



# 1Q20 Grupo Éxito Financial Results

May 12, 2020

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# Note on Forward Looking Statements



*Please note that for comparison purposes, quarterly consolidated results included the Brazilian segment (Companhia Brasileira de Distribuição – CBD, Segisor S.A.S. and Wilkes Participações S.A., sold on November 27, 2019) and subsidiary Gemex O&W S.A.S. (Colombia), as net result of discontinued operations. Consolidated results also included an accounting adjustment applied only to the 1Q20 base in Colombia, as per the allocation from the expense to the cost, of staff and other items associated to food production processes.*

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

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

- 1Q20 Financial and operating highlights
- Mitigation strategies to face COVID-19
- Performance by country
- 1Q20 Consolidated financial results
- Q&A session

# 1Q20 Financial<sup>(1)</sup> & Operating Highlights

*Solid top line evolution driven by food retail sales*



## 1Q20 Highlights

**Net Revenue**  
**+9.7%** (+12.0% exc. FX)

**Recurring EBITDA**  
**+2.0%** (+4.0% exc. FX)

**Net Income Margin**  
**0.5%** (+91 bps vs 1Q19)

### Financial Highlights

### Operating Highlights

### Investment & Expansion

### Corporate Governance & Sustainability



- **Sales growth driven by:**
  - ✓ **Omni-channel sales** (+44.6% in Col, +39.3% in Uru)
  - ✓ **Food sales growth** (+16.0% excluding FX effect)
  - ✓ **Innovative formats and models**
- **SG&A under control** despite expenditure on safety measures
- **Net Income** driven by an improved operating performance and financial structure

- **1.2M deliveries** (+36% vs 1Q19 in Col)
- **2.4M apps downloads** (vs 1.9 M as of 4Q19 in Col)
- **TUYA** restructured debts to support customers during the contingency
- **Real Estate** affected by closures during the quarantine period in Colombia and Argentina

- **CapEx COP \$51,799 M:**
  - ✓ **85%** focused on expansion, innovation, omni-channel and digital transformation activities
- **Retail Expansion (2 Surtimayorista** in Col)
- **33 stores LTM** from openings, conversions and remodellings (Col 29, Uru 2, Arg 2)
  - ✓ Total **640 stores**, 1.05 M sqm

- Changes in top management:
  - ✓ **Ruy Souza – CFO Col**
- Support to stakeholders during contingency
  - ✓ **Unchanged employee base**
  - ✓ Disposal of **48 K nutrition packages for children**
  - ✓ **Advanced payment to over 860 suppliers**

(1) Consolidated data include results from Colombia, Uruguay and Argentina, the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations, eliminations and the FX effect of -2.1% at top line and of -1.9% at recurring EBITDA level.

# Grupo Éxito mitigation strategies to face COVID-19

Activities to grant confidence and support to stakeholders



## Health care measures for customers and employees

To guarantee their physical security

- ✓ **Permanent disinfection** and cleaning of stores and shopping carts
- ✓ **Launch of the 'White Line'** for free deliveries to healthcare professionals
- ✓ **Exclusive service hours** for the highest risk group
- ✓ **Strengthening of e-commerce channels, home deliveries and apps**
- ✓ **Permanent supply** in stores to guarantee assortment

## Working towards long-term sustainability



- ✓ **Anticipated payments** on March of more than COP\$ 60,000 million due in April
- ✓ Over **860 Small & Medium size suppliers** benefitted
- ✓ **Full anticipated payment** to local producers of fresh products



# Grupo Éxito mitigation strategies to face COVID-19

*Activities to grant confidence and support to stakeholders*



## Supporting Employees

To guarantee care and job stability

- ✓ Hygienic kits delivered to staff
- ✓ Information and constant communication
- ✓ Massive implementation of **working-from-home**
- ✓ Relocation of collaborators across business units
- ✓ Manufacturing of over 20M masks in our textile facilities
- ✓ A **10% wage bonus** to employees working at stores and DC's



## Supporting other Stakeholders

A call for solidarity through Fundación Éxito



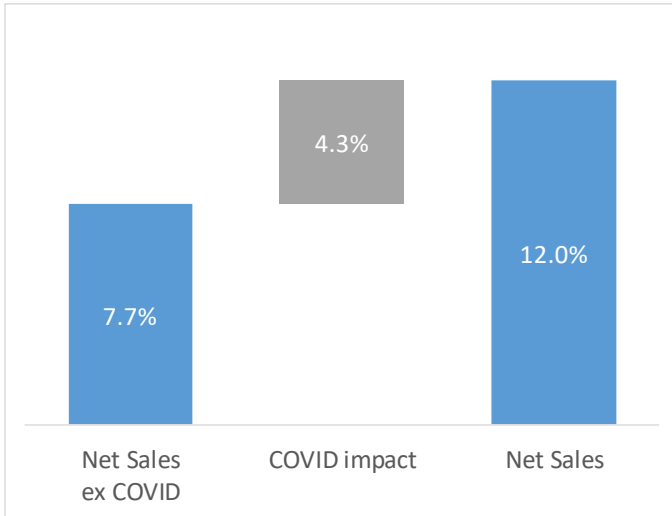
- ✓ Implementing strategies focused on **solidarity**
- ✓ Offering of over **500k grocery baskets** with 12 basic products at cost price
- ✓ Option for clients to **donate loyalty points**
- ✓ **Donation of over 48k kits** through Fundación Éxito
- ✓ Working hand in hand with **suppliers and government**

# Effect of COVID-19 on 1Q20 Net sales<sup>(1)</sup>

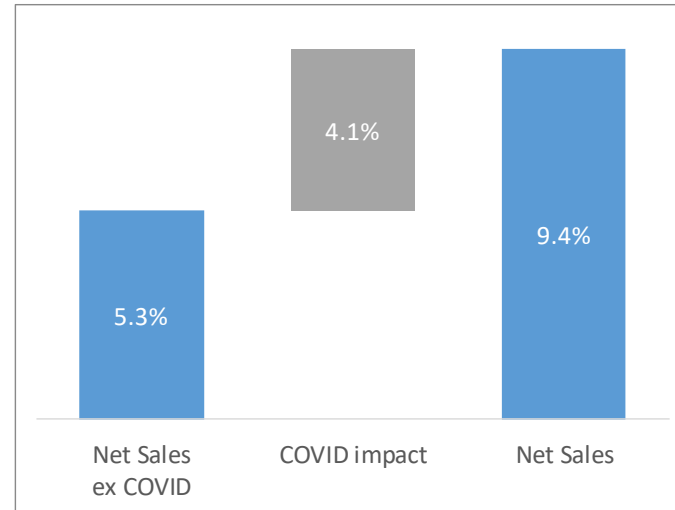
Contribution to the already positive quarterly net sales trend



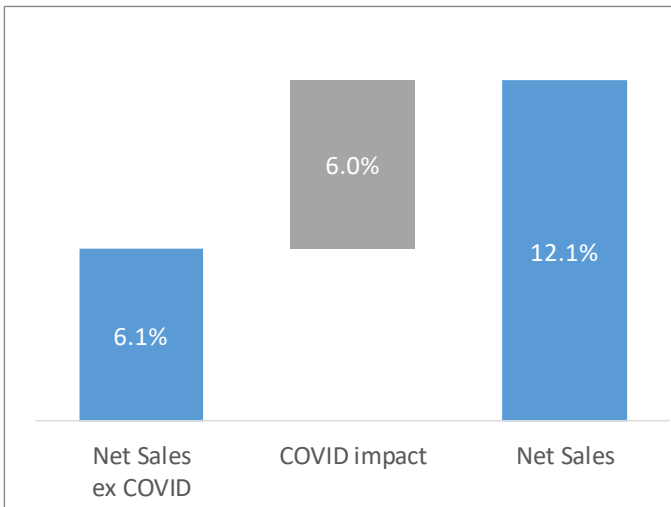
**Grupo Éxito**



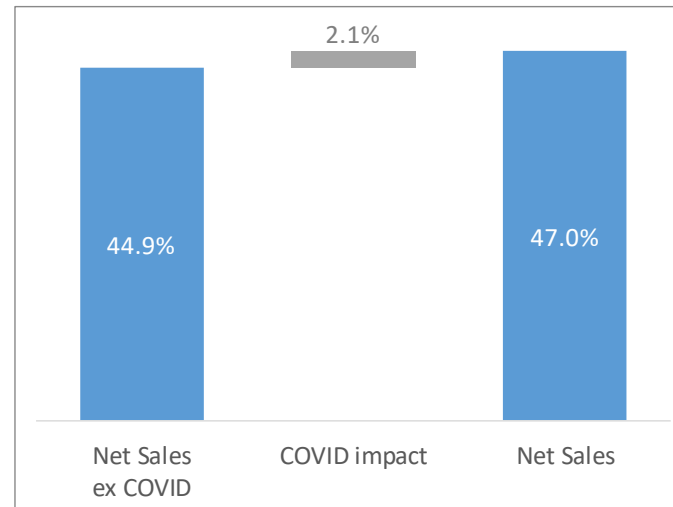
**Colombia**



**Uruguay**



**Argentina**



## Net Sales<sup>(1)</sup> highlights:

- ✓ Stock-up movement started by mid-March in all countries
- ✓ Customer preferences towards supermarkets and home delivery solutions
- ✓ Higher demand on digital channels, reduced frequency and increase of average basket
- ✓ Increased contribution to food on sales mix (+200 bps)

(1) Net sales by country in local currency and including the calendar effect adjustment. Consolidated sales excluding the -2.1% FX effect.

