

Almacenes Éxito S.A.

Interim consolidated financial statements

At March 31, 2023 and at December 31, 2022

Almacenes Éxito S.A.
Interim consolidated statements of financial position
At March 31, 2023 and at December 31, 2022
(Amounts expressed in millions of Colombian pesos)

	Notes	At March 31, 2023	At December 31, 2022
Current assets			
Cash and cash equivalents	7	982,551	1,733,673
Trade receivables and other receivables	8	697,840	779,355
Prepayments	9	31,301	39,774
Related parties	10	43,991	47,122
Inventories, net	11	2,870,453	2,770,443
Financial assets	12	17,316	45,812
Tax assets	24	538,748	509,884
Assets held for sale	40	21,759	21,800
Total current assets		5,203,959	5,947,863
Non-current assets			
Trade receivables and other receivables	8	50,166	50,521
Prepayments	9	6,659	6,365
Receivables with related parties	10	25,000	35,000
Financial assets	12	30,268	32,572
Deferred tax assets	24	153,138	142,589
Rights of use asset, net	13	1,467,266	1,443,469
Other intangible assets, net	14	423,446	424,680
Investment property, net	15	1,834,919	1,841,228
Property, plant and equipment, net	16	4,447,325	4,474,280
Goodwill	17	3,463,953	3,484,303
Investments accounted for using the equity method	18	283,229	300,021
Other assets		398	398
Total non-current assets		12,185,767	12,235,426
Total assets		17,389,726	18,183,289
Current liabilities			
Loans and borrowings	20	1,593,432	915,604
Employee benefits	21	4,953	4,555
Provisions	22	18,511	27,123
Payable to related parties	10	58,244	79,189
Trade payables and other payable	23	4,527,326	5,651,303
Lease liabilities	13	279,931	263,175
Tax liabilities	24	101,884	109,726
Derivative instruments and collections on behalf of third parties	25	87,307	136,223
Other liabilities	26	165,774	228,496
Total current liabilities		6,837,362	7,415,394
Non-current liabilities			
Loans and borrowings	20	548,208	539,980
Employee benefits	21	31,848	32,090
Provisions	22	11,413	15,254
Trade payables and other payable	23	33,583	70,472
Lease liabilities	13	1,399,269	1,392,780
Deferred tax liabilities	24	290,606	277,713
Tax liabilities	24	8,939	2,749
Other liabilities	26	2,396	2,411
Total non-current liabilities		2,326,262	2,333,449
Total liabilities		9,163,624	9,748,843
Shareholders' equity			
Share capital		4,482	4,482
Reserves		1,421,158	1,541,586
Other equity components		5,601,301	5,680,013
Equity attributable to non-controlling interest		1,199,161	1,208,365
Total shareholders' equity		8,226,102	8,434,446
Total liabilities and shareholders' equity		17,389,726	18,183,289

The accompanying notes are an integral part of the interim consolidated financial statements.

Almacenes Éxito S.A.
Interim consolidated statements of profit or loss
For the quarters ended March 31, 2023 and 2022
(Amounts expressed in millions of Colombian pesos)

	Notes	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Continuing operations			
Revenue from contracts with customers	28	5,456,154	4,601,967
Cost of sales	11	(4,023,235)	(3,427,469)
Gross profit		1,432,919	1,174,498
Distribution, administrative and selling expenses	29	(1,225,649)	(974,696)
Other operating revenues, net	31	6,115	8,281
Operating profit		213,385	208,083
Financial income	32	170,478	52,720
Financial cost	32	(237,300)	(102,519)
Share of profit in associates and joint ventures		(26,792)	(17,819)
Profit before income tax from continuing operations		119,771	140,465
Income tax expense	24	(40,708)	(54,840)
Profit for the period		79,063	85,625
Net profit attributable to:			
Equity holders of the Parent		45,118	64,539
Non-controlling interests		33,945	21,086
Profit for the period		79,063	85,625
Earnings per share (*)			
Basic and diluted earnings per share (*):			
Basic and diluted earnings per share attributable to the shareholders of the Parent	33	34.76	49.73
Basic and diluted earnings per share from continuing operations attributable to the shareholders of the Parent	33	34.76	49.73

(*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the interim consolidated financial statements.

Almacenes Éxito S.A.
Interim consolidated statements of other comprehensive income
For the quarters ended March 31, 2023 and 2022
(Amounts expressed in millions of Colombian pesos)

	Notes	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Profit for the period		79,063	85,525
Other comprehensive income			
Components of other comprehensive income that will not be reclassified to profit and loss, net of taxes			
(Loss) from financial instruments designated at fair value through other comprehensive income	27	(287)	(1,557)
Total other comprehensive income that will not be reclassified to period results, net of taxes		(287)	(1,557)
Components of other comprehensive income that may be reclassified to profit and loss, net of taxes			
(Loss) from translation exchange differences (1)	27	(234,594)	(77,853)
Net gain on hedge of a net investment in a foreign operation	27	-	2,306
(Loss) from cash flow hedge	27	(5,446)	3,699
Total other comprehensive income that may be reclassified to profit or loss, net of taxes		(240,040)	(71,848)
Total other comprehensive income		(240,327)	(73,405)
Total comprehensive income		(161,264)	12,220
Comprehensive income attributable to:			
Equity holders of the Parent		(195,090)	(7,648)
Non-controlling interests		33,826	19,868

(1) Represents exchange differences arising from the translation of assets, liabilities, equity and results of foreign operations into the functional currency.

The accompanying notes are an integral part of the interim consolidated financial statements.

Almacenes Éxito S.A.
Interim consolidated statements of changes in equity
At March 31, 2023 and 2022
(Amounts expressed in millions of Colombian pesos)

	Attributable to the equity holders of the parent														
	Issued share capital	Premium on the issue of shares	Treasury shares	Legal reserve	Occasional reserve	Reserves for acquisition of treasury shares	Reserve for future dividends distribution	Other reserves	Total reserves	Other comprehensive income	Retained earnings	Hyperinflation and other equity components	Total	Non-controlling interests	Total shareholders' equity
	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27
Balance at December 31, 2021	4,482	4,843,466	(2,734)	7,857	791,647	22,000	155,412	329,529	1,306,445	(1,240,157)	888,645	1,081,258	6,881,405	1,147,072	8,028,477
Declared dividend (Note 37)	-	-	-	-	(12,330)	-	-	-	(12,330)	-	(225,348)	-	(237,678)	(5,407)	(243,085)
Net income	-	-	-	-	-	-	-	-	-	-	64,539	-	64,539	21,086	85,625
Other comprehensive income	-	-	-	-	-	-	-	-	-	(72,187)	-	-	(72,187)	(1,218)	(73,405)
Appropriation to reserves	-	-	-	-	(147,108)	396,442	-	-	249,334	-	(249,334)	-	-	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	3	3	255	258
Inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	120,346	120,346	-	120,346
Changes in fair value of put option on non-controlling interests and other movements	-	-	-	-	(1,863)	-	-	-	(1,863)	-	(1,979)	-	(3,842)	5	(3,837)
Balance at March 31, 2022	4,482	4,843,466	(2,734)	7,857	630,346	418,442	155,412	329,529	1,541,586	(1,312,344)	476,523	1,201,607	6,752,586	1,161,793	7,914,379
Balance at December 31, 2022	4,482	4,843,466	(319,490)	7,857	630,346	418,442	155,412	329,529	1,541,586	(966,902)	515,564	1,607,375	7,226,081	1,208,365	8,434,446
Declared dividend (Note 37)	-	-	-	-	(217,392)	-	-	-	(217,392)	-	-	-	(217,392)	(21,860)	(239,252)
Net income	-	-	-	-	-	-	-	-	-	-	45,118	-	45,118	33,945	79,063
Other comprehensive income	-	-	-	-	-	-	-	-	-	(240,208)	-	-	(240,208)	(119)	(240,327)
Appropriation to reserves	-	-	-	-	99,072	-	-	-	99,072	-	(99,072)	-	-	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	4	4	(441)	(437)
Inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	195,225	195,225	-	195,225
Changes in fair value of put option on non-controlling interests and other movements	-	-	-	-	(2,108)	-	-	-	(2,108)	-	(508)	20,729	18,113	(20,729)	(2,616)
Balance at March 31, 2023	4,482	4,843,466	(319,490)	7,857	509,918	418,442	155,412	329,529	1,421,158	(1,207,110)	461,102	1,823,333	7,026,941	1,199,161	8,226,102

The accompanying notes are an integral part of the interim consolidated financial statements.

Almacenes Éxito S.A.
Interim consolidated statements of cash flows
For the quarters ended March 31, 2023 and 2022
(Amounts expressed in millions of Colombian pesos)

	Notes	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Operating activities			
Profit for the period		79,063	85,625
Adjustments to reconcile profit for the period			
Current income tax	24	34,833	20,597
Deferred income tax	24	5,875	34,243
Interest, loans and lease expenses	32	68,546	35,951
Loss from changes in fair value of derivative financial instruments	32	29,158	28,960
(Reversal) impairment of receivables, net	8.1	(780)	3,223
Impairment losses of inventories, net	11.1	1,462	665
(Reversal) impairment of property, plant and equipment, investment properties and right of use asset	16	-	(1,018)
Employee benefit provisions	21	565	423
Provisions and reversals	22	(1,492)	2,905
Depreciation of property, plant and equipment, investment property and right of use asset	13; 15; 16	151,207	132,340
Amortization of intangible assets	14	7,769	6,511
Share of profit in associates and joint ventures accounted for using the equity method		26,792	17,819
Loss from the disposal of non-current assets		2,530	2,528
Interest income	32	(16,112)	(8,102)
Other adjustments from items other than cash		(5,156)	4,924
Operating income before changes in working capital		384,260	367,594
Decrease (increase) in trade receivables and other accounts receivable		64,465	(9,108)
Decrease in prepayments		6,528	8,726
Decrease (increase) in receivables from related parties		2,862	(14,311)
Increase in inventories		(149,520)	(128,319)
Decrease in tax assets		24,165	32,070
Decrease in employee benefits		(142)	-
Payments and decrease in other provisions	22	(9,851)	(4,164)
Decrease in trade payables and other accounts payable		(1,010,844)	(1,236,209)
(Decrease) increase in accounts payable to related parties		(18,745)	1,344
Decrease in tax liabilities		(1,312)	(37,198)
Decrease in other liabilities		(60,446)	(75,913)
Income tax paid		(75,892)	(86,091)
Net cash flows used in operating activities		(844,472)	(1,181,579)
Investing activities			
Advances to joint ventures		-	(10,000)
Acquisition of property, plant and equipment	16.1	(150,041)	(61,421)
Acquisition of investment property	15	(7,026)	(5,565)
Acquisition of intangible assets	14	(9,534)	(3,413)
Proceeds of the sale of property, plant and equipment and intangible assets.		487	1,085
Net cash flows used in investing activities		(166,114)	(79,314)
Financing activities			
Proceeds from financial assets		1	6,791
Payments of derivative instruments and collections on behalf of third parties		(57,276)	(10,117)
Proceeds from loans and borrowings	20	727,266	245,455
Repayment of loans and borrowings	20	(46,118)	(30,918)
Payments of interest of loans and borrowings	20	(24,668)	(10,107)
Lease liabilities paid	13.2	(68,913)	(65,286)
Interest on lease liabilities paid	13.2	(29,514)	(22,201)
Dividends paid	37	(238,441)	(257,892)
Interest received	32	16,112	8,102
(Payment) proceeds from transactions with non-controlling interest		(437)	230
Net cash flows provided by (used in) financing activities		278,012	(135,943)
Net decrease in cash and cash equivalents		(732,574)	(1,396,836)
Effects of the variation in exchange rates		(18,548)	(4,832)
Cash and cash equivalents at the beginning of period	7	1,733,673	2,541,579
Cash and cash equivalents at the end of period	7	982,551	1,139,911

The accompanying notes are an integral part of the interim consolidated financial statements.

Note 1. General information

Almacenes Éxito S.A. was incorporated pursuant to Colombian laws on March 24, 1950; its headquarter is located Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The life span of the Almacenes Éxito S.A. goes to December 31, 2150. Here and after Almacenes Éxito S.A. and its subsidiaries are referred to as the "Éxito Group".

Almacenes Éxito S.A. is listed on the Colombia Stock Exchange (BVC) since 1994 and is under the supervision of the Financial Superintendence of Colombia. On April, 2023, the Company obtained registration as a foreign issuer with the Brazilian Securities and Exchange Commission (CVM).

