

# Éxito's ADR and BDR listing

Grupo Éxito

October 2022

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# Agenda

1

Transaction  
Overview

2



# Section 1

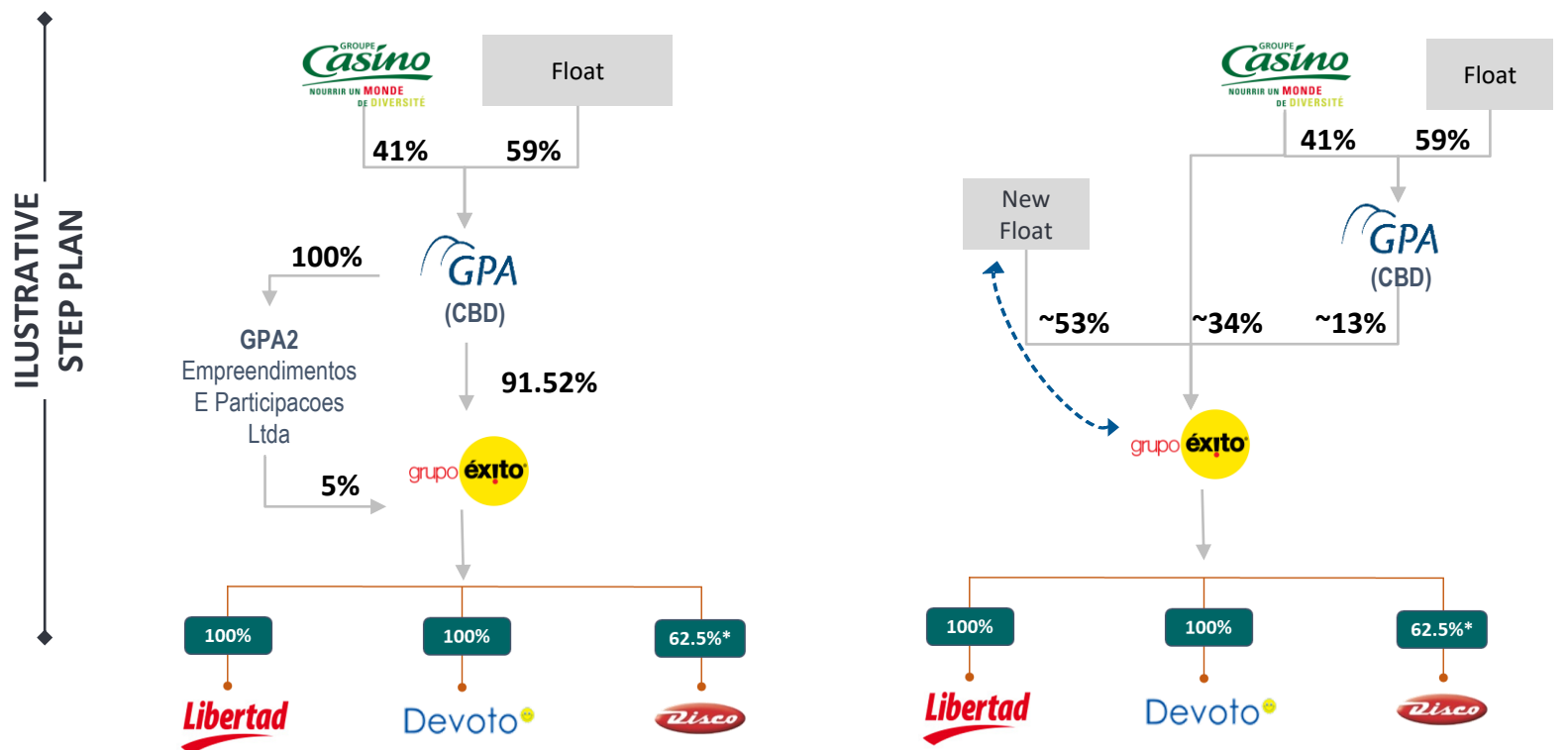
Transaction Overview



# Capital structure: pre & post transaction

## A Current capital structure

## B Post-transaction structure



- HIGHLIGHTS
- Distribution of 83% Éxito shares currently held by GPA (96.52%)
  - Potential increase in Éxito's float from 3.5% to ~53%
  - Potential increase in **Éxito's shareholders base** of more than **60,000 shareholders** and of becoming the most liquid stock of the Colombian market