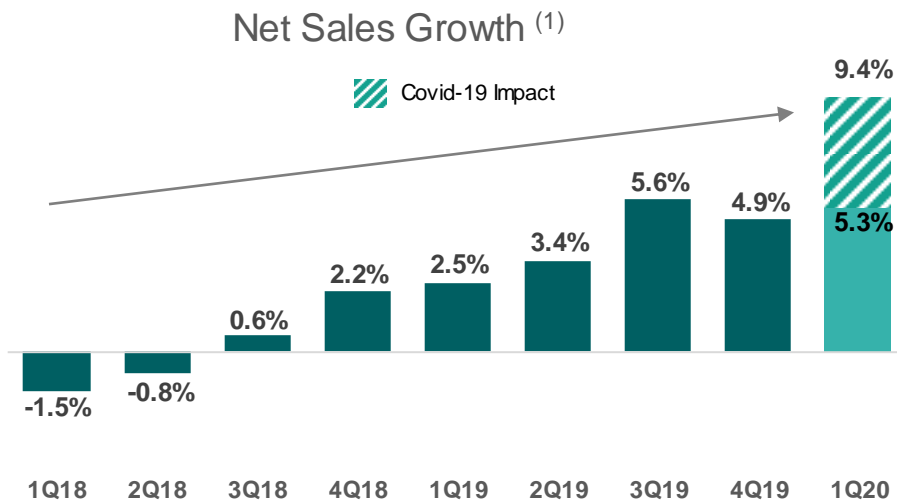
# 1Q20 Net Sales <sup>(1)</sup> & SSS <sup>(1)</sup> Performance: Colombia

*The strongest net sales performance in the last 3 years*

	1Q20				
	grupo <b>éxito</b>	<b>éxito</b>	Carulla	SM & SI <sup>(2)</sup>	B2B & Other <sup>(3)</sup>
<b>Variations</b>					
<b>SSS</b>	10.6%	8.8%	16.1%	14.3%	13.3%
<b>Total</b>	10.4%	8.9%	16.2%	6.8%	21.6%
<b>SSS <sup>(1)</sup></b>	9.6%	7.9%	15.1%	13.3%	13.3%
<b>Total <sup>(1)</sup></b>	9.4%	8.0%	15.1%	5.8%	21.6%
<b>Total MCOP</b>	2,913,612	1,996,808	425,473	309,653	181,678

## Solid performance driven by:

- ✓ Growth of innovative formats (Wow +14.6%, FreshMarket +24.7%, C&C +13.3%)
- ✓ Strong omni-channel performance (+44.6%)
- ✓ Solid food sales growth (+12.8%)
- ✓ 29 stores included in the base in the LTM from openings, conversions and remodelling
- ✓ Quick operating response to contingency
- ✓ A well-structured physical and digital platforms
- ✓ Net sales excluding COVID-19 grew by 5.3%<sup>(1)</sup>



(1) Including the effect of conversions and the calendar effect adjustment of 1.0% in 1Q20. (2) Sales from Surtimax and Super Inter brands. (3) Sales from Surtimayorista, Allies, Institutional and third-party sellers and the sale of property development projects Copacabana worth COP \$11,000 M in 1Q19 and Montevideo worth COP \$21,000 M in 1Q20.

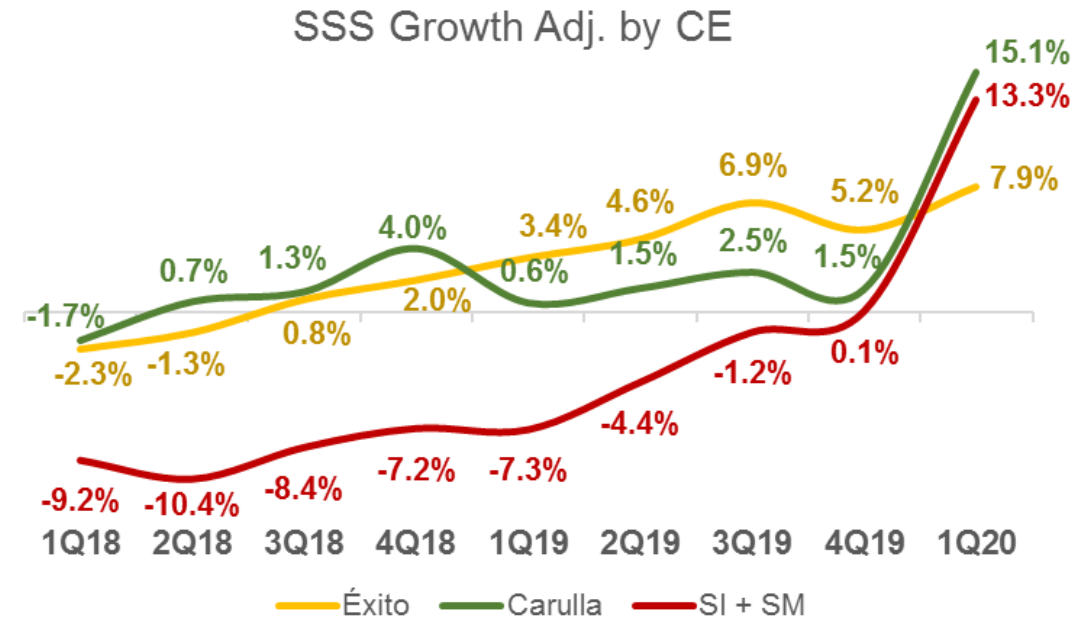


# 1Q20 Net Sales<sup>(1)</sup> & SSS<sup>(1)</sup> Performance by Segment



Growth in all segments driven by innovation, omnichannel and the food category

- **Éxito:**
  - ✓ **Éxito WOW** posted 14.6% sales growth (vs. 7.2% growth at other Éxito stores)
  - ✓ Sales driven by **FMCG, fresh and the electronic categories**
  - ✓ Quarterly sales **grew in all regions** in the country
  - ✓ Successful performance of promotional events
  
- **Carulla:**
  - ✓ **The best performing banner during 1Q20**
  - ✓ **FreshMarket** stores grew sales by 24.7% (vs. 13.3% growth at other Carulla stores)
  - ✓ **Increased share on Colombia sales** (+70 bps)
  - ✓ **FMCG and Fresh** drove sales growth
  
- **Low-cost<sup>(2)</sup>:**
  - ✓ **Solid quarterly SSS growth** driven by:
    - Double-digit sales growth of **FMCG category**
    - Mid-teens sales growth at **converted stores**
    - **Store base optimization**



- **B2B and Other<sup>(3)</sup>:**
  - ✓ **Strong sales** increase of 21.6% in 1Q20
  - ✓ **Contribution of 6.2%** to sales (vs. 5.7% in 1Q19)
  - ✓ **The sale of a property development project**
  - ✓ **Solid performance of Surtimayorista:**
    - **+13.3%** net sales and SSS in 1Q20
    - **4.0%** share on Colombia sales (+72 bps vs 1Q19)
    - 2 stores opened in 1Q20 to 32 YTD

(1) Including the effect of conversions and the calendar effect adjustment of 1.0% in 1Q20. (2) Sales from Surtimax and Super Inter brands. (3) Sales from Surtimayorista, Allies, Institutional and third-party sellers and the sale of property development projects Copacabana worth COP \$11,000 M in 1Q19 and Montevideo worth COP \$21,000 M in 1Q20.

