

Envigado, August 26th, 2019

EVALUATION, CONCLUSIONS AND RECOMMENDATIONS OF THE AUDIT AND RISK COMMITTEE

Almacenes Éxito S.A. (“Éxito” or the “Company”) informs its shareholders and the market in general that, in connection with the relevant information disclosed on August 19th, during a special meeting of the Audit and Risk Committee held today, the aforementioned Committee produced its final report on the evaluation, conclusions and recommendations pertaining to a sale to Casino, Guichard-Perrachon S.A. (“Casino”) of the Companhia Brasileira de Distribuição (“GPA”) shares of stock owned indirectly by Éxito through the French company Segisor S.A.S. (the “Transaction”).

The Transaction would comprise, among other aspects, the following terms:

Purpose: the purchase by Casino of 50% of the 99.619.228 common shares outstanding of Segisor (the “Shares”) indirectly owned by Éxito.

Price: results of multiplying 50% of the total number of shares outstanding of GPA, directly or indirectly owned by Segisor, by 113 BRL per share, minus the amounts of Net Debt, including accrued interests, of (i) Segisor and (ii) Wilkes, as reported at the completion of the Transaction.

Price Equalization Clause: amounting to 80% of any potential difference in price above 113 BRL per GPA share, in the event of a direct or indirect sale or transfer of any number of GPA shares acquired from the Company, within the 15 months following the Completion of the Transaction, prior deduction of the proportional withheld and/or direct taxes. This clause would not apply to internal transactions or reorganizations within Groupe Casino.

Conditions Precedent: The Completion of the Transaction would be subject to the allocation, compensation and liquidation of the Tender Offer (OPA) for the Company’s Shares (the “Tender Offer”) announced by GPA, or of any competing offer, if applicable, as well as to other conditions that are common in these types of transactions.

As previously informed to the market, the Audit and Risk Committee (the “Committee”) has advanced in the evaluation of the Transaction observing the Company’s Policy on Related Party Transactions, under Chapter Seven of the Corporate Governance Code, published on the corporate website, available here: <http://bit.ly/2X6MKA9>. Furthermore, the Company has benefitted from the support and assistance of its independent expert advisors Inverlink Banca de Inversión (financial advisor) and Jorge Gabino Pinzón Sánchez (legal expert). The Company itself retained Davivienda Corredores S.A. as its independent financial advisor and DLA Piper Martínez Beltrán as its independent legal advisor.

During the Transaction evaluation process, pursuant to the Company’s Policy on Related Party Transactions, the Committee considered the following aspects:

1. Compliance with the principles and criteria set forth in the Policy on Related Party Transactions

a. Satisfaction of the Company's interests and lack of any harm

The Committee considered that the Transaction would satisfy the interests of the Company and wouldn't cause any harm to Éxito, since the resources that would become available as a consequence of the Transaction would allow the Company to reduce its indebtedness, accelerate the digital transformation process, renew innovative formats, and develop the real-estate line of business, as well as others.

b. Providing a better service, price or conditions for clients

In line with the Company's strategy, which places its clients at the center of its priorities, this Transaction would generate the possibility of allotting additional resources to projects and investments that positively impact the levels of client service and the quality of offer for the clients.

c. Value generation for the Company

The Committee concluded that the Transaction generates value for the Company since a reduction in indebtedness and financial expenses would allow for an accelerated expansion in profitable formats. Furthermore, the sale of the GPA shares in the terms that have been proposed entail a control premium of 29.7% with respect to the market price as of August 19, date in which the amended Casino offer was received, as well as a premium of 26.5% when compared against volume weighted average price at the same date. In addition, the Price Equalization Clause could potentially allow the Company to receive additional resources.

d. Lack of any hinderance in, or risk to, the Company's capacity to service its debt and fulfill its obligations with third parties

The Committee considered that the Transaction would strengthen the Company's financial capacity and balance sheet, allowing for higher levels of flexibility as well as an ample capacity to react to profitable investment opportunities in different lines of business, such retail and real estate.

e. Protection of minority shareholders

The Committee concluded that both the Transaction and its corporate evaluation and authorization process consider and protect the rights of minority shareholders insofar as:

- (i) The evaluation of the Transaction has adhered to the highest corporate governance standards in considering the interests of all constituencies, including shareholders, stakeholders and the Company itself.