## Overview

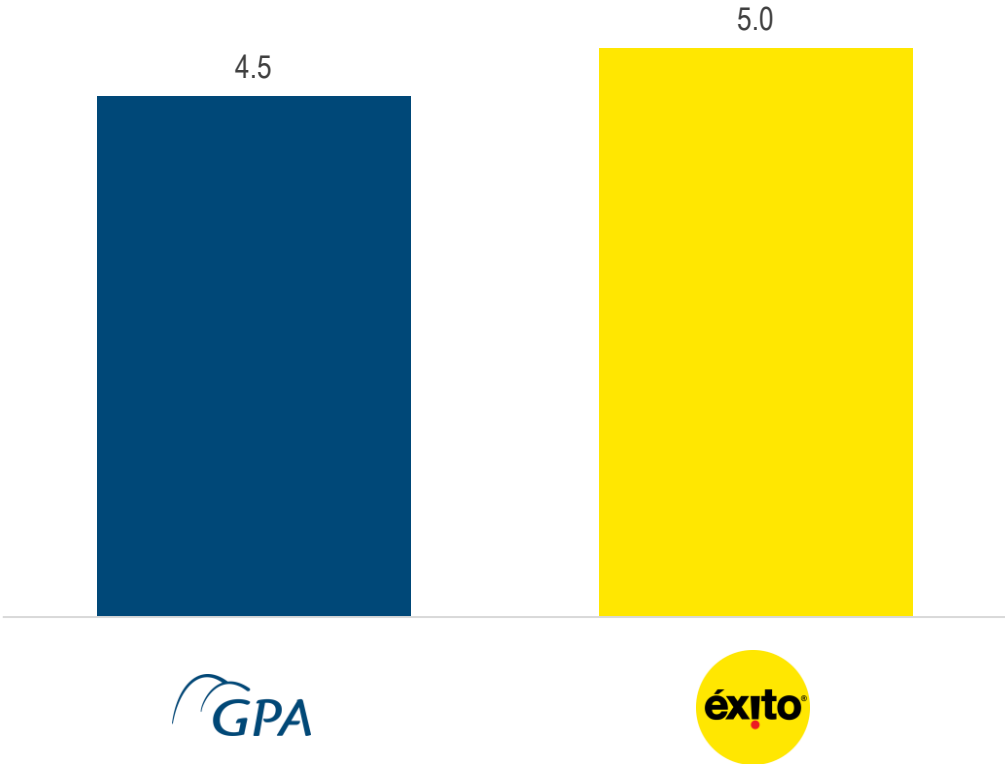
Éxito's shares would be delivered to the same shareholder structure of GPA as a result of the capital reduction

In order to meet the interests of shareholders and corporate governance standards, the distribution of the shares would be done with Éxito ADRs level II and Éxito BDRs level II, to be created in the context of the Transaction

# Material value unlocking potential for Éxito share

Éxito's market cap is higher than GPA's  
(which owns ~97% of Éxito)

Market cap (COP\$ bn)



## Associated Benefits



Potential **value unlocking** benefiting Éxito's shareholders base by **increased liquidity** and **market visibility** (a similar transaction was made by GPA with the spin-off of Assaí in 2021)



Improved market value recognition of the stock (closing price \$10,690 on sep 23, implied a 4.5x to 5.0x EV/EBITDA multiple valuation, which compares to materially higher historical levels when the stock had a float close to 45%)



**Independency for GPA and Éxito**, with a simplified governance structure and additional funding alternatives



**Operational dyssynergies are not expected** to arise from the transaction

Current Éxito's share value clearly affected by the low float in the market (3.5%)

## Illustrative timeline for the Transaction

- 1** Announcement of the preliminary analysis by the Board of Directors **September 6**
- 2** Transaction preparation (creditors' validation, approvals on the Transaction, ADR and BDR listing, among others) **Until December 2022**
- 3** Approval period by GPA governance bodies and regulators (ADRs and BDRs) **First Quarter 2023**
- 4** Transaction completion **First Semester 2023**



# Section 2

Grupo Éxito



# Grupo Éxito investment highlights

## Leading food retail platform in Colombia and Uruguay



- Leadership & diversification
- Strong cash flow generation
- Top-of-mind brands

## Innovation with new business models and formats



- Formats: Éxito WOW, Carulla
- Surtimayorista
- Fresh Market and
- Private label: food & non-food

## Top omni-channel platform in LatAm (12.1%)<sup>1</sup>



- Solid platform
- High digital penetration
- Significant value upside from ongoing initiatives

## Asset and traffic monetization



- Viva I Real estate
- Puntos Colombia I Loyalty Program
- TUYA I Financial services

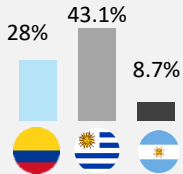


**#1 multi-format food retailer in Colombia and Uruguay**  
**Largest mall operator in Colombia<sup>2</sup>**  
**Relevant growth opportunities**

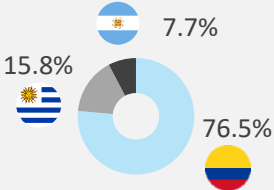


**601 stores 1H22**

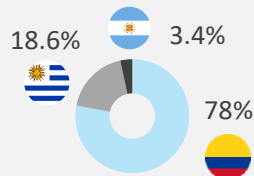
### Market Share



### % of Sales<sup>3</sup>



### % of EBITDA<sup>3</sup>



**COP\$18.7 bn<sup>3</sup>**  
Net Revenues  
**+20.7% vs 2021**

**COP\$4.8 bn<sup>3</sup>**  
Gross Profit  
**margin 25.3%**



**COP\$1.6 bn<sup>3</sup>**  
Recurring EBITDA  
**margin 8.8%**

**COP\$0.5 bn**  
NFD<sup>4</sup>

# Expansion and innovation - Éxito Wow



Expansion opportunities with accretive contribution to EBITDA and mid-term returns