# 1Q20 Innovation in Models & Formats

Colombia: Innovative commercial strategies



- ✓ 9 stores YTD
- ✓ Sales +14.6% (+740 bps vs. other Éxito stores)



- ✓ 17.8% of banner sales share



32 stores YTD

- ✓ Sales +13.3%
- ✓ 4.0% Colombia's sales share



- ✓ 26.7% of banner sales share



- ✓ 13 stores YTD
- ✓ Sales +24.7% (+1130 bps vs. other Carulla stores)

Strong sales growth after conversions

Presence in Bogota and the Atlantic Coast

Profitable expansion

Low operating costs and CAPEX optimization



# Relevant apps for the new normal

Higher downloads in line with modern omnichannel needs



Over  
**2.4 million**  
Downloads in LTM



Around  
**74,000**  
orders received  
through the app in  
1Q20



**4.7 million**  
discounts coupons  
activated in 1Q20



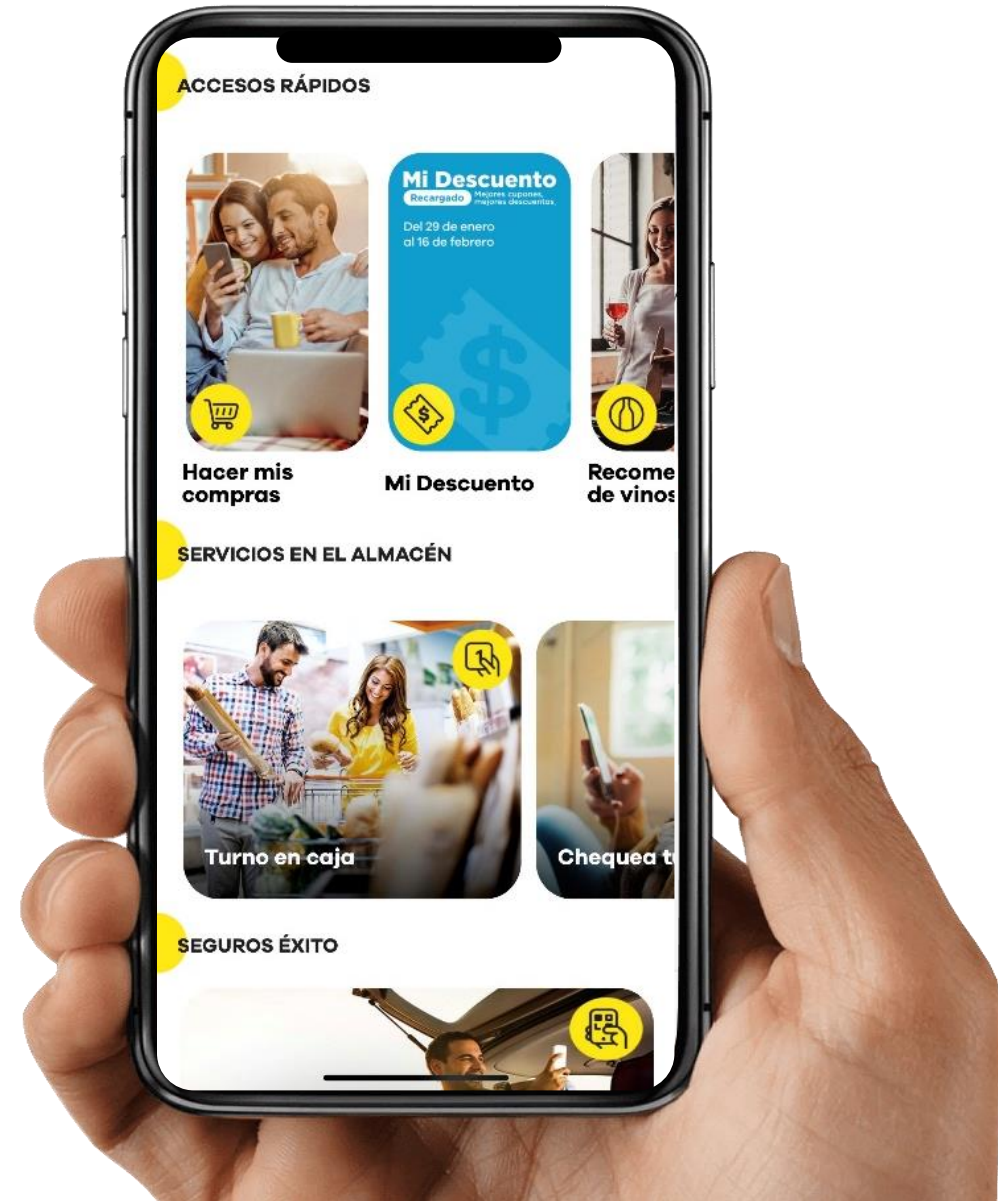
**85,500**  
active users of My  
Discount per day on  
average



Monthly times users  
access the app on  
average  
**5.2 x**



**16.4%**  
Of 'My Purchases'  
module were new  
visitors in 1Q20



# 1Q20 Omni-channel Strategy

Solid sales increases (+44.6%) and higher mix on sales (5.2% +132 bps vs 1Q19)

A solid platform in Colombia

+44.6% sales  
COP **153,000 M**

**1.2 million** deliveries (+36%  
vs 1Q19)

## Omni-channel

### Ecommerce

- ✓ +41.0% sales growth
- ✓ 25.5 M visits



### Marketplace

- ✓ 49% GMV<sup>(1)</sup> growth
- ✓ 1.1K vendors



### Last Mile & Home Deliveries

- ✓ 1.2 M deliveries
- ✓ +36% orders growth



### Digital Catalogues

- ✓ +18% sales growth
- ✓ +17% clients growth



### Click & Collect

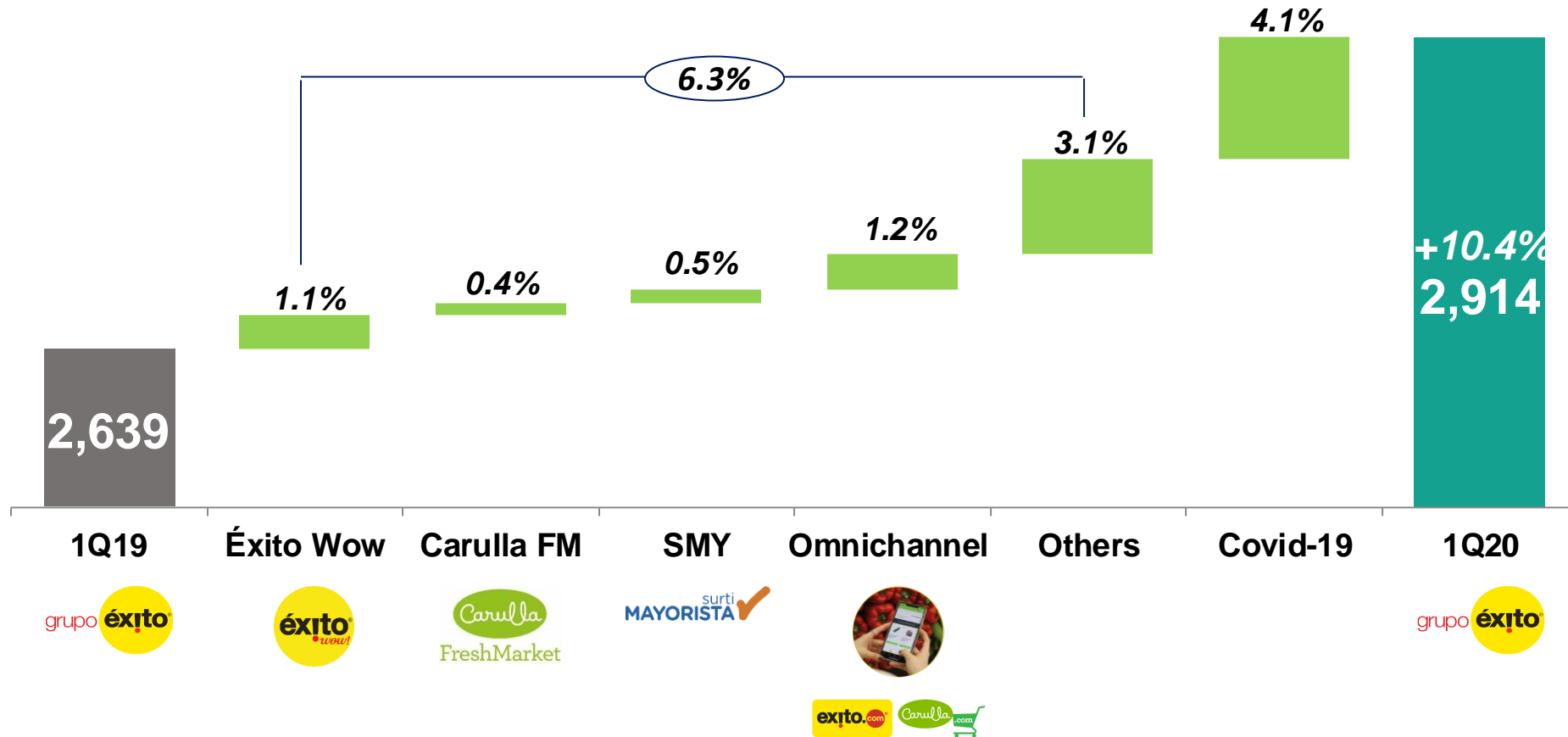
- ✓ +179.1% sales growth
- ✓ +72.0% orders growth



# 1Q20 Business Strategy

Innovative activities as key drivers for the Company's growth and SSS protection

## Contribution per model to quarterly sales growth



Innovation and omnichannel represented 50.8% of the quarterly sales growth ex-COVID-19

Note: Net sales expressed in thousand of million COP and excluding the calendar effect adjustment. Sales from Éxito WOW and Carulla Fresh exclude those from omni-channel. Sales from omni-channel excludes GMV from marketplace.

