

# Almacenes Éxito S.A.

## Consolidated Financial Results

## 4Q20-2020

Envigado, Colombia, February 22, 2021 - Almacenes Éxito S.A. ("Grupo Éxito" or "the Company") (BVC: ÉXITO / ADR: ALAXL) announced its results for the fourth quarter and full year period ended December 31, 2020 (4Q/FY20). All figures are expressed in millions (M) or billion (B) of Colombian Pesos (COP) unless otherwise stated; Numbers expressed in long scale, COP billion represent 1.000.000.000.000. Consolidated data include results from Colombia, Uruguay, eliminations and Argentina and the net result of Transacciones Energéticas S A S. (previously Gemex O&W S.A.S.), registered as discontinued operation in 2019.

### ***Strong retail execution, successful omni-channel strategy and innovation drove annual results***

#### KEY BUSINESS HIGHLIGHTS

##### Financial Highlights

- Consolidated Net Revenue reached COP \$4.3 billion in 4Q20 and COP \$15.7 billion in 2020, driven by solid annual omni-channel growth (2.6x), contribution from innovative formats WOW and FreshMarket and boosted consolidated SSS levels (+7.2%<sup>(1)</sup>).
- Recurring EBITDA in 4Q20 was COP \$460,429 million and COP \$1.27 billion in 2020 and margins were 10.6% and 8.1% respectively. Margin levels reflected a solid operating retail performance with lower expenditure levels and the effect of COVID-19 on the lower contribution from complementary businesses.
- Net Group Share Result grew 4.0x in 2020 to an income of COP \$230,872 million, boosted by positive variations from the strong outcome in Uruguay, retail performance in Colombia and a leaner financial structure.
- Consolidated CAPEX was of COP \$241,810 million in 2020, focussed 75% on innovation, omni-channel and digital transformation activities.

##### Operating Highlights

- The outcome of omnichannel in Colombia was impressive during 2020, with the highest annual historical levels in sales (2.7x growth) and in share on sales (12.4% vs. 4.5% in 2019); orders grew 1.8x and reached 8.5 million; omnichannel sales grew 1.6x in Uruguay.
- The retail business posted strong operating gains during 2020 (+80 bps in Recurring EBITDA).
- Operational excellence programs led SG&A expense to grow below CPI and sales growth levels across all business units.
- WOW and FreshMarket stores continued growing strongly above the banner's sales.
- Following GPA and Sendas spin-off process, Grupo Éxito stake was transferred to GPA from Sendas.

##### Outlook

- Net result to improve reflecting better operating performance and stability of non-operating lines.
- Consolidated Capex of between 110 to 130 MUSD (in Colombia or between 90 to 110 MUSD).
- Revenue to reflect improved contribution from complementary business and sales benefited by innovation and omni-channel.

"2020 was historic for all of us, a year in which we could not settle for the expected minimums but were required to give the maximum possible. At Grupo Éxito, we strived for innovating every day to adapt agilely to new realities with sustainable strategies that guarantee the solidity of the Company. The annual outcome showed a solid commercial performance, driven by the assertiveness of the strategy focused on the client, innovation, omnichannel, and digital transformation. Innovative models Wow and Fresh Market surprised customers with high quality products and improved service; in times of confinement, the omnichannel platform provided a safer and efficient way to buy, and the increased hygienic measures at stores offered certified, safer, and cleaner stores to find proper food and a wide range of services. The Company also strengthened its social contribution and anticipated payments to over 1,000 small and medium-size suppliers to guarantee their businesses and supported vulnerable kids and families through Fundación Éxito, distributing near to 255,000 nutritional packages to ease the negative effects suffered by many during the pandemic. At Grupo Éxito we have plenty of reasons to thank and look forward with optimism and enthusiasm for the days to come" **stated Carlos Mario Giraldo Moreno, CEO of Grupo Éxito.**

(1) Excluding the FX effect and including the calendar effect adjustment of 0.3% in 2020.

## I. Consolidated Financial and Operating Performance

Please note that 4Q19 and FY19 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 Via Varejo S.A. sold on June 2019) and in quarterly and annual results 2019 and 2020 subsidiary Transacciones Energéticas S.A.S. (previously Gemex O&W S.A.S.), as net result of discontinued operations.

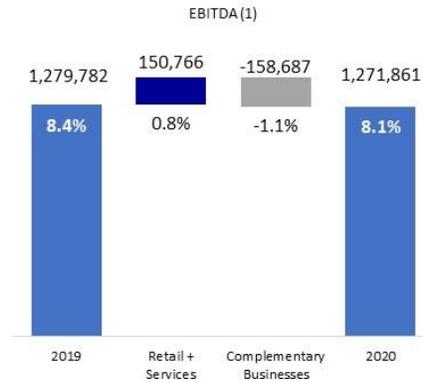
### Consolidated Operating Performance

in COP M	4Q20	4Q19	% Var	FY20	FY19	% Var
Net Sales	4,173,671	4,079,945	2.3%	15,141,244	14,503,846	4.4%
Other Revenue	171,342	244,583	(29.9%)	594,595	789,237	(24.7%)
<b>Net Revenue</b>	<b>4,345,013</b>	<b>4,324,528</b>	<b>0.5%</b>	<b>15,735,839</b>	<b>15,293,083</b>	<b>2.9%</b>
<b>Gross Profit</b>	<b>1,142,061</b>	<b>1,184,311</b>	<b>(3.6%)</b>	<b>3,956,929</b>	<b>3,954,106</b>	<b>0.1%</b>
<i>Gross Margin</i>	<i>26.3%</i>	<i>27.4%</i>	<i>(110) bps</i>	<i>25.1%</i>	<i>25.9%</i>	<i>(71) bps</i>
<b>Total Expense</b>	<b>(814,191)</b>	<b>(844,064)</b>	<b>(3.5%)</b>	<b>(3,203,101)</b>	<b>(3,186,599)</b>	<b>0.5%</b>
<i>Expense/Net Rev</i>	<i>18.7%</i>	<i>19.5%</i>	<i>(78) bps</i>	<i>20.4%</i>	<i>20.8%</i>	<i>(48) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>327,870</b>	<b>340,247</b>	<b>(3.6%)</b>	<b>753,828</b>	<b>767,507</b>	<b>(1.8%)</b>
<i>ROI Margin</i>	<i>7.5%</i>	<i>7.9%</i>	<i>(32) bps</i>	<i>4.8%</i>	<i>5.0%</i>	<i>(23) bps</i>
<b>Net Group Share Result</b>	<b>144,284</b>	<b>77,121</b>	<b>87.1%</b>	<b>230,872</b>	<b>57,602</b>	<b>300.8%</b>
<i>Net Margin</i>	<i>3.3%</i>	<i>1.8%</i>	<i>154 bps</i>	<i>1.5%</i>	<i>0.4%</i>	<i>109 bps</i>
<b>Recurring EBITDA</b>	<b>460,429</b>	<b>470,421</b>	<b>(2.1%)</b>	<b>1,271,861</b>	<b>1,279,782</b>	<b>(0.6%)</b>
<i>Recurring EBITDA Margin</i>	<i>10.6%</i>	<i>10.9%</i>	<i>(28) bps</i>	<i>8.1%</i>	<i>8.4%</i>	<i>(29) bps</i>
<b>EPS</b>	<b>322.3</b>	<b>172.3</b>	<b>87.1%</b>	<b>515.8</b>	<b>128.7</b>	<b>N/A</b>

Note: Consolidated data include results from Colombia, Uruguay and Argentina, eliminations and the FX effect (-4.4% and -2.9% at top line and at recurring EBITDA in 4Q20 and of -2.6% and -1.7% in FY20, respectively). (1) Excluding FX effect and Calendar effect.

