

AUGUST 26, 2019

## Fairness Opinion Summary

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### I. Initial Considerations

The terms appearing in capital letters or not otherwise defined in the present opinion summary (the “Summary”) will have assigned definitions to said terms in the Fairness Opinion of August 26 directed to the Audit and Risk Committee of ÉXITO.

With regard to the Transaction (as defined below), INVERLINK S.A.S. (“INVERLINK”) delivered to the Audit and Risk Committee (the “Audit and Risk Committee”) of Almacenes ÉXITO S.A. (“ÉXITO”) a written opinion (the “Opinion”) dated August 26, 2019 in the sense that, and subject to suppositions, limitations, qualifications and other matters considered with relation to the preparation of the Opinion, the compensation (as defined below) to be paid by Casino Guichard Perrachon S.A. (“Casino”) to ÉXITO for the Transaction be fair and reasonable, from the strictly financial standpoint, for ÉXITO.

INVERLINK presented the Opinion to the Audit and Risk Committee (under said condition) with regard to and for effects of the evaluation of the Transaction. The Opinion was not prepared for the benefit of, nor will be considered as basis for, and will not grant any right nor resource in favor of, any person who it’s not from the Audit and Risk Committee of ÉXITO (under said condition).

The Opinion is not a recommendation to the ÉXITO Audit and Risk Committee with respect to whether recommend or not proceedings, with the authorization to carry out the Transaction to the form and terms and conditions, as to how to go about it or not.

The nature of the amount of compensation to be paid in the Transaction was not determined by INVERLINK. The negotiation of, and the decision to celebrate, the Transaction and any related agreement was exclusively carried out by the ÉXITO Board of Directors. Likewise, we were not requested, nor did we participate in, the negotiation of the terms of the Transaction, nor were we requested, nor did we render, any advising or service with relation to the Transaction, other than the rendering of this Opinion. The Opinion and INVERLINK’s analysis were only one of the different factors considered by the Audit and Risk Committee in the evaluation of the proposed Transaction and shall not be considered the only determinant of the opinions of the Audit and Risk Committee.

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The Opinion's complete text dated August 26, 2019, which describes, among others, the assumptions used, procedures followed, factors considered and limitations of the completed revision, is attached to this statement and shall be incorporated in its totality to this document as reference. The Summary is qualified in its entirety for reference to the complete Opinion text.

The Opinion is available only for information purposes and shall not be considered as a basis by any person (including title holders of any value issued by ÉXITO) different from members of the ÉXITO Audit and Risk Committee (under said condition).

## II. The Transaction

INVERLINK understands that, through communication of the Relevant Information registered by ÉXITO before the Finance Superintendency, dated August 19, 2019, ÉXITO informed Casino the offer to acquire controlling shares from ÉXITO (representing approximately 18.7% of financial rights) that it indirectly owns of the Brazilian company Companhia Brasileira de Distribuição ("GPA") (the "Offer"), by means of acquisition of 50% of issued and outstanding shares of the company Segisor S.A. ("Segisor") (the "Transaction"). Currently, ÉXITO indirectly owns 50% of Segisor and it, simultaneously, directly and indirectly, owns a total of 99,619,228 common shares of GPA through the company Wilkes Participações S.A. ("Wilkes").

In compensation, ÉXITO shall receive a cash amount equal to 50% of: i) 99,619,228 shares of GPA multiplied by 113 BRL per share (the "Compensation"); less ii) the amount of the net financial debt, including accrued interest, of (i) Segisor and (ii) Wilkes reported at Transaction closing; iii) converted to USD at the average exchange rate of the 30 calendar days ending the fifth calendar day prior to Transaction close.

## III. Scope of the Opinion

The following Summary is based on the complete text of the Opinion. INVERLINK issued the Opinion to the Audit and Risks Committee for the use and benefit of the ÉXITO Audit and Risks Committee (under such condition) with relation to and for the effect of its assessment of the Compensation from a financial standpoint and was not prepared for or in benefit of, shall not be considered basis for, and shall not entitle any right or resource in favor of any person (including title holders of any values issued by ÉXITO) who are not members of the ÉXITO Audit and Risks Committee (under such condition).

The Opinion does not concern itself with any other aspect of the Transaction and no opinion or point of view was expressed with regard to relative merits of the Transaction compared to other strategic alternatives that shall be at the disposal of ÉXITO, or where ÉXITO could participate, or regarding the underlying business decision of ÉXITO to proceed or complete the Transaction.