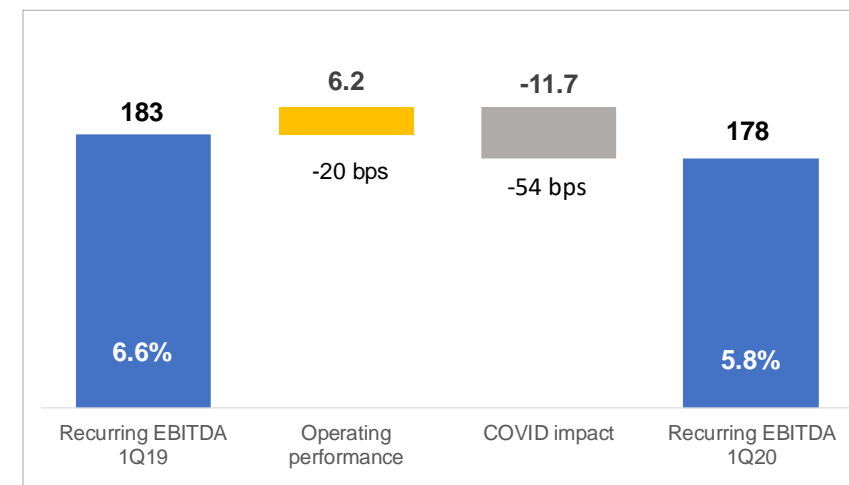
# 1Q20 Operating Results: Colombia



Solid top line partially offset the effect of COVID-19 on complementary businesses

in COP M	1Q20	1Q19	% Var
Net Sales	2,913,612	2,638,928	10.4%
Other Revenue	137,956	151,948	(9.2%)
<b>Net Revenue</b>	<b>3,051,568</b>	<b>2,790,876</b>	<b>9.3%</b>
<b>Gross profit</b>	<b>672,129</b>	<b>671,747</b>	<b>0.1%</b>
<i>Gross Margin</i>	<i>22.0%</i>	<i>24.1%</i>	<i>(204) bps</i>
<b>Total Expense</b>	<b>(603,648)</b>	<b>(598,340)</b>	<b>0.9%</b>
<i>Expense/Net Rev</i>	<i>19.8%</i>	<i>21.4%</i>	<i>(166) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>68,481</b>	<b>73,407</b>	<b>(6.7%)</b>
<i>ROI Margin</i>	<i>2.2%</i>	<i>2.6%</i>	<i>(39) bps</i>
<b>Recurring EBITDA</b>	<b>177,786</b>	<b>183,304</b>	<b>(3.0%)</b>
<i>Recurring EBITDA Margin</i>	<i>5.8%</i>	<i>6.6%</i>	<i>(74) bps</i>

## Recurring EBITDA bridge



### Net Revenue

- Sales boosted mainly by:
  - Innovative formats (Wow +14.6%, FreshMarket +24.7%, C&C +13.3%)
  - Omni-channel (+44.6%)
  - Solid food sales growth (+12.8%)
- Strong sales growth ex-COVID-19 (+5.3%<sup>(1)</sup>)
- Other revenue affected by the quarantine period on the real estate business and higher provisions required by TUYA credit card

### Gross Margin

- Improved COGS level (+33 bps) offset mainly by:
  - The strong accounting adjustment of food production processes (-171 bps)
  - The COVID-19 effect on complementary businesses of -52 bps (mainly TUYA -40 bps, from higher provisions to business sustainability)

### Recurring EBITDA

- Expenditure efficiencies despite inflationary pressures in wages and property taxes
- Recurring EBITDA reflected improved operating performance offset mainly by COVID-19 effect on complementary businesses (2/3 from TUYA)

Note: The Colombian perimeter includes Almacenes Exito S.A. and its subsidiaries in the country. Differences in the base versus the one reported in 2019 associated the net result of Gemex O&W S.A.S. registered as a discontinued operation. Results include the allocation from the expense to the cost, of staff and other items associated to food production processes, adjusted only on the 1Q20 base (-171 bps at the cost and the expense levels). (1) Sales including the calendar effect adjustment.

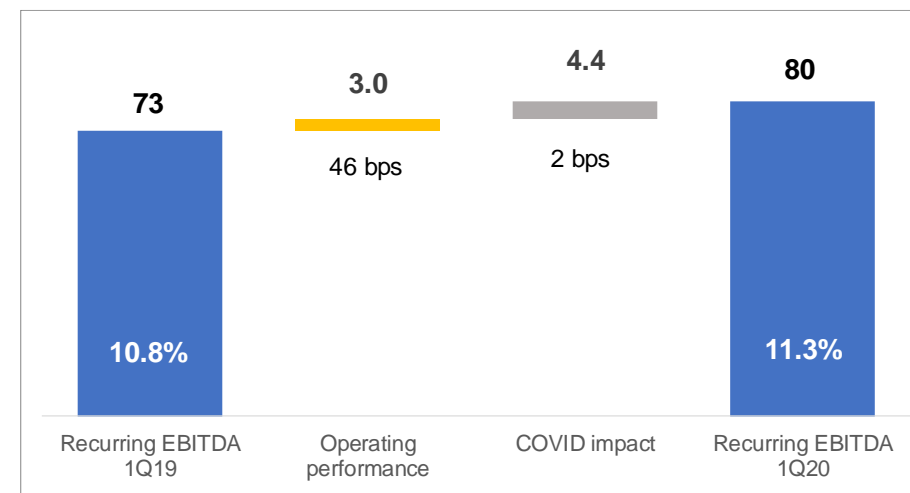
# 1Q20 Operating Results: Uruguay

Solid recurring EBITDA margin gains from operating excellence and expense dilution



in COP M	1Q20	1Q19	% Var
Net Sales	704,000	668,321	5.3%
Other Revenue	6,285	5,435	15.6%
<b>Net Revenue</b>	<b>710,285</b>	<b>673,756</b>	<b>5.4%</b>
<b>Gross profit</b>	<b>237,929</b>	<b>233,128</b>	<b>2.1%</b>
<i>Gross Margin</i>	<i>33.5%</i>	<i>34.6%</i>	<i>(110) bps</i>
<b>Total Expense</b>	<b>(170,743)</b>	<b>(172,941)</b>	<b>(1.3%)</b>
<i>Expense/Net Rev</i>	<i>24.0%</i>	<i>25.7%</i>	<i>(163) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>67,186</b>	<b>60,187</b>	<b>11.6%</b>
<i>ROI Margin</i>	<i>9.5%</i>	<i>8.9%</i>	<i>53 bps</i>
<b>Recurring EBITDA</b>	<b>80,146</b>	<b>72,773</b>	<b>10.1%</b>
<i>Recurring EBITDA Margin</i>	<i>11.3%</i>	<i>10.8%</i>	<i>48 bps</i>

## Recurring EBITDA bridge



### Net Revenue

- Net sales and SSS grew by 12.1%<sup>(1)</sup> in 1Q20 in local currency.
- Net sales driven by:
  - Better-than-expected summer season
  - Omnichannel growth (+39.3%)
  - Food sales growth (+15.3%)
  - Contribution from FreshMarket stores (43.5% share on sales)

### Gross Margin

- Margin reflected:
  - A negative sales mix impact from lower non-food sales
  - Increased sale of basic products due to lower purchasing power

### Recurring EBITDA

- Expenses under control from operational efficiencies and despite higher expenditure to face COVID-19
- Recurring EBITDA Margin gained 48 bps<sup>(2)</sup> from top line dilution on expenses and operating efficiencies
- Uruguay was the most profitable business unit in 1Q20

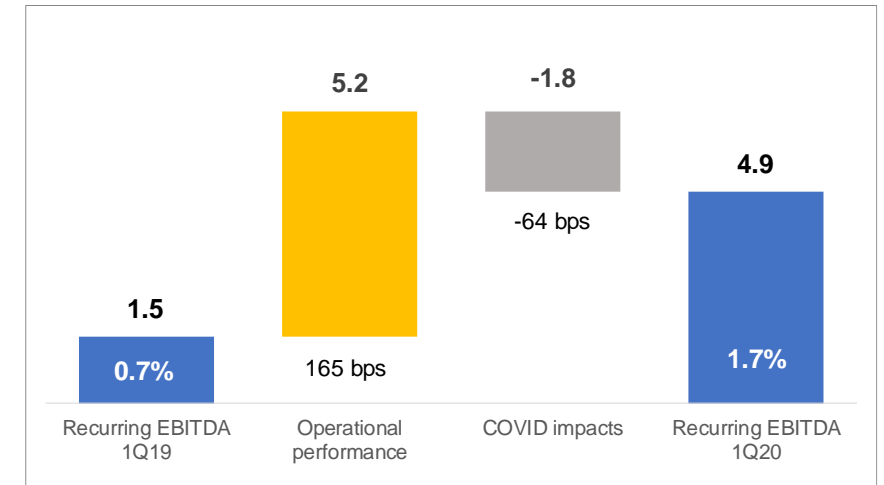
# 1Q20 Operating Results: Argentina

Recurring EBITDA margins gains from efficiencies and stronger operating performance



in COP M	1Q20	1Q19	% Var
Net Sales	282,276	219,880	28.4%
Other Revenue	9,254	9,998	(7.4%)
<b>Net Revenue</b>	<b>291,530</b>	<b>229,878</b>	<b>26.8%</b>
<b>Gross profit</b>	<b>91,925</b>	<b>74,463</b>	<b>23.5%</b>
<i>Gross Margin</i>	<i>31.5%</i>	<i>32.4%</i>	<i>(86) bps</i>
<b>Total Expense</b>	<b>(91,646)</b>	<b>(82,830)</b>	<b>10.6%</b>
<i>Expense/Net Rev</i>	<i>31.4%</i>	<i>36.0%</i>	<i>(460) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>279</b>	<b>(8,367)</b>	<b>N/A</b>
<i>ROI Margin</i>	<i>0.1%</i>	<i>(3.6%)</i>	<i>374 bps</i>
<b>Recurring EBITDA</b>	<b>4,900</b>	<b>1,534</b>	<b>N/A</b>
<i>Recurring EBITDA Margin</i>	<i>1.7%</i>	<i>0.7%</i>	<i>101 bps</i>

## Recurring EBITDA bridge



### Net Revenue

- Net sales and SSS grew by 47.0%<sup>(1)</sup>
- Strong sales growth ex-COVID-19 (+44.9%<sup>(1)</sup>)
- Strong food sales growth (58.9%)
- Successful commercial strategies and solid performance during the carnival
- Revenue from real estate affected by traffic restrictions and mall's closures

### Gross Margin

- Impacted by the lower contribution from the real estate business

### Recurring EBITDA

- Lower electricity bills, operating and marketing expenses
- Recurring EBITDA Margin gained 101 bps despite COVID-19 from top line dilution on expenses and operational efficiencies



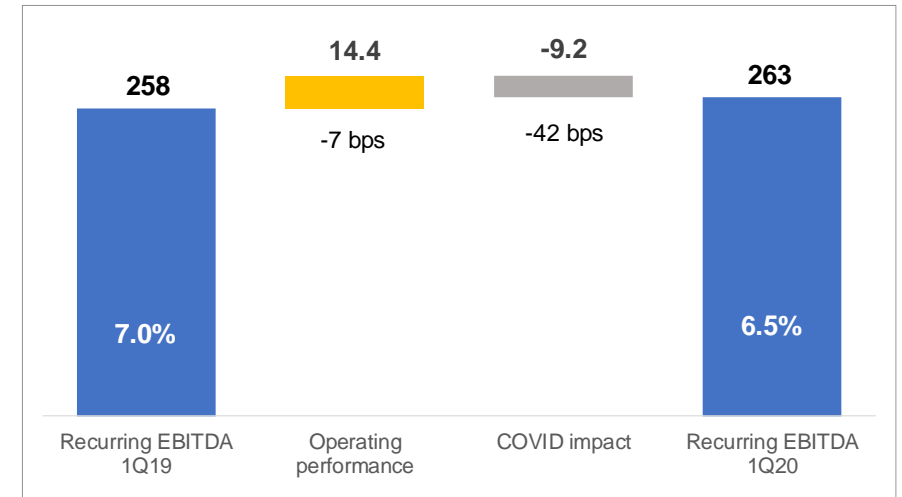
# 1Q20 Consolidated Financial Results

Recurring EBITDA grew by 2.0% despite COVID-19 effect



in COP M	1Q20	1Q19	% Var
Net Sales	3,899,888	3,527,129	10.6%
Other Revenue	152,543	166,634	(8.5%)
<b>Net Revenue</b>	<b>4,052,431</b>	<b>3,693,763</b>	<b>9.7%</b>
<b>Gross Profit</b>	<b>1,001,122</b>	<b>978,662</b>	<b>2.3%</b>
<i>Gross Margin</i>	<i>24.7%</i>	<i>26.5%</i>	<i>(179) bps</i>
<b>Total Expense</b>	<b>(865,176)</b>	<b>(853,435)</b>	<b>1.4%</b>
<i>Expense/Net Rev</i>	<i>21.3%</i>	<i>23.1%</i>	<i>(176) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>135,946</b>	<b>125,227</b>	<b>8.6%</b>
<i>ROI Margin</i>	<i>3.4%</i>	<i>3.4%</i>	<i>(4) bps</i>
<b>Net Group Share Result</b>	<b>21,987</b>	<b>(13,574)</b>	<b>NA</b>
<i>Net Margin</i>	<i>0.5%</i>	<i>(0.4%)</i>	<i>91 bps</i>
<b>Recurring EBITDA</b>	<b>262,832</b>	<b>257,611</b>	<b>2.0%</b>
<i>Recurring EBITDA Margin</i>	<i>6.5%</i>	<i>7.0%</i>	<i>(49) bps</i>

## Recurring EBITDA bridge



### Net Revenue

- Net sales benefitted by innovation and omni-channel
- Top line growth despite negative FX effect (+12.0% when excluding)
- Strong net sales growth ex-COVID-19 (+7.7%<sup>(1)</sup>)

### Gross Margin

- Margin affected by:
  - Accounting adjustment in Colombia
  - Lower contribution from complementary businesses (mainly TUYA and real estate)
  - Higher promotional activity in Uruguay and Argentina to boost demand

### Recurring EBITDA

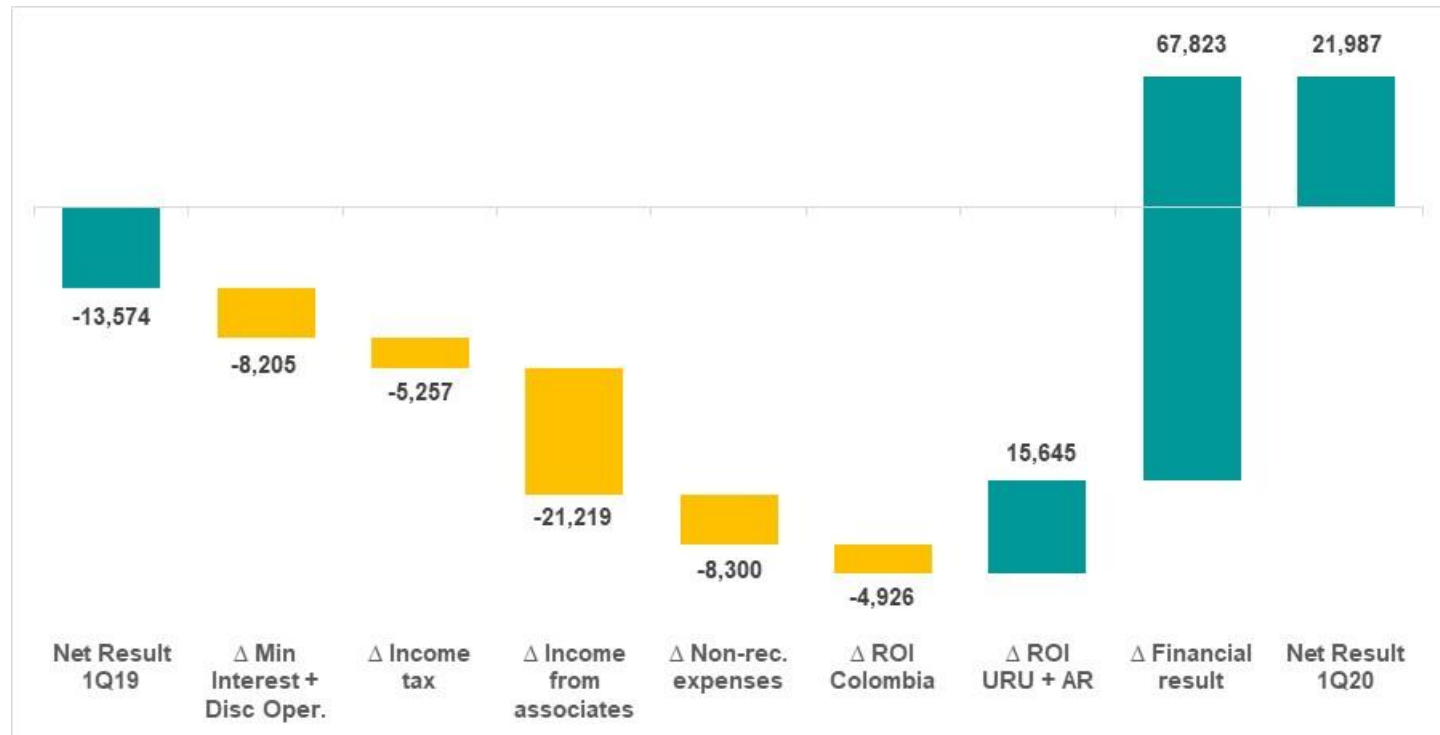
- Operating excellence led to expense control
- Recurring EBITDA margin reflected net sales growth and controlled expenditure that offset the lower margin contribution from complementary businesses due to COVID-19

