

Envigado, September 12<sup>th</sup>, 2019

## **DECISIONS OF THE BOARD OF DIRECTORS AND THE GENERAL SHAREHOLDERS' MEETING OF ALMACENES ÉXITO S.A.**

Almacenes Éxito S.A. (“Éxito” or the “Company”) informs its shareholders and the market in general of the decisions adopted by the Board of Directors and the General Shareholders’ Meeting, during meetings held today, pertaining to a sale to Casino, Guichard-Perrachon S.A. (“Casino”) of the Segisor S.A.S. (“Segisor”) shares of stock indirectly owned by Éxito (the “Transaction”), taking into account the following previous considerations:

1. On August 19, 2019, Éxito received a modified offer by Casino, with respect to the initial offer presented on July 24, to acquire all the shares of stock indirectly owned by the Company in Segisor. The relevant terms and conditions of the modified offer were disclosed to the market on the same date, as follows:
  - Casino offers to acquire the Shares in cash at an amount equal to 50% of:
    - All of the GPA shares directly and indirectly held by Segisor multiplied by 113 BRL per GPA share;
    - Less the sum of the net financial debt, including accrued interests, of (i) Segisor and (Wilkes), reported as of closing of the Transaction;
    - Converted in to USD at the average foreign exchange rate of the 30 calendar days ending on the 5<sup>th</sup> calendar day preceding the closing of the contemplated Acquisition.
  - The amended offer includes an additional price equalization clause equal to 80% of any potential upside above 113 BRL per GPA share in case of direct or indirect disposal of any number of GPA shares acquired indirectly from Exito to any third parties within 15 months after closing, after deduction of applicable proportional withholding and/or direct transaction taxes, on terms and conditions mutually agreeable to the parties to be included in the final legal documentation. This clause shall not apply to transactions or internal reorganizations within Casino Group.
  - 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.
2. On August 26, 2019, the Audit and Risks Committee issued a positive evaluation of the Transaction for the Board of Directors, after considering that it fulfilled the standards, principles and criteria set forth in the Company’s Policy on Related Party Transactions, in all other corporate instruments, and the law.

3. On that same date, 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.
4. Taking into account the recommendations of the Audit and Risks Committee, comprised exclusively by the independent directors, the Board of Directors unanimously decided to summon, together with the President of the Company, a General Shareholders' Meeting in order to request the necessary shareholder approvals under Section 23(7) of Law 222 of 1995 as well as all other relevant legal and corporate provisions on conflicts of interests.
5. On August 27, the Board of Directors and the Company's President, exercising their powers and in accordance with Article 19 of the Corporate Charter, summoned a General Shareholders' Meeting to be held on September 12.
6. The General Shareholders' Meeting, in a special session held today, granted the following authorization required under Section 23(7) of Law 222 of 1995, as well as by all other relevant legal and corporate provisions on conflicts of interests, regarding the Transaction:
  - a) Authorize the Board of Directors to deliberate and decide on the authorization of the Transaction, in accordance with its legal and corporate powers.
7. Immediately after the General Shareholders' Meeting granted the authorization described in paragraph 6 above, the special meeting was temporarily suspended. During said suspension, the Board of Directors deliberated, carried out an evaluation and decided on the Transaction, in compliance with the provisions set forth in Paragraphs 3 and 4 of the

“Approvals” Section of the Policy on Related Party Transactions, contained in Chapter 7 of the Corporate Governance Code.

8. In deliberating and evaluating the terms and condition of the Transaction, the Board of Directors took into account the evaluation carried out by the Audit and Risk Committee, the expert opinions provided by the Committee’s independent advisors, Inverlin (financial) and Jorge Pinzón (legal), as well as the opinions provided by the independent advisors of the Company, Davivienda Corredores and DLA Piper Martínez Beltrán. The Board of Directors verified the fulfillment of each and every one of the principles and criteria set forth in the Policy on Related Party Transactions:

- Classification of the Transaction
- Price and its adjustment to market standards
- The convenience of the Transaction vis-à-vis the following principles:
  - Satisfaction of the Company’s interests and lack of any harm
  - Providing a better service, price or conditions for clients
  - Value generation for the Company
  - Lack of any hinderance in, or risk to, the Company’s capacity to service its debt and fulfill its obligations with third parties
  - Protection of minority shareholders
  - Transparency
  - Promotion of Synergies

9. Based on the foregoing, the Board of Directors unanimously passed the following resolutions:

- Adopt the evaluation, conclusions, recommendations issued by the Audit and Risk Committee pertaining to the Transaction, after considering they complied with the standards, principles and criteria set forth in the Company’s Policy on Related Party Transactions, as well as in the other corporate governance instruments and the law. In consequence, the Board proposed that the General Shareholders’ Meeting approve the Transaction.
- Authorized the Transaction
- Authorize the President and, if necessary, any other legal representative to sign and execute, without any limit as to the amount, all acts required to execute the Transaction on the Company’s behalf. This Authorization was granted under the condition that the General Shareholders’ Meeting grant the approval required under Section 23(7) of Law 222 of 1995, as well as by all other relevant legal and corporate provisions on conflicts of interests, regarding the Transaction.

- 10.** Once the Board Meeting was adjourned, the General Shareholders' Meeting resumed its session and, taking into account the analyses, evaluations and conclusions of the Audit and Risk Committee and the Board of Directors, granted the authorizations required under Section 23(7) of Law 222 of 1995, as well as by all other relevant legal and corporate provisions on conflicts of interests, regarding the Transaction, as follows:
- b)** Approved the Transaction, previously authorized by the Board of Directors in exercise of its legal and corporate powers, in accordance with the paragraph of Article 33 of the Corporate Charter.
  - c)** Authorize the President and, if necessary, any other legal representative to sign and execute, without any limit as to the amount, all acts required to execute the Transaction.

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