Éxito Group's corporate purpose is to:

- Acquire, store, transform and, in general, distribute and sell under any trading figure, including funding thereof, all kinds of goods and products, produced either locally or abroad, on a wholesale or retail basis, physically or online.
- Provide ancillary services, namely grant credit facilities for the acquisition of goods, grant insurance coverage, carry out money transfers and remittances, provide mobile phone services, trade tourist package trips and tickets, repair and maintain furnishings, complete paperwork and energy trade.
- Give or receive in lease trade premises, receive or give, in lease or under occupancy, spaces or points of sale or commerce within its trade establishments intended for the exploitation of businesses of distribution of goods or products, and the provision of ancillary services.
- Incorporate, fund or promote with other individuals or legal entities, enterprises or businesses intended for the manufacturing of objects, goods, articles or the provision of services related with the exploitation of trade establishments.
- Acquire property, build commercial premises intended for establishing stores, malls or other locations suitable for the distribution of goods, without prejudice to the possibility of disposing of entire floors or commercial premises, give them in lease or use them in any convenient manner with a rational exploitation of land approach, as well as invest in property, promote and develop all kinds of real estate projects.
- Invest resources to acquire shares, bonds, trade papers and other securities of free movement in the market to take advantage of tax incentives established by law, as well as make temporary investments in highly liquid securities with a purpose of short-term productive exploitation; enter into firm *factoring* agreements using its own resources; encumber its chattels or property and enter into financial transactions that enable it to acquire funds or other assets.
- In the capacity as wholesaler and retailer, distribute oil-based liquid fuels through service stations, alcohols, biofuels, natural gas for vehicles and any other fuels used in the automotive, industrial, fluvial, maritime and air transport sectors, of all kinds.

The immediate holding company, or controlling entity of Almacenes Éxito S.A. is Companhia Brasileira de Distribuição (hereinafter CBD), which owns 91.52% at March 31, 2023 (at December 31, 2022 - 91.52%) of its ordinary shares. CBD is controlled by Casino, Guichard-Perrachon S.A., which is ultimately controlled by Mr. Jean-Charles Henri Naouri.

Almacenes Éxito S.A. is registered in the Camara de Comercio Aburrá Sur.

Note 1.1. Stock ownership in subsidiaries included in the consolidated financial statements

Below is a detail of the stock ownership in subsidiaries included in the interim consolidated financial statements at March 31, 2023, which was substantially the same at December 31, 2022:

Name	Controlling entity	Segment	Country	Stock ownership 2023		
				Direct	Indirect	Total
Directly owned entities						
Almacenes Éxito Inversiones S.A.S.	Almacenes Éxito S.A.	Colombia	Colombia	100.00%	0.00%	100.00%
Logística, Transporte y Servicios Asociados S.A.S.	Almacenes Éxito S.A.	Colombia	Colombia	100.00%	0.00%	100.00%
Marketplace Internacional Éxito y Servicios S.A.S.	Almacenes Éxito S.A.	Colombia	Colombia	100.00%	0.00%	100.00%
Depósitos y Soluciones Logísticas S.A.S.	Almacenes Éxito S.A.	Colombia	Colombia	100.00%	0.00%	100.00%
Fideicomiso Lote Girardot	Almacenes Éxito S.A.	Colombia	Colombia	100.00%	0.00%	100.00%
Transacciones Energéticas S.A.S. E.S.P.	Almacenes Éxito S.A.	Colombia	Colombia	100.00%	0.00%	100.00%
Éxito Industrias S.A.S.	Almacenes Éxito S.A.	Colombia	Colombia	94.53%	3.42%	97.95%
Éxito Viajes y Turismo S.A.S.	Almacenes Éxito S.A.	Colombia	Colombia	51.00%	0.00%	51.00%
Gestión Logística S.A.	Almacenes Éxito S.A.	Colombia	Panama	100.00%	0.00%	100.00%
Patrimonio Autónomo Viva Malls	Almacenes Éxito S.A.	Colombia	Colombia	51.00%	0.00%	51.00%
Spice Investment Mercosur S.A.	Almacenes Éxito S.A.	Uruguay	Uruguay	100.00%	0.00%	100.00%
Onper Investment 2015 S.L.	Almacenes Éxito S.A.	Argentina	España	100.00%	0.00%	100.00%
Patrimonio Autónomo Iwana	Almacenes Éxito S.A.	Colombia	Colombia	51.00%	0.00%	51.00%
Indirectly owned entities						
Patrimonio Autónomo Centro Comercial Viva Barranquilla	Patrimonio Autónomo Viva Malls	Colombia	Colombia	0.00%	45.90%	45.90%
Patrimonio Autónomo Viva Laureles	Patrimonio Autónomo Viva Malls	Colombia	Colombia	0.00%	40.80%	40.80%
Patrimonio Autónomo Viva Sincelajo	Patrimonio Autónomo Viva Malls	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo Viva Villavicencio	Patrimonio Autónomo Viva Malls	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo San Pedro Etapa I	Patrimonio Autónomo Viva Malls	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo Centro Comercial	Patrimonio Autónomo Viva Malls	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo Viva Palmas	Patrimonio Autónomo Viva Malls	Colombia	Colombia	0.00%	26.01%	26.01%
Devoto Hermanos S.A.	Lanin S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Mercados Devoto S.A.	Lanin S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Larenco S.A.	Spice Investment Mercosur S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Geant Inversiones S.A.	Spice Investment Mercosur S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Lanin S.A.	Spice Investment Mercosur S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
5 Hermanos Ltda.	Lanin S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Sumelar S.A.	Lanin S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Tipset S.A.	Lanin S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Tedocan S.A.	Mercados Devoto S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Supermercados Disco del Uruguay S.A.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%

Name	Controlling entity	Segment	Country	Stock ownership 2023		
				Direct	Indirect	Total
Grupo Disco del Uruguay S.A.	Spice Investment Mercosur S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Ameluz S.A.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Fandale S.A.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Odaler S.A.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
La Cabaña S.R.L.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Ludi S.A.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Semin S.A.	Supermercados Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Randicor S.A.	Supermercados Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Setara S.A.	Odaler S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Hiper Ahorro S.R.L.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Ciudad del Ferrol S.C.	Supermercados Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	61.24%	61.24%
Mablicor S.A.	Fandale S.A.	Uruguay	Uruguay	0.00%	31.87%	31.87%
Maostar S.A.	Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	31.25%	31.25%
Vía Artika S. A.	Onper Investment 2015 S.L.	Argentina	Uruguay	0.00%	100.00%	100.00%
Spice España de Valores Americanos S.L.	Vía Artika S. A.	Argentina	España	0.00%	100.00%	100.00%
Libertad S.A.	Onper Investment 2015 S.L.	Argentina	Argentina	0.00%	100.00%	100.00%
Gelase S. A.	Onper Investment 2015 S.L.	Argentina	Bélgica	0.00%	100.00%	100.00%

Note 1.2. Subsidiaries with material non-controlling interests

At March 31, 2023 and at December 31, 2022 the following subsidiaries have material non-controlling interests:

	Country	Percentage of equity interest held by non-controlling interests	
		March 31, 2023	December 31, 2022
Patrimonio Autónomo Viva Palmas	Colombia	73.99%	73.99%
Patrimonio Autónomo Viva Sincelejo	Colombia	73.99%	73.99%
Patrimonio Autónomo Viva Villavicencio	Colombia	73.99%	73.99%
Patrimonio Autónomo San Pedro Etapa I	Colombia	73.99%	73.99%
Patrimonio Autónomo Centro Comercial	Colombia	73.99%	73.99%
Patrimonio Autónomo Viva Laureles	Colombia	59.20%	59.20%
Patrimonio Autónomo Centro Comercial Viva Barranquilla	Colombia	54.10%	54.10%
Patrimonio Autónomo Iwana	Colombia	49.00%	49.00%
Éxito Viajes y Turismo S.A.S.	Colombia	49.00%	49.00%
Patrimonio Autónomo Viva Malls	Colombia	49.00%	49.00%
Grupo Disco del Uruguay S.A.	Uruguay	37.51%	37.51%

Note 2. Basis of preparation and other significant accounting policies

The interim consolidated financial statements for the quarters ended March 31, 2023 and 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The consolidated financial statements for the interim periods are disclosure in accordance with IAS34 and should be read in conjunction with the consolidated financial statements as of December 31, 2022 and do not include all the information required for a separated financial statement disclosure in accordance with IAS 1.

The interim consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and financial instruments measured at fair value.

The Exito Group has prepared the interim separate financial statements on the basis that it will continue to operate as a going concern.

Note 3. Basis for consolidation

All significant transactions and material balances among subsidiaries have been eliminated upon consolidation; non-controlling interests represented by third parties' ownership interests in subsidiaries have been recognized and separately included in the consolidated shareholders' equity.

These interim consolidated financial statements include the financial statements of Almacenes Éxito S.A. and all of its subsidiaries. Subsidiaries (including special-purpose vehicles) are entities over which have direct or indirect control. Special-purpose vehicles are stand-alone trust funds (*Patrimonios Autónomos*, in Spanish) established with a defined purpose or limited term. A listing of subsidiaries is included in Note 1.

"Control" is the power to govern relevant activities, such as the financial and operating policies of a controlled company (subsidiary). Control is when the Company have power over an investee, is exposed to variable returns from its involvement and have the ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Exito Group has less than a majority of the voting or similar rights of an investee, the Exito Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

At the time of assessing whether Almacenes Éxito S.A. has control over a subsidiary, analysis is made of the existence and effect of currently exercisable potential voting rights. Subsidiaries are consolidated as of the date on which control is gained until ceases the control of the subsidiary.

Transactions involving a change in ownership percentage without loss of control are recognized in shareholders' equity. Cash flows provided or paid to non-controlling interests which represent a change in ownership interests not resulting in a loss of control are classified as financing activities in the statement of cash flows.

In transactions involving a loss of control, the entire ownership interest in the subsidiary is derecognized, including the relevant items of the other comprehensive income, and the retained interest is recognized at fair value. Any gain or loss arising from the transaction is recognized in profit or loss. Cash flows from the acquisition or loss of control over a subsidiary are classified as investing activities in the statement of cash flows.

Whenever a subsidiary is made available for sale or its operation is discontinued, but control over it is still maintained, its assets and liabilities are classified as assets held for sale and presented in a single line item in the statement of financial position. Results from discontinued operations are presented separately in the consolidated statement of profit or loss.

Income for the period and each component in other comprehensive income are attributed to the owners of the parent and to non-controlling interests.

In consolidating the financial statements, all subsidiaries apply the same policies and accounting principles implemented by Almacenes Éxito S.A.

Subsidiaries' assets and liabilities, revenue and expenses, as well as Almacenes Éxito's S.A. revenue and expenses in foreign currency have been translated into Colombian pesos at observable market exchange rates on each reporting date and at period average, as follows:

	Closing rates (*)		Average rates (*)		
	March 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	December 31, 2022
US Dollar	4,627.27	4,810.20	4,760.15	3,913.49	4,255.44
Uruguayan peso	119.28	120.97	121.34	90.29	103.69
Argentine peso	22.14	27.16	24.81	36.76	32.99
Euro	5,027.35	5,133.73	5,104.01	4,393.81	4,471.09

(*) Expressed in Colombian pesos.

Note 4. Significant accounting policies

The accompanying interim consolidated financial statements at March 31, 2023 have been prepared using the same accounting policies, measurements and bases used to present the consolidated financial statements for the year ended December 31, 2022, except for new and modified standards and interpretations applied starting January 1, 2023.

The adoption of the new standards in force as of January 1, 2023 mentioned in Note 5.2. did not result in significant changes in these accounting policies as compared to those applied in preparing the consolidated financial statements at December 31, 2022 and no significant effect resulted from adoption thereof.

Note 5. New and modified Standards and Interpretations

Note 5.1. Standards issued during the quarter period ended March 31, 2023

During the quarter period ended March 31, 2023, the International Accounting Standards Board IASB had not issued new standards and amendments

Note 5.2. Standards applied as of 2023, issued prior to January 1, 2023

The following standards started to be applied as of January 1, 2023, according to the adoption date set by the IASB:

- IFRS 17 – Insurance Contracts.
- Amendment to IAS 1.
- Amendment to IAS 8.
- Amendment to IAS 12.
- Amendment to IAS 17.

Note 5.3. Standards not yet in force at March 31, 2023, issued prior to January 1, 2023

The following Standards are not yet effective at March 31, 2023:

- Amendment to IAS 1, applicable as of January 2024 with early adoption permitted,
- Amendment to IFRS 16, applicable as of January 2024.

Note 5.4. Standards issued during the annual period ended December 31, 2022

During the annual period ended December 31, 2022, the International Accounting Standards Board IASB issued the following new standards and amendments:

- Amendment to IAS 1, applicable as of January 2024 with early adoption permitted,
- Amendment to IFRS 16, applicable as of January 2024.

Amendment to IAS 1 – Non-current Liabilities with Covenants (issued in October 2022)

This amendment, which amends IAS 1– Presentation of Financial Statements, aims to improve the information companies provide on long-term covenanted debt by enabling investors to understand the risk of early repayment of debt.

IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt within 12 months of the reporting date. However, a company's ability to do so is often contingent on compliance with covenants. For example, a business might have long-term debt that could be repayable within 12 months if the business defaults in that 12-month period. The amendment requires a company to disclose information about these covenants in the notes to the financial statements.