|                                      |   |
|--------------------------------------|---|
| Total stores                         |  213         |
| Formats and value proposal           | Hyper, supermarkets & convenience stores<br>Value for money<br>High quality customer service  |
| New model stores/format              |  20 (+1 QoQ) |
| Share of banner sales                | 30.1%   |
| Sale increase vs. regular stores     | +30.8 p.p. after 24 months  |
| ROI <sup>(1)</sup>                   | 52%   |
| 5-year store expansion & conversions | +31 Full / +99 Econo<br>(includes 6 La 14 stores)   |

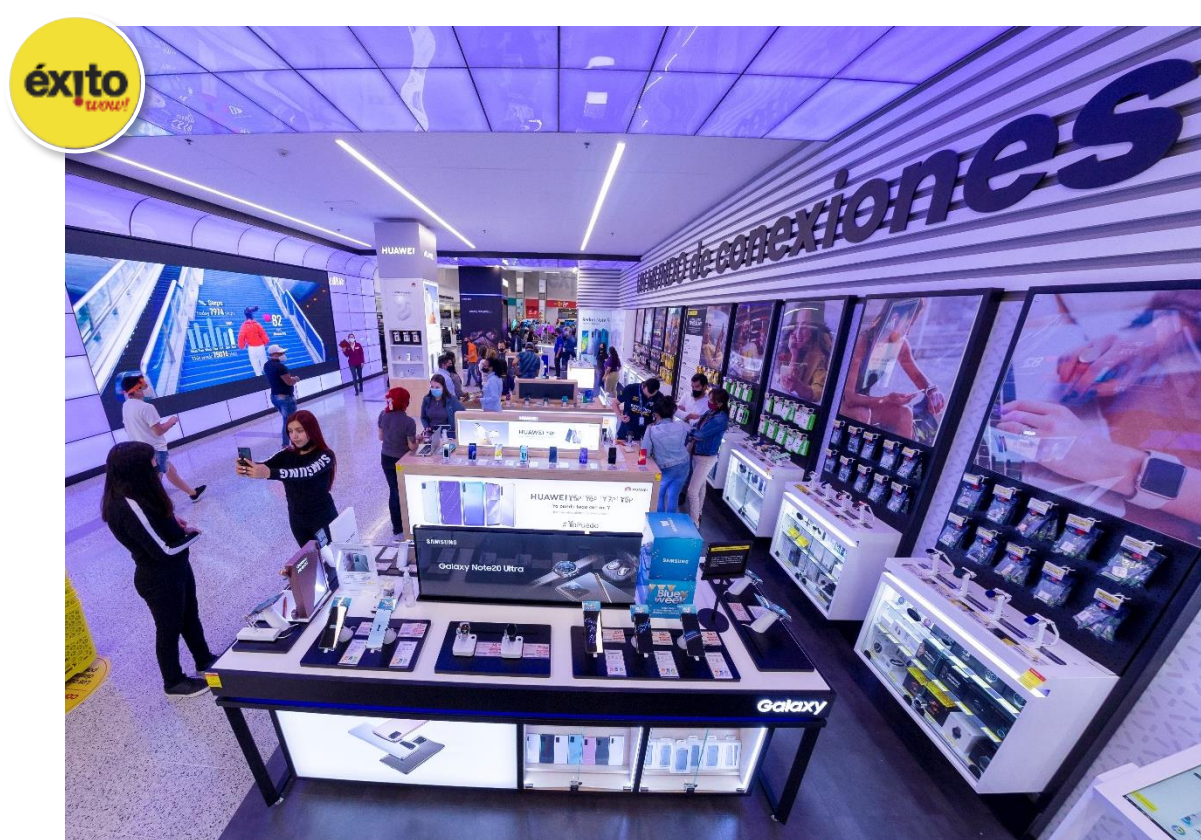


“Where the protagonist is definitely not the format, the product or even price, but the customer” - **Laureano Turienzo** – President of the Spanish Retail Association



Figures as of June, 2022  
Note: (1) Return on Investment (ROI) calculated as additional EBITDAR/investment of 14 Wow stores with over 13 months of operation after reconversion in 2018 and 2019







# Expansion and innovation - Carulla Fresh Market



Expansion opportunities with accretive contribution to EBITDA and mid-term returns

**Carulla** 101

Format and value proposal

Supermarkets and convenience stores  
Best in fresh-premium products  
Top experience