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations. Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-2.1% and -1.9% at top line and at recurring EBITDA in 1Q20). (1) Including the calendar effect adjustment and excluding the -2.1% FX effect.

# 1Q20 Group Share Net Result



Reverted result vs. 1Q19 driven by a resilient operating performance and improved capital structure



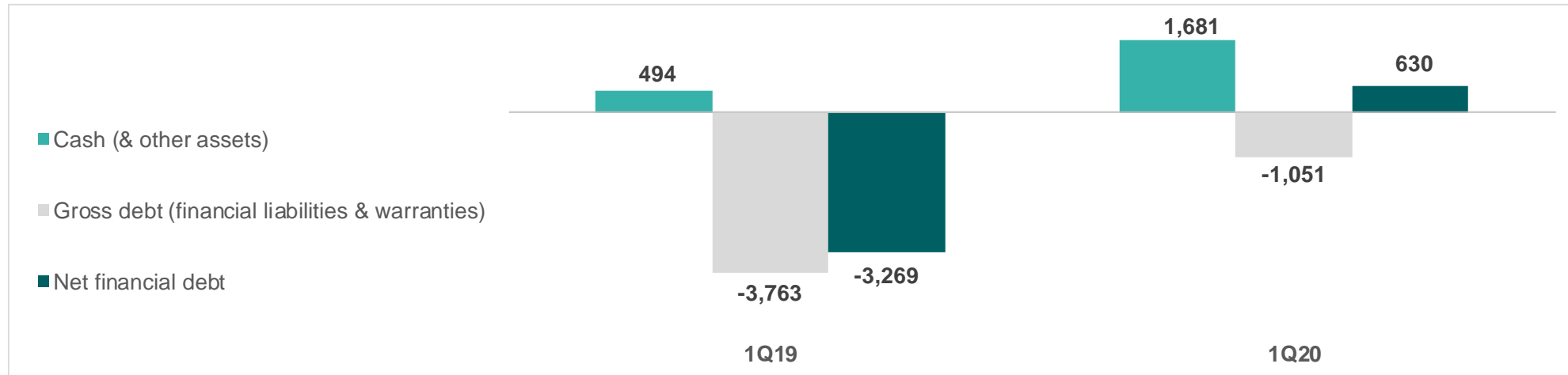
## Highlights

- Positive variations in operating performance of international operations and lower financial expenses from an improved capital structure.
- Negative variations of income from associates, non-recurring expenses, minority interest and deferred tax.

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

# 1Q20 Debt and Cash at Holding<sup>(1)</sup> Level

*Improved capital structure and healthy cash position*



## Main highlights

### Debt at the holding level:

- Gross debt reduced by COP \$2.7 billion on 1Q20 from improved capital structure (fully loan called off at the end of 2019 and COP \$890,000 million loan taken on March 2020)
- The Net Financial Debt level improved by COP \$3.9 billion in 1Q20 versus 1Q19
- The Central Bank reduced repo rates by 50 bps to 3.75%, on March 30<sup>th</sup>, the lowest level since June 2014
- Interest rates below IBR3M + 4.0% in COP

### Cash at the holding level:

- A healthier cash position level (+COP \$1.2 billion) to strengthen the Company's future performance

(1) Holding: Almacenes Éxito S.A results without Colombian or international subsidiaries. Note: IBR 3M (Indicador Bancario de Referencia). Holding gross debt issued 100% in Colombian Pesos with an interest rate below IBR3M + 4.0%.

## LatAm Platform

- ✓ Strong net sales and SSS growth excluding COVID-19 effect in all countries confirmed the trend seen in previous quarters.
- ✓ Consolidated Recurring EBITDA growth (+2.0%) despite COVID-19 effect on complementary businesses.
- ✓ Net income boosted by the solid performance of international operations and an improved financial structure.
- ✓ Protocols applied in all countries to face and mitigate effects from COVID-19.
- ✓ Shifting retail investment into omnichannel activities and strengthening of e-commerce.

## Colombia

- ✓ Net sales growth ex-COVID-19 (+5.3%<sup>(1)</sup>), driven by innovation, omnichannel and the food category (+12.8%).
- ✓ Strong sales growth of innovative models (Wow +14.6%, FreshMarket +24.7%, Cash and Carry +13.3%).
- ✓ Solid omnichannel performance (+44.6%, 5.2% sales share, +132 bps vs 1Q19).
- ✓ Recurring EBITDA margin reflected solid top line growth and controlled expenditure.
- ✓ An improved NFD (COP \$3.9 billion) and a stronger cash position (COP \$1.2 billion), expected to continue at a very healthy level along 2020.
- ✓ CapEx postponements may occur, and investment expected was adjusted by 50% (to COP \$200.000 million) focussed on innovation and omnichannel and prioritization into projects related to logistic and IT for e-commerce.

## Uruguay

- ✓ Quarterly net sales grew by 12.1%<sup>(1)</sup> and by 6.1%<sup>(1)</sup> ex COVID-19.
- ✓ Solid contribution from FreshMarket stores (43.5% share on sales).
- ✓ Operating margin gains (+50 bps) driven by top line dilution on expenses and operational efficiencies.

## Argentina

- ✓ Net sales grew by 47.0%<sup>(1)</sup> and by 44.9%<sup>(1)</sup> ex COVID-19, driven by accuracy on commercial activities.
- ✓ Stronger operating margin levels (+101 bps) despite COVID-19 effect on the real estate business.

# Appendices

# Grupo Éxito Strategic Pillars 2020 - 2022

Leading transformation focusing on customer and retail trends



Customer first

Our people

## 1. Innovation

- **Models**
  - ✓ FreshMarket
  - ✓ WOW
- **Formats/Banners**
  - ✓ Cash & Carry
- **Private Label**
  - ✓ Frescampo
  - ✓ Taeq

## 2. Omni-channel

- **E-commerce**
  - ✓ Éxito.com
  - ✓ Carulla.com
- **Market Place**
- **Digital Catalogues**
- **Home Delivery**
- **Last Milers**
  - ✓ Rappi
- **Click & Collect**

## 3. Digital Transformation

- **Apps**
  - ✓ Éxito
  - ✓ Carulla
- **Developments**
  - ✓ Frictionless
  - ✓ Customer Service
  - ✓ Data Analytics
  - ✓ Logistics & Supply Chain Management
  - ✓ HR Management
- **Startups**

## 4. Best Practices & Integration

- **Asset Monetization**
  - ✓ Real Estate
  - ✓ Non-core asset disposal
- **Traffic Monetization**
  - ✓ Loyalty Programs
  - ✓ Complementary businesses
- **Operational Excellence**
  - ✓ Logistics & Supply Chain
  - ✓ Lean Productivity Schemes
  - ✓ Joint Purchasing
  - ✓ Back Office