No material effects are expected from the application of this Amendment.

Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback (issued in September 2022)

This Amendment, which amends IFRS 16 – Leases, guides at the subsequent measurement that a company must apply when it sells an asset and subsequently leases the same asset to the new owner for a period.

IFRS 16 includes requirements on how to account for a sale with leaseback on the date the transaction takes place. However, this standard had not specified how to measure the transaction after that date. These amendments will not change the accounting for leases other than those arising in a sale-leaseback transaction.

No material effects are expected from the application of this Amendment.

Note 5.5. Standards applied as of 2022, issued prior to January 1, 2022

The following standards started to be applied as of January 1, 2022, according to the adoption date set by the IASB:

- Amendment to IAS 1,
- Amendment to IFRS 3,
- Amendment to IFRS 16,
- Amendment to IAS 37,
- Annual Improvements to IFRSs 2018-2020 Cycle

Note 5.6. Standards not yet in force at December 31, 2022, issued prior to January 1, 2022

The following Standards are not yet effective at December 31, 2022:

- IFRS 17 - Insurance Contracts, to be applied as of January 2023 pursuant to the Amendment thereto.
- Amendment to IAS 1, applicable as of January 2023.
- Amendment to IAS 8, applicable as of January 2023.
- Amendment to IAS 12, applicable as of January 2023 with early adoption permitted.
- Amendment to IFRS 17, applicable as of January 2023.

Note 6. Relevant facts

No relevant facts have occurred nor registered during the period.

Note 7. Cash and cash equivalents

The balance of cash and cash equivalents is shown below:

	March 31, 2023	December 31, 2022
Cash at banks and on hand (1)	943,131	1,700,987
Fiduciary rights – money market like	13,606	30,652
Term deposit certificates	7,945	870
Funds (2)	1,202	1,139
Other cash equivalents (3)	16,667	25
Total cash and cash equivalents	982,551	1,733,673

(1) The decrease is mainly due to the use of resources for the payment of creditors and suppliers (Trade accounts payable and other accounts payable) at the beginning of 2023.

(2) Represents the Collective Investment Fund with Fiduciaria Corficolombiana created to guarantee the payment of the lease fee on the Éxito Poblado and Cedi Avenida 68 properties.

(3) Corresponds to Uruguayan Treasury bills with a maturity of less than 3 months from the subsidiary Spice Investment Mercosur S.A. and its subsidiaries in Uruguay.

At March 31, 2023, the Éxito Group recognized interest income from cash at banks and cash equivalents in the amount of \$16,112 (March 31, 2022 - \$8,102), which were recognized as financial income as detailed in Note 32.

At March 31, 2023 and December 31, 2022, cash and cash equivalents were not restricted or levied in any way as to limit availability thereof.

Note 8. Trade receivables and other account receivables

The balance of trade receivables and other account receivables is shown below:

	March 31, 2023	December 31, 2022
Trade receivables (Note 8.1)	447,200	506,342
Other account receivables (Note 8.2)	300,806	323,534
Total trade receivables and other account receivables	748,006	829,876
Current	697,840	779,355
Non-Current	50,166	50,521

Note 8.1. Trade receivables

The balance of trade receivables is shown below:

	March 31, 2023	December 31, 2022
Trade accounts	327,390	385,766
Sale of real-estate project inventories	67,489	66,831
Rentals and dealers	61,674	64,260
Trade accounts with employees	9,956	12,367
Allowance for expected credit loss	(19,309)	(22,882)
Trade receivables	447,200	506,342

The allowance for expected credit loss is recognized as expense in profit or loss. During the quarter ended March 31, 2023, the net effect of the allowance for expected credit loss on the statement of profit or loss represents income of \$780 (\$3,223 - expense for the quarter ended March 31, 2022).

The movement in the allowance for expected credit losses during the periods was as follows:

Balance at December 31, 2021	25,268
Additions	9,275
Write-off of receivables	(801)
Reversal of allowance for expected credit losses	(6,052)
Effect of exchange difference from translation into reporting currency	(947)
Balance at March 31, 2022	26,743
Balance at December 31, 2022	22,882
Additions	4,352
Reversal of allowance for expected credit losses	(5,132)
Write-off of receivables	(1,402)
Effect of exchange difference from translation into presentation currency	(1,391)
Balance at March 31, 2023	19,309

An analysis is performed at each reporting date to estimate expected credit losses. The allowance rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., product type and customer rating). The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events and current conditions. Generally, trade receivables and other accounts receivable are written-off if past due for more than one year.

Note 8.2. Other account receivables

	March 31, 2023	December 31, 2022
Recoverable taxes	126,476	106,631
Loans or advances to employees	86,012	84,885
Business agreements	51,955	57,989
Money remittances	5,917	16,347
Maintenance fees	4,848	4,074
Long-term receivable	3,334	2,895
Money transfer services	1,781	20,370
Factoring of trade receivables	203	272
Sale of fixed assets, intangible assets and other assets	163	6,278
Other	20,117	23,793
Total other account receivables	300,806	323,534

Note 9. Prepayments

	March 31, 2023	December 31, 2022
Insurance	14,053	20,161
Lease payments made before commencement date	7,628	9,645
Maintenance	6,857	5,811
Advertising	5,824	6,060
Other prepayments	3,598	4,462
Total prepayments	37,960	46,139
Current	31,301	39,774
Non-current	6,659	6,365

Note 10. Related parties

Note 10.1. Significant agreements

Transactions with related parties refer mainly to transactions between the Group Éxito and its associates, joint ventures and other related entities and were substantially accounted for in accordance with the prices, terms and conditions agreed upon between the parties. The agreements are detailed as follows:

- Casino Group:
 - (a) Casino internacional, International Retail Trade and Services IG and Distribution Casino France: Commercial agreement to regulate the terms pursuant to which Casino International renders international retail and trade services to Éxito Group (e.g., negotiation of commercial services with international suppliers, prospecting global suppliers and intermediating the purchases provided by Casino, purchase and importation of products and reimbursement for promotions realized in stores).
 - (b) Intermediation of renewals of certain insurance policies
 - (c) Euris, Casino Services y Casino Guichard Perrachon S.A: Cost reimbursement agreements to encourage the exchange of knowledge and experience in certain areas of operation, as well as the reimbursement of expenses related to expatriates.
- Greenyellow Energía de Colombia S.A.S.: Service agreement to provide oversight and monitoring services relating to energy efficiency. Since October 2022 this company is no longer a related party.
- Puntos Colombia S.A.S.: Agreement providing for the terms and conditions for the redemption of points collected under their loyalty program, among other services.
- Compañía de Financiamiento Tuya S.A.: Partnership agreements to promote (i) the sale of products and services offered by Éxito Group through credit cards, (ii) the use of these credit cards in and out of the Éxito Group stores and (iii) the use of other financial services agreed between the parties inside Éxito Groupstores.
- Companhia Brasileira de Distribuição (CBD): Cost reimbursement agreement related to the sharing of know-how and experience of CBD on certain areas (strategy, finance, human resources, legal, communication and investors relations). The Company also entered into an agreement for the reimbursement of expenses related to the relocation of employees among the Éxito Group.

Note 10.2. Transactions with related parties

Transactions with related parties relate to revenue from retail sales and other services, as well as to costs and expenses related to risk management and technical assistance support, purchase of goods and services received.

The amount of revenue, costs and expenses arising from transactions with related parties is as follows:

	Revenue	
	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Joint ventures (1)	17,609	29,612
Casino Group companies (2)	665	3,252
Total revenue	18,274	32,864

Costs and expenses

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Joint ventures (1)	28,406	24,146
Casino Group companies (2)	7,098	18,561
Members of the Board	725	623
Controlling entity (3)	5	2,664
Total revenue	36,234	45,994

(1) The amount of revenue and costs and expenses with each joint venture is as follows:

Revenue:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.	
	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Commercial activation recovery	14,515	16,033	-	-
Yield on bonus, coupons and energy	1,486	3,401	-	-
Lease of real estate	996	1,189	-	-
Services	294	357	318	280
Corporate collaboration agreement	-	8,352	-	-
Total revenue	17,291	29,332	318	280

Costs and expenses:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.	
	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Cost of customer loyalty program	-	-	24,784	22,216
Commissions on means of payment	3,622	1,930	-	-
Total costs and expenses	3,622	1,930	24,784	22,216

(2) Revenue mainly relates to the provision of services and rebates from suppliers. Costs and expenses accrued mainly arise from energy optimization services received and intermediation in the import of goods, purchase of goods and consultancy services.

Revenue by each company is as follows:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Relevan C Colombia S.A.S.	498	-
Casino International	127	1,583
Distribution Casino France	40	228
Greenyellow Energía de Colombia S.A.S.	-	1,441
Total revenue	665	3,252

Costs and expenses by each company are as follows:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Casino Guichard Perrachon S.A.	4,053	3,256
Distribution Casino France	1,753	2,670
Euris	501	402
International Retail and Trade Services IG.	599	533
Relevan C Colombia S.A.S.	115	-
Casino Services	77	101
Greenyellow Energía de Colombia S.A.S.	-	11,591
Cdiscount S.A.	-	8
Total costs and expenses	7,098	18,561

(3) Costs and expenses related to consulting services provided by Companhia Brasileira de Distribuição – CBD.

Note 10.3. Other information on related party transactions

Financial assets measured at fair value through other comprehensive income

Éxito Group has 659,383 shares in Cnova NV in the amount of \$9,222.

Note 10.4. Receivable from related parties

	Receivable		Other non-financial assets	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Joint ventures (1)	38,605	41,909	25,000	35,000
Casino Group companies (2)	5,098	4,925	-	-
Controlling entity (3)	288	288	-	-
Total	43,991	47,122	25,000	35,000
Current	43,991	47,122	-	-
Non-Current	-	-	25,000	35,000

(1) Balances relate to the following joint ventures and the following detail:

- The balance of receivables by joint ventures is shown below:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.		Sara ANV S.A.	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Reimbursement of shared expenses, collection of coupons and other	7,245	5,407	-	-	-	-
Redemption of points	-	-	30,243	33,805	-	-
Other services	1,097	2,329	-	-	20	368
Total receivable	8,342	7,736	30,243	33,805	20	368

- Other non-financial assets:

The balance of \$25,000 at March 31, 2023 and \$35,000 at December 31, 2022, relates to payments made to Compañía de Financiamiento Tuya S.A. for the future subscription of shares. Given that prior to March 31, 2023 and December 31, 2022, Compañía de Financiamiento Tuya S.A. had not received authorization from the Colombian Financial Superintendence to register a capital increase, amounts disbursed were not recognized as an investment in such company. During the period ended March 31, 2023, Compañía de Financiamiento Tuya S.A. effectively subscribed and issued shares for the amount of \$10,000 representing an increase in such investment during 2023.

(2) Receivable from Casino Group companies represents reimbursement for payments to expats, supplier agreements and energy efficiency solutions.

	March 31, 2023	December 31, 2022
Casino International	4,397	3,893
International Retail and Trade Services	348	344
Relevan C Colombia S.A.S.	285	193
Distribution Casino France	39	232
Casino Services	7	7
Greenyellow Energía de Colombia S.A.S.	-	2
Other	22	254
Total Casino Group companies	5,098	4,925

(3) Represents the balance of personnel expenses receivable from Companhia Brasileira de Distribuição - CBD.

Note 10.5. Payables to related parties

The balance of payables to related parties is shown below:

	March 31, 2023	December 31, 2022
Joint ventures (1)	41,907	62,772
Casino Group companies (2)	16,301	16,374
Members of the Board	36	43
Total	58,244	79,189

(1) Mainly represents the balance outstanding in favor of Puntos Colombia S.A.S. arising from points (accumulations) issued.

- (2) Payables to Casino Group companies such as energy efficiency solutions received, intermediation in the import of goods, and consulting and technical assistance services.

	March 31, 2023	December 31, 2022
Casino Guichard Perrachon S.A.	14,214	14,659
Distribution Casino France	1,347	934
Relevan C Colombia S.A.S.	579	508
Casino Services	109	100
Greenyellow Energía de Colombia S.A.S.	-	125
Other	52	48
Total Casino Group companies	16,301	16,374

Note 10.6. Other financial liabilities with related parties

	March 31, 2023	December 31, 2022
Joint ventures (1)	12,358	26,218

- (1) Mainly represents collections received from customers related to the Tarjeta Éxito cards owned by Tuya.

Note 10.7. Key management personnel compensation

Transactions between the Éxito Group and key management personnel, including legal representatives and/or administrators, mainly relate to labor agreements executed by and between the parties.