**Carulla**  
FreshMarket 22

Share of brand sales

46.5%

Sale increase vs. regular stores

+13.9 p.p. after 24 months

ROI <sup>(1)</sup>

18.4%

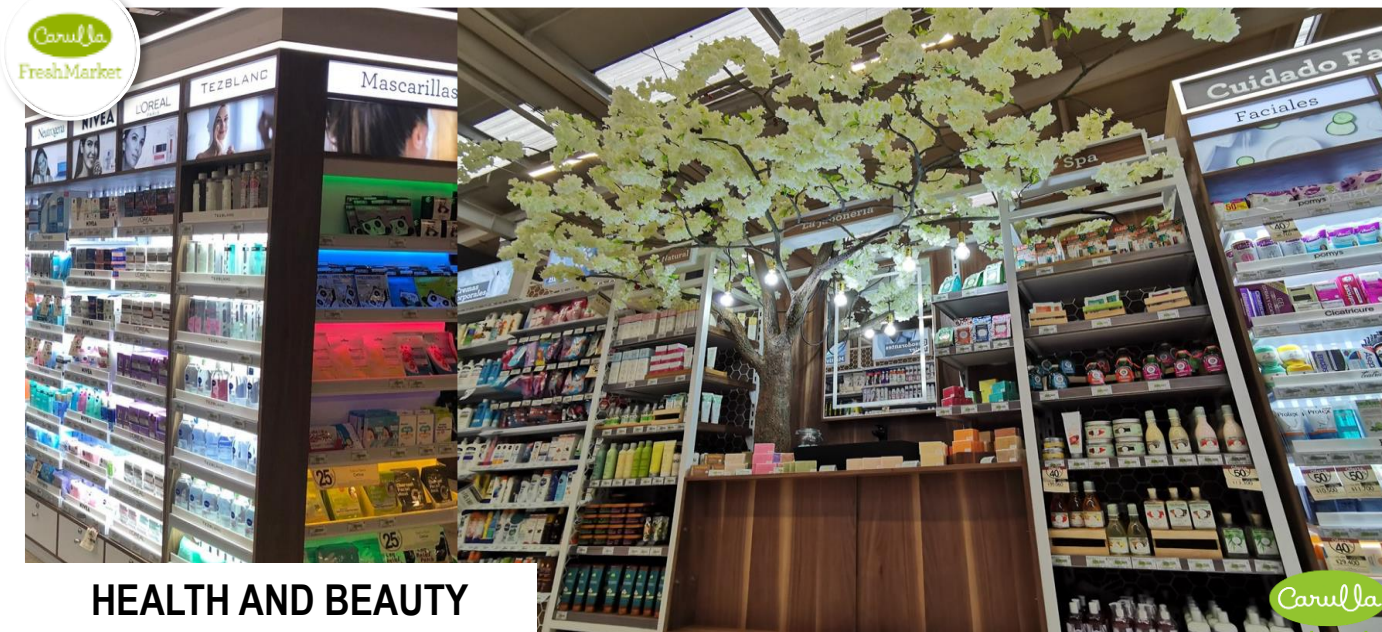
5-year store expansion & conversions

+16 Full / +42 Midi



Figures as of June, 2022  
Note: (1) Return on Investment (ROI) calculated as additional EBITDAR/investment of 8 Fresh Market stores with over 13 months of operations after conversion in 2018 and 2019