## 5. Sustainable Shared Value

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

Focus on improving



Customer Service



Relational Marketing



HR & Suppliers Relationship



IT Development

# 1Q20 Consolidated Financial Results

## Consolidated figures



in COP M	1Q20	1Q19	% Var
Net Sales	3,899,888	3,527,129	10.6%
Other Revenue	152,543	166,634	(8.5%)
<b>Net Revenue</b>	<b>4,052,431</b>	<b>3,693,763</b>	<b>9.7%</b>
Cost of Sales	(3,034,922)	(2,702,066)	12.3%
Cost D&A	(16,387)	(13,035)	25.7%
<b>Gross Profit</b>	<b>1,001,122</b>	<b>978,662</b>	<b>2.3%</b>
<i>Gross Margin</i>	<b>24.7%</b>	<b>26.5%</b>	<b>(179) bps</b>
SG&A Expense	(754,677)	(734,086)	2.8%
Expense D&A	(110,499)	(119,349)	(7.4%)
<b>Total Expense</b>	<b>(865,176)</b>	<b>(853,435)</b>	<b>1.4%</b>
<i>Expense/Net Rev</i>	<b>21.3%</b>	<b>23.1%</b>	<b>(176) bps</b>
<b>Recurring Operating Income (ROI)</b>	<b>135,946</b>	<b>125,227</b>	<b>8.6%</b>
<i>ROI Margin</i>	<b>3.4%</b>	<b>3.4%</b>	<b>(4) bps</b>
Non-Recurring Income/Expense	(31,061)	(22,761)	36.5%
<b>Operating Income (EBIT)</b>	<b>104,885</b>	<b>102,466</b>	<b>2.4%</b>
<i>EBIT Margin</i>	<b>2.6%</b>	<b>2.8%</b>	<b>(19) bps</b>
Net Financial Result	(34,328)	(102,151)	(66.4%)
Associates & Joint Ventures Results	(23,398)	(2,179)	N/A
<b>EBT</b>	<b>47,159</b>	<b>(1,864)</b>	<b>NA</b>
Income Tax	(4,517)	740	N/A
<b>Net Result</b>	<b>42,642</b>	<b>(1,124)</b>	<b>NA</b>
Non-Controlling Interests	(20,401)	(171,998)	(88.1%)
Net Result of Discontinued Operations	(254)	159,548	N/A
<b>Net Group Share Result</b>	<b>21,987</b>	<b>(13,574)</b>	<b>NA</b>
<i>Net Margin</i>	<b>0.5%</b>	<b>(0.4%)</b>	<b>91 bps</b>
<b>Recurring EBITDA</b>	<b>262,832</b>	<b>257,611</b>	<b>2.0%</b>
<i>Recurring EBITDA Margin</i>	<b>6.5%</b>	<b>7.0%</b>	<b>(49) bps</b>
<b>EBITDA</b>	<b>231,771</b>	<b>234,850</b>	<b>(1.3%)</b>
<i>EBITDA Margin</i>	<b>5.7%</b>	<b>6.4%</b>	<b>(64) bps</b>
Shares	447.604	447.604	0.0%
<b>EPS</b>	<b>49.1</b>	<b>(30.3)</b>	<b>NA</b>

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations. Consolidated data include results from Colombia, Uruguay and Argentina, he accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-2.1% and -1.9% at top line and at recurring EBITDA in 1Q20).

# 1Q20 P&L and CapEx by Country



<b>Income Statement</b>	<b><u>Colombia</u></b>	<b><u>Uruguay</u></b>	<b><u>Argentina</u></b>	<b><u>Consol</u></b>
<b>in COP M</b>	<b>1Q20</b>	<b>1Q20</b>	<b>1Q20</b>	<b>1Q20</b>
Let Sales	2,913,612	704,000	282,276	3,899,888
Other Revenue	137,956	6,285	9,254	152,543
<b>Net Revenue</b>	<b>3,051,568</b>	<b>710,285</b>	<b>291,530</b>	<b>4,052,431</b>
Cost of Sales	(2,364,498)	(470,994)	(199,521)	(3,034,922)
Cost D&A	(14,941)	(1,362)	(84)	(16,387)
<b>Gross profit</b>	<b>672,129</b>	<b>237,929</b>	<b>91,925</b>	<b>1,001,122</b>
<i>Gross Margin</i>	<i>22.0%</i>	<i>33.5%</i>	<i>31.5%</i>	<i>24.7%</i>
SG&A Expense	(509,284)	(159,145)	(87,109)	(754,677)
Expense D&A	(94,364)	(11,598)	(4,537)	(110,499)
<b>Total Expense</b>	<b>(603,648)</b>	<b>(170,743)</b>	<b>(91,646)</b>	<b>(865,176)</b>
<i>Expense/Net Rev</i>	<i>19.8%</i>	<i>24.0%</i>	<i>31.4%</i>	<i>21.3%</i>
<b>Recurring Operating Income (ROI)</b>	<b>68,481</b>	<b>67,186</b>	<b>279</b>	<b>135,946</b>
<i>ROI Margin</i>	<i>2.2%</i>	<i>9.5%</i>	<i>0.1%</i>	<i>3.4%</i>
Non-Recurring Income and Expense	(24,274)	90	(6,877)	(31,061)
<b>Operating Income (EBIT)</b>	<b>44,207</b>	<b>67,276</b>	<b>(6,598)</b>	<b>104,885</b>
<i>EBIT Margin</i>	<i>1.4%</i>	<i>9.5%</i>	<i>(2.3%)</i>	<i>2.6%</i>
<b>Net Financial Result</b>	<b>(31,431)</b>	<b>5,060</b>	<b>(7,957)</b>	<b>(34,328)</b>
<b>Recurring EBITDA</b>	<b>177,786</b>	<b>80,146</b>	<b>4,900</b>	<b>262,832</b>
<i>Recurring EBITDA Margin</i>	<i>5.8%</i>	<i>11.3%</i>	<i>1.7%</i>	<i>6.5%</i>
<b>CAPEX</b>				
<i>in COP M</i>	<b>39,894</b>	<b>9,970</b>	<b>1,935</b>	<b>51,799</b>
<i>in local currency</i>	39,894	112	31	

Note: Differences in the base versus the one reported in 2019 associated to the net result of Brazil and Gemex O&W S.A.S. registered as discontinued operations. Consolidated data include results from Colombia, Uruguay and Argentina, the accounting adjustment associated to food production processes in Colombia, eliminations and the FX effect (-2.1% and -1.9% at top line and at recurring EBITDA in 1Q20). The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country.



# 1Q20 Consolidated Balance Sheet



in COP M	Dec 2019	Mar 2020	Var %
<b>Assets</b>	<b>15,861,015</b>	<b>15,865,910</b>	<b>(78.1%)</b>
<b>Current assets</b>	<b>5,356,665</b>	<b>5,130,986</b>	<b>(86.6%)</b>
Cash & Cash Equivalents	2,562,674	2,074,662	(65.3%)
Inventories	1,900,660	2,051,518	(69.5%)
Accounts receivable	379,921	344,528	(65.6%)
Assets for taxes	333,850	409,986	(43.4%)
Assets held for sale	37,928	40,189	(99.8%)
Others	141,632	210,103	(49.6%)
<b>Non-current assets</b>	<b>10,504,350</b>	<b>10,734,924</b>	<b>(68.3%)</b>
Goodwill	2,929,751	3,050,449	(43.9%)
Other intangible assets	304,215	326,824	(93.7%)
Property, plant and equipment	3,845,092	3,923,514	(68.1%)
Investment properties	1,626,220	1,676,931	2.7%
Right of Use	1,303,648	1,276,959	(75.2%)
Investments in associates and JVs	210,487	197,090	(75.5%)
Deferred tax asset	177,269	184,840	37.9%
Assets for taxes	-	-	N/A
Others	107,668	98,317	(89.5%)

in COP M	Dec 2019	Mar 2020	Var %
<b>Liabilities</b>	<b>7,416,173</b>	<b>8,231,863</b>	<b>(84.7%)</b>
<b>Current liabilities</b>	<b>5,906,214</b>	<b>6,459,454</b>	<b>(82.9%)</b>
Trade payables	4,662,801	3,553,831	(72.9%)
Lease liabilities	222,177	213,352	(75.1%)
Borrowing-short term	616,822	1,288,949	(43.7%)
Other financial liabilities	114,871	97,392	(90.6%)
Liabilities held for sale	-	-	N/A
Liabilities for taxes	72,910	72,979	(75.6%)
Others	216,633	1,232,951	N/A
<b>Non-current liabilities</b>	<b>1,509,959</b>	<b>1,772,409</b>	<b>(88.9%)</b>
Trade payables	114	-	N/A
Lease liabilities	1,308,054	1,299,804	(71.6%)
Borrowing-long Term	43,531	285,920	(93.8%)
Other provisions	18,998	20,128	(99.1%)
Deferred tax liability	116,503	144,060	(89.8%)
Liabilities for taxes	800	923	(99.8%)
Others	21,959	21,574	(99.2%)
<b>Shareholder´s equity</b>	<b>8,444,842</b>	<b>7,634,047</b>	<b>(58.7%)</b>