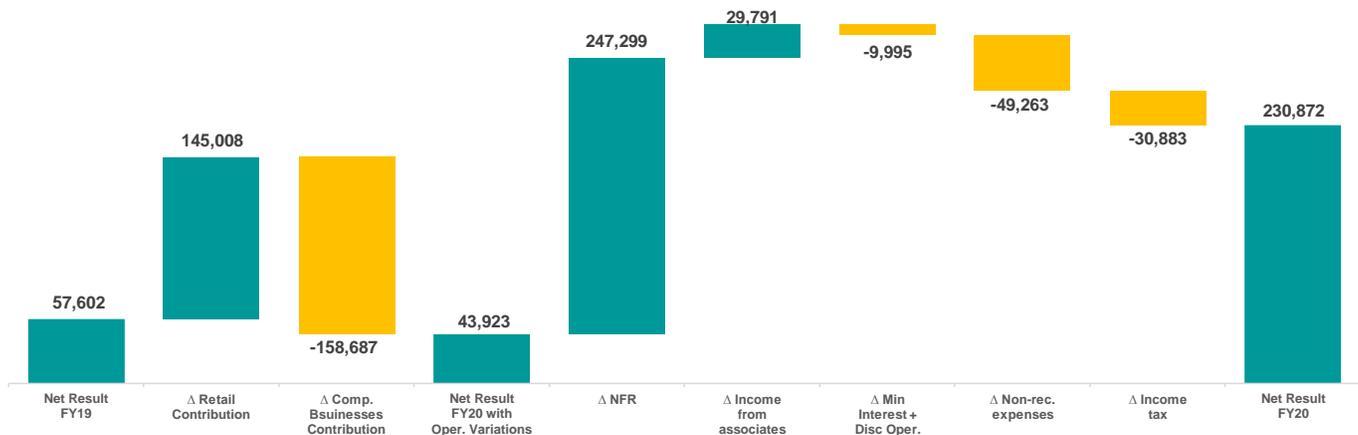
- Consolidated Net Revenue** in 4Q20 grew by 0.5% (including a -4.4% FX effect) to COP\$ 4.35 billion and by 2.9% (+5.6% when excluding the -2.6% FX effect) to COP\$ 15.74 billion in 2020. **Consolidated net sales** in 4Q20 totalled COP \$4.17 billion (+2.3%) driven by the strong growth of omni-channel across countries, the good evolution of retail sales in Colombia (+7.2%) and the outcome from innovative models WOW in Colombia and FreshMarket stores across countries. Annual consolidated net sales grew by 4.4% and totalled COP\$ 15.14 billion, benefited by omnichannel growth (2.6x), LFL levels (+7.2%<sup>(1)</sup>), the contribution of innovative models and the 19 stores opened, converted and refurbished during the last 12 months in the region. Net sales levels also reflected the effect from COVID-19, with a stock-up trend seen at the beginning of the pandemic partially offset by mobility restrictions and reduced opening hours of stores along the year.
- The performance of **other revenue** reflected the negative effect from COVID-19 on lower contribution from complementary businesses, mainly the real estate and the financial businesses, due to negotiations with tenants and the grant of credit extensions. However, the real estate business showed resilience and shopping centers Viva and Paseo maintained occupancy rates above 90%.
- Gross Margin** levels reflected improvements in operating performance (+40 bps) offset by the effect of COVID-19 on the lower contribution from complementary business.

- **SG&A expense** grew below inflation in all countries from strict cost control through the operational excellence program and favoured expense dilution. Expenditure reduced 78 bps in 4Q19 and 48 bps in 2020 as a percentage of Net Revenue compared to the same period last year.
- **Recurring Operating Margin** in 4Q20 was 7.5% and 4.8% in 2020 as a percentage of Net Revenue. **Recurring EBITDA** was COP \$460,429 million in 4Q20 and COP \$1.27 billion in 2020 (the same level reached in 2019) and margins were 10.6% and 8.1%, respectively, as a percentage of Net Revenue. Margin levels reflected a solid operating retail performance from lower expenditure levels and the effect of COVID-19 on the lower contribution from complementary businesses.



(1) Complementary businesses refer to variations of revenue from the real estate, the financial, the mobile and the travel businesses and logistic services. Retail and services refer to EBITDA variations of retail, banking services in-store, fees, the money transfer business and royalties, among others.

- **Consolidated Net Group Share Result** in 2020 was an income of COP \$230,872 million, which compares to the income of COP \$57,602 posted the same period last year.



Note: ROI of international operations includes FX effect. Data included results from Colombia, Uruguay and Argentina, the net result of Transacciones Energéticas S.A.S. (previously Gemex O&W S.A.S.) in 2019 and 2020 and the 2019 result of the Brazilian segment (Companhia Brasileira de Distribuição CBD, Segisor S A S and Wilkes Participações S A sold on November 27, 2019 and Via Varejo S A sold on June 2019) registered as discontinued operation and eliminations. The absence of royalties from TUYA affected the operating result, however, the business contributed through the equity method. Complementary businesses refer to variations of revenue from the real estate, the financial, the mobile and the travel businesses and logistic services.

- **Net income** grew 4.0 times and mainly reflected positive variations from strong result in Uruguay, retail performance in Colombia and a leaner financial structure that offset the negative variations of income tax and non-recurring expenses, the outcome from Argentina and the deconsolidation of international operations in 2019.

## Earnings per Share (EPS)

- Diluted EPS was COP \$515.8 per common share in 2020 which compares to the COP\$ 128.7 reported the same period last year.

## CAPEX

- **Consolidated Capital Expenditures** in 2020 were COP \$241,810 million (related to Colombia, Uruguay and Argentina). Near to 75% of CapEx was allocated to innovation, omni-channel and digital transformation activities during the period and the remainder to maintenance and support of operational structures, IT systems updates and logistics.

## Food Retail Expansion

- In 4Q20, Grupo Éxito opened 1 Disco FreshMarket store in Uruguay and in 2020, the Company reached 19 stores from openings, conversions and remodeling in the region as follows: 17 stores in Colombia (2 Éxito WOW, 1 Carulla FreshMarket, 4 Surtimayorista, 3 Éxito Express and 7 Super Inter stores) and 2 in Uruguay (1 Disco FreshMarket and 1 FreshMarket store remodelled).
- Grupo Éxito ended the period with 629 food retail stores, geographically diversified as follows: 513 stores in Colombia, 91 in Uruguay and 25 in Argentina. The store count does not include allies in Colombia. The Company's consolidated selling area reached 1.04 million square meters.

## Corporate Governance and Sustainability Achievements

### 1Q20

- A new list of members to the Board of Directors for the period 2020 to 2022 was approved at the Extraordinary General Shareholders Meeting held on January 23, 2020, as follows:
  - Non-Independent members: Ronaldo Iabrudi dos Santos Pereira, Peter Paul Estermann, Christophe José Hidalgo, Rafael Russowsky, Bernard Petit and Philippe Alarcon.
  - Independent members: Luis Fernando Alarcón Mantilla (Chairman), Felipe Ayerbe Muñoz and Ana María Ibáñez Londoño.
- The Board of Directors appointed Mr. Ruy Souza as Chief Executive Officer of Grupo Éxito. Mr. Souza worked as Chief Financial Officer of Multivarejo since October 2019 and previously held several positions in Multivarejo since 2016, including Financial Manager and Director of Financial Controlling. Before joining Multivarejo, he was consultant in companies of diverse industries in financial projects. Mr. Souza is an Industrial Engineer from São Paulo University and holds a Master in Process and Operations Management. The Board of Directors and the Chief Executive Officer expressed their warm welcome to Mr. Ruy, who started on February 17, 2020 and considered that his knowledge of the retail business, coupled with his experience in financial and control processes, will be of great importance to the Group's growth.
- All proposals were approved at the General Shareholders' Meeting held on March 19, 2020.

## 2Q20

- Grupo Éxito adjusted its corporate structure and created the VP of Omnichannel led by Mr. Guillaume Seneclauze, to strengthen its strategy and maintain its focus on the profitable development of digital channels.
- The low-cost and Cash and Carry segments, were requested to report to the VP of Businesses, Development and Innovation, led by Mr. Jose Loaiza, to further improve the operation of these strategic business units.

## 3Q20

- The Board of Directors modified the scope of its Expansion Committee and added other duties regarding the analysis of the Company's complementary businesses. Accordingly, the committee was renamed as the Business and Investment Committee.
- Grupo Éxito launched "Juntos Construimos País" (Together We Build a Country), an initiative to support local producers and suppliers with optimism and confidence, given challenging times.
- In alliance with Fundación Éxito, the Company continued working towards the improvement of the country's early childhood nutrition. As per the International Breastfeeding Week, institutions in partnership with Fundación Éxito, as well as other from the private and public sectors, carried out a virtual breastfeeding event named "Lactatón". The event reached a record of over 27,000 pics from mothers breastfeeding their children, uploaded in social media.
- Under the leadership of the Consumer Goods Forum, mass consumption companies and retailers in Colombia joined and relaunched the initiative for 2020 under the concept "Feel Good". Thus, consumers will be informed about the importance of keeping healthy habits, a balanced life and diet, good personal care, and hygiene habits, and promoting physical activity daily.

## 4Q20

- Grupo Éxito share ended 2020 within the top 10 of the most value stocks of COLCAP and overperformed the Colombian index by more than 13 points.
- Grupo Éxito and Greenyellow opened the first solar plant in Córdoba, with an installed capacity of more than 17 GWh per year; the plant is expected to supply electricity to 27 stores and reduce more than 6.000 tons of Co2.

## 2020

- 90.2% of fruits and vegetables sold by Grupo Éxito were locally purchased, of which, 82.5% were acquired directly from over 651 farmers.
- The Company anticipated payments to close to 1,000 small and mid-sized suppliers, reaching a total amount of COP \$75,000 million, aimed to improve their cash flow and ensure the continuity of their operations during COVID-19.
- The Company strengthened safety measures to offer a clean and safe environment and installed over 2,500 acrylic screens in 447 stores, provided 1,300 electronic thermometers at stores and distribution centres as well as equipment to disinfect areas and items of common use.
- Grupo Éxito supported regional and national government campaigns and donated 1,200,000 masks across the country reaching regions in where the Company does not have commercial presence.