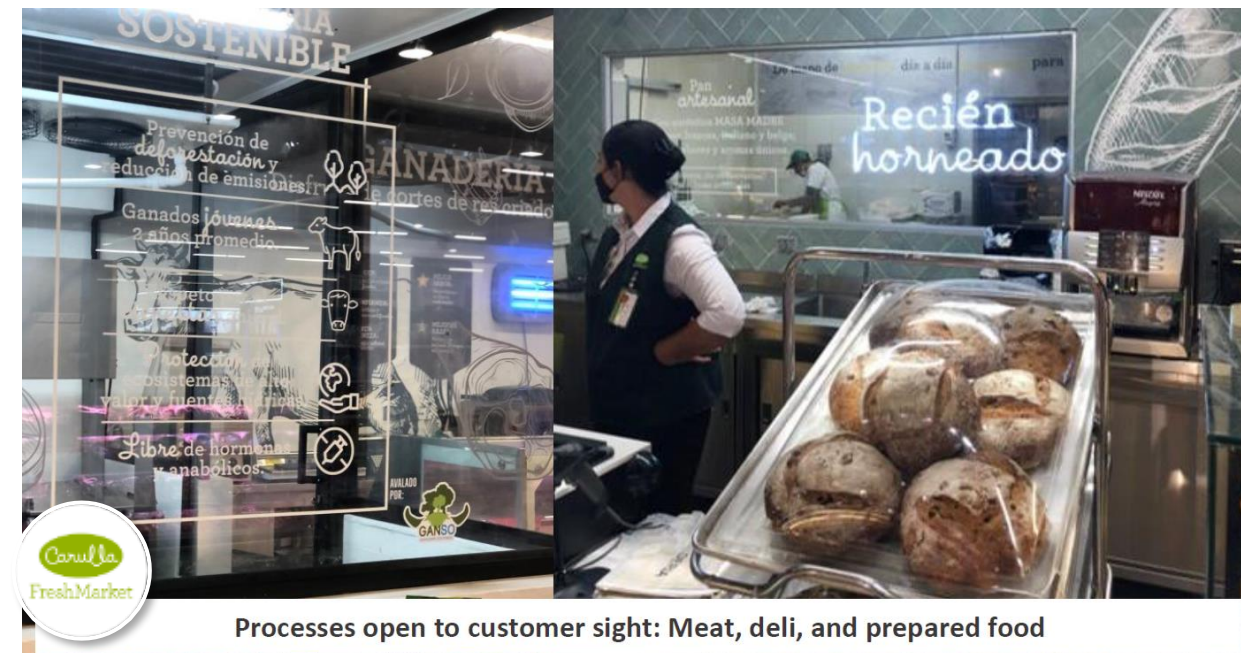




HEALTH AND BEAUTY



BEER



Processes open to customer sight: Meat, deli, and prepared food



COFFEE



# Expansion and Innovation - Surtimayorista



Expansion opportunities with accretive contribution to EBITDA and mid-term returns

Total stores



41

Format and value proposal

Low-cost stores  
Where buying costs less  
High returns

New model stores/format



Share of brand sales

5.3%

Sale increase vs. regular stores

2.2x after 24 months

ROI (1)

21.7%

5-year store expansion & conversions

+71



Information as of June. 2022  
Note: (1) Return on Investment (ROI) calculated as additional EBITDAR/investment of 12 Surtimayorista stores with over 13 months of operation after conversion in 2018 and 2019







# Omni-channel strategy<sup>1</sup>



Omni-channel leader in Colombia and LatAm with strong growth in sales and orders

## Highlights 12M 1H22

**Total sales**  
COP \$1.6 bn (+17% 1S22)

**Share of sales<sup>2</sup>**  
11.7% 12M  
12.1% 1S22

**Orders**  
9.6 million (+36.2% 1S22)



✓ **E-commerce**  
78 million visits



✓ **Apps**  
788,000 downloads  
(+17%)



✓ **Click & Collect**  
26% on omni-channel GMV<sup>3</sup>  
✓ **Whatsapp** +413,000 transactions,  
COP\$147,000 million

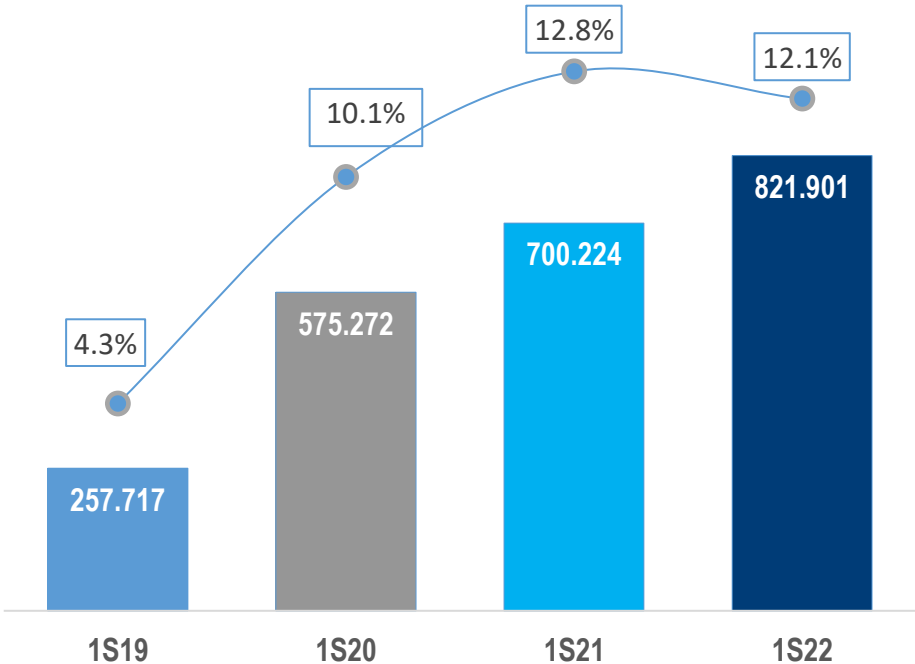


**Last Mile & Home Deliveries**  
“Turbo” 10-minutes delivery  
(34.6% share of Rappi sales)



**Marketplace**  
✓ 23% share on omni-channel  
non-food GMV<sup>3</sup>  
✓ 1,300 vendors

Omni-channel sales (in COP mm) as percentage of total sales



Note: LTM-1S22 considering 2Q22, 1Q22, 4Q21 and 3Q21 results (1) Includes .com, marketplace, deliveries, shop&go, click&collect, digital catalogues and virtual B2B (2) Adjusted to 2020 figures as virtual B2B was included (3) GMV: Gross Merchandise Value