# 1Q20 Consolidated Cash Flow



in COP M	Mar 2020	Mar 2019	Var %
<b>Profit</b>	<b>42,388</b>	<b>158,424</b>	<b>(73.2%)</b>
Adjustment to reconcile Net Income	211,121	1,039,376	(79.7%)
Cash Net (used in) Operating Activities	(1,215,488)	(3,607,977)	(66.3%)
Cash Net (used in) Investment Activities	(51,536)	(481,225)	(89.3%)
Cash net provided by Financing Activities	757,773	933,861	(18.9%)
<b>Var of net of cash and cash equivalents before the FX rate</b>	<b>(509,251)</b>	<b>(3,155,341)</b>	<b>(83.9%)</b>
Effects on FX changes on cash and cash equivalents	21,239	(34,105)	N/A
<b>(Decrease) net of cash and cash equivalents</b>	<b>(488,012)</b>	<b>(3,189,446)</b>	<b>(84.7%)</b>
<b>Opening balance of cash and cash equivalents discontinued operations</b>			
<b>Opening balance of cash and cash equivalents</b>	<b>2,562,674</b>	<b>5,973,764</b>	<b>(57.1%)</b>
<b>Ending balance of cash and cash equivalents discontinued operations</b>	<b>-</b>	<b>-</b>	
<b>Ending balance of cash and cash equivalents</b>	<b>2,074,662</b>	<b>2,784,318</b>	<b>(25.5%)</b>

# 1Q20 Debt by Country and Maturity

## Net debt breakdown by country

31 March 2020, (millions of COP)	Colombia	Uruguay	Argentina	Consolidated
Short-term debt	971,620	414,721	0	1,386,341
Long-term debt	285,920 -	0	-	285,920
<b>Total gross debt (1)</b>	<b>1,257,540</b>	<b>414,721</b>	<b>0</b>	<b>1,672,261</b>
Cash and cash equivalents	1,748,646	247,100	78,916	2,074,662
<b>Net debt</b>	<b>491,106 -</b>	<b>167,621</b>	<b>78,916</b>	<b>402,401</b>

## Holding Gross debt by maturity

31 Mar 2020, (millions of COP)	Nominal amount	Nature of interest rate	Maturity Date	31-mar-20
Revolving credit facility - Syndicated	500,000	Floating	August 2020	-
Revolving credit facility - Bilateral	100,000	Floating	August 2020	100,000
Revolving credit facility - Bilateral	100,000	Floating	January 2021	100,000
Short Term - Bilateral	600,000	Floating	March 2021	600,000
Long Term - Bilateral	290,000	Floating	March 2026	290,000
<b>Total gross debt (2)</b>	<b>1,590,000</b>			<b>1,090,000</b>

# 1Q20 Holding<sup>(1)</sup> P&L



in COP M	1Q20	1Q19	% Var
Net Sales	2,918,803	2,644,631	10.4%
Other Revenue	70,484	86,199	(18.2%)
<b>Net Revenue</b>	<b>2,989,287</b>	<b>2,730,830</b>	<b>9.5%</b>
Cost of Sales	(2,363,686)	(2,107,524)	12.2%
Cost D&A	(13,412)	(10,852)	23.6%
<b>Gross profit</b>	<b>612,189</b>	<b>612,454</b>	<b>(0.0%)</b>
<i>Gross Margin</i>	<i>20.5%</i>	<i>22.4%</i>	<i>(195) bps</i>
SG&A Expense	(460,079)	(457,885)	0.5%
Expense D&A	(88,781)	(91,484)	(3.0%)
<b>Total Expense</b>	<b>(548,860)</b>	<b>(549,369)</b>	<b>(0.1%)</b>
<i>Expense/Net Rev</i>	<i>(18.4%)</i>	<i>(20.1%)</i>	<i>176 bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>63,329</b>	<b>63,085</b>	<b>0.4%</b>
<i>ROI Margin</i>	<i>2.1%</i>	<i>2.3%</i>	<i>(19) bps</i>
Non-Recurring Income and Expense	(21,888)	(19,491)	12.3%
<b>Operating Income</b>	<b>41,441</b>	<b>43,594</b>	<b>(4.9%)</b>
<i>EBIT Margin</i>	<i>1.4%</i>	<i>1.6%</i>	<i>(21) bps</i>
<b>Net Financial Result</b>	<b>(39,597)</b>	<b>(104,918)</b>	<b>(62.3%)</b>
<b>Net Group Share Result</b>	<b>21,987</b>	<b>(13,574)</b>	<b>NA</b>
<i>Net Margin</i>	<i>0.7%</i>	<i>(0.5%)</i>	<i>123 bps</i>
<b>Recurring EBITDA</b>	<b>165,522</b>	<b>165,421</b>	<b>0.1%</b>
<i>Recurring EBITDA Margin</i>	<i>5.5%</i>	<i>6.1%</i>	<i>(52) bps</i>

(1) Holding: Almacenes Éxito Results without Colombian subsidiaries. Variations in the base versus the one reported in 2019 associated the net result of Gemex O&W S.A.S. registered as discontinued operations. Data includes the accounting adjustment associated to food production processes in Colombia applied only in the 1Q20 base.

# 1Q20 Holding<sup>(1)</sup> Balance Sheet



in COP M	Dec 2019	Mar 2020	Var %	in COP M	Dec 2019	Mar 2020	Var %
<b>Assets</b>	<b>13,519,213</b>	<b>13,405,994</b>	<b>(20.8%)</b>	<b>Liabilities</b>	<b>6,322,685</b>	<b>7,033,758</b>	<b>(26.1%)</b>
<b>Current assets</b>	<b>4,448,466</b>	<b>4,084,880</b>	<b>4.3%</b>	<b>Current liabilities</b>	<b>4,847,078</b>	<b>5,294,777</b>	<b>0.2%</b>
Cash & Cash Equivalents	2,206,153	1,681,446	(10.8%)	Trade payables	3,901,549	2,740,204	(23.2%)
Inventories	1,555,865	1,628,225	16.4%	Lease liabilities	224,492	213,784	19.2%
Accounts receivable	199,712	155,798	(28.6%)	Borrowing-short term	204,705	853,728	(18.1%)
Assets for taxes	314,736	373,855	N/A	Other financial liabilities	95,437	84,481	(24.1%)
Others	172,000	245,556	1.0%	Liabilities for taxes	66,270	48,142	(4.6%)
<b>Non-current assets</b>	<b>9,070,747</b>	<b>9,321,114</b>	<b>(28.4%)</b>	Others	354,625	1,354,438	N/A
Goodwill	1,453,077	1,453,077	0.0%	<b>Non-current liabilities</b>	<b>1,475,607</b>	<b>1,738,981</b>	<b>(58.9%)</b>
Other intangible assets	159,225	163,486	13.3%	Lease liabilities	1,394,323	1,412,763	6.4%
Property, plant and equipment	2,027,180	1,994,391	(3.0%)	Borrowing-long Term	6,293	248,443	(91.2%)
Investment properties	91,889	91,878	(5.9%)	Other provisions	53,056	56,224	45.0%
Right of Use	1,411,410	1,427,553	9.9%	Deferred tax liability	-	-	N/A
Investments in subsidiaries, associates and JVs	3,614,639	3,870,420	(50.0%)	Others	21,935	21,551	(27.5%)
Others	313,327	320,309	45.3%	<b>Shareholder's equity</b>	<b>7,196,528</b>	<b>6,372,236</b>	<b>(14.0%)</b>

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

# 1Q20 Store Number and Sales Area



<u>Banner by country</u>	<u>Store number</u>	<u>Sales Area (sqm)</u>
<b>Colombia</b>		
Éxito	247	624,907
Carulla	96	85,241
Surtimax	80	38,009
Super Inter	69	65,346
Surtimayorista	32	32,349
<b>Total Colombia</b>	<b>524</b>	<b>845,851</b>
<b>Uruguay</b>		
Devoto	60	39,886
Disco	29	33,452
Geant	2	16,411
<b>Total Uruguay</b>	<b>91</b>	<b>89,749</b>
<b>Argentina</b>		
Libertad	15	103,967
Mini Libertad	10	1,796
<b>Total Argentina</b>	<b>25</b>	<b>105,763</b>
<b>TOTAL</b>	<b>640</b>	<b>1,041,363</b>



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