Compensation of key management personnel is as follows:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Short-term employee benefits	30,779	29,132
Post-employment benefits	608	645
Total key management personnel compensation	31,387	29,777

Note 11. Inventories, net and cost of sales

Note 11.1. Inventories, net

	March 31, 2023	December 31, 2022
Inventories (1)	2,699,521	2,640,995
Inventories in transit	124,318	73,066
Raw materials	27,946	29,105
Materials, spares, accessories and consumable packaging	17,408	18,941
Production in process	484	5,123
Real estate project inventories (2)	776	3,213
Total inventories	2,870,453	2,770,443

- (1) The movement of the losses on inventory obsolescence and damages during the reporting periods is shown below:

Balance at December 31, 2021	12,359
Loss recognized during the period	805
Loss reversal	(140)
Effect of exchange difference from translation into presentation currency	(439)
Balance at March 31, 2022	12,585
Balance at December 31, 2022	13,150
Loss recognized during the period	1,482
Loss reversal	(20)
Effect of exchange difference from translation into presentation currency	(555)
Balance at March 31, 2023	14,057

- (2) For 2023 corresponds to the López de Galarza real estate project. For 2022 it corresponded to the López de Galarza real estate project for \$776 and the Galería La 33 real estate project for \$2,437.

At March 31, 2023 and at December 31, 2022, there are no restrictions or liens on the sale of inventories.

Note 11.2. Cost of sales

The following is the information related with the cost of sales, allowance for losses on inventory obsolescence and damages, and allowance reversal on inventories:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Cost of goods sold (1)	4,494,218	3,758,058
Logistics costs (2)	159,394	134,797
Damage and loss	65,971	45,511
(Reversal) allowance for inventory losses, net	1,463	665
Trade discounts and purchase rebates	(697,811)	(511,562)
Total cost of sales	4,023,235	3,427,469

- (1) At March 31, 2023 includes \$7,483 of depreciation and amortization cost (March 31, 2022 - \$6,789).
- (2) At March 31, 2023 includes \$85,502 of employee benefits (March 31, 2022 - \$73,279) and \$19,015 of depreciation and amortization cost (March 31, 2022 - \$16,940).

Note 12. Financial assets

The balance of financial assets is shown below:

	March 31, 2023	December 31, 2022
Financial assets measured at fair value through other comprehensive income	27,859	29,043
Derivative financial instruments designated as hedge instruments (1)	10,857	14,480
Financial assets measured at amortized cost (2)	6,579	6,939
Derivative financial instruments (3)	1,705	27,300
Financial assets measured at fair value through profit or loss	584	622
Total financial assets	47,584	78,384
Current	17,316	45,812
Non-current	30,268	32,572

- (1) Derivative instruments designated as hedging instrument relates to interest and exchange rate swaps. The fair value of these instruments is determined based on valuation models.

At March 31, 2023, relates to the following transactions:

	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	IBR 3M e IBR 1M	9.0120% y 3.9%	10,857

The detail of maturities of these hedge instruments at March 31, 2023 is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	5,045	3,509	1,718	585	10,857

At December 31, 2022, relates to the following transactions:

	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	IBR 3M e IBR 1M	9.0120% y 3.9%	14,480

The detail of maturities of these hedge instruments at December 31, 2022 is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	3,980	4,725	4,149	1,626	14,480

- (2) Financial assets measured at amortized cost represented:

	March 31, 2023	December 31, 2022
Time deposit	5,179	5,461
National Treasury bonds	1,400	1,478
Total financial assets measured at amortized cost	6,579	6,939

- (3) Relates to forward contracts used to hedge the variation in the exchange rates. The fair value of these instruments is estimated based on valuation models who use variables other than quoted prices, directly or indirectly observable for financial assets or liabilities.

The detail of maturities of these instruments at March 31, 2023 was as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	954	747	4	-	-	1,705

The detail of maturities of these instruments at December 31, 2022 was as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	-	24,382	2,918	-	-	27,300

At March 31, 2023 and at December 31, 2022, there are no restrictions or liens on financial assets that restrict their sale, except for judicial deposits relevant to the subsidiary Libertad S.A.

None of the assets were impaired at March 31, 2023 and at December 31, 2022.

Note 13. Leases

Note 13.1 Right of use asset, net

	March 31, 2023	December 31, 2022
Right of use asset	2,902,386	2,826,607
Accumulated depreciation	(1,429,096)	(1,377,029)
Impairment	(6,024)	(6,109)
Total right of use asset, net	1,467,266	1,443,469

The movement of right of use asset and depreciation thereof, during the reporting periods, is shown below:

Cost

Balance at December 31, 2020	2,553,975
Increase from new contracts	30,824
Remeasurements from existing contracts (1)	98,164
Derecognition, reversal and disposal (2)	(28,217)
Effect of exchange differences on translation into presentation currency	7,581
Other changes	42
Balance at March 31, 2022	2,662,369

Balance at December 31, 2022	2,826,607
Increase from new contracts	10,751
Remeasurements from existing contracts (1)	89,135
Derecognition, reversal and disposal (2)	(14,716)
Other changes	(1,753)
Effect of exchange differences on the translation into presentation currency	(7,638)
Balance at March 31, 2023	2,902,386

Accumulated depreciation

Balance at December 31, 2021	1,183,463
Depreciation	55,726
Remeasurements from existing contracts (1)	(211)
Derecognition and disposal (2)	(21,372)
Effect of exchange differences on the translation into presentation currency	3,686
Balance at March 31, 2022	1,221,292

Balance at December 31, 2022	1,377,029
Depreciation	67,146
Derecognition and disposal (2)	(10,924)
Other changes	(421)
Effect of exchange differences on the translation into presentation currency	(3,734)
Balance at December 31, 2023	1,429,096

Impairment (3)

Balance at December 31, 2022	6,109
Effect of exchange differences on the translation into presentation currency	(85)
Balance at March 31, 2023	6,024

- (1) Mainly results from the extension of contract terms, indexation or lease modifications.
- (2) Mainly results from the early termination of lease contracts.
- (3) It is mainly due to the impairment of lease contracts of the subsidiary Grupo Disco del Uruguay S.A.

The cost of right of use asset by class of underlying asset is shown below:

	March 31, 2023	December 31, 2022
Lands	9,000	9,128
Buildings	2,862,527	2,782,432
Vehicles	22,781	24,771
Equipment	8,078	10,276
Total	2,902,386	2,826,607

Accumulated of depreciation of right of use assets by class of underlying asset is shown below:

	March 31, 2023	December 31, 2022
Lands	4,877	4,754
Buildings	1,412,799	1,357,351
Vehicles	6,766	10,182
Equipment	4,654	4,742
Total	1,429,096	1,377,029

Depreciation expense by class of underlying asset is shown below:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Buildings	65,272	54,059
Vehicles	1,261	1,328
Equipment	420	403
Lands	193	132
Total depreciation expense	67,146	55,922

As at March 31, 2023, the average remaining term of lease contracts is 8.7 years (8.8 years as at December 31, 2022), which is also the average remaining period over which the right of use asset is depreciated.

Note 13.2 Lease liability

	March 31, 2023	December 31, 2022
Lease liabilities	1,679,200	1,655,955
Current	279,931	263,175
Non-current	1,399,269	1,392,780
Balance at December 31, 2021	1,594,643	
Additions	30,824	
Accrued interest	21,940	
Remeasurements	98,375	
Terminations	(7,504)	
Payments of lease liabilities including interests	(87,487)	
Effect of exchange differences on translation into presentation currency	5,313	
Other	(106)	
Balance at March 31, 2022	1,655,998	

Balance at December 31, 2022	1,655,955
Additions	10,751
Accrued interest	29,815
Remeasurements	89,135
Terminations	(3,781)
Payments of lease liabilities including interests	(98,427)
Effect of exchange differences on the translation into presentation currency	(4,248)
Balance at March 31, 2023	1,679,200

Below are the future lease liability payments at March 31, 2023:

Up to one year	354,942
From 1 to 5 years	991,915
More than 5 years	787,925
Minimum lease liability payments	2,134,782
Future financing (expenses)	(455,582)
Total minimum net lease liability payments	1,679,200

The Éxito Group is not exposed to the future cash outflows for extension options or termination options. Additionally, there are no residual value guarantees, and there are no restrictions nor covenants imposed by leases.

Note 14. Intangible

The net balance of intangible, net is shown below:

	March 31, 2023	December 31, 2022
Trademarks	302,989	299,688
Computer software	277,047	274,480
Rights	25,083	24,703
Other	147	147
Total cost of other intangible assets	605,266	599,018
Accumulated amortization	(181,820)	(174,338)
Total other intangible assets, net	423,446	424,680

The movement of the cost of intangible and of accumulated depreciation is shown below:

Cost	Trademarks (1)	Computer software	Rights	Other	Total
Balance at December 31, 2021	242,170	249,324	22,538	114	514,146
Additions	-	3,413	-	-	3,413
Disposals and derecognition	-	(444)	-	-	(444)
Effect of exchange differences on translation into presentation currency	(6,225)	541	(263)	(12)	(5,959)
Hyperinflation adjustments	9,223	-	291	13	9,527
Transfers	-	(290)	-	-	(290)
Other	-	(26)	-	-	(26)
Balance at March 31, 2022	245,168	252,518	22,566	115	520,367
Balance at December 31, 2022	299,688	274,480	24,703	147	599,018
Additions	5,296	4,238	-	-	9,534
Effect of exchange differences on translation into presentation currency	(18,499)	(483)	(779)	(23)	(19,784)
Hyperinflation adjustments	16,504	-	1,159	23	17,686
Transfers	-	(1,196)	-	-	(1,196)
Other	-	8	-	-	8
Balance at March 31, 2023	302,989	277,047	25,083	147	605,266

Accumulated amortization	Computer software	Rights	Other	Total
Balance at December 31, 2021	149,391	680	88	150,159
Amortization	6,511	-	-	6,511
Effect of exchange differences on translation into presentation currency	445	(89)	(11)	345
Hyperinflation adjustments	-	202	13	215
Disposals and derecognition	(444)	-	-	(444)
Balance at March 31, 2022	155,903	793	90	156,786
Balance at December 31, 2022	172,630	1,582	126	174,338
Amortization	7,673	96	-	7,769
Effect of exchange differences on translation into presentation currency	(391)	(292)	(23)	(706)
Hyperinflation adjustments	-	492	23	515
Other	-	(96)	-	(96)
Balance at March 31, 2023	179,912	1,782	126	181,820

(1) The balance relates to the following trademarks:

Operating segment	Brand	Useful life	March 31, 2023	December 31, 2022
Uruguay	Miscellaneous	Indefinite	126,315	128,103
Low cost and other (Colombia)	Súper Inter	Indefinite	63,704	63,704
Argentina	Libertad	Indefinite	90,247	90,454
Low cost and other (Colombia)	Surtimax	Indefinite	17,427	17,427
Colombia	Taeq	Indefinite	5,296	-
			302,989	299,688

The trademarks have an indefinite useful life. The Éxito Group estimates that there is no foreseeable time limit over which these assets are expected to generate net cash inflows, and consequently they are not amortized.

At March 31, 2023 and at December 31, 2022, intangible are not limited or subject to lien that would restrict their sale. In addition, there are no commitments to acquire or develop other intangible assets.

Note 15. Investment properties, net

Éxito Group's investment properties are business premises and land held to generate income from operating leases or future appreciation of their value.

The net balance of investment properties is shown below:

	March 31, 2023	December 31, 2022
Land	311,347	312,399
Buildings	1,754,559	1,744,190
Constructions in progress	104,847	109,563
Total cost of investment properties	2,170,753	2,166,152
Accumulated depreciation	(328,575)	(317,665)
Impairment	(7,259)	(7,259)
Total investment properties, net	1,834,919	1,841,228

The movement of the cost of investment properties, accumulated depreciation and impairment loss during the reporting periods is shown below:

Cost	Land	Buildings	Constructions in progress	Total
Balance at December 31, 2021	281,119	1,597,106	29,059	1,907,284
Additions	-	-	5,565	5,565
Increase from transfers from property, plant and equipment	-	6,200	6,265	12,465
Increase (decrease) from movements between investment properties accounts	-	2,200	(2,200)	-
Disposals and derecognition	-	(40)	-	(40)
Effect of exchange differences on the translation into presentation currency	(2,699)	(42,495)	(112)	(45,306)
Hyperinflation adjustments	4,257	46,500	120	50,877
Other	-	123	-	123
Balance at March 31, 2022	282,677	1,609,594	38,697	1,930,968

	Land	Buildings	Constructions in progress	Total
Balance at December 31, 2022	312,399	1,744,190	109,563	2,166,152
Additions	-	199	6,827	7,026
Increase (decrease) from transfers from (to) property, plant and equipment	-	715	(392)	323
Increase (decrease) from movements between investment properties accounts	-	11,143	(11,143)	-
Effect of exchange differences on the translation into presentation currency	(8,669)	(85,014)	(223)	(93,906)
Hyperinflation adjustments	7,643	99,289	249	107,181
Other	(26)	(15,963)	(34)	(16,023)
Balance at March 31, 2023	311,347	1,754,559	104,847	2,170,753

Accumulated depreciation	Buildings
Balance at December 31, 2021	241,348
Depreciation expenses	7,648
Disposals and derecognition	(2)
Effect of exchange differences on the translation into presentation currency	(10,553)
Hyperinflation adjustments	13,984
Balance at March 31, 2022	252,425
Balance at December 31, 2022	317,665
Depreciation expenses	8,533
Effect of exchange differences on the translation into presentation currency	(23,511)
Hyperinflation adjustments	30,894
Other	(5,006)
Balance at March 31, 2023	328,575

At March 31, 2023 and at December 31, 2022, there are no limitations or liens imposed on investment property that restrict realization or tradability thereof.