# Complementary businesses – Traffic and asset Monetization



Real Estate: hidden value in Éxito's valuation

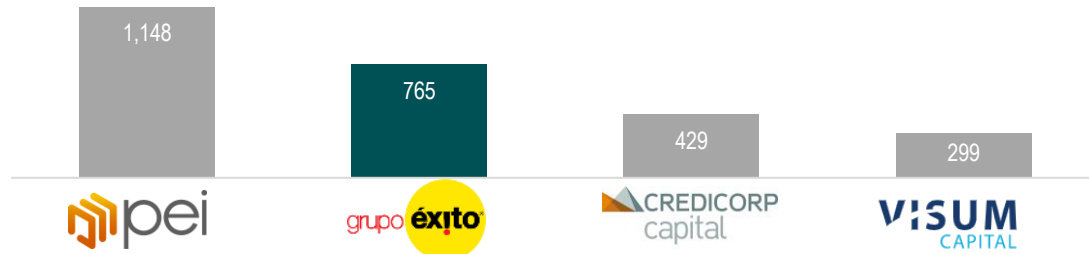
## Real Estate business

**765,000 sqm GLA, 34 assets**  
**(568,000 sqm through Viva Malls SPV)**

- ✓ **#1** shopping center operator in Colombia
- ✓ **VIVA Malls:** joint business with FIC<sup>(1)</sup>, 51% stake, 18 assets
- ✓ **VIVA Malls** accounted for **38.3% of other revenue**<sup>(4)</sup> and **12.3% of recurring EBITDA**<sup>(4)</sup> on a **consolidated basis**
- ✓ **Recurring EBITDA margin**<sup>(4)</sup> of **62.9%**
- ✓ Viva Malls valuation amounting to **COP\$ 2.7 bn, 1.6x book value** (considering an 8% to 9% *cap rate*)
- ✓ **Occupancy rate of 93.1%**<sup>(3)</sup> (close to pre-COVID levels)



## GLA of main REITs in Colombia (000 sqm)<sup>3</sup>









# Complementary businesses – Traffic and asset monetization



Traffic monetization through financial services and loyalty program



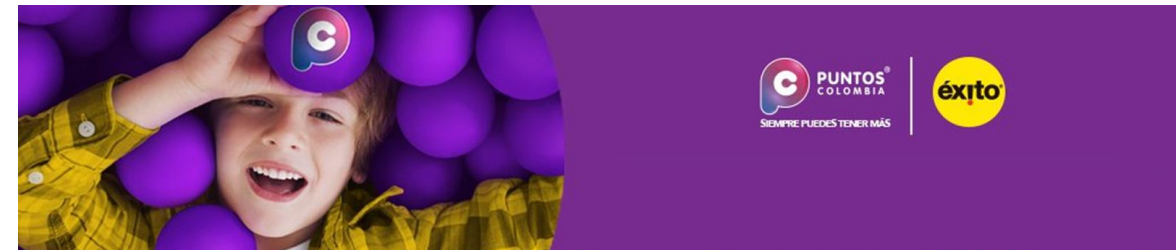
## Financial Retail

- 50/50 alliance with Bancolombia
- 2.6 millions cards issued
- Loan portfolio of COP \$4.4 bn (+36%)
- TUYA valuation based on market benchmark estimated at **2x book value**
- Lower NPL 30 levels (single-digit)



## Loyalty Program

- ✓ +135 partner brands
- ✓ 5.9 million active clients<sup>1</sup> (+17.9%)
- ✓ +16.3 million points redeemed (28% in allies)
- ✓ High single-digit EBITDA margin



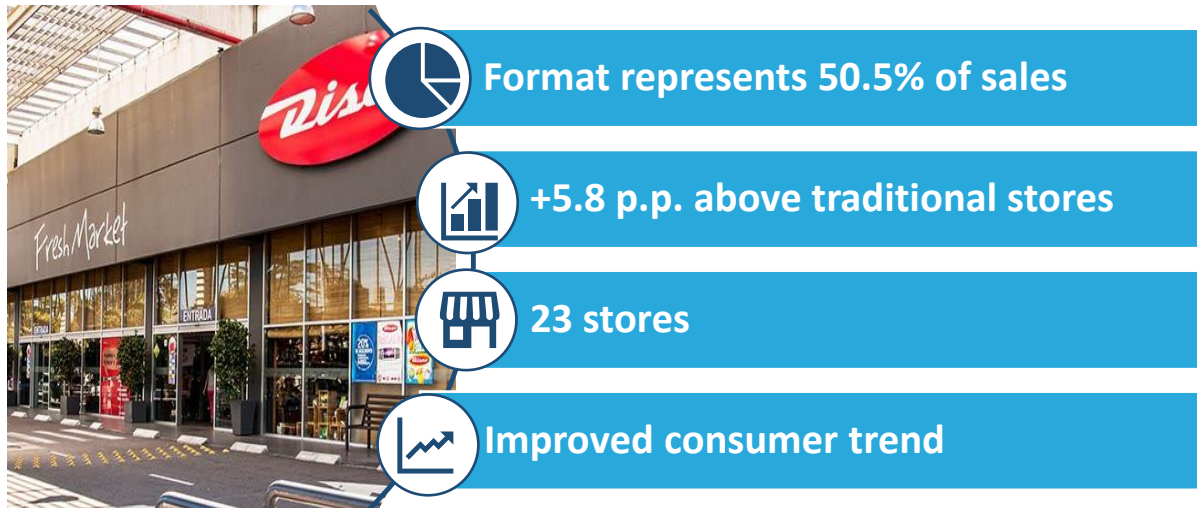
# International operations: Uruguay and Argentina