- (ii) The Price Equalization Clause would potentially allow the Company to receive additional resources in the form of an 80% compensation in the event that, since the announcement of the offer and up to the 15 months following Completion, Casino sells any amount of GPA shares indirectly acquired from the Company. This generates an opportunity for shareholders of the Company to benefit in the potential upside of a potential subsequent sale by Casino.
- (iii) Management has strived to ensure full transparency and equal treatment to its shareholders by:
 - Providing complete, timely and clear responses to requests for information submitted by shareholders.
 - Timely disclosures to the market, through the mechanisms of *información relevante* and throughout the evaluation and authorization process, of all the relevant information on the Transaction

f. Transparency

The Committee concluded that the proposed Transaction, as well as the analysis and evaluation process that has been recommended and followed thus far, strictly adheres to the principle of transparency insofar as:

- (i) The Committee, exclusively comprised of independent board members, has made sure that the proposed transaction adheres to the principles and criteria set forth in the Policy on Related Party Transactions.
- (ii) The Committee has ensured that the market receives clear, timely and reliable information throughout all the stages of the process.
- (iii) Furthermore, the president of the Board of Directors, who in turn is the President of the Audit and Risk Committee, has made sure that the process adheres to best governance practices that should guide the corporate action, and has acted as a liaison between the controlling shareholder and the Board of Directors.

g. Promotion of synergies

The Committee concluded that the Transaction would allow the Company to continue benefiting from best practices between the different companies that comprise the regional integration. Furthermore, captured efforts could be upheld, and new efforts could focus on the development of innovative formats, omni-quality and digital transformation.

2. Price and its adjustment to market standards

The Committee verified that the proposed price for the Transaction corresponds to arm's length market conditions, based on the fairness opinion provided by Inverlink acting in its capacity as independent financial advisor to the Committee, as well as on other financial

analyses provided by Davivienda Corredores, in its capacity as independent financial advisor to the Company.

The price of 113 BRL per share implies a premium of 29.7% with respect to the market price of 87.12 BRL per share as of August 19, 2019, when the last Casino offer was communicated. Furthermore, the aforementioned price adjustment clause is introduced, which would eventually allow for an additional profit from the adjustment in the price, in the event that GPA shares are transferred during the 15 months following completion of the Transaction, at a price that is higher than 113 BRL per share.

3. Timely disclosure to the market

Since the first indication of a possible Transaction, the Committee has supervised the disclosure process, in full compliance with its duty to verify that the preparation, presentation and disclosure of information to the market adheres strictly to legal mandates.

In particular, during this meeting the Committee reviewed all publications pertaining to the Transaction that were made through the mechanism of *información relevante* and concluded that the Company has disclosed to the market all relevant information on the Transaction in a timely and thorough fashion.

The Committee instructed management to continue disclosing all relevant information on the Transaction to the market in a timely and complete fashion.

Evaluation and Recommendations

In these terms, and considering all the items listed above, the Committee issued a positive evaluation of the proposed Transaction, on the grounds that it complies with the standards set forth in the Company's Policy on Related Party Transactions as well as in other corporate instruments and statutory provisions.

Lastly, based on the Corporate Charter, the Corporate Governance Code, the Ethics Code, the Committee noted that there might be a potential conflict of interests at the Board and management level in the approval and execution of the Transaction. Therefore, the Committee recommended:

- (i) That the Board refrains from deliberating and deciding on the approval of the Transaction.
- (ii) The Committee suggested that, in the meantime, the Board and the President summon a special shareholders' meeting to seek all the corporate approvals required under Section 23(7) of Law 222 of 1995 and other applicable rules under the corporate charter and under statutory law.
- (iii) Submit before the shareholder's meeting the following propositions: a) Authorize the Board of Directors to deliberate and decide about the approval of the Transaction, b) Approve the Transaction itself and c) Authorize the CEO and/or any other legal

representative, to sign and execute the Transaction on the Company's behalf without limitations as of the amount.

The company will keep shareholders and the market informed of any relevant information pertaining to these matters.