At March 31, 2023 and at December 31, 2022, the Éxito Group is not committed to acquire, build or develop new investment property.

No impairment was identified at March 31, 2023.

Note 16. Property, plant and equipment, net

	March 31, 2023	December 31, 2022
Land	1,274,524	1,278,822
Buildings	2,348,802	2,348,627
Machinery and equipment	1,186,767	1,176,246
Furniture and fixtures	781,847	789,622
Assets under construction	58,616	50,305
Installations	196,729	197,097
Improvements to third-party properties	797,201	776,293
Vehicles	32,427	28,712
Computers	408,268	404,938
Other property, plant and equipment	16,050	16,050
Total property, plant and equipment, gross	7,101,231	7,066,712
Accumulated depreciation	(2,649,530)	(2,587,996)
Impairment	(4,376)	(4,436)
Total property, plant and equipment, net	4,447,325	4,474,280

The movement of the cost of property, plant and equipment, accumulated depreciation and impairment loss during the reporting periods is shown below:

Cost	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Installations	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2021	1,137,865	2,115,633	1,033,499	655,019	45,009	132,928	635,377	23,873	346,091	16,050	6,141,344
Additions	2,049	2,403	8,034	6,432	10,090	258	5,618	40	4,599	-	39,523
Increase (decrease) from movements between property, plant and equipment accounts	-	-	327	598	(995)	44	-	4	22	-	-
Increase (decrease) from transfers from (to) investment property	-	-	-	-	(12,465)	-	-	-	-	-	(12,465)
Disposals and derecognition	-	(13)	(6,182)	(3,534)	-	(92)	(2,515)	(72)	(404)	-	(12,812)
Effect of exchange differences on translation into presentation currency	(22,058)	(25,222)	(2,148)	(1,029)	(665)	3,351	6,221	(1,221)	(4,013)	-	(46,784)
(Decrease) increase from transfers to (from) other balance sheet accounts	-	(45)	(922)	(749)	(628)	-	565	-	(52)	-	(1,831)
Hyperinflation adjustments	28,731	35,541	5,071	4,457	1,076	-	-	1,656	5,579	-	82,111
Balance at March 31, 2022	1,146,587	2,128,297	1,037,679	661,194	41,422	136,489	645,266	24,280	351,822	16,050	6,189,086
Balance at December 31, 2022	1,278,822	2,348,627	1,176,246	789,622	50,305	197,097	776,293	28,712	404,938	16,050	7,066,712
Additions	20	6,618	21,481	11,136	15,901	960	8,036	1,354	4,679	-	70,185
(Decrease) increase from movements between property, plant and equipment accounts	-	(66)	737	(14,731)	(5,650)	2,064	17,381	-	265	-	-
(Decrease) from transfers from (to) investment property	-	-	-	-	(323)	-	-	-	-	-	(323)
Disposals and derecognition	-	-	(6,473)	(1,916)	(328)	(602)	(16)	-	(1,127)	-	(10,462)
Effect of exchange differences on translation into presentation currency	(54,396)	(71,494)	(11,163)	(10,881)	(1,528)	(2,790)	(5,078)	(2,479)	(11,105)	-	(170,914)
(Decrease) Increase from transfers to (from) other balance sheet accounts	(20)	15,515	(2,962)	(2,477)	(1,043)	-	585	1,530	954	-	12,082
Hyperinflation adjustments	50,098	49,602	8,901	11,094	1,282	-	-	3,310	9,664	-	133,951
Balance at March 31, 2023	1,274,524	2,348,802	1,186,767	781,847	58,616	196,729	797,201	32,427	408,268	16,050	7,101,231

Accumulated depreciation	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Installations	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2021		480,074	565,845	443,602		78,509	308,308	17,977	212,008	5,585	2,111,908
Depreciation		12,587	21,949	14,502		2,160	8,425	539	8,607	197	68,966
Disposals and derecognition		-	(4,560)	(2,692)		(17)	(883)	(44)	(381)	-	(8,577)
Effect of exchange differences on translation into presentation currency		(9,513)	(1,896)	(484)		2,001	2,381	(1,042)	(3,688)	-	(12,241)
Other		175	-	-		-	-	-	(147)	-	28
Hyperinflation adjustments		13,996	4,184	3,704		-	-	1,253	5,189	-	28,326
Balance at March 31, 2022		497,319	585,522	458,632		82,653	318,231	18,683	221,588	5,782	2,188,410
Balance at December 31, 2022		604,747	667,593	541,405		117,623	362,411	22,794	265,050	6,373	2,587,996
Depreciation		12,704	23,312	16,015		3,173	10,598	511	9,018	197	75,528
Disposals and derecognition		-	(4,998)	(1,639)		(380)	-	-	(441)	-	(7,458)
Effect of exchange differences on translation into presentation currency		(26,383)	(8,754)	(8,372)		(1,688)	(1,870)	(2,124)	(10,076)	-	(59,267)
Other		140	-	-		-	-	21	96	-	257
Hyperinflation adjustments		26,145	7,631	6,423		-	-	2,914	9,361	-	52,474
Balance at March 31, 2023		617,353	684,784	553,832		118,728	371,139	24,116	273,008	6,570	2,649,530

Impairment	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Installations	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2021	-	127	-	-	-	-	4,612	-	-	-	4,739
Impairment loss	-	-	-	-	-	-	(1,018)	-	-	-	(1,018)
Effect of exchange differences on translation into presentation currency	-	-	-	-	-	-	98	-	-	-	98
Balance at March 31, 2022	-	127	-	-	-	-	3,692	-	-	-	3,819
Balance at December 31, 2022	-	110	-	-	-	-	4,326	-	-	-	4,436
Effect of exchange differences on translation into presentation currency	-	-	-	-	-	-	(60)	-	-	-	(60)
Balance at March 31, 2023	-	110	-	-	-	-	4,266	-	-	-	4,376

Assets under construction are represented by those assets in process of construction and process of assembly not ready for their intended use as expected by Éxito Group management, and on which costs directly attributable to the construction process continue to be capitalized if they are qualifying assets.

The cost of property, plant and equipment does not include the balance of estimated dismantling and similar costs, based on the assessment and analysis made by the Éxito Group which concluded that there are no contractual or legal obligations at acquisition.

At March 31, 2023, no restrictions or liens have been imposed on items of property, plant and equipment that limit their sale, and there are no commitments to acquire, build or develop property, plant and equipment.

Note 16.1 Additions to property, plant and equipment for cash flow presentation purposes

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Additions	70,185	39,523
Additions to trade payables for deferred purchases of property, plant and equipment	(75,444)	(65,503)
Payments for deferred purchases of property, plant and equipment	155,300	87,401
Acquisition of property, plant and equipment in cash	150,041	61,421

Note 17. Goodwill

The balance of goodwill is as follows:

	March 31, 2023	December 31, 2022
Spice Investment Mercosur S.A.	1,670,771	1,690,339
Carulla Vivero S.A.	827,420	827,420
Súper Ínter	453,649	453,649
Libertad S.A.	340,105	340,887
Cafam	122,219	122,219
Other	50,806	50,806
Total goodwill	3,464,970	3,485,320
Impairment loss	(1,017)	(1,017)
Total goodwill, net	3,463,953	3,484,303

Changes in goodwill are shown below:

	Cost	Impairment	Net
Balance at December 31, 2021	3,026,000	(1,017)	3,024,983
Effect of exchange differences on the translation into presentation currency	(6,403)	-	(6,403)
Hyperinflation adjustments	34,757	-	34,757
Balance at March 31, 2022	3,054,354	(1,017)	3,053,337
Balance at December 31, 2022	3,485,320	(1,017)	3,484,303
Effect of exchange differences on the translation into presentation currency	(82,549)	-	(82,549)
Hyperinflation adjustments	62,199	-	62,199
Balance at March 31, 2023	3,464,970	(1,017)	3,463,953

Goodwill was not impaired at March 31, 2023 and at December 31, 2022.

Note 18. Investments accounted for using the equity method

The balance of investments accounted for using the equity method includes:

Company	Classification	March 31, 2023	December 31, 2022
Compañía de Financiamiento Tuya S.A.	Joint venture	269,864	287,657
Puntos Colombia S.A.S.	Joint venture	12,517	11,514
Sara ANV S.A-	Joint venture	848	850
Total investments accounted for using the equity method		283,229	300,021

Note 19. Non-cash transactions

During the quarters ended at March 31, 2023 and 2022, the Éxito Group had non-cash additions to property, plant and equipment, and to right of use assets, that were not included in the statement of cash flow, presented in Note 13 and 16, respectively.

Note 20. Loans and borrowing

The balance of loans and borrowing is shown below:

	March 31, 2023	December 31, 2022
Bank loans	1,493,078	791,098
Put option on non-controlling interests (1)	642,804	651,899
Letters of credit	5,758	12,587
Total loans and borrowing	2,141,640	1,455,584
Current	1,593,432	915,604
Non-current	548,208	539,980

- (1) The Éxito Group has an exercisable put option on the shares held by the non-controlling shareholders of Group Disco del Uruguay S.A. Such put option is exercisable at any time, based on a formula that uses data such as net income, EBITDA - earnings before interest, taxes, depreciation and amortization - and net debt.

The movement in loans and borrowing during the reporting periods is shown below:

Balance at December 31, 2021	1,417,011
Proceeds from loans and borrowing	245,455
Changes in the fair value of the put option recognized in equity	12,840
Interest accrued	14,010
Translation difference	158
Repayments of loans and borrowings	(30,918)
Repayments of interest on loans and borrowings	(10,107)
Balance at March 31, 2022	1,648,449
Balance at December 31, 2022	1,455,584
Proceeds from loans and borrowing	727,266
Changes in the fair value of the put option recognized in equity	(9,095)
Interest accrued	38,731
Translation difference	(60)
Repayments of loans and borrowings	(46,118)
Repayments of interest on loans and borrowings	(24,668)
Balance at March 31, 2023	2,141,640

Below is a detail of maturities for non-current loans and borrowings outstanding at March 31, 2023, discounted at present value:

Year	Total
2024	358,226
2025	93,684
2026	51,160
>2027	45,138
	548,208

Éxito Group has available unused credit lines to minimize liquidity risks, as follows:

	As at March 31, 2023
Bancolombia S.A.	300,000

Covenants

As long as Éxito Group has payment obligations arising from the contracts executed on March 27, 2020, Éxito Group is committed to maintain a leverage financial ratio of less than 2.8x. Such ratio will be measured annually on April 30 or, if not a working day, the next working day, based on the audited separate financial statements for each annual period.

As at December 31, 2022, Éxito Group complied with its covenants.

Note 21. Employee benefits

The balance of employee benefits is shown below:

	March 31, 2023	December 31, 2022
Defined benefit plans	35,183	35,091
Long-term benefit plan	1,618	1,554
Total employee benefits	36,801	36,645
Current	4,953	4,555
Non-Current	31,848	32,090

Note 22. Provisions

The balance of provisions is shown below:

	March 31, 2023	December 31, 2022
Legal proceedings (1)	18,475	19,101
Restructuring	3,299	10,517
Taxes other than income tax	506	4,473
Other	7,644	8,286
Total provisions	29,924	42,377
Current	18,511	27,123
Non-current	11,413	15,254

At March 31, 2023 and at December 31, 2022, there are no provisions for onerous contracts.