- Grupo Éxito worked together with Fundación Éxito, towards the improvement of the country's early childhood nutrition and distributed near to 255,000 food packages, face masks and medical supplies, to 111,703 children and families in 2020. The aid reached the states of Amazonas, Arauca and Chocó, in where the Company did not have commercial presence.

## Commercial Activities

### Colombia

- The main commercial events held during the year included:
  - The “Éxito Anniversary” event held at 113 stores, which remained opened for 24 hours during the first day of promotion and the “Back to School” event at Éxito, that posted the strongest sales growth in the last 5 years.(1Q20)
  - The first “Non-VAT day” held on June 19th that posted a very positive outcome in terms of sales (even surpassed other important commercial events such as Black Friday), strongly increased sales for the non-food category by over 12x. (2Q20)
  - The second “Non-VAT day” that was held on July the 3<sup>rd</sup>, improved sales of the non-food category mainly electronics. To adapt Grupo Éxito commercial proposition to the social distance context, the “Megaprima” event that was held mainly at stores in 2019, was replaced by the “PromOnline” event conducted exclusively through digital channels from June 29<sup>th</sup> to July 13<sup>th</sup>.
  - The Éxito banner held one of its main promotional events of the year “Dias de Precios Especiales” from the 28<sup>th</sup> of September to the 18<sup>th</sup> of October with double-digit sales growth of the electronic category and a 14% on-line share on sales. The third “Non-VAT day” took place on November 21<sup>st</sup> with a stronger sales performance (+50% vs. the 2<sup>nd</sup> Non-VAT day) and 75% of the sales were done through digital channels. “Black Days” promotional event took place from November 22<sup>nd</sup> to December the 1<sup>st</sup>, with multiple offers specially in the hard-line category. (4Q20)
- The Company also hosted fairs and activities to promote relevant categories in the country:
  - The 10<sup>th</sup> annual “Carulla is Coffee”, held 127,000 visitors who enjoyed over 50 chocolate brands and near to 40 types of coffee from 14 countries; sales increased by 10% versus 2019. (3Q20)
  - In the fourth edition of the “Vida Sana” fair (healthy life), customers joined the experience both at stores and in virtual reality through the websites and the social media networks of the Éxito and the Carulla banners. Activities focussed on food, sports, body care and well-being. (3Q20)
  - Carulla, celebrated its 115<sup>th</sup> anniversary from August 31<sup>st</sup> to September 15<sup>th</sup>. (3Q20)
  - The “Carulla is healthy” fair showed the best healthy practices and the well-balanced between quality food and healthy eating habits. (4Q20)
  - The 10<sup>th</sup> annual of “Salón del Queso” achieved near to 200,000 virtual visitors for 10 days, offered 300 cheese references from main country producers France, Spain, Italy, Holland, the US and Colombia. (4Q20)

- The 15<sup>th</sup> annual of “Expovinos” took place virtual and physically and became the main wine festival in the Country with more than 300,000 wine bottles sold. (4Q20)
- The 5<sup>th</sup> annual of “Expocervezas” took place virtual and physically and was the largest display of beer in the country, with over 200 beers from 15 different countries, including Colombia. (4Q20)

## Uruguay

- The main commercial events held during the year included:
  - “Todo a 19” at all banners during August and the “Children Day” with special discounts and products for the little ones. (3Q20)
  - The “Salón del vino” event, which boosted Geant sales performance in September. (3Q20)
  - The Devoto banner implemented “Quincena Amarilla”, “Descuentos Irresistibles” and “Quincena de Colores” activities during August and September. (3Q20)
  - Online promotional activities included “Click sale” and “Cyber Monday” mainly focused on non-food (4Q20).
  - The transversal promotional activity “Precios sin vueltas” for all the banners, was strongly announced on media, focussed on the sale of the 105 top SKU’s. (4Q20).
  - “Quincena del color” in Devoto and the Anniversary campaign in Geant. (4Q20)

## Argentina

- Promotional activities were limited during the year to protect margins due to the challenging competitive environment and policies to control prices. The main commercial activities held were:
  - “Todo X” and “Ofertas Arrasadoras” campaigns at hypermarkets along the year. (1Q20-4Q20)
  - The “Children Day” and the “Anniversary” campaigns were launched in August with discounts to over 1,500 products. (3Q20)
  - The “Hiperahorro” event which offered special discounts to debit and credit card payments in September and “Fiesta de Ahorro” in December, targeting all categories. (4Q20)
  - Exclusive online commercial activities were launched in November: Cyber Monday, Cyber week, Baby days, Black Friday among others, as well as the Christmas sale in December. (4Q20)

## **Awards & Recognitions**

- Carulla was recognized as one of the tenth more inspiring stores in 2019, according to the “10 Magasins Inspirants” edition 2020, published by the French journalist and editor Olivier Dauvers. Mr Dauvers’s specialised report is massively distributed on a yearly basis. (1Q20)
- Grupo Éxito’s Investor Relations best practices were recognized by the Colombian Stock Exchange for the 8<sup>th</sup> consecutive year. (3Q20)

- As per to a survey by Merco, Grupo Éxito ranked #1 within the retail sector and ranked #8 among companies overall in Corporate Reputation in Colombia.
- Grupo Éxito was ratified in the DJSI as one of the ten more sustainable food retailers in the world.

### **Events after the reporting period**

- Following GPA and Sendas spin-off process, Grupo Éxito stake was fully transferred by Sendas to GPA's shareholders on February 4, 2021.

## II. Financial and Operational Performance by Country

### Colombia

The macroeconomic context in Colombia in 2020 was affected by COVID-19, mainly from mobility restrictions, commercial closures and changes in the consumer behaviour. GDP decreased by 9.5% as of September 2020, an improved level versus the -16% posted in 2Q20. The repo rate closed at its lowest in 1.75% (-250 bps vs. the level in 2019). Unemployment recovered from the level posted in 3Q20 (15.8%) to 13.4% as of December. LTM inflation was 1.61% and ranked below the lower bound of the Central Bank's target range (2.0% to 4.0%). Consumer confidence remained at negative grounds since August 2018, at -10.4 in 4Q20 (vs. -9.5 in 4Q19 and -21.6 in 3Q20).

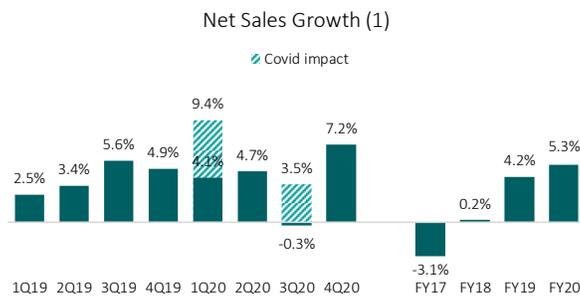
### Total Net Sales & SSS in Colombia

Variations	4Q20					12M20				
	grupo éxito	éxito	Carulla	SM & SI (2)	B2B & Other (3)	grupo éxito	éxito	Carulla	SM & SI (2)	B2B & Other (3)
SSS	8.8%	10.0%	10.2%	5.9%	-7.7%	6.0%	5.5%	13.6%	4.3%	-5.7%
Total	7.2%	9.7%	10.2%	0.2%	-15.5%	5.6%	5.4%	13.6%	-1.4%	1.3%
SSS <sup>(1)</sup>	8.8%	10.1%	10.3%	5.3%	-7.7%	5.8%	5.3%	13.4%	3.9%	-5.7%
Total <sup>(1)</sup>	7.2%	9.7%	10.4%	-0.4%	-15.5%	5.3%	5.1%	13.4%	-1.8%	1.3%
Total MCOP	3,330,661	2,383,004	474,774	305,662	167,221	11,642,685	8,049,843	1,763,133	1,155,156	674,553

(1) Including the effect of conversions and the calendar effect adjustment of 0.0% in 4Q20 and of 0.2% in 2020. (2) Sales from Surtimax and Super Inter brands. (3) Sales from Surtimayorista, Allies, Institutional and third-party sellers, and the sale of real estate projects worth COP \$67,255 in 2020.

The Colombia operation contributed to 77% of annual consolidated net sales. **During 4Q20**, Grupo Éxito net sales grew by 7.2%<sup>(1)</sup>, to COP \$3.3 billion, the highest contribution to the year's evolution, boosted by: (i) the strong outcome from the Non-VAT day, "Black Days" and the Christmas season despite partial closures and mobility restrictions across the country, (ii) the contribution from omnichannel sales (+11.7% share on total sales), (iii) the solid performance of innovative formats Wow (+17.0%) and FreshMarket (+15.1%), and (iv) the mid-teens growth of the non-food category.

**In 2020**, net sales in the country grew by 5.3%<sup>(1)</sup> (and above CPI 1.61%) and reached COP \$11.6 billion, the strongest performance in 4 years driven by the 75% contribution to sales growth from the omnichannel and innovation strategies. Solid top line performance is explained by: (i) boosted annual omni-channel sales (2.7x, 12.4% share on total sales vs. 4.5% in 2019), (ii) the solid sales growth from innovative formats Éxito WOW (+13.9%) and Carulla FreshMarket (+18.4%), and (iii) the 17 stores opened, converted and remodelled in 2020.