Strategic investments from a diversified portfolio in the region

Highest market share in the most high-end market in LatAm

- ✓ **91 stores** with a total selling area of 92,000 sqm
- ✓ **Most profitable operation** with an LTM EBITDA margin over 10%
- ✓ **Pioneered the Fresh Market concept** in the region, with a unique purchase experience
- ✓ High **cash generation**

## Fresh Market



## Dual model Retail / Real Estate

- ✓ **25 stores** in 9 provinces in the country
- ✓ **Sales** growth above inflation, **positive EBITDA** and attractive asset hedge

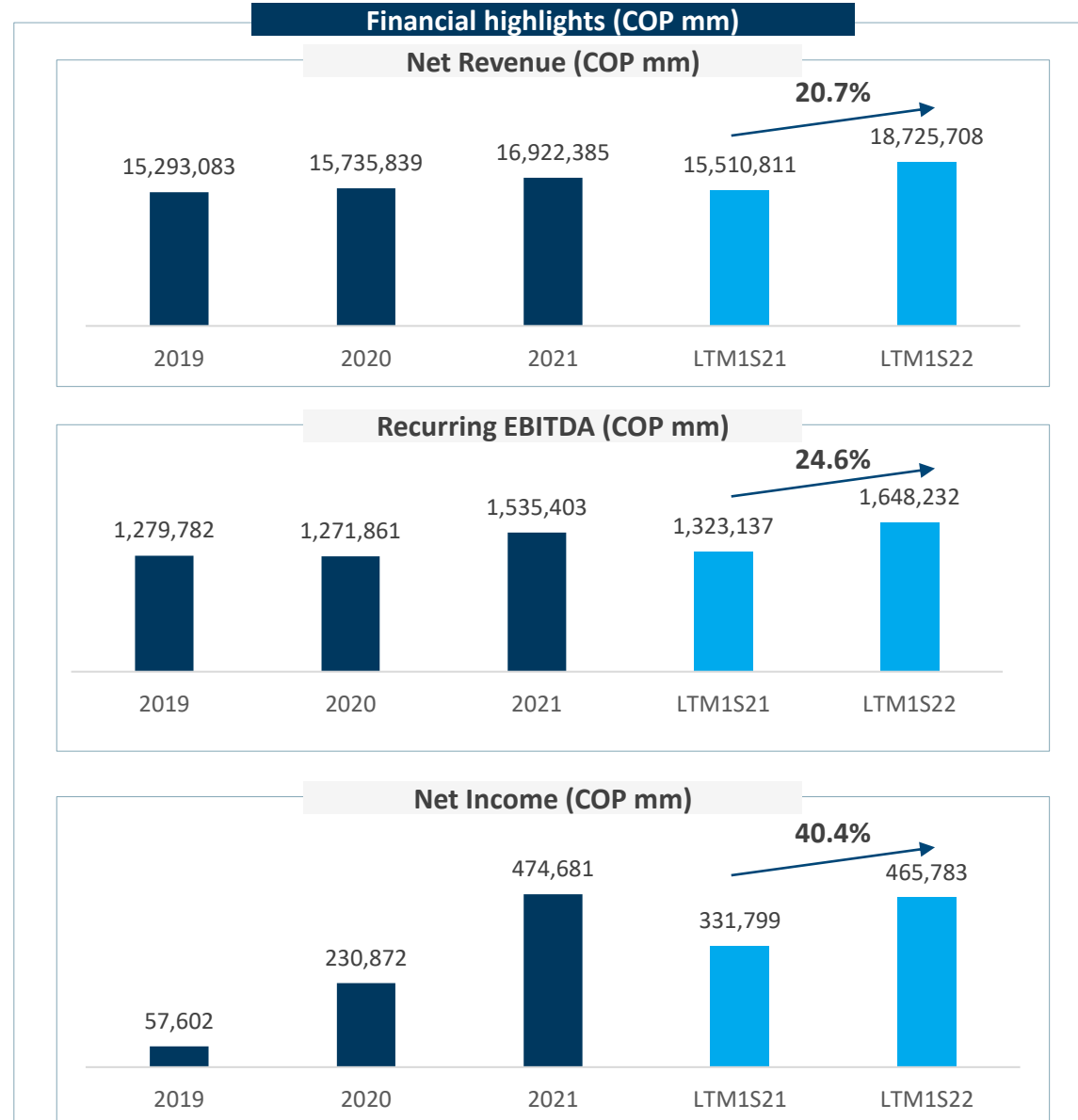
## Real Estate

- ✓ **3<sup>rd</sup> real estate player** in the country
- ✓ **15 shopping centers**
- ✓ **~170,000 sqm** of GLA
- ✓ **88%** occupancy rate
- ✓ High tenant sales level