- (1) Provisions for legal proceedings are recognized to cover estimated potential losses arising from lawsuits brought against the Éxito Group, related to labor, civil, administrative and regulatory matters, which are assessed based on the best estimation of cash outflows required to settle a liability on the date of preparation of the financial statements. The balance is comprised of:

	March 31, 2023	December 31, 2022
Labor legal proceedings	10,542	10,902
Civil legal proceedings	5,230	5,516
Administrative and regulatory proceedings	2,703	2,683
Total legal proceedings	18,475	19,101

Balances and movement of provisions during the reporting periods are as follows:

	Legal proceedings	Taxes other than income tax	Restructuring	Other	Total
Balance at December 31, 2021	17,595	3,549	2,708	11,409	35,261
Increase	2,124	-	242	1,651	4,017
Uses	(13)	-	(170)	-	(183)
Payments	(461)	-	(142)	(3,378)	(3,981)
Reversals (not used)	(462)	-	-	(650)	(1,112)
Other reclassifications	-	-	(242)	-	(242)
Effect of exchange differences on the translation into presentation currency	(150)	(19)	(236)	(114)	(519)
Balance at March 31, 2022	18,633	3,530	2,160	8,918	33,241
Balance at December 31, 2022	19,101	4,473	10,517	8,286	42,377
Increase	1,747	-	297	1,697	3,741
Uses	-	(465)	(127)	-	(592)
Payments	(836)	-	(6,590)	(1,833)	(9,259)
Reversals (not used)	(493)	(3,337)	(1,039)	(364)	(5,233)
Other reclassifications	(556)	-	243	(12)	(325)
Effect of exchange differences on the translation into presentation currency	(488)	(165)	(2)	(130)	(785)
Balance at March 31, 2023	18,475	506	3,299	7,644	29,924

Note 23. Trade payables and other payable

	March 31, 2023	December 31, 2022
Payables to suppliers of goods	2,814,280	3,080,264
Payables and other payable - agreements (1)	811,323	1,485,905
Payables to other suppliers	296,562	406,595
Employee benefits	292,950	354,431
Tax payable	194,006	149,557
Purchase of assets	106,542	186,421
Dividends payable	7,786	10,886
Other	37,460	47,716
Total trade payables and other payable	4,560,909	5,721,775
Current	4,527,326	5,651,303
Non-current	33,583	70,472

(1) The detail of payables and other payable - agreements is shown below:

	March 31, 2023	December 31, 2022
Payables to suppliers of goods	756,797	1,439,118
Payables to other suppliers	54,526	46,787
Total payables and other payable - agreements	811,323	1,485,905

In Colombia, receivable anticipation transactions are initiated by suppliers who, at their sole discretion, choose the banks that will advance financial resources before invoice due dates, according to terms and conditions negotiated with the Exito Group. The Group cannot direct a preferred or financially related bank to the supplier or refuse to carry out transactions, as local legislation ensures the supplier's right to freely transfer the title/receivable to any bank through endorsement. Therefore, there is no direct agreement between the Group and a bank or financial agent with the objective of structuring operations involving purchases or payments with its suppliers.

Exito Group has entered into agreements with some financial institutions in Colombia, which grant an additional payment period, without interest charges, so that the Group can reconcile information on receivables anticipated by suppliers and process other operational and administrative aspects given the significant volume of transactions, as well as allowing its Colombian suppliers to use lines of credit and anticipate their receivables arising from the sale of goods and services to the Exito Group. The granting of additional time is a market practice in Colombia and is indiscriminately obtained by other retailers and players in other business segments in the country.

Note 24. Income tax

Note 24.1. Tax regulations applicable to Almacenes Éxito S.A. and to its Colombian subsidiaries

Income tax rate applicable to Almacenes Éxito S.A. and its Colombian subsidiaries

a. For taxable 2023 and 2022 the income tax rate for corporates is 35%.

From taxable 2023, the minimum tax rate calculated on financial profit may not be less than 15%, if so, it will increase by the percentage points required to reach the indicated effective tax rate

b. From 2021, the base to assess the income tax under the presumptive income model is 0% of the net equity held on the last day of the immediately preceding taxable period.

c. From taxable 2023, the tax on dividends distributed to natural persons residing in Colombia is 7.5%, for national companies it is 10% and for natural persons not residing in Colombia and foreign companies it is 20%, when such dividends have been taxed. at the head of the companies that distribute it;

Tax credits of Almacenes Éxito S.A. and its Colombian subsidiaries

Pursuant to tax regulations in force as of 2017, the time limit to offset tax losses is 12 years following the year in which the loss was incurred.

Excess presumptive income over ordinary income may be offset against ordinary net income assessed within the following five years.

Company losses are not transferrable to shareholders. In no event of tax losses arising from revenue other than income and occasional gains, and from costs and deductions not related with the generation of taxable income, it will be offset against the taxpayer's net income.

(a) Tax credits of Almacenes Éxito S.A.

At March 31, 2023 Almacenes Éxito S.A. has accrued \$211,190 (at December 31, 2022 - \$211,190) excess presumptive income over net income.

The movement of Almacenes Éxito's S.A. excess presumptive income over net income during the reporting period is shown below:

Balance at December 31, 2021	346,559
Offsetting of presumptive income against net income for the period	(135,369)
Balance at December 31, 2022	211,190
Movements of excess presumptive income	-
Balance at March 31, 2023	211,190

At March 31, 2023, Almacenes Éxito S.A. has accrued tax losses amounting to \$835,968 (at December 31, 2022 - \$740,337).

The movement of tax losses at Almacenes Éxito S.A. during the reporting year is shown below:

Balance at December 31, 2021	738,261
Adjustment to tax losses from prior periods	2,076
Balance at December 31, 2022	740,337
Tax losses generated during the period	95,631
Balance at March 31, 2023	835,968

(b) Movement of tax losses for Colombian subsidiaries for the reporting periods is shown below

Balance at December 31, 2021	33,624
Transacciones Energéticas S.A.S. E.S.P. (i)	158
Depósitos y Soluciones Logísticas S.A.S.	(220)
Balance at December 31, 2022	33,562
Marketplace Internacional Éxito y Servicios S.A.S	344
Transacciones Energéticas S.A.S. E.S.P. (i)	47
Depósitos y Soluciones Logísticas S.A.S.	(24)
Balance at March 31, 2023	33,929

(i) No deferred tax has been calculated for this tax losses due there is not certain about the recoverability with future taxable income.

Note 24.2. Tax rates applicable to foreign subsidiaries

Income tax rates applicable to foreign subsidiaries are:

- Uruguay applies a 25% income tax rate in 2023 (25% in 2022);
- Argentina applies a 30% income tax rate in 2023 (35% in 2022).

Note 24.3. Current tax assets and liabilities

The balances of current tax assets and liabilities recognized in the statement of financial position are:

Current tax assets:

	March 31, 2023	December 31, 2022
Income tax credit receivable by Almacenes Éxito S.A. and its Colombian subsidiaries	327,990	282,659
Tax discounts applied by Almacenes Éxito S.A. and its Colombian subsidiaries	116,493	111,440
Industry and trade tax advances and withholdings of Almacenes Éxito S.A. and its Colombian subsidiaries	40,765	63,408
Tax discounts of Éxito from taxes paid abroad	23,942	24,631
Other current tax assets of subsidiary Spice Investment Mercosur S.A.	16,824	18,268
Current income tax assets of subsidiary Onper Investment 2015 S.L.	12,689	1,024
Other current tax assets of subsidiary Onper Investment 2015 S.L.	45	447
Current income tax assets of subsidiary Spice Investments Mercosur S.A.	-	8,007
Total current tax assets	538,748	509,884

Current tax liabilities

	March 31, 2023	December 31, 2022
Industry and trade tax payable of Almacenes Éxito S.A. and its Colombian subsidiaries	53,131	92,815
Tax on real estate of Almacenes Éxito S.A. and its Colombian subsidiaries	23,040	1,762
Current income tax liabilities of some Colombian subsidiaries	12,582	10,976
Taxes of subsidiary Onper Investment 2015 S.L. other than income tax	8,319	3,743
Current income tax liabilities of subsidiary Spice Investments Mercosur S.A.	4,720	-
Taxes of subsidiary Spice Investments Mercosur S.A. other than income tax	92	430
Total current tax liabilities	101,884	109,726

Note 24.4. Income tax

The components of the income tax expense recognized in the statement of profit or loss were:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Current income tax (expense)	(34,943)	(20,597)
Deferred income tax (expense) (Note 24.5)	(5,875)	(34,243)
Adjustment in respect of current income tax of prior periods	110	-
Total income tax (expense)	(40,708)	(54,840)

Note 24.5. Deferred tax

	March 31, 2023		December 31, 2022	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Tax losses	292,709	-	259,118	-
Excess presumptive income	73,917	-	73,917	-
Tax credits	61,896	-	62,943	-
Other provisions	-	-	10,893	-
Investment property	-	(182,257)	-	(148,031)
Goodwill	-	(217,495)	-	(218,308)
Property, plant and equipment	50,675	(191,791)	59,162	(341,631)
Leases	681,864	(596,568)	641,886	(553,947)
Other	87,865	(198,283)	103,215	(84,341)
Total	1,248,926	(1,386,394)	1,211,134	(1,346,258)

The breakdown of deferred tax assets and liabilities for the three jurisdictions in which the Éxito Group operates are grouped as follows:

	March 31, 2023		December 31, 2022	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Colombia	55,709	-	98,372	-
Uruguay	97,429	-	44,217	-
Argentina	-	(290,606)	-	(277,713)
Total	153,138	(290,606)	142,589	(277,713)

The movement of net deferred tax to the statement of profit or loss and the statement of comprehensive income is shown below:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
(Expense) benefit from deferred tax recognized in income	(5,875)	(34,243)
Expense from deferred tax recognized in other comprehensive income	2,957	1,146
Effect of the translation of the deferred tax recognized in other comprehensive income (1)	464	(4)
Adjustment with respect to the current income tax of previous periods	110	-
Total movement of net deferred tax	(2,344)	(33,101)

(1) Such effect resulting from the translation at the closing rate of deferred tax assets and liabilities of foreign subsidiaries is included in the line item "Exchange difference from translation" in Other comprehensive income (Note 27).

Temporary differences related to investments in associates and joint ventures, for which no deferred tax liabilities have been recognized at March 31, 2023 amounted to \$5,487 (at December 31, 2022 - \$32,279).

Note 24.6. Effects of the distribution of dividends on the income tax

There are no income tax consequences related to the payment of dividends in either 2023 or 2022 by the Éxito Group to its shareholders.

Note 24.7. Non-Current tax liabilities

The \$8,939 balance at March 31, 2023 (at December 31, 2022 - \$2,749) relates to taxes payable of subsidiary Libertad S.A. for federal taxes and incentive program by instalments.

Note 25. Derivative instruments and collections on behalf of third parties

The balance of derivative instruments and collections on behalf of third parties is shown below:

	March 31, 2023	December 31, 2022
Collections on behalf of third parties (1)	73,514	130,819
Derivative financial instruments (2)	9,797	5,404
Derivative financial instruments designated as hedge instruments (3)	3,996	-
Total derivative instruments and collections on behalf of third parties	87,307	136,223

(1) Collections on behalf of third parties includes amounts received for services where the Éxito Group acts as an agent, such as travel agency sales, and payments and banking services provided to customers.

(2) The detail of maturities of these instruments at March 31, 2023 is shown below:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	3,121	6,676	-	-	9,797

The detail of maturities of these instruments at December 31, 2022 is shown below:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	3,149	2,255	-	-	5,404

(3) Derivative instruments designated as hedging instrument relates to the fair value of these instruments is determined based on valuation models.

At March 31, 2023, relates to the following transactions:

	Nature of risk hedged	Hedged item	Rate of hedged item	Average rates for hedge instruments	Fair value
Forward	Exchange rate	Trade payables	USD/COP	1 USD / \$4,950.41	3,996

The detail of maturities of these hedge instruments at March 31, 2023 is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	1,947	2,049	-	-	-	3,996

Note 26. Other liabilities

The balance of other liabilities is shown below:

	March 31, 2023	December 31, 2022
Deferred revenues (1)	106,663	154,265
Customer loyalty programs	55,895	56,165
Advance payments under lease agreements and other projects	4,544	4,891
Repurchase coupon	801	942
Instalments received under "plan reservalo"	267	284
Advance on contract covering assets held for sale (2)	-	14,360
Total other liabilities	168,170	230,907
Current	165,774	228,496
Non-Current	2,396	2,411

(1) Mainly relates to payments received for the future sale of products through means of payment, property leases and strategic alliances.

(2) Corresponds to the advance received for the sale of the real estate project "Galería la 33", legalized in 2023.

Éxito Group considers Customer Loyalty Programs and Deferred revenues as contractual liabilities. The movement of deferred revenue and customer loyalty programs, and the related revenue recognized during the reporting periods, is shown below:

	Deferred Revenue	Customer loyalty Programs
Balance at December 31, 2021	174,395	37,015
Additions	1,170,854	4,020
Revenue recognized	(1,247,725)	(2,757)
Others	-	86
Effect of exchange difference from translation into presentation currency	(728)	788
Balance at March 31, 2022	96,796	39,152
Balance at December 31, 2022	154,265	56,165
Additions	374,871	4,925
Revenue recognized	(421,248)	(4,155)
Effect of exchange difference from translation into presentation currency	(1,225)	(1,040)
Balance at March 31, 2023	106,663	55,895

Note 27. Shareholders' equity

Capital and premium on placement of shares

At March 31, 2023 and at December 31, 2022, Almacenes Éxito S.A. authorized capital is represented in 1.590,000,000 common shares with a nominal value of \$3.3333 colombian pesos each.

The number of outstanding shares is 1.344.720.453 and the number of treasury shares reacquired is 46.856.094.

The rights attached to the shares are speaking and voting rights per each share. No privileges have been granted on the shares, nor are the shares restricted in any way. Further, there are no option contracts on Almacenes Éxito S.A. shares.