(1) Including the effect of conversions and the calendar effect adjustment of 0.0% in 4Q20 and of 0.2% in 2020.

**Same-store sales (SSS)** in Colombia grew by 8.8%<sup>(1)</sup> in 4Q20 driven by the double-digit growth of the Éxito and the Carulla segments (10.1%<sup>(1)</sup>, 10.3%<sup>(1)</sup>, respectively) driven by omnichannel. Annual LFL levels grew by 5.8%<sup>(1)</sup>, driven mainly by the double-digit growth of the Carulla segment (13.4%<sup>(1)</sup>). Net sale and SSS levels reflected the customer's preference for using digital channels, a higher ticket on average by customer and the rapid response of Grupo Éxito to execute within this context, the strengthening of its planning and sourcing processes and the further development of digital channels.



(1) Including the effect of conversions and the calendar effect adjustment of 0.0% in 4Q20.

## Net Sales & SSS Colombia – By Segment



(1) Including the effect of conversions and the calendar effect adjustment of 0.0% in 4Q20. SI + SM: sales from Surtimax and Super Inter brands.

- The Éxito segment** represented approximately 69% of the sales mix in Colombia and posted a net sales growth of 9.7%<sup>(1)</sup> in 4Q20 and of 5.1%<sup>(1)</sup> in 2020. The segment recovered its SSS growth trend and reached 10.1%<sup>(1)</sup> in 4Q20 and 5.3%<sup>(1)</sup> in 2020, driven by the solid performance of commercial activities such as “PromOnline”, “Dias de precios especiales”, “Black days” and the “Non-VAT day”, mainly benefiting the quarterly and annual double-digit growth of the electronics category. The segment in 2020 grew in key regions despite lockdowns, mobility's restrictions and closures; by low double-digit in Bogotá, high single-digit in the Coffee Region and mid-single digit in Cali and Medellín. The Éxito WOW model was implemented in 2 stores in the cities of Bogotá and Medellín, totalling 11 stores, and stores posted 12.4 p.p above other Éxito stores and represented 20.7% share of the banner's total sales in 2020.
- The Carulla segment** was the best performing segment in 2020 and represented near to 15% of the sales mix in Colombia. The segment experienced a sales increase of 10.4%<sup>(1)</sup> and SSS by 10.3%<sup>(1)</sup> in 4Q20 and posted a 13.4%<sup>(1)</sup> in both sales and SSS in 2020. The Carulla segment grew sales in all regions and its performance was boosted by omni-channel sales growth (2.4x, 14.9% yearly share) and mainly by the double-digit growth of the FMCG category. The Carulla FreshMarket store Calle 140 opened in Bogotá in 4Q20 and was recognized as the first carbon neutral store in the Country; the store provides accessibility to people with disabilities and possess all the latest innovations in concepts such as the food market and a robot virtual assistant. Stores implemented with the Fresh Market model

represented 26.5% share of the banner's total sales and grew sales by 18.4% (+7.1 p.p vs. other Carulla stores) in 2020.

- **The low-cost segment** related to the Super Inter and Surtimax banners, represented 10% of sales in Colombia in 2020. The segment's negative net sales levels in 4Q20, mainly reflected stores optimization and lower frequency from customers due to mobility restrictions. The annual sales trend mainly reflected: (i) mobility restrictions and social protests in the banner's main markets, (ii) temporary closures due to remodelling works, and (iii) the exiting of the Surtimax banner from the Atlantic coast due to store base optimization. The SSS levels of the segment recovered to 5.3%<sup>(1)</sup> and 3.9%<sup>(1)</sup>, respectively in 4Q20 and 2020, with positive levels in both banners, boosted by: (i) commercial reactivation since September amidst the continuity of restrictions, (ii) the store base optimization, (iii) the remodeling of 7 stores under the "Vecino" concept which grew quarterly sales by mid-teens, and (iv) the contribution from omnichannel strategies implemented such as the Last Mile service that improved customer service and favoured sales recovery.
- **The B2B and Other<sup>(2)</sup>** segment represented 6% of sales in Colombia in 2020. Net sales and SSS levels reflected a segment strongly affected by the low commercial activity of hospitality industry, mobility restrictions and mandatory lockdowns. In 2020, 4 stores were converted to the Surtimayorista banner, totalling 34, which represented 3.8% of Colombia's sales share. The banner benefited from the relational marketing program launched for institutional customers, "**Club del Comerciante**" and the near to 1,500 Aliados registered as of 2020. The segment also included payments for the sale of property project Montevideo that totalled COP\$ 67,255 in 2020.

## Operating Performance in Colombia

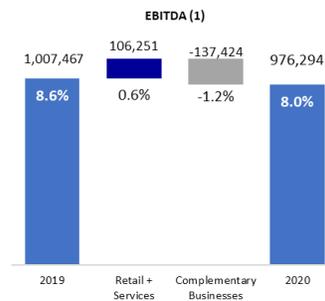
in COP M	4Q20	4Q19	% Var	FY20	FY19	% Var
Net Sales	3,330,661	3,106,881	7.2%	11,642,685	11,029,843	5.6%
Other Revenue	158,410	223,816	(29.2%)	539,587	721,586	(25.2%)
<b>Net Revenue</b>	<b>3,489,071</b>	<b>3,330,697</b>	<b>4.8%</b>	<b>12,182,272</b>	<b>11,751,429</b>	<b>3.7%</b>
<b>Gross profit</b>	<b>833,575</b>	<b>848,828</b>	<b>(1.8%)</b>	<b>2,758,438</b>	<b>2,757,850</b>	<b>0.0%</b>
<i>Gross Margin</i>	<i>23.9%</i>	<i>25.5%</i>	<i>(159) bps</i>	<i>22.6%</i>	<i>23.5%</i>	<i>(83) bps</i>
<b>Total Expense</b>	<b>(580,345)</b>	<b>(572,788)</b>	<b>1.3%</b>	<b>(2,229,763)</b>	<b>(2,197,115)</b>	<b>1.5%</b>
<i>Expense/Net Rev</i>	<i>16.6%</i>	<i>17.2%</i>	<i>(56) bps</i>	<i>18.3%</i>	<i>18.7%</i>	<i>(39) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>253,230</b>	<b>276,040</b>	<b>(8.3%)</b>	<b>528,675</b>	<b>560,735</b>	<b>(5.7%)</b>
<i>ROI Margin</i>	<i>7.3%</i>	<i>8.3%</i>	<i>(103) bps</i>	<i>4.3%</i>	<i>4.8%</i>	<i>(43) bps</i>
<b>Recurring EBITDA</b>	<b>368,713</b>	<b>388,731</b>	<b>(5.1%)</b>	<b>976,294</b>	<b>1,007,467</b>	<b>(3.1%)</b>
<i>Recurring EBITDA Margin</i>	<i>10.6%</i>	<i>11.7%</i>	<i>(110) bps</i>	<i>8.0%</i>	<i>8.6%</i>	<i>(56) bps</i>

Note: Includes Almacenes Éxito S.A. and its subsidiaries in Colombia. Complementary businesses refer to variations of revenue from the real estate, the financial, the mobile and the travel businesses and logistic services. Retail and services refer to EBITDA variations of retail, banking services in-store, fees, the money transfer business, and royalties, among others. (1) Including the effect of conversions and the calendar effect adjustment of 0.0% in 4Q20. (2) Sales from Surtimayorista, Allies, Institutional and third-party sellers, and the sale of real estate projects worth COP \$67,255 in 2020.

- **Net Revenue** in Colombia grew by 4.8% in 4Q20 and 3.7% in 2020, driven by retail sales growing above CPI and despite the negative impacts from mobility restrictions and measures implemented by Government to face COVID-19 along the year. Annual levels were boosted by (i) the strong omnichannel sales growth (2.7x), (ii) the positive outcome of commercial events, and (iii) the higher contribution from WOW and FreshMarket (+12.4 p.p. and +7.1 p.p. above other Éxito and Carulla stores, respectively). Net sales growth offset the lower contribution from other revenue mainly due to the negative effect of curfews on shopping malls and the absence of TUYA's

royalties. To highlight, the resilience of the real estate business as occupancy rate posted was of 92% in 2020. The unit clearly benefited from its integration with Éxito’s ecosystem, the launch of “VIVA online”, VIVA delivery and the Click and Collect services.

- **Gross Margin** was 23.9% and 22.6% respectively in 4Q20 and 2020 as percentage of Net Revenue. Margin levels reflected an improved retail and services<sup>(1)</sup> operating performance (+40 bps) offset by the lower contribution of real estate and financial businesses affected by the negative effect from COVID-19.
- **SG&A expense** grew below CPI, the annual minimum wage increases and the sales growth, from strict cost control initiatives and a leaner structure.
- **Recurring EBITDA** reached a margin of 10.6% and of 8.0% in 4Q20 and in 2020, respectively, as percentage of Net Revenue. Margin levels reflected solid retail and services<sup>(1)</sup> operating performance (+60 bps) offset by lower contribution from complementary businesses (-120 bps).