# Financial Results | 1S2022

Solid financial performance has favoured positive cash flow to shareholders



Nota: LTM, including 2Q22, 1Q22, 4Q21 and 3Q21 results (1) Holding: Almacenes Éxito

# Investment Highlights



**#1 retailer** in Colombia and Uruguay

**#1 shopping center operator** in Colombia

**#1 food e-commerce** in Colombia



Sustainable strategy **focused on our client and format innovation:**

Wow, Fresh Market y Surtimayorista



**Solid omni-channel strategy** with exponential growth in share of total consolidated shares



**Asset and traffic monetization**, as growth avenue, mainly in real estate and the financial businesses and the loyalty program



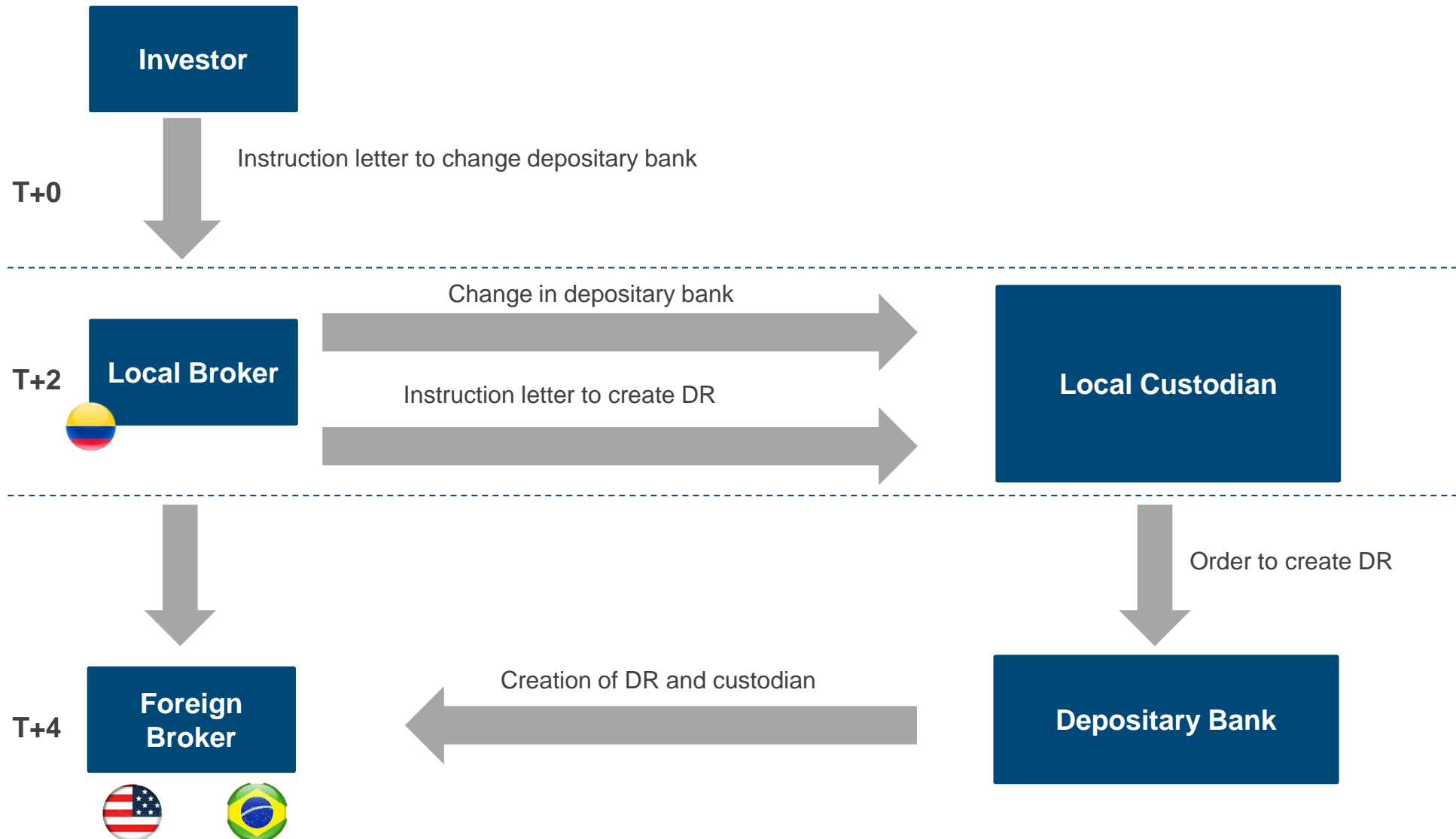


# Appendix

Grupo Éxito



# DR Conversion





María Fernanda Moreno R.  
Head of Investor Relations

+574 6049696 Ext 306560

[mmorenor@grupo-exito.com](mailto:mmorenor@grupo-exito.com)

Cr 48 No. 32B Sur – 139, Av. Las Vegas  
Envigado, Colombia

[www.grupoexito.com.co](http://www.grupoexito.com.co)  
[exitoinvestor.relations@grupo-exito.com](mailto:exitoinvestor.relations@grupo-exito.com)