The premium on placement of shares represents the surplus paid over the par value of the shares. Pursuant to Colombian legal regulations, this balance may be distributed as profits upon winding-up of the company, or upon capitalization of this value. Capitalization means the transfer of a portion of such premium to a capital account as result of the issue of a share-based dividend.

Reserves

Reserves are appropriations made by Almacenes Éxito's S.A. General Meeting of Shareholders on the results of prior periods. In addition to the legal reserve, there is an occasional reserve, a reserve for acquisition of treasury shares and a reserve for future dividend distribution.

Other accumulated comprehensive income

The tax effect on the components of other comprehensive income is shown below:

	March 31, 2023			March 31, 2022			December 31, 2022		
	Gross value	Tax effect	Net value	Gross value	Tax effect	Net value	Gross value	Tax effect	Net value
Loss from financial instruments designated at fair value through other comprehensive income	(16,489)	-	(16,489)	(13,756)	-	(13,756)	(16,202)	-	(16,202)
Remeasurement loss on defined benefit plans	(536)	334	(202)	(3,582)	1,257	(2,325)	(536)	334	(202)
Translation exchange differences	(1,232,039)	-	(1,232,039)	(1,342,105)	-	(1,342,105)	(997,445)	-	(997,445)
Gain (loss) from cash-flow hedge	4,535	(1,571)	2,964	11,714	(4,100)	7,614	12,938	(4,528)	8,410
Loss on hedge of net investment in foreign operations	(18,977)	-	(18,977)	(19,144)	-	(19,144)	(18,977)	-	(18,977)
Total other accumulated comprehensive income	(1,263,506)	(1,237)	(1,264,743)	(1,366,873)	(2,843)	(1,369,716)	(1,020,222)	(4,194)	(1,024,416)
Other accumulated comprehensive income of non-controlling interests			57,633			57,372			57,514
Other accumulated comprehensive income of the parent			(1,207,110)			(1,312,344)			(966,902)

Note 28. Revenue from contracts with customers

The amount of revenue from contracts with customers is as shown:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Retail sales (1) (Note 39)	5,237,232	4,375,148
Service revenue (2) (Note 39)	201,084	163,910
Other revenue (3) (Note 39)	17,838	62,909
Total revenue from contracts with customers	5,456,154	4,601,967

(1) Retail sales represent the sale of goods and real estate projects net of returns and sales rebates. This amount includes the following items:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Retail sales, net of sales returns and rebates	5,208,024	4,348,888
Sale of real estate project inventories (a)	29,208	26,260
Total retail sales	5,237,232	4,375,148

(a) At of March 31, 2023, it corresponds to the sale of the inventory of the Galeria la 33 real estate project; as of March 31, 2022, it corresponds to the sale of a percentage of the inventory of the Montevideo real estate project.

(2) Revenues from services and rental income comprise:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Leases and real estate related income	113,685	88,983
Distributors	26,987	22,921
Advertising	19,721	16,622
Telephone services	9,477	8,323
Commissions	8,448	7,011
Transport	8,219	6,739
Banking services	5,104	3,993
Other	9,443	9,318
Total service revenue	201,084	163,910

(3) Other revenue relates to:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Marketing events	5,380	4,915
Real estate projects (a)	2,982	44,627
Collaboration agreements (b)	1,683	9,369
Royalty revenue	229	1,274
Other	7,564	2,724
Total other revenue	17,838	62,909

(a) For 2023 it corresponds to expense reimbursements for \$149, the bonus received for operating results for \$388 and various uses for \$2,445. For 2022, it corresponds mainly to the bonus received for the operating results generated in real estate projects for \$38,294.

(b) Represents revenue from the following collaboration agreements:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Sara ANV S.A.	884	794
Éxito Media	767	223
Moviired S.A.S. (i)	32	-
Compañía de Financiamiento Tuya S.A.	-	8,352
Total collaboration agreements	1,683	9,369

(i) Collaboration agreement started in December 2022.

Note 29. Distribution, administrative and selling expenses

The amount of distribution, administrative and selling expenses by nature is:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Employee benefits (Note 30)	431,301	335,940
Taxes other than income tax	156,183	116,279
Depreciation and amortization	142,192	120,358
Services	87,634	72,687
Fuels and power	71,404	59,844
Repairs and maintenance	63,729	46,532
Commissions on debit and credit cards	42,966	29,988
Advertising	41,308	34,865
Professional fees	23,339	23,239
Leases	18,144	13,055
Packaging and marking materials	14,843	11,840
Administration of trade premises	12,581	10,679
Insurance	11,975	11,050
Transport	11,618	10,461
Other	96,432	77,879
Total distribution, administrative and selling expenses	1,225,649	974,696
Distribution expenses	667,870	523,011
Administrative and selling expenses	126,478	115,745
Employee benefit expenses	431,301	335,940

Note 30. Employee benefit expenses

The amount of employee benefit expenses incurred by each significant category is as follows:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Wages and salaries	355,472	277,480
Contributions to the social security system	13,672	10,142
Other short-term employee benefits	13,813	11,840
Total short-term employee benefit expenses	382,957	299,462
Post-employment benefit expenses, defined contribution plans	35,851	28,319
Post-employment benefit expenses, defined benefit plans	570	506
Total post-employment benefit expenses	36,421	28,825
Termination benefit expenses	4,941	2,368
Other personnel expenses	6,948	5,230
Other long-term employee benefits	34	55
Total employee benefit expenses	431,301	335,940

The cost of employee benefit include in cost of sales is shown in Note 11.2.

Note 31. Other operating expenses, net

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Reversal of allowance for expected credit loss on trade receivables	5,131	6,051
(Loss) gain from the early termination of lease contracts	(11)	661
Gain from the sale of assets	(25)	238
Restructuring expenses, net	(623)	(242)
Write-off of assets	(1,656)	(3,226)
Impairment loss on assets	-	1,018
Tax on wealth expense	-	(22)
Other	3,299	3,803
Total other operating expenses, net	6,115	8,281

Note 32. Financial income and cost

The amount of financial income and cost is as follows:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Gain from foreign exchange differences	91,028	31,990
Net monetary position results, effect of the statement of profit or loss (1)	31,550	-
Gain from derivative financial instruments	25,572	5,655
Interest income on cash and cash equivalents (Note 7)	16,112	8,102
Other financial income	6,216	6,973
Total financial income	170,478	52,720
Loss from foreign exchange differences	(72,089)	(10,816)
Factoring expenses	(41,667)	(6,921)
Interest expense on loan and borrowings	(38,731)	(14,010)
Interest expense on lease liabilities	(29,815)	(21,941)
Loss from fair value changes in derivative financial instruments	(29,158)	(28,960)
Net monetary position expense, effect of the statement of financial position	(10,198)	(9,714)
Loss from derivative financial instruments	(8,622)	(3,854)
Commission expenses	(2,925)	(1,564)
Net monetary position results, effect of the statement of profit or loss (1)	-	(1,955)
Other financial expenses	(4,095)	(2,784)
Total financial cost	(237,300)	(102,519)
Net financial result	(66,822)	(49,799)

- (1) The indicator used to adjust for inflation in the financial statements of Libertad S.A. is Internal Wholesales Price Index (IPIM) published by Instituto Nacional de Estadística y Censos de la República Argentina (INDEC). Indicators and corresponding conversion coefficients are presented below:

	Price index	Change during the year
December 31, 2015	100.00	-
January 1, 2020	446.28	-
December 31, 2020	595.19	33.4%
December 31, 2021	900.78	51.3%
March 31, 2022	1,040.54	15.5%
December 31, 2022	1,754.58	94.8%
March 31, 2023	2,099.58	19.7%

Note 33. Earnings per share

Basic earnings per share are calculated based on the weighted average number of outstanding shares of each category during the period.

There were no dilutive potential ordinary shares outstanding at the end of the periods ended March 31, 2023 and March 31, 2022.

The calculation of basic and diluted earnings per share for all periods presented is as follows:

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Net profit attributable to shareholders of the parent (Basic and diluted)	45,118	64,539
Ordinary shares attributable		
to basic earnings per share (basic and diluted)	1.297.864.359	1.297.864.359
Basic and diluted earnings per share attributable to the shareholders of the parent (in Colombian pesos)	34.76	49.73

	Quarter ended March 31, 2023	Quarter ended March 31, 2022
Net profit from continuing operations (Basic and diluted)	79,063	85,625
Less: net income from continuing operations attributable to non-controlling interests	33,945	21,086
Net profit from continuing operations attributable to the shareholders of the parent (Basic and diluted)	45,118	64,539
Ordinary shares attributable to basic earnings per share (basic and diluted)	1.297.864.359	1.297.864.359
Basic and diluted earnings per share from continuing operations attributable to the shareholders of the parent (in Colombian pesos)	34.76	49.73

Note 34. Impairment of assets

No impairment on financial assets were identified at March 31, 2023 and at December 31, 2022, except on trade receivables and other account receivables (Note 8).

Note 35. Fair value measurement

Below is a comparison, by class, of the carrying amounts and fair values of investment property, property, plant and equipment and financial instruments, other than those with carrying amounts that are a reasonable approximation of fair values.

	March 31, 2023		December 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments in private equity funds	424	424	426	426
Forward contracts measured at fair value through income (Note 12)	1,705	1,705	27,300	27,300
Derivative swap contracts denominated as hedge instruments (Note 12)	10,857	10,857	14,480	14,480
Investment in bonds (Note 12)	6,579	6,579	6,939	6,939
Investment in bonds through other comprehensive income (Note 12)	17,183	17,183	18,367	18,367
Equity investments (Note 12)	10,676	10,676	10,676	10,676
Non-financial assets				
Investment property (Note 15)	1,834,919	3,906,146	1,841,228	3,968,389
Property, plant and equipment, and investment property held for sale (Note 40)	21,759	25,091	21,800	29,261
Financial liabilities				
Loans and borrowings (Note 20)	1,498,836	1,485,037	803,685	793,624
Put option (Note 20)	642,804	642,804	651,899	651,899
Swap contracts denominated as hedge instruments (Note 25)	3,996	3,996	-	-
Forward contracts measured at fair value through income (Note 25)	9,797	9,797	5,404	5,404
Non-financial liabilities				
Customer loyalty liability (Note 26)	55,895	55,895	56,165	56,165

The following methods and assumptions were used to estimate the fair values:

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
Loans at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Commercial rate of banking institutions for consumption receivables without credit card for similar term horizons. Commercial rate for housing loans for similar term horizons.
Investments in private equity funds	Level 2	Unit value	The value of the fund unit is given by the preclosing value for the day, divided by the total number of fund units at the closing of operations for the day. The fund administrator appraises the assets daily.	N/A
Forward contracts measured at fair value through income	Level 2	Colombian Peso-US Dollar forward	The difference is measured between the forward agreed-upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Derivative swap contracts denominated as hedge instruments	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Investment in bonds	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for investments under similar conditions on the date of measurement in accordance with maturity days.	CPI 12 months + Basis points negotiated
Investment property	Level 2	Comparison or market method	This technique involves establishing the fair value of goods from a survey of recent offers or transactions for goods that are similar and comparable to those being appraised.	N/A
Investment property	Level 3	Discounted cash flows method	This technique provides the opportunity to identify the increase in revenue over a previously defined period of the investment. Property value is equivalent to the discounted value of future benefits. Such benefits represent annual cash flows (both, positive and negative) over a	Discount rate (10% - 14%) Vacancy rate (0% - 54.45%) Terminal capitalization rate (7.5% - 8.5%)

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
			period, plus the net gain arising from the hypothetical sale of the property at the end of the investment period.	
Investment property	Level 3	Realizable-value method	This technique is used whenever the property is suitable for urban movement, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable value
Investment property	Level 3	Replacement cost method	The valuation method consists in calculating the value of a brand-new property, built at the date of the report, having the same quality and comforts as that under evaluation. Such value is called replacement value; then an analysis is made of property impairment arising from the passing of time and the careful or careless maintenance the property has received, which is called depreciation.	Physical value of building and land.
Non-current assets classified as held for trading	Level 2	Realizable-value method	This technique is used whenever the property is suitable for urban development, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable Value

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Liabilities				
Financial liabilities measured at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Reference Banking Index (RBI) + Negotiated basis points. LIBOR rate + Negotiated basis points.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Derivative instruments measured at fair value through income	Level 2	Colombian Peso-US Dollar forward	The difference is measured between the forward agreed upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Derivative swap contracts denominated as hedge instruments	Level 2	Discounted cash flows method	The fair value is calculated based on forecasted future cash flows provided by the operation upon market curves and discounting them at present value, using swap market rates.	Swap curves calculated by Forex Finance Market Representative Exchange Rate (TRM)
Customer loyalty liability	Level 3	Market value	The customer loyalty liability is updated in accordance with the point average market value for the last 12 months and the effect of the expected redemption rate, determined on each customer transaction.	Number of points redeemed, expired and issued. Point value. Expected redemption rate.
Bonds issued	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for bonds in similar conditions on the date of measurement in accordance with maturity days.	12-month CPI
Lease liabilities	Level 2	Discounted cash flows method	Future cash flows of lease contracts are discounted using the market rate for loans in similar conditions on contract start date in accordance with the non-cancellable minimum term.	Reference Banking Index (RBI) + basis points in accordance with risk profile.
Put option	Level 3	Given formula	Measured at fair value using a given formula under an agreement executed with non-controlling interests of Grupo Disco, using level 3 input data.	Net income of Supermercados Disco del Uruguay S.A. at December 31, 2022 and 2021. US Dollar-Uruguayan peso exchange rate on the date of valuation US Dollar-Colombian peso exchange rate on the date of valuation Total shares Supermercados Disco del Uruguay S.A.

Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
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Material non-observable input data and a valuation sensitivity analysis on the valuation of the "put option contract" refer to:

	Material non-observable input data	Range (weighted average)	Sensitivity of the input data on the estimation of the fair value
Put option	Net income of Supermercados Disco del Uruguay S.A. at December 31, 2022	\$168,684	The Put option value is defined as the greater of (i) the fixed price of the contract in US dollars updated at 5% per year, (ii) a multiple of EBITDA minus the net debt of the Disco Group, or (iii) a multiple of the net income of the Disco Group. On December 31, 2022, the value of the put option is recognized based on the fixed contract price. Grupo Disco's EBITDA should increase by approx. 27% to arrive at a value greater than the recognized value. Grupo Disco's net income should increase by approx. 9% to reach a value greater than the recognized value An exchange rate appreciation of 15% would increase the value of the put option by \$96,421.
	Ebitda of Supermercados Disco del Uruguay S.A., consolidated over 12 months	\$265,114	
	Net financial debt of Supermercados Disco del Uruguay S.A., consolidated over 6 months	(\$196,684)	
	Fixed contract price	\$672,638	
	US Dollar-Uruguayan peso exchange rate on the date of valuation	\$40.07	
	US Dollar-Colombian peso exchange rate on the date of valuation	\$4,810.20	
	Total shares Supermercados Disco del Uruguay S.A.	443,071,575	

Changes in hierarchies may occur if new information is available, certain information used for valuation is no longer available, there are changes resulting in the improvement of valuation techniques or changes in market conditions.

There were no transfers between level 1 and level 2 hierarchies during the period ended March 31, 2023.

Note 36. Contingent liabilities

Note 36.1. Contingent assets

Exito Group have not recognized material contingent assets at March 31, 2023 and at December 31, 2022.

Note 36.2. Contingent liabilities

Contingent liabilities at March 31, 2023 and at December 31, 2022 are:

- (a) The following proceedings are underway, seeking that the Éxito Group be exempted from paying the amounts claimed by the complainant entity:
- Administrative discussion with DIAN (Colombia national directorate of customs) amounting \$37,708 (December 31, 2022 - \$35,705) relating to Almacenes Éxito S.A. 2015 income tax return.
 - Resolutions issued by the District Tax Direction of Bogotá, relating to alleged inaccuracy in payments made in 2011, in the amount of \$11,830 (December 31, 2022 - \$11,830).
 - Nullity of resolution-fine dated September 2020 ordering reimbursement of the balance receivable assessed in the income tax for taxable 2015 in amount of \$2,211 (December 31, 2022 - \$2,211).
 - Claim on the grounds of failure to comply with contract conditions, asking for damages arising from the purchase-sale of a property in the amount of \$- (December 31, 2022 - \$2,600).
 - Administrative discussion with the Cali Municipality regarding the notice of special requirement 4275 of April 8, 2021 whereby the Almacenes Éxito S.A. is invited to correct the codes and rates reported in the Industry and Trade Tax for 2018 in amount of \$2,114 (December 31, 2022 - \$2,535).
- (b) Guarantees:
- Since June 1, 2017, Almacenes Éxito S.A. granted a collateral on behalf its subsidiary Almacenes Éxito Inversiones S.A.S. to cover a potential default of its obligations. On August 11, 2021 the amount was updated to \$2,935.
 - Subsidiary Éxito Viajes y Turismo S.A.S. granted a collateral in favor of Aerovías del Continente Americano S.A. in the amount of \$264 (December 31, 2022 - \$264) para garantizar el cumplimiento de los pagos asociados al contrato de venta de tiquetes aéreos.
 - Subsidiary Éxito Viajes y Turismo S.A.S. is defendant in a consumer protection action under Section 4 of Decree 557 of the Ministry of Commerce, Industry and Tourism, with scope from the state of sanitary emergency declared on March 12, 2020 in the amount of \$1,237 (December 31, 2022 - \$1,113) covering 265 proceedings.
 - Subsidiary Transacciones Energéticas S.A.S. E.S.P. granted guarantees in favor of XM Compañía de expertos en mercados S.A. E.S.P. in amount of \$206, ENEL Colombia S.A. E.S.P. in amount of \$551, AIR-E S.A. E.S.P. in amount of \$70 y Caribemar de la costa S.A.S. E.S.P. in amount of \$60 to cover the payment of charges for use of the energy transmission system.
 - As required by some banking entities, Almacenes Éxito S.A. as joint and several debtors of the subsidiary Transacciones Energéticas S.A.S. E.S.P. has granted certain guarantees for \$1,292 to support the charges for use of the networks of the Regional and National Electric Transmission Systems.
 - As required by some insurance companies and as a requirement for the issuance of compliance bonds, during 2023 some subsidiaries and Almacenes Éxito S.A., as joint and several debtor of some of its subsidiaries, have granted certain guarantees to these third parties. Below a detail of guarantees granted:

<u>Type of guarantee</u>	<u>Description and detail of the guarantee</u>	<u>Insurance company</u>
Unlimited promissory note	Compliance bond Éxito acts as joint and several debtors of Patrimonio Autónomo Viva Barranquilla	Seguros Generales Suramericana S.A.
Unlimited promissory note	Compliance bond granted by Éxito Industrias S.A.S.	Seguros Generales Suramericana S.A.
Unlimited promissory note	Compliance bond granted by Éxito Viajes y Turismo S.A.	Berkley International Seguros Colombia S.A.
Unlimited promissory note	Compliance bond granted by Éxito Viajes y Turismo S.A.	Seguros Generales Suramericana S.A.

These contingent liabilities, whose nature is that of potential liabilities, are not recognized in the statement of financial position; instead, they are disclosed in the notes to the financial statements.

Note 37. Dividends declared and paid

At March 31, 2023

Almacenes Éxito S.A. General Meeting of Shareholders held on March 23, 2023, declared a dividend of \$217,392, equivalent to an annual dividend of \$167.50 Colombian pesos per share, payable in one single payment on March 30, 2023. The number of outstanding shares on December 31, 2022 were 1,297,864,359.

From dividends declared on March 23, 2023, the amount paid during the period ended March 31, 2023 amounted to \$217,226, equivalent to an annual dividend paid of \$167.50 Colombian pesos per share.

Dividends declared and paid to the owners of non-controlling interests in subsidiaries during the period ended March 31, 2023 are as follows:

	Dividends declared	Dividends Paid
Patrimonio Autónomo Viva Malls	15,581	15,581
Éxito Viajes y Turismo S.A.S.	2,517	-
Patrimonio Autónomo Viva Villavicencio	1,816	2,559
Patrimonio Autónomo Centro Comercial	748	1,256
Grupo Disco del Uruguay S.A.	631	642
Patrimonio Autónomo Viva Laureles	386	426
Patrimonio Autónomo San Pedro Etapa I	121	357
Patrimonio Autónomo Viva Sincelejo	60	394
Total	21,860	21,215

At December 31, 2022

Almacenes Éxito S.A. General Meeting of Shareholders held on March 24, 2022, declared a dividend of \$237,678, equivalent to an annual dividend of \$531 Colombian pesos per share, payable in one single payment on March 31, 2022. The number of outstanding shares on December 31, 2021 were 447,604,316.

From dividends declared on March 24, 2022, the amount paid during the year ended December 31, 2022 amounted to \$237,580, equivalent to an annual dividend paid of \$531 Colombian pesos per share.

Dividends declared and paid to the owners of non-controlling interests in subsidiaries during the year ended December 31, 2022 are as follows:

	Dividends declared	Dividends Paid
Grupo Disco del Uruguay S.A.	98,278	87,528
Patrimonio Autónomo Viva Malls	34,988	48,799
Patrimonio Autónomo Viva Villavicencio	8,706	8,491
Patrimonio Autónomo Centro Comercial	4,506	4,371
Éxito Viajes y Turismo S.A.S.	3,565	3,565
Patrimonio Autónomo Viva Laureles	2,138	2,102
Patrimonio Autónomo Centro Comercial Viva Barranquilla	1,860	1,772
Patrimonio Autónomo San Pedro Etapa I	1,403	1,329
Patrimonio Autónomo Viva Sincelejo	1,364	1,485
Total	156,808	159,442

Note 38. Seasonality of transactions

Exito Group's operation cycles indicate certain seasonality in operating and financial results once there is a concentration during the last quarter of the year, mainly because of Christmas and "Special Price Days", which is the second most important promotional event of the year.

Note 39. Operating segments

The Éxito Group's three reportable segments all meet the definition of operating segments, are as follows:

Colombia:

- Éxito: Revenues from retailing activities, with stores under the banner Éxito.
- Carulla: Revenues from retailing activities, with stores under the banner Carulla.
- Low cost and other: Revenues from retailing and other activities, with stores under the banners Surtimax, Súper Inter, Surti Mayorista and B2B format.

Argentina:

- Revenues and services from retailing activities in Argentina, with stores under the banners Libertad and Mini Libertad.

Uruguay:

- Revenues and services from retailing activities in Uruguay, with stores under the banners Disco, Devoto and Géant.

Éxito Group discloses information by segment pursuant to IFRS 8 - Operating segments, which are defined as a component of an entity whose operating results are regularly reviewed by the chief operating decision maker (Board of Directors) for decision making purposes about resources to be allocated.

Retail sales by each of the segments are as follows:

Operating segment	Banner	Quarter ended	Quarter ended
		March 31, 2023	March 31, 2022
Colombia	Éxito	2,487,938	2,336,997
	Carulla	564,490	466,217
	Low cost and other	577,915	515,951
Argentina		445,420	294,763
Uruguay		1,161,469	761,220
Total consolidated		5,237,232	4,375,148

Below is additional information by operating segment:

	Quarter ended March 31, 2023					
	Colombia	Argentina (1)	Uruguay (1)	Total	Eliminations (2)	Total
Retail sales	3,630,343	445,420	1,161,469	5,237,232	-	5,237,232
Service revenue	177,207	16,538	7,339	201,084	-	201,084
Other revenue	15,599	6	2,316	17,921	(83)	17,838
Gross profit	862,503	154,457	415,959	1,432,919	-	1,432,919
Operating profit	93,015	3,365	117,005	213,385	-	213,385
Depreciation and amortization	135,324	11,074	22,292	168,690	-	168,690
Net finance expenses	(72,336)	7,860	(2,346)	(66,822)	-	(66,822)
Income tax	3,622	(17,419)	(26,911)	(40,708)	-	(40,708)

	Quarter ended March 31, 2022					
	Colombia	Argentina (1)	Uruguay (1)	Total	Eliminations (2)	Total
Retail sales	3,319,165	294,763	761,220	4,375,148	-	4,375,148
Service revenue	146,275	12,098	5,537	163,910	-	163,910
Other revenue	61,571	145	1,260	62,976	(67)	62,909
Gross profit	804,441	104,109	265,870	1,174,420	78	1,174,498
Operating profit	137,213	558	70,234	208,005	78	208,083
Depreciation and amortization	122,200	6,588	15,299	144,087	-	144,087
Net finance expenses	(36,913)	(5,736)	(7,072)	(49,721)	(78)	(49,799)
Income tax	(36,137)	(2,762)	(15,941)	(54,840)	-	(54,840)

(1) For information reporting purposes, non-operating companies (holding companies that hold interests in the operating companies) are allocated by segments to the geographic area to which the operating companies belong. Should the holding company hold interests in various operating companies, it is allocated to the most significant operating company.

(2) Relates to the balances of transactions carried out between segments, which are eliminated in the process of consolidation of financial statements.

Total assets and liabilities by segment are not reported internally for management purposes and consequently they are not disclosed.

Note 40. Assets held for saleAssets held for sale

Éxito Group management started a plan to sell certain property seeking to structure projects that allow using such real estate property, increase the potential future selling price and generate resources to Éxito Group. Consequently, certain property, plant and equipment and certain investment property were classified as assets held for sale.

The balance of assets held for sale, included in the statement of financial position, is shown below:

	March 31, 2023	December 31, 2022
Property, plant and equipment	17,834	17,875
Investment property	3,925	3,925
Total	21,759	21,800

Note 41. Subsequent events

No events have occurred subsequent to the date of the reporting period that entail significant changes in the financial position and the operations of Éxito Group due to their relevance, are required to be disclosed in the financial statements: