b>17.602</b>	<b>N/A</b>	<b>88.367</b>	<b>15.644</b>	<b>N/A</b>
Income Tax	1.932	(8.879)	N/A	(2.585)	(6.870)	(62,4%)
<b>Net Result</b>	<b>43.140</b>	<b>8.723</b>	<b>N/A</b>	<b>85.782</b>	<b>8.774</b>	<b>N/A</b>
Non-Controlling Interests	(29.776)	(493.810)	(94,0%)	(50.177)	(665.749)	(92,5%)
Net Result of Discontinued Operations	(577)	466.876	N/A	(831)	626.423	N/A
<b>Net Group Share Result</b>	<b>12.787</b>	<b>(18.211)</b>	<b>N/A</b>	<b>34.774</b>	<b>(30.552)</b>	<b>N/A</b>
<i>Net Margin</i>	<i>0,3%</i>	<i>(0,5%)</i>	<i>85 bps</i>	<i>0,4%</i>	<i>(0,4%)</i>	<i>87 bps</i>
<b>Recurring EBITDA</b>	<b>299.143</b>	<b>276.523</b>	<b>8,2%</b>	<b>561.975</b>	<b>534.008</b>	<b>5,2%</b>
<i>Recurring EBITDA Margin</i>	<i>8,1%</i>	<i>7,6%</i>	<i>53 bps</i>	<i>7,3%</i>	<i>7,3%</i>	<i>(1) bps</i>
<b>EBITDA</b>	<b>260.977</b>	<b>266.117</b>	<b>(1,9%)</b>	<b>492.748</b>	<b>500.841</b>	<b>(1,6%)</b>
<i>EBITDA Margin</i>	<i>7,1%</i>	<i>7,3%</i>	<i>(21) bps</i>	<i>6,4%</i>	<i>6,8%</i>	<i>(45) bps</i>
Shares	447,604	447,604	0,0%	447,604	447,604	0,0%
<b>EPS</b>	<b>28,6</b>	<b>(40,7)</b>	<b>N/A</b>	<b>77,7</b>	<b>(68,3)</b>	<b>N/A</b>

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil segment and Gemex O&W S.A.S. registered as discontinued operations. Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-4.1% and -1.7% at top line and at recurring EBITDA in 2Q20 and of -3.0% and -1.7% in 1H20, respectively).



## 2. P&L and CAPEX by Country

Income Statement	<u>Colombia</u>	<u>Uruguay</u>	<u>Argentina</u>	<u>Consol</u>
in COP M	2Q20	2Q20	2Q20	2Q20
Net Sales	2,733,063	641,668	185,325	3,560,056
Other Revenue	120,392	6,058	1,263	128,400
<b>Net Revenue</b>	<b>2,853,455</b>	<b>647,726</b>	<b>186,588</b>	<b>3,688,456</b>
Cost of Sales	(2,198,073)	(428,594)	(132,701)	(2,759,014)
Cost D&A	(16,140)	(1,365)	(62)	(17,567)
<b>Gross profit</b>	<b>639,242</b>	<b>217,767</b>	<b>53,825</b>	<b>911,875</b>
<i>Gross Margin</i>	<i>22.4%</i>	<i>33.6%</i>	<i>28.8%</i>	<i>24.7%</i>
SG&A Expense	(412,141)	(152,735)	(64,665)	(630,299)
Expense D&A	(93,667)	(11,830)	(4,254)	(109,751)
<b>Total Expense</b>	<b>(505,808)</b>	<b>(164,565)</b>	<b>(68,919)</b>	<b>(740,050)</b>
<i>Expense/Net Rev</i>	<i>17.7%</i>	<i>25.4%</i>	<i>36.9%</i>	<i>20.1%</i>
<b>Recurring Operating Income (ROI)</b>	<b>133,434</b>	<b>53,202</b>	<b>(15,094)</b>	<b>171,825</b>
<i>ROI Margin</i>	<i>4.7%</i>	<i>8.2%</i>	<i>(8.1%)</i>	<i>4.7%</i>
Non-Recurring Income and Expense	(30,524)	(5,491)	(2,151)	(38,166)
<b>Operating Income (EBIT)</b>	<b>102,910</b>	<b>47,711</b>	<b>(17,245)</b>	<b>133,659</b>
<i>EBIT Margin</i>	<i>3.6%</i>	<i>7.4%</i>	<i>(9.2%)</i>	<i>3.6%</i>
<b>Net Financial Result</b>	<b>(73,780)</b>	<b>(4,663)</b>	<b>(6,685)</b>	<b>(85,411)</b>
<b>Recurring EBITDA</b>	<b>243,241</b>	<b>66,397</b>	<b>(10,778)</b>	<b>299,143</b>
<i>Recurring EBITDA Margin</i>	<i>8.5%</i>	<i>10.3%</i>	<i>(5.8%)</i>	<i>8.1%</i>
<b>CAPEX</b>				
<i>in COP M</i>	<b>37,015</b>	<b>8,985</b>	<b>920</b>	<b>46,920</b>
<i>in local currency</i>	37,015	101	23	

Note: Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-4.1% and -1.7% at top line and at recurring EBITDA in 2Q20 and of -3.0% and -1.7% in 1H20, respectively). The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country.

### 3. Consolidated Balance Sheet

Consolidated Balance Sheet in COP M			
	Dec 2019	Jun 2020	Var %
<b>Assets</b>	<b>15,861,015</b>	<b>15,579,988</b>	<b>(1.8%)</b>
<b>Current assets</b>	<b>5,356,665</b>	<b>4,467,708</b>	<b>(16.6%)</b>
Cash & Cash Equivalents	2,562,674	1,489,079	(41.9%)
Inventories	1,900,660	2,015,637	6.0%
Accounts receivable	379,921	373,541	(1.7%)
Assets for taxes	333,850	449,951	34.8%
Assets held for sale	37,928	21,652	(42.9%)
Others	141,632	117,848	(16.8%)
<b>Non-current assets</b>	<b>10,504,350</b>	<b>11,112,280</b>	<b>5.8%</b>
Goodwill	2,929,751	2,964,179	1.2%
Other intangible assets	304,215	318,911	4.8%
Property, plant and equipment	3,845,092	3,821,120	(0.6%)
Investment properties	1,626,220	1,643,523	1.1%
Right of Use	1,303,648	1,858,148	42.5%
Investments in associates and JVs	210,487	195,050	(7.3%)
Deferred tax asset	177,269	207,671	17.2%
Assets for taxes	-	-	0
Others	107,668	103,678	(3.7%)
<b>Liabilities</b>	<b>7,416,173</b>	<b>8,082,518</b>	<b>9.0%</b>
<b>Current liabilities</b>	<b>5,906,214</b>	<b>5,641,539</b>	<b>(4.5%)</b>
Trade payables	4,662,801	3,524,737	(24.4%)
Lease liabilities	222,177	180,617	(18.7%)
Borrowing-short term	616,822	1,625,723	N/A
Other financial liabilities	114,871	79,073	(31.2%)
Liabilities held for sale	-	-	0
Liabilities for taxes	72,910	50,897	(30.2%)
Others	216,633	180,492	(16.7%)
<b>Non-current liabilities</b>	<b>1,509,959</b>	<b>2,440,979</b>	<b>61.7%</b>
Trade payables	114	75	(34.2%)
Lease liabilities	1,308,054	1,906,816	45.8%
Borrowing-long Term	43,531	367,972	N/A
Other provisions	18,998	16,138	(15.1%)
Deferred tax liability	116,503	127,639	9.6%
Liabilities for taxes	800	780	(2.5%)
Others	21,959	21,559	(1.8%)
<b>Shareholder's equity</b>	<b>8,444,842</b>	<b>7,497,470</b>	<b>(11.2%)</b>

Note: Consolidated data include figures from Colombia, Uruguay and Argentina.

## 4. Consolidated Cash Flow

in COP M	Jun 2020	Jun 2019	Var %
<b>Profit</b>	<b>84,951</b>	<b>635,197</b>	<b>(86.6%)</b>
Adjustment to reconcile Net Income	413,327	2,146,121	(80.7%)
Cash Net (used in) Operating Activities	(1,103,630)	(1,767,846)	(37.6%)
Cash Net (used in) Investment Activities	(120,906)	887,349	N/A
Cash net provided by Financing Activities	146,856	186,305	(21.2%)
<b>Var of net of cash and cash equivalents before the FX rate</b>	<b>(1,077,680)</b>	<b>(694,192)</b>	<b>55.2%</b>
Effects on FX changes on cash and cash equivalents	4,085	(87,643)	N/A
<b>(Decrease) net of cash and cash equivalents</b>	<b>(1,073,595)</b>	<b>(781,835)</b>	<b>37.3%</b>
<b>Opening balance of cash and cash equivalents discontinued operations</b>			
<b>Opening balance of cash and cash equivalents</b>	<b>2,562,674</b>	<b>5,973,764</b>	<b>(57.1%)</b>
<b>Ending balance of cash and cash equivalents discontinued</b>	<b>-</b>	<b>-</b>	
<b>Ending balance of cash and cash equivalents</b>	<b>1,489,079</b>	<b>5,191,929</b>	<b>(71.3%)</b>

Note: Consolidated data include figures from Colombia, Uruguay and Argentina.

## 5. Debt by Country- Currency and Maturity

### Net debt breakdown by country

30 June 2020, (millions of COP)	Holding (2)	Colombia	Uruguay	Argentina	Consolidated
Short-term debt	1.264.521	1.289.623	392.218	22.955	1.704.796
Long-term debt	349.134	367.972	0	-	367.972
<b>Total gross debt (1)</b>	<b>1.613.655</b>	<b>1.657.595</b>	<b>392.218</b>	<b>22.955</b>	<b>2.072.768</b>
Cash and cash equivalents	1.145.644	1.218.340	193.889	76.850	1.489.079
<b>Net debt</b>	<b>- 468.011</b>	<b>- 439.255</b>	<b>- 198.329</b>	<b>53.895</b>	<b>- 583.689</b>

(1) Debt without contingent warranties and letters of credit

(2) Other Collections included and positive hedging valuation not included

### Holding Gross debt by maturity

30 Jun 2020, (millions of COP)	Nominal amount	Nature of interest rate	Maturity Date	30-jun-20
Revolving credit facility - Syndicated	500.000	Floating	August 2020	500.000
Revolving credit facility - Bilateral	100.000	Floating	August 2020	
Revolving credit facility - Bilateral	100.000	Floating	January 2021	
Short Term - Bilateral	600.000	Floating	March 2021	600.000
Short Term - Bilateral	135.000	Floating	June 2022	135.000
Long Term - Bilateral	290.000	Floating	March 2026	277.917
<b>Total gross debt (2)</b>	<b>1.725.000</b>			<b>1.512.917</b>

Note: The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country. 1) Debt without contingent warranties and letters of credits. (2) Almacenes Éxito S.A. holding gross debt issued 100% in Colombian Pesos with an interest rate below IBR3M + 4.0%; debt at the nominal amount; IBR 3M (Indicador Bancario de Referencia) – Market Reference Rate: 2.22%; data includes other collections and excludes the positive hedging valuation.

## 6. Financial Indicators

	Indicators at Consolidated Level		Indicators at Holding Level	
	June 2020	December 2019	June 2020	December 2019
Assets / Liabilities	1.93	2.14	1.85	2.14
Liquidity (Current Assets / Current Liabilities)	0.79	0.91	0.77	0.92

## 7. Almacenes Éxito<sup>(1)</sup> P&L

in COP M	2Q20	2Q19	% Var	1H20	1H19	% Var
Net Sales	2,734,938	2,614,852	4.6%	5,653,741	5,259,483	7.5%
Other Revenue	64,089	91,404	(29.9%)	134,573	177,603	(24.2%)
<b>Net Revenue</b>	<b>2,799,027</b>	<b>2,706,256</b>	<b>3.4%</b>	<b>5,788,314</b>	<b>5,437,086</b>	<b>6.5%</b>
Cost of Sales	(2,195,535)	(2,179,594)	0.7%	(4,559,221)	(4,287,118)	6.3%
Cost D&A	(14,933)	(13,543)	10.3%	(28,345)	(24,395)	16.2%
<b>Gross profit</b>	<b>588,559</b>	<b>513,119</b>	<b>14.7%</b>	<b>1,200,748</b>	<b>1,125,573</b>	<b>6.7%</b>
<i>Gross Margin</i>	<i>21.0%</i>	<i>19.0%</i>	<i>207 bps</i>	<i>20.7%</i>	<i>20.7%</i>	<i>4 bps</i>
SG&A Expense	(401,174)	(359,085)	11.7%	(861,253)	(816,970)	5.4%
Expense D&A	(84,591)	(89,036)	(5.0%)	(173,372)	(180,520)	(4.0%)
<b>Total Expense</b>	<b>(485,765)</b>	<b>(448,121)</b>	<b>8.4%</b>	<b>(1,034,625)</b>	<b>(997,490)</b>	<b>3.7%</b>
<i>Expense/Net Rev</i>	<i>(17.4%)</i>	<i>(16.6%)</i>	<i>(80) bps</i>	<i>(17.9%)</i>	<i>(18.3%)</i>	<i>47 bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>102,794</b>	<b>64,998</b>	<b>58.1%</b>	<b>166,123</b>	<b>128,083</b>	<b>29.7%</b>
<i>ROI Margin</i>	<i>3.7%</i>	<i>2.4%</i>	<i>127 bps</i>	<i>2.9%</i>	<i>2.4%</i>	<i>51 bps</i>
Non-Recurring Income and Expense	(28,909)	(10,572)	N/A	(50,797)	(30,063)	69.0%
<b>Operating Income</b>	<b>73,885</b>	<b>54,426</b>	<b>35.8%</b>	<b>115,326</b>	<b>98,020</b>	<b>17.7%</b>
<i>EBIT Margin</i>	<i>2.6%</i>	<i>2.0%</i>	<i>63 bps</i>	<i>2.0%</i>	<i>1.8%</i>	<i>19 bps</i>
<b>Net Financial Result</b>	<b>(83,961)</b>	<b>(110,205)</b>	<b>(23.8%)</b>	<b>(123,558)</b>	<b>(215,116)</b>	<b>(42.6%)</b>
<b>Net Group Share Result</b>	<b>12,787</b>	<b>(18,211)</b>	<b>N/A</b>	<b>34,774</b>	<b>(30,552)</b>	<b>N/A</b>
<i>Net Margin</i>	<i>0.5%</i>	<i>(0.7%)</i>	<i>113 bps</i>	<i>0.6%</i>	<i>(0.6%)</i>	<i>116 bps</i>
<b>Recurring EBITDA</b>	<b>202,318</b>	<b>167,577</b>	<b>20.7%</b>	<b>367,840</b>	<b>332,998</b>	<b>10.5%</b>
<i>Recurring EBITDA Margin</i>	<i>7.2%</i>	<i>6.2%</i>	<i>104 bps</i>	<i>6.4%</i>	<i>6.1%</i>	<i>23 bps</i>

(1) Holding: Almacenes Éxito Results without Colombian subsidiaries. Variations in the base versus the one reported in 2019 associated the net result of Gemex O&W S.A.S. registered as discontinued operations. Data includes the accounting adjustment associated to food production processes in Colombia fully accrued to the 2Q19 base in 2019.