(1) Complementary businesses refer to variations of revenue from the real estate, the financial, the mobile and the travel businesses and logistic services. Retail and services refer to EBITDA variations of retail, banking services in-store, fees, the money transfer business, and royalties, among others.

## Uruguay

Uruguay macroeconomic environment posted mixed trends. GDP contracted by 5.9% in 3Q20 and is expected plunged by 5% in 2020; unemployment recorded a 10.9% level in November, however, in line with the same month of 2019 and with a recovery of 30 bps when compared to the figure in September. Inflation reached to 9.4% in December, a reduction of 50 bps versus the level posted as of 3Q20 and of -60 bps versus 4Q19. The food component reduced to 9.5% (vs. 13.5% in 3Q20; 14.2% in 4Q19). During the last quarter of 2020, the country faced new outbreaks of contagion and the consumer confidence index remained impacted with a score of 46% in levels of moderate pessimism.

## Net Sales & SSS in Uruguay

Net sales	4Q20				12M20			
	%Var	%Var	%Var	%Var	%Var	%Var	%Var	%Var
MCOP	Total	SSS	Total <sup>(1)</sup>	SSS <sup>(1)</sup>	Total	SSS	Total <sup>(1)</sup>	SSS <sup>(1)</sup>
686,492	4.0%	2.6%	3.4%	2.0%	10.2%	9.8%	9.7%	9.3%

(1) In local currency, including the calendar effect adjustment of 0.6% in 4Q20 and 0.4% in 2020.

- The Uruguay operation contributed to near to 18% to annual consolidated sales. **Net sales and SSS** in 4Q20 grew by 3.4%<sup>(1)</sup> and by 2.0%<sup>(1)</sup> and by 9.7%<sup>(1)</sup> and by 9.3%<sup>(1)</sup> in 2020 versus the same period last year. A solid top line growth despite border closures affecting the holiday and Christmas seasons derived from: i) strong omnichannel sales growth (1.6x vs. 2019) and increased share on sales (3.3% vs. 2.3% in 2019), and ii) improved sales of the food category (+9.7%) driven by the 19 FreshMarket stores (42.4% share on sales in 2020).

## Operating Performance in Uruguay

in COP M	4Q20	4Q19	% Var	FY20	FY19	% Var
Net Sales	686,492	699,028	(1.8%)	2,654,336	2,554,885	3.9%
Other Revenue	9,679	7,871	23.0%	28,325	25,290	12.0%
<b>Net Revenue</b>	<b>696,171</b>	<b>706,899</b>	<b>(1.5%)</b>	<b>2,682,661</b>	<b>2,580,175</b>	<b>4.0%</b>
<b>Gross profit</b>	<b>249,060</b>	<b>234,026</b>	<b>6.4%</b>	<b>913,563</b>	<b>869,860</b>	<b>5.0%</b>
<i>Gross Margin</i>	<i>35.8%</i>	<i>33.1%</i>	<i>267 bps</i>	<i>34.1%</i>	<i>33.7%</i>	<i>34 bps</i>
<b>Total Expense</b>	<b>(189,389)</b>	<b>(185,128)</b>	<b>2.3%</b>	<b>(688,320)</b>	<b>(682,409)</b>	<b>0.9%</b>
<i>Expense/Net Rev</i>	<i>27.2%</i>	<i>26.2%</i>	<i>102 bps</i>	<i>25.7%</i>	<i>26.4%</i>	<i>(79) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>59,671</b>	<b>48,898</b>	<b>22.0%</b>	<b>225,243</b>	<b>187,451</b>	<b>20.2%</b>
<i>ROI Margin</i>	<i>8.6%</i>	<i>6.9%</i>	<i>165 bps</i>	<i>8.4%</i>	<i>7.3%</i>	<i>113 bps</i>
<b>Recurring EBITDA</b>	<b>72,944</b>	<b>61,705</b>	<b>18.2%</b>	<b>277,618</b>	<b>238,064</b>	<b>16.6%</b>
<i>Recurring EBITDA Margin</i>	<i>10.5%</i>	<i>8.7%</i>	<i>175 bps</i>	<i>10.3%</i>	<i>9.2%</i>	<i>112 bps</i>

Note: Data in COP includes a -5.6% FX effect in 4Q20 and -5.7% in 2020. Recurring EBITDA margin grew by 25.2% in 4Q and by 23.7% in 2020 local currency. (1) In local currency, including the calendar effect adjustment of 0.6% in 4Q20 and 0.4% in 2020.

- Uruguay results in Colombian pesos had a -5.6% and -5.7% FX effect in 4Q20 and 12M20, respectively.
- **Net Revenue** grew by 4.3% in 4Q20 and by 10.3% in 2020 in local currency. Annual top line performance reflected stronger net sales from omnichannel (1.6x) and the contribution of FreshMarket stores partially offset by the slow outcome of the touristic season due to restrictions during the last quarter of the year.
- **Gross Margin** grew strongly, in 4Q20 was 35.8% (+267 bps vs 4Q19) and reached 34.1% in FY20 (+34 bps vs 2019). Margin gains derived from: i) assertive execution of promotional activities, and ii) efficiencies in markdown and logistics.
- **SG&A expense** grew below CPI in local currency from strict cost and expense control mainly in personal and marketing.
- **Recurring EBITDA** grew by 175 bps to a 10.5% margin in 4Q20 and gained 112 bps to 10.3% in 2020 as a percentage of Net Revenues and versus 2019. Margin expansion derived from operational efficiencies from expenses growing below CPI in local currency (lower expenditure in personal and marketing) and a top line dilution effect. Thus, Uruguay was the most profitable country of the group in 2020.

## Argentina

Argentina faced a challenging macroeconomic context amidst the uncertainty brought by the retightening of COVID-19 lockdown measures. GDP contracted by 10.2% in 3Q20 and is expected plunged by 11% in 2020. Inflation reduced to 35.3% as of December (vs. 37.7% in 3Q20; 54.0% in 4Q19) and food inflation decreased 10 p.p. to 43.9%. Unemployment reached 11.7% in the third quarter vs. the 9.7% posted in the same period of 2019 and retail contracted by 23.5% in 2020 (according to CAME).

### Net Sales & SSS in Argentina

Net sales MCOP	4Q20				12M20			
	%Var Total	%Var SSS	%Var Total <sup>(1)</sup>	%Var SSS <sup>(1)</sup>	%Var Total	%Var SSS	%Var Total <sup>(1)</sup>	%Var SSS <sup>(1)</sup>
157,046	17.6%	17.6%	15.9%	15.9%	22.8%	22.8%	21.7%	21.7%

(1) In local currency and including the calendar effect adjustment of 1.8% in 4Q20 and 1.1% in 2020.

- Libertad contributed to near to 5% of consolidated sales in 2020. Amidst the difficult context in the country, Libertad net sales and SSS grew by 15.9% in 4Q20 and by 21.7% in 2020, in local currency and adjusted by the calendar effect. Libertad sale performance continued affected by mobility restrictions, curfews and limited opening hours of stores. Besides, the extension in the maximum prices policy caused constraints in the negotiation with suppliers resulting in shortages of products of the non-food categories. Libertad adjusted its commercial activities to protect cash despite the aggressive competitiveness in the market.

### Operational Performance in Argentina

in COP M	4Q20	4Q19	% Var	FY20	FY19	% Var
Net Sales	157,045	276,875	(43.3%)	847,060	925,062	(8.4%)
Other Revenue	3,369	13,363	(74.8%)	27,153	45,752	(40.7%)
<b>Net Revenue</b>	<b>160,414</b>	<b>290,238</b>	<b>(44.7%)</b>	<b>874,213</b>	<b>970,814</b>	<b>(10.0%)</b>
<b>Gross profit</b>	<b>57,977</b>	<b>102,254</b>	<b>(43.3%)</b>	<b>282,994</b>	<b>329,853</b>	<b>(14.2%)</b>
<i>Gross Margin</i>	36.1%	35.2%	91 bps	32.4%	34.0%	(161) bps
<b>Total Expense</b>	<b>(44,456)</b>	<b>(86,992)</b>	<b>(48.9%)</b>	<b>(285,007)</b>	<b>(310,611)</b>	<b>(8.2%)</b>
<i>Expense/Net Rev</i>	27.7%	30.0%	(226) bps	32.6%	32.0%	61 bps
<b>Recurring Operating Income (ROI)</b>	<b>13,521</b>	<b>15,262</b>	<b>(11.4%)</b>	<b>(2,013)</b>	<b>19,242</b>	<b>(110.5%)</b>
<i>ROI Margin</i>	8.4%	5.3%	317 bps	(0.2%)	2.0%	(221) bps
<b>Recurring EBITDA</b>	<b>17,324</b>	<b>19,938</b>	<b>(13.1%)</b>	<b>16,026</b>	<b>34,172</b>	<b>(53.1%)</b>
<i>Recurring EBITDA Margin</i>	10.8%	6.9%	393 bps	1.8%	3.5%	(169) bps

Note: Data includes the FX effect of -51.8% in 4Q20 and of -25.4% in 2020 calculated with the closing exchange rate.