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The Opinion is neither, i) a recommendation regarding the convenience of the Transaction, nor of the terms and conditions of this; nor ii) a recommendation to the Audit and Risks Committee of ÉXITO regarding whether or not to recommend proceeding with the authorization to carry out the Transaction or the form or terms and conditions as to how to do so or not.

## IV. Description of Certain Activities Carried out

Regarding issuing the Opinion, INVERLINK, among others, has:

- i. analyzed certain relevant information and available to the public with regards to the Transaction, including the main financial terms of the Transaction;
- ii. analyzed certain business and financial information available to the public relative to GPA,
- iii. analyzed certain financial and operational information relative to the business, transactions and operational specifics of GPA, provided and discussed with ÉXITO Management (said projections, the “GPA Business Plan”);
- iv. compared certain GPA financial information with similar financial information from other companies listed on the stock exchange, that we deem comparable and relevant;
- v. compared certain GPA financial information with similar financial information from previous transactions regarding assets and/or companies we deem comparable and relevant;
- vi. compared certain market price information of the GPA with price information from precious transactions regarding companies listed in the Brazilian stock exchange, wherein there has been majority participation to control; and
- vii. undergone the rest of the analyses and studies, and considered the rest of the information and factors deemed appropriate.

In order to issue our Opinion we have assumed and trusted, without any independent verification, with regard to the accuracy and integrity of the financial information and the rest of the information and data publicly available, or provided by us, or revised or discussed with us (specifically but not limited to, the GPA Business Plan relayed in point iii., above), and we have assumed the veracity of the information in the affirmations made by ÉXITO Management related to the issue that we are not aware of facts or circumstances that could render said data or information incorrect, inaccurate or misleading in any material aspect.

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## V. Material Financial Analysis

The following is a brief summary of the material financial analysis presented by INVERLINK to the Audit and Risks Committee of ÉXITO regarding the Opinion. The preparation of a financial opinion is a complex analytical process, which implies several decisions regarding the most appropriate and pertinent financial analysis methods, as well as the application of said methods to specific circumstances and, as such, a financial opinion is not easily susceptible to a partial analysis of a summarized description. The INVERLINK analysis should be considered as a whole. Additionally, INVERLINK considers that upon only taking into account isolated portions of its analysis and/or individual factors considered, without taking into account the entire analysis and factors or the narrative description of said analysis, could create an incorrect or incomplete image of underlying processes of the analysis and of the Opinion.

The fact that some specific analyses have been mentioned in the Summary, does not indicate that said analyses were given greater weight than any other analysis not mentioned in the Summary or other included in the Opinion.

### V.1 Applied Methodologies

The analysis includes the use of multiple valuation methods common to the industry:

#### Discounted cash flows (1)

Cash flows based on GPA Business Plan

- Calculation of present values of cash flows available to shareholders, including terminal value, according to information supplied by ÉXITO
  - GPA Business Plan Financial Projections for the 2019-2020 period, with respective income, operational margins, capital investments (“CAPEX”), working capital and the cash flow components
- Calculation of terminal value for GPA from a range of growth rates to life-perpetuity, which were applied to the shareholder available cash flow of 2028.
- Range of discount rate from the CAPM (Capital Asset Pricing Model) method
- Expected value of losses generated by current GPA contingencies is considered, those published in the consolidated financial statements at June 30, 2019
- Operational analysis were carried out as such as income growth, EBITDA margins, CAPEX and discount rates

#### Multiples of comparable companies & transactions (1)

- Review of valuation multiples of market comparable for a selection of companies focused on Latin America and/or other food retail markets similar to GPA
  - Multiples updated to June 31, 2019 and using EBITDA 2018 as base, the last 12 month estimated EBITDA and 2019 estimated EBITDA
- Review of multiples of comparable control acquisitions (M&A transactions) for a selection of companies focused on food retail in Latin America in recent years

#### Implicit premiums of preceding transactions

- Analysis of implicit premiums on transactions for control change occurring in the Brazilian market in the last 5 years
- Calculation was made of the implicit premium value representing this consideration compared to the market value of said shares at the moment prior to the transaction’s announcement, and to the weighted average of the 30 days prior to the transaction’s announcement.