## 8. Almacenes Éxito<sup>(1)</sup> Balance Sheet

in COP M	Dec 2019	Jun 2020	Var %
<b>Assets</b>	<b>13,519,213</b>	<b>13,575,921</b>	<b>0.4%</b>
<b>Current assets</b>	<b>4,448,466</b>	<b>3,572,537</b>	<b>(19.7%)</b>
Cash & Cash Equivalents	2,206,153	1,145,644	(48.1%)
Inventories	1,555,865	1,674,275	7.6%
Accounts receivable	199,712	205,204	2.7%
Assets for taxes	314,736	413,135	31.3%
Others	172,000	134,279	(21.9%)
<b>Non-current assets</b>	<b>9,070,747</b>	<b>10,003,384</b>	<b>10.3%</b>
Goodwill	1,453,077	1,453,077	0.0%
Other intangible assets	159,225	167,090	4.9%
Property, plant and equipment	2,027,180	1,972,642	(2.7%)
Investment properties	91,889	89,959	(2.1%)
Right of Use	1,411,410	2,266,267	60.6%
Investments in subsidiaries, associates and joint ventures	3,614,639	3,709,123	2.6%
Others	313,327	345,226	10.2%
<b>Liabilities</b>	<b>6,322,685</b>	<b>7,357,483</b>	<b>16.4%</b>
<b>Current liabilities</b>	<b>4,847,078</b>	<b>4,620,988</b>	<b>(4.7%)</b>
Trade payables	3,901,549	2,870,218	(26.4%)
Lease liabilities	224,492	164,531	(26.7%)
Borrowing-short term	204,705	1,191,216	N/A
Other financial liabilities	95,437	73,305	(23.2%)
Liabilities for taxes	66,270	35,162	(46.9%)
Others	354,625	286,556	(19.2%)
<b>Non-current liabilities</b>	<b>1,475,607</b>	<b>2,736,495</b>	<b>85.4%</b>
Lease liabilities	1,394,323	2,312,356	65.8%
Borrowing-long Term	6,293	349,134	N/A
Other provisions	53,056	53,469	0.8%
Deferred tax liability	-	-	0
Others	21,935	21,536	(1.8%)
<b>Shareholder's equity</b>	<b>7,196,528</b>	<b>6,218,438</b>	<b>(13.6%)</b>

(1) Holding: Almacenes Éxito Results without Colombian or international subsidiaries.

## 9. Stores and Selling Area

<u>Banner by country</u>	<u>Store number</u>	<u>Sales Area (sqm)</u>
<b>Colombia</b>		
Éxito	248	625,400
Carulla	96	85,686
Surtimax	77	35,656
Super Inter	69	65,346
Surtimayorista	32	32,349
<b>Total Colombia</b>	<b>522</b>	<b>844,436</b>
<b>Uruguay</b>		
Devoto	60	39,886
Disco	29	33,452
Geant	2	16,411
<b>Total Uruguay</b>	<b>91</b>	<b>89,749</b>
<b>Argentina</b>		
Libertad	15	103,967
Mini Libertad	10	1,796
<b>Total Argentina</b>	<b>25</b>	<b>105,763</b>
<b>TOTAL</b>	<b>638</b>	<b>1,039,948</b>

Note: The store count does not include allies in Colombia.

## Note on Forward-Looking Statements

*This document contains certain forward-looking statements based on data, assumptions and estimates, that the Company believes are reasonable, however, it is not historical data and should not be interpreted as guarantees of its future occurrence. Grupo Éxito operates in a competitive and rapidly changing environment, therefore, it is not in a position to predict all of the risks, uncertainties or other factors that may affect its business, their potential impact on its business, or the extent to which the occurrence of a risk or a combination of risks could have results that are significantly different from those included in any forward-looking statement.*

*The forward-looking statements contained in this document are made only as of the date hereof. Except as required by any applicable law, rules or regulations, Grupo Éxito expressly disclaims any obligation or undertaking to publicly release any updates of any forward-looking statements contained in this press release to reflect any change in its expectations or any change in events, conditions or circumstances on which any forward-looking statement contained in this press release is based.*

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