- Performance from Libertad in Colombian pesos had a -51.8% and -25.4% FX impact in 4Q20 and in 2020, respectively.

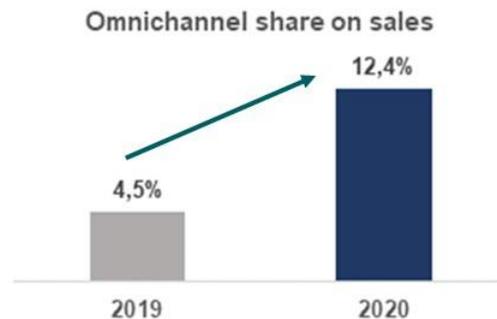
- **Net Revenue** levels were affected by mobility restrictions that impacted stores and shopping centres, lower promotional activities from increased competitiveness and sourcing difficulties derived from tougher negotiation with suppliers because of the decree to set maximum price levels. Revenue from real estate was strongly affected by curfews, nevertheless, our shopping centres and commercial galleries reached an occupancy rate of 90% at the end of 2020.
- **Gross Profit** levels in 4Q20 benefitted from a volume effect and margin gained 91 bps to 36.1%. Annual margins reflected: i) restrictions setting maximum price levels, (ii) a higher competitive environment, (iii) sourcing constraints, and (iii) the lower contribution of the real estate business.
- **SG&A expense** grew below CPI in local currency benefited by a strong reduction mainly in energy, maintenance and surveillance.
- **Recurring EBITDA margin** grew strongly to 10.8% in 4Q20 as a percentage of Net Revenue benefited by a volume effect and the accuracy of the operational excellence program. Annual Recurring EBITDA margin was benefited by the 4Q20 outcome, however, was offset by the 9M20 trend and reduced to 1.8% as a percentage of Net Revenue (vs. 3.5% in 2019). Annual performance allowed Libertad to maintain a stable cash position.

### III. Omni-channel, Innovation and Digital Transformation Strategies in 2020

#### Colombia

##### Omni-channel<sup>(1)</sup>

During 2020, Grupo Éxito promoted sales by digital channels and deliveries through its strong and profitable omnichannel platform levered in a dual model (own capabilities and exclusive partners), resulting in historical sales growth of 2.7x and share on sales of 12.4% (vs. 4.5% in 2019) as a rapid response to the new customer's habits. Omni-channel reached a record on sales of COP \$1.5 billion and 8.5 million orders in 2020 (1.8x vs. 2019). In 4Q20, the business unit represented a 11.7% share on Grupo Éxito's total sales in Colombia (vs. 4.4% in 4Q19). Total deliveries reached 2 million of orders and posted a 1.6x growth versus 4Q19.



(1) Include .com, home delivery, Shop&Go, Click&Collect and digital catalogues. Numbers expressed in long scale, COP billion represent 1.000.000.000.000.

- **Ecommerce:** exito.com, was one of the four web sites with the higher traffic in Colombia according to Google trends Colombia. Websites exito.com and carulla.com reached near to 164 million of visits and 1.3 million orders (1.9x in visits and 3.1x in orders versus 2019), and sales grew by 3.2x during 2020. The extraordinary performance benefited promotional events focused on digital channels, to adapt the Company's commercial proposition to the social distancing context and the new customer's habits.
- **Marketplace:** the business unit grew by 1.8x in Gross Merchandise Value (GMV) in 2020, with near to 43,000 sold units (1.5x vs. 2019). The Company continued strengthening its platform's functionalities while including leading international brands such as Miniso, Decathlon and Mac Center, which also joined the Company's VIVA online service.
- **Last Mile & Home Deliveries:** During 2020, the home delivery service was extended not only to mid and premium market banners Carulla and Éxito, but also to low-cost banners Surtimax, Super Inter and Surtimayorista. The Company reached 8.5 million orders (1.8x vs. 2019), boosted by Grupo Éxito's capabilities and benefitted by the exclusive alliance with the last miler Rappi. Orders served by the Company's logistics grew by 4.4x in food categories and by 2.5x in non-food categories in 2020.
- **Digital catalogues:** Kiosks devices were available at 226 stores in Colombia to improve customer's experience at the physical channel. The channel was affected by low traffic at stores along the year but managed to growth sales by 3.5% and by 16.2% in transactions. During the second half of the year, the traffic improved at stores despite lockdowns, mobility restrictions, as promotional events at Éxito banners focused on digital channels.
- **Click & Collect:** The service was available at 430 stores in 2020 (vs. 254 in 2019). Sales grew 5.6x during 2020 and orders by 14.9x, boosted by a strengthened service with telephone and WhatsApp purchasing channels added to the

App and websites. The service was also available at 12 shopping malls of the VIVA brand, offering delivery service to tenants' clients through WhatsApp.

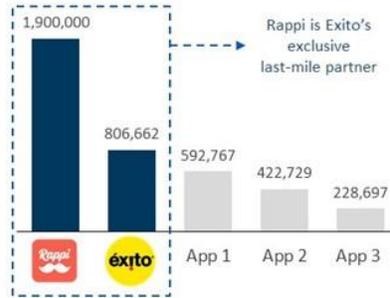
## Innovation

- **Éxito WOW:** 2 stores were added in 2020, Villamayor - the first WOW in the south of Bogotá - and Laureles, in Medellín. Stores are full of innovative initiatives for customers to feel at home and find the latest technological tools and developments such as: "Otti", the new social robot, the first "Store-in-Store" of Arkitect and the "Services Center" for complementary businesses (Tuya, insurance, travel and Puntos Colombia). The model totalled 11 top stores in 2020, located in the cities of Bogotá, Medellín and Cali as well as in the regions of Santander, Boyacá and the Atlantic Coast. Stores from this model grew sales by 13.9% in 2020 (+12.4 p.p. versus other Éxito stores) and represented 20.7% share of the banner's total sales.
- **Carulla FreshMarket:** This innovative model is already implemented at 14 stores in the cities of Bogotá, Medellín, Barranquilla, Cali, Cartagena and Santa Marta. Stores from this model grew sales by 18.4% versus 2019 (+7.1 p.p. versus other Carulla stores) and represented 26.5% share of the banner's total sales during 2020. The latest store was Carulla FreshMarket 140 in Bogotá, the 1<sup>st</sup> carbon neutral supermarket in Colombia, as offsets emissions through BancO2 and reduces its impact on the environment with 362 solar panels and a natural cooling system.
- **Low-cost:** 4 stores opened in 2020 from conversions to the Surtimayorista brand and the banner totalled 34 stores, which represented 3.8% share on Colombia total sales. Lockdown restrictions due to COVID-19 slowed down the commercial reactivation in hospitality industry and affected sales strongly, especially in key markets such as Bogotá and the Atlantic coast. Surtimayorista profited from the company's ecosystem and implemented a Last Mile delivery service and its own relational marketing program "El Club del Comerciante", the first of its kind in the country focused on institutional customers.
- **Private Label:** In 2020, food private label represented a 16.6% share on the food category sales in Colombia. Flagship labels "*Frescampo*" and "*Taeq*" continued positioning, as a quality low-cost brand and a healthy brand, respectively, in Colombia. Regarding the non-food category, brands such as Arkitect and Bronzini among others, represented almost 50% of the total apparel category's sales in Colombia and continued to make top designers' collections available to all our customers. The textile and home categories reached a 36% share of the non-food category sales in the country.

## Digital Transformation

- **Apps:** Éxito and Carulla apps complemented on-line initiatives and reached over 350,000 of additional active users in 2020 and 4.3 million discounts were activated during 2020; sales grew by 45% through 2.3 million transactions. The new version launched improved historical trends and integrated with the Company's trade ecosystem. In addition to customized discounts and integration with Puntos Colombia loyalty program, the apps included new functionalities such as: Tuya Pay, smileID in the Carulla app, sales of insurance policies, smart shopping lists and a virtual line for customers in-store. In 4Q20, the "Misurtii app" was launched to digitalize food sale to small businesses mainly moms&pops.

2020 App downloads in Colombia



Source: App Annie 2019-20, the first company to offer a mobile performance suite that provides app market, advertising analytics and data science driven insights derived from benchmarking data.

- In Colombia, the Company continued implementing developments in frictionless, customer service, data analytics, logistic and supply chain and HR Management according to the strategy established for 2020 to 2022.

**Asset / Traffic Monetization & Best Practices**

- **Loyalty Coalition: Puntos Colombia**, the loyalty program, reached 13.4 million clients of which 4.7 million had habeas data<sup>(1)</sup> approved. 105 allies joined the program to strengthen the ecosystem and help to boost the company’s growth. The Company launched its Marketplace and integrated it with Grupo Éxito’s ecosystem (Apps, VIVA’s tenants, travel, insurance, mobile etc). Éxito accounted for 75% of the total ecosystem redemption and points redeemed reached COP \$105,000 million.

(1) Constitutional right to protect, per lawsuit filed in court, the image, privacy, honor, information, self-determination and freedom of information of a person.

▪ **Complementary Businesses:**

- **Real Estate:** The real estate business of Grupo Éxito, reached 758,000 square meters of gross leasable area. **Viva Malls** positioned as the largest operator in Colombia and operates 34 assets for a 32% market share<sup>(1)</sup>. Through the joint venture with Fondo Inmobiliario Colombia (FIC), Grupo Éxito consolidates the business with 51% ownership. During 2020, VIVA launched Viva Online, Click and Collect and its own delivery service, leveraged on the company’s omnichannel platform. The reinvention of shopping centers with hybrid on-off experience and strengthening of the relationship and support given to tenants favoured the business occupancy rate that reached 92% as of December 2020.

(1) Source: DB Inmobiliaria GEE, Developer aids, Sura AM, Corredores Davivienda, Inmoval, FIC, PEI. Market Share of real estate operators include Viva Malls and non-Viva Malls assets.

- **TUYA:** the financial business, strengthened its offering by implementing “TUYA Pay”, a digital wallet integrated with the Company’s POS system and Apps, with functionalities such as money transfers between accounts, money withdrawal at Éxito stores, a “pocket” to get change from purchases and QR payment in stores. TUYA also positioned as the first issuer of credit cards in Colombia.
- **Mobile:** the company reported 475K active lines and strengthened the on-line channels of the business where it reached a triple digit growth. Users were also able to pay with Puntos Colombia in our website.
- **Travel:** the business unit was negatively affected by the pandemic which led to the closure of 14 out of the 40 physical locations at stores; employees were redistributed on other omnichannel activities such as logistics and customer service. The strategy of the business changed towards an on-line service, thus, share on sales through digital channels grew by 18% in 2020.

## Uruguay

### Omni-channel

The Uruguay operation posted a rapid growth of its omnichannel platform during 2020, leveraged on ecommerce, the last mile service and home deliveries. The digital channels were strengthened and responded in a timely manner to the needs of consumers during the COVID-19 context. In 2020, omnichannel sales grew by 1.6x (vs. 1.1x in 2019) and represented a 3.3% share on sales (+107 bps vs. 2019).

- **Ecommerce:** In 2020, ecommerce sales increased 2.3x and represented a 1.3% share on total sales (+71 bps vs. 2019).
- **Last Mile & Home Deliveries:** Sales increased by 33.1% in 2020, deliveries reached 183,000 (vs. 104,000 in 2019) boosted by the strengthening of the Company's logistic platform.
- **Click and Collect:** The service was available at 41 stores and orders reached more than 28,000 in 2020.

### Innovation

- **FreshMarket:** During the fourth quarter, the Company opened 1 store and totalled 19 stores in 2020. FreshMarket stores grew sales by 10.3%, +1.1 p.p. above the other stores and represented 42.4% share of the sales in Uruguay.

### Digital Transformation

- **Apps:** Reached over 64,000 active downloads during 2020 boosted by the digital couponing strategy. Sales through apps were done by over 11,000 shoppers and over 12,000 orders in 2020.
- **Start-ups:** The Company launched in partnership with *Endeavor Uruguay* a retail innovation lab and preselected 20 start-ups to work with in 3 categories such as sustainable retail, logistics & last mile and innovative retail to enhance service, operational activities and back office. At least, 6 start-ups were selected to initiate mentoring.

## Argentina

In 2020, the operation in Argentina accelerated the implementation of digital initiatives to meet customer needs and its omnichannel strategy reached a 1% share on total sales in the country.

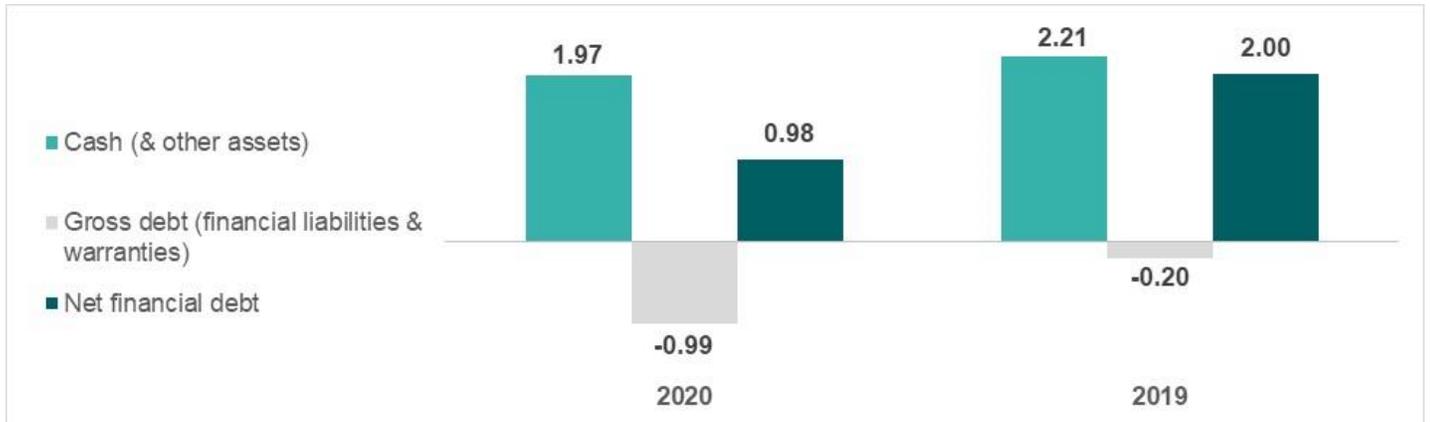
### Omni-channel

- **Ecommerce:** Online sales reached more than ARS \$102 M in the year and the webpage had over 2.1M visits.
- **Click and Collect / Click and Car:** During 4Q20, 6 additional stores integrated the service for a total of 15 stores delivering more than 20,000 orders in 2020.
- **Last Mile & Home Deliveries:** In partnership with "Rappi" and "Pedidos Ya" the last mile service was extended to 21 stores in 2020 (11 Hyper and 10 Proximity). Sales in 2020 increased 6x versus 2019 with over 1 million units were sold through more than 85,000 orders (2.5x vs 2019).

## Innovation

- **FreshMarket:** The model was implemented at 4 stores at the end of 2020. FreshMarket sales increased 35.3% (+6.7 p.p over the rest of stores) and participated with a 29% share on total sales in Libertad.

## IV. Financial Performance at Holding<sup>(1)</sup> Level



(1) Holding: Almacenes Éxito S.A results without Colombian or international subsidiaries. Note: Numbers expressed in long scale, COP billion represent 1.000.000.000.000.

### Cash and Debt at the holding level

- Cash generation was of COP \$104,000 million in 2020.
- A stronger cash position helped the Company to face liquidity constraints amid COVID-19 and to deliver dividends by COP \$1.12 billion, which led to a total Net Financial Debt variation of COP -\$1.03 billion.
- The Company's cash position reached over COP \$1.97 billion and available revolving credit facilities of COP \$700,000 million in 2020.
- The consolidated free cash flow, including Colombia, Uruguay and Argentina, reached COP \$325,308 million in 2020.
- The repo rate in Colombia closed at its lowest in 1.75% (250 bps below the rate in 2019).

## V. 2020 Outlook vs. Outcome

	Outlook 2020	Outlook 2020 Post-Covid	Outcome 2020	
Colombia	Retail Expansion: 20 to 24 stores (6 to 7 WOW and FreshMarket and 8 to 10 Surtimayorista)	Shifting retail investment into omnichannel	17 stores (2 WOW, 1 FM, 4 Surtimayorista, 7 Superinter and 3 Éxito Express) + 176 Click&Collect and omnichannel capabilities	●
	Revenue growth from retail and complementary businesses		Revenue grew by 3.7% (retail sales by 5.6%)	●
	Over 50% of total sales growth benefitted by innovation and omnichannel		75% of total sales growth benefitted from innovation and omnichannel	●
	Recurring EBITDA margin at least in line with 2019		Recurring EBITDA margin at 8.0% (-56bps vs 2019), with strong retail improvement and negative impact in complementary businesses	●
	Capex of COP \$400,000 M, COP \$300,000 M for retail and COP \$100,000 M for Real Estate	Capex postponements, with target reset to COP \$200,000 M / Debt and cash at healthy levels	Capex of COP\$ 241,810 M / Gross Debt ratio at -1.09x EBITDA and Cash position at COP\$1.97 billion	●
Uruguay	Retail Expansion: 4 to 6 stores (FreshMarket and Express)	Shifting retail investment into omnichannel	Retail Expansion of 2 FreshMarket stores (1 opening and 1 conversion)	●
	Recurring EBITDA margin at least in line with 2019		Recurring EBITDA margin at 10.3%, +112bps vs 2019	●
Argentina	Retail Expansion: 1 to 2 stores (FreshMarket)	Shifting retail investment into omnichannel	Omnichannel sales share improved by 90bps from investment shifting	●
	Developing of casual leasing at current real estate portfolio		Casual leasing remained stable in terms of areas	●
Latam	Sharing best practices with focus on innovation and strengthening of digital transformation	Shifting retail investment into omnichannel	Targets achieved in all 3 countries	●
		Protocols to be applied in all countries to face and mitigate effects of COVID-19	Protocols implemented, advanced payment to over 1,000 suppliers and distribution of near 255K nutrition packages for children	●