(1) Uncontrolled shares owned by GPA are considered, their capital value published in the balance sheet of the consolidated financial statements at the June 30 cut date

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## V.2 Financial Analysis - Discounted Cash Flows

INVERLINK carried out an analysis of the discounted cash flows (“DCF”) of GPA to calculate the estimated present value of the available cash flows of the shareholders that directly stem from GPA’s Business Plan, supplied by ÉXITO Management, and that shall be generated yearly by GPA during the 2019-2028 period.

INVERLINK calculated terminal values in BRL for GPA applying a perpetuity growth rate from 3.25% to 3.75% to cash flows available to stockholders in BRL and normalized to calendar year 2028. Those cash flows and terminal values were subsequently discounted to present value to July 31, 2019, using rates between 12.1% and 13.2%, which were based on a weighted average estimate of the stockholder’s capital cost (Ke) at BRL of GPA.

This analysis of Discounted Cash Flows indicated a reference company value for the Transaction in a range of a multiple Company Value/EBITDA last twelve months from 9.2x to 10.2x. This compares to the implicit value of the Offer of 9.8x Company Value/EBITDA of the last twelve months.

## V.3 Financial Analysis - Analysis of Selected Companies that Trade on the Stock Market

INVERLINK reviewed certain available public information related, but not limited to, transactions of companies or retail assets with similar or comparable conditions present in Latin America and/or other markets. INVERLINK reviewed, among others, company values calculated at July 31, 2019 which stem from capitalization of the market of selected companies that trade shares in the stock market.

INVERLINK also used 2018 EBITDA for the last twelve months, as well as estimated 2019 EBITDA, based on a analysts’ consensus for each one of the selected comparable companies. There are no companies or transactions that are completely comparable to GPA. As such, the evaluation of the results of this analysis is not solely quantitative. On the contrary, the evaluation of the results of this analysis involves complex considerations and judgments with reference to differences in financial characteristics and other factors that could affect the value of the transaction and other values of companies or assets with which the Transaction was compared.

The analysis indicated that, to July 31, 2019, the commercial value of said companies or retail assets was the following: (i) the range (2) Company Value multiples / 2018 EBITDA of the sample of comparable companies was 9.6x - 10.2x, (ii) the range (2) of multiples of Company Vale / EBITDA of the last twelve months of the sample of comparable values was 8.6x - 10.1x and (iii) the range (2) of multiples of Company Vale / EBITDA 2019e of the sample of comparable companies was 9.0x - 9.9x. This is compared to the implicit value of the Offer of 9.8x Company Value / EBITDA of the last twelve months.

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## V.4 Financial Analysis - Analysis of Selected Preceding Transactions

INVERLINK reviewed certain financial information from public sources related to comparable acquisitions of control shares for a selection of food retail companies focused on Latin America in recent years. INVERLINK reviewed transaction values, calculated as implicit business value of the object company, based on compensation paid in selected transactions, as EBITDA multiples the last twelve months of the target company. Financial information estimated is based on available public information at the issuance of this Opinion. There are no companies or transactions that are completely comparable to GPA. As such, the evaluation of results of this analysis is not purely quantitative. On the contrary, the evaluations of the results of this analysis involve complex considerations and judgments relevant to differences in financial characteristics and other factors that could affect the value of the transaction and other values of the companies or assets with which the Transaction was compared.

Range (2) of Business Value multiples / EBITDA the last twelve months of the preceding transactions in food retail was 8.8x - 10.5x. This is compared to the implicit value of the Offer of 9.8x Business Value / EBITDA of the last twelve months.

## V.5 Financial Analysis - Implicit Premiums of Change of Control Transactions

INVERLINK also analyzed implicit premiums in change of control transactions which occurred in the last twelve months in the Brazilian market. INVERLINK reviewed, among others, the total value of the consideration per action in purchase and sales in which the seller surpasses 50% of political capital of the company of which it is acquiring shares.

In addition, INVERLINK calculated the implicit premium that represents this consideration versus the market value of said shares at the moment prior to the announcement of the transaction, and the weighted average of the 30 previous days to the announcement of the transaction. There are no companies or transactions that are completely comparable to GPA. As such, the evaluation of the results of this analysis is not solely quantitative. On the contrary, the evaluation of the results in this analysis involve complex considerations and judgments relevant to differences in financial characteristics and other factors that could affect the value of the transaction and other values of the companies or assets with which the Transaction was compared.

The analysis indicated the range (2) of the implicit premiums of these analyzed transactions was: (i) over market price at the date of transaction announcement from 23.9% to 43.4%; (ii) over the weighted average price of the 30 days prior to the announcement of the transactions from 23.0% to 36.6%.

These ranges are compared to the implicit premium of the Offer, based on BRL price of 113 per share, of 33.6% over the market price of GPA at the date of the announcement of the Transaction and of 29.7% over the average weighted price of 30 days prior to the announcement of the Transaction.

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This implicit premium analysis derives ranges of Business Value multiples / EBITDA the last twelve months for: (i) premiums over the market price of GPA at the date of the announcement (3) of the Transaction of 9.1x to 10.5x, and (ii) premiums over the weighted average of 30 days prior to the announcement of the Transaction (3) of 9.3x to 10.3x. This is compared to the implicit value of the Offer of 9.8x Business Value / EBITDA of the last twelve months.

## VII. Conclusions

Based on public information, as well as information supplied by Grupo ÉXITO and after carrying out:

- Valuation of Discounted Cash Flow methods based on financial projections associated to the GPA Business Plan
- Valuation by multiples of comparable companies listed on the stock market.
- Valuation by multiples of preceding transactions of comparable companies.
- Valuation using implicit control premiums in transactions in the stock market of Brazil

In INVERLINK'S opinion, at the date of the present document, compensation to be paid on the Transaction by CASINO, corresponding to BRL 113 per ordinary share of GPA, adjusted by the net existing debt at Segisor S.A. and Wilkes Participações S.A., is fair and reasonable, from a financial standpoint, for Grupo ÉXITO.

Likewise, we consider the inclusion of the Equalization Price Adjustment Clause, for a period of 15 months, counted upon closing, and whose details of implementation mechanics shall depend on the redaction of the terms and conditions that shall be included on the final legal documentation, is favorable to the interests of Grupo ÉXITO, since it has an associated contingent value potential that shall materialize in favor of this, if and when the established circumstance established to generate the right said clause grants, occurs. The magnitude of the potential contingent value in favor of Grupo ÉXITO associated to the Equalization Price Adjustment Clause, as well as its requirement, shall be defined by terms and conditions established in the final legal documentation of the Transaction.

(3) Date of announcement, June 26, 2019

## VIII. Transfers / Releases

With regard to the GPA Business Plan, INVERLINK has assumed, with the consent of the ÉXITO Management, that the projections herein contained have been reasonably prepared, based on the best possible estimates currently available and based on the good faith judgment of the GPA Management and that of ÉXITO, regarding the future financial performance of GPA and the valuation with regard to the possibility of achieving future results reflected on the GPA Business Plan. In addition, with the consent of and under the direction of ÉXITO, beyond the GPA business Plan, we have not assumed any overhead costs or commercial, operations, or management impacts that can be associated to the Transaction.

INVERLINK, has based itself, under the direction of ÉXITO, on the GPA Business Plan, for effects of the Opinion, regarding Compensation to be paid by Casino to ÉXITO in the Transaction, is fair from a financial standpoint for ÉXITO. With regard to the GPA business plan, under the consent and instructions of ÉXITO, we assume the implied macroeconomic bases in said document, specifically with respect to inflation used, are reasonable and effect the current consensus of experts on this matter.

INVERLINK makes no declaration or guarantee, expressly or implied, with regard to the precision or integrity of said information (including, but not limited to, the GPA Business Plan and nothing contained in this document is, or should be, considered a declaration regarding the past, present or future.

We have made no physical inspection to valuation of the properties or assets involved in the Transaction. We have not evaluated, nor have we advised ÉXITO or CASINO on the solvency or fair price under no law or other norms related to bankruptcy, insolvency or similar issues and we have we emitted any opinion regarding legal aspects, nor have we given an opinion regarding legal, regulatory, tax, accounting aspects, or any other aspect of the Transaction, GPA or ÉXITO.

We have assumed, under the instructions of ÉXITO, that the Transaction shall be carried out according to the established times and that, in the course of acquiring government and regulatory approval agreements, releases and resignations necessary for the Transaction, there shall be no delays, nor limitations, restrictions or conditions, including any divestment requirements or amendments or modifications that can have an adverse effect on GPA or on the expected benefits of the Transaction. During the course of our analysis, we have not reviewed any contract by means of which the Transaction will be carried out. Nor have we seen specific clauses where there is stipulation for regulating price adjustment mechanisms.

Estimates as to the future performance of GPA (including the GPA Business Plan), which were prepared for the management of GPA and ÉXITO, and on which INVERLINK analyses are based, are not necessarily indicative of real values or real future real results, which can be significantly more or less

## IX. Other Considerations

favorable than this estimated or announced on the INVERLINK predictions.

INVERLINK has not based itself on any independent evaluation and has not been supplied any valuation of assets or liabilities (contingent or not) in each case, of GPA. INVERLINK never expressed any point of view or opinion regarding foreign currency or fluctuations in the exchange rate or exchange risk

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# Fairness Opinion Summary (Continued)



associated to the Transaction. INVERLINK has not expressed any point of view or opinion regarding terms or other aspects of the Transaction (different from Compensation, according to what is expressly stated in this document), including, but not limited to, form or structure of the Transaction or any of the terms and conditions which govern it.

Likewise, we were not requested, nor did we participate in, the negotiation of the terms of the Transaction, nor were we requested, nor did we render, any advising or service with relation to the Transaction, other than the rendering of this Opinion. Our opinion is limited to the analysis of whether the Compensation to be received by ÉXITO in the Transaction is fair, from a financial perspective, for ÉXITO, and only based on the available public information to INVERLINK and the information provided by ÉXITO.

The Opinion is necessarily based on financial, conditions, monetary, market and other conditions and circumstances in force to date of its issuance, as well as the public information and said information made available to us to that same date. It should be understood that subsequent events could affect or modify the results of the Opinion. INVERLINK is under no obligation to update, revise or reaffirm the Opinion subsequent to the date of the issue of said Opinion, nor will it be responsible for latter circumstances that might affect or modify the results of the Opinion. Should be noted that any valuation corresponding to an estimate or approximation of value is subject to uncertainty and contingencies, many of which are difficult to predict and are beyond the control of the firm preparing the valuation. As such, a valuation must not be considered a guarantee of value. The results can vary materially with respect to what is explicit or implied in any affirmation regarding future situations, predictions or projections due to the large number of factors involved.

The analyses presented in the Summary were prepared solely within the framework of the INVERLINK analysis, with respect to a financial perspective, fair compensation for ÉXITO and were provided to the Audit and Risks Committee with relation to the Opinion. The analyses do not aim to be valuations, nor to reflect prices at which the company could be effectively sold. It does not aim to reflect prices at which any value has been transacted or could be transacted at any time in the future. As a consequence, the estimates used in, and the value ranges results of any particular analysis described in this document, are inherently subject to substantial uncertainty and should not be considered as the point of view of INVERLINK with respect to the real values of GPA or ÉXITO.

This Summary, on its own, does not constitute a complete description of the analyses made by INVERLINK. Considering the data included in the Summary that will be presented herewith, without taking into account the narrative description of the financial analyses and the complete text of the Opinion, could create an incorrect or incomplete margin of the analyses made by INVERLINK.

As part of our business in investment banking, we are constantly involved in the valuation of businesses and assets with relation to mergers and acquisitions, private issues and valuation for corporate effects and other purposes. In the past, we have provided, and could provide in the future, investment banking services to ÉXITO, its shareholders and some of its affiliates. We have also received or could receive in the future, compensation for the rendering of services, including having acted as a financial advisor to ÉXITO and / or some of its affiliates with relation to certain investment banking operations. INVERLINK has not rendered financial advice services for mergers and acquisitions to CASINO with respect to the Transaction.

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This Fairness Opinion is issued for the exclusive use of the Audit and Risks Committee of ÉXITO (under said condition) in the context of its evaluation of the Transaction, and it shall not be used by any person or entity different from or for different ends to this mentioned. The analysis is based on information provided by ÉXITO Management or taken from public sources. Although INVERLINK has been careful and diligent in preparing this document, INVERLINK has not performed an audit or independent verification of this information and has assumed the information is complete and accurate, in all its material aspects for which it assumes no responsibility for the accuracy or validity of it. With relation to the GPA Business Plan, INVERLINK has assumed, under the instructions of ÉXITO, that projections contained therein have been prepared on bases that reasonably reflect the best judgment and current estimates of management with regards to the future financial performance of GPA, as well as the evaluation of probability of reaching future financial results therein expressed. INVERLINK has based its findings on the GPA Business Plan, following consent and instructions from ÉXITO Management, for effects of the opinion regarding whether total Compensation to be paid by Casino to ÉXITO on the Transaction is fair, from a financial standpoint, for ÉXITO

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