## VI. 2020 Update on COVID-19

- Along the year Grupo Éxito implemented mitigation strategies to support its stakeholders during the sanitary emergency adopting new measures to guarantee the health and integrity of employees and customers and keep the countries supplied hand in hand with suppliers and allies.
- The government in Colombia declared a state of economic, social and health emergency since the 17<sup>th</sup> of March of 2020 to August 31<sup>st</sup> to contain the spread of the pandemic and to help to mitigate its associated risk keeping the country under 167 days of confinement. Due to the increase of contagion and the limited capacity in intensive care units in the 4Q20, the government reimplemented mobility restrictions and curfews during weekends and nights in most cities specially for the Christmas season. In Colombia, the company contributed with initiatives to promote solidarity and allowed access to basic food for those most in need by delivering near to 255,000 food packages throughout the country, the provision of 600,000 “social baskets” with no profit for the company and the creation of the “Mercados para Colombia” card. The preservation of employment remained as a top priority for the organization, monthly payments to 1,000 SMEs were anticipated to guarantee their cash flows and more than 3,500 employments from the 50 textile workshops that produced private labels were protected through the manufacturing of 13 million masks.
- Uruguay was recognized as one of the country’s best managing the crisis, which allowed the country to gradually return to social and commercial activities. However, the increases of COVID-19 cases during the last quarter of the year, returned mobility restrictions and closure of borders.
- In Argentina, the social, preventive and mandatory confinement remained until November with additional localized restrictions that affected the operation of stores and commercial galleries.

## VII. 4Q/FY20 Conclusions

### LatAm platform

- Net Income grew 4.0x from a solid performance from retail in Colombia and in Uruguay and a leaner financial structure.
- EBITDA and cash generation led to higher cash levels and a sound financial structure.
- Strategic focus on profitable omni-channel and innovative models favoured SSS expansion and the highest share on ecommerce food sales in LatAm.
- Expenses grew below sales growth and inflation across operations through the operational excellence program.
- Recurring EBITDA reflected a strong operating retail business and COVID-19 impacts on complementary businesses.
- Éxito WOW and FreshMarket grew above non-converted stores, proving their strategic relevance.

### Colombia

- Omni-channel reached its highest performance, sales grew 2.7x to 1.5 Bn COP and share on sale rose to 12.4%.
- The strong retail growth from the dynamism of the food category and the assertive commercial strategy, granted market share gains.
- The most important complementary businesses remained solid: real estate occupancy rate was 92% and Tuya ranked 1<sup>st</sup> as issuer of credit cards in the country.

### Uruguay

- The most profitable business unit from solid retail operating performance (Recurring EBITDA margin was 10.3% (+112 bps).
- A solid LFL evolution (+9.3%<sup>(1)</sup>), benefited from differentiation with Fresh Market stores and omni-channel sales growth (1.6x).

### Argentina

- Expense control activities favoured EBITDA generation and cash position amidst mobility restrictions.
- Solid quarterly operating outcome (10.8% Recurring EBITDA margin) drove a annual resilient and positive Ebitda margin despite macro headwinds.

(1) In local currency, including the calendar effect adjustment of 0.4% in 2020.

## VIII. 2021 Outlook

### LatAm platform

- Net result to improve reflecting better operating performance and stability of non-operating lines.
- Consolidated Capex of between 110 to 130 MUSD (prioritizing mainly conversions of Wow and FreshMarket stores and the strengthening of IT and logistics platforms for omni-channel).
- Revenue to reflect improved contribution from complementary business and sales benefited by innovation and omni-channel.

### Colombia

- Revenue growth from dynamism of omni-channel and gradual recovery of complementary businesses.
- Improvement of the Recurrent EBITDA margin.
- Retail expansion of around 30 stores (from openings, conversions, and remodeling).
- Capex of between 90 to 110 MUSD, focused on store optimization, innovation, and digital transformation.

### Uruguay

- Revenue growth from dynamism of omni-channel and FreshMarket expansion (to represent near to 4% and 47% share on total sales vs. 3.3% and 42.4% in 2020, respectively).
- A high level of Recurring EBITDA margin, however, pressured by a weak touristic season.

### Argentina

- Top line to reflect an improved retail trend, the development of ecommerce and the gradual recovery of the real estate business.

## IX. Grupo Éxito Ecosystem and Strategic Pillars 2021 - 2023

Grupo Éxito's strategy for 2021 to 2023, is comprised of five pillars, to adapt to changes in consumer trends and guarantee the Company's sustainable growth in the long run. The goal is to implement and improve key activities, such as customer service, relational marketing, supplier relationships all supported by IT developments. These activities involve all countries in which the Company operates, and the implementation of these initiatives will follow a top-down approach.



### 1. Innovation

Activities to constantly innovate on stores, in brands and products in accordance with customer requirements.

- Models & Formats:** upgrading retail and innovating in premium, mid and low-cost markets by improving the store portfolio base and focusing on converting and renovating them into key profitable stores.
  - Premium and Mid-market:**
    - The “FreshMarket” model aims to innovate the fresh food category, renovate stores and improve layouts. Furthermore, it includes digital activities, such as apps, improved customer service and strengthening key offerings, such as events for wine, pasta, cheese and coffee related to the premium banner.
    - The “Wow” model: Launched in Colombia in 2018 regards to the hypermarket of the future, a shopping experience connected to the digital world, superior customer service and improved focus on fresh products.
  - Low-cost market:**
    - Surtimayorista: to compete versus both the formal and informal markets. The format operates with low operating costs and CAPEX requirements, driving returns and boosting sales following conversions.
    - Allies: near to 1,500 Allies worked in partnership with Grupo Éxito during 2020 and performed high frequency and volume in trade. With the launch of the “Misurtii” app the aim was to digitalize food sales for mom and pops and small businesses and to continue with strong digital presence.

- **Private Label:** development of the current portfolio of products to improve competitiveness by offering customers the lowest price and the best quality available.
  - Food: strengthening well-known brands such as Frescampo in Colombia and positioning Taeq as the most important private label for healthy products across the region.
  - Non-food: aiming to apparel democratizing with the brands Arkitect, Bronzini, People among others, and the brand with international presence Finlandek represented 35% of sales share in textile & home categories in Colombia.

## 2. Omni-channel Model:

Integration of virtual and physical platform to offer clients various channels, products and services to interact with the Company. Related to the development of:

- **E-commerce:** differentiated websites by genre, for non-food and food categories.
- **Market Place:** to improve the customer shopping experience by including multiple vendors, raising the number of transactions through the Company's websites.
- **Digital Catalogues:** kiosks available at stores to purchase and order online.
- **Home Delivery & Last Milers:** to enhance convenience for customers through the development of start-ups such as last milers.
- **Click & Collect:** service available for food and non-food purchases online to be collected at stores.

## 3. Digital Transformation

This pillar included the creation of the Digital Transformation Department in Colombia.

- **Apps:** to improve customer service, reinforced loyalty and increase share of wallet.
  - Éxito and Carulla: Apps complementing on-line initiatives. The new version launched improved historical trends and integration with the Company's trade ecosystem with new functionalities such as Tuya Pay, SmileID in Carulla app, insurance sale, smart shopping lists and virtual line for customers in-store, in addition to customize discounts and integration with Puntos Colombia loyalty program.
  - In Uruguay, the Company is exploring Web and App integration for Disco, Geant and Devoto, reinforcing relationship with start-ups and developing smart web assortment.
  - In Argentina, the plan is to launch the app by 2021.
- **Others**
  - Éxito Media: to monetize the physical and digital asset by offering advertising services, centralizing the media monetization and ecosystem information. Services on-site, off-site and in-stores.
  - Car Renting: to get into the new venture of offering of car renting services to customers.
  - Start-ups: research and analyse the feasibility of start-ups with which the Company may enhance service, operational activities and back office. Other analyses underway include artificial intelligence and image recognition.
- **Developments**
  - Frictionless: to improve the customer service experience at stores, especially when purchasing and paying for groceries or services, to reduce waiting time perception, by implementing:
    - ✓ Self-check-out: customer self-scanning, payment and packaging.
    - ✓ Mobile POS: on-foot cashier.
    - ✓ Scan & Pay: customer self-scanning and on-line receipt ready to be processed at the cashier.
    - ✓ Shop & Go: customer self-scanning, on-line payment through the app and go.

- Customer Service: activities to improve relationship with clients and improving waiting time perception by using trendy channels such as:
  - ✓ Chatbot: 24-hour virtual assistant to answer questions/requirements from clients.
  - ✓ Social Marketing: active attention to customer's social media behaviour and using data collected to improve service and processes.
  - ✓ Social Wi-Fi: free high-quality internet connection available for clients.
  - ✓ Kiosks: interactive devices to allow our customers to self-manage purchases.
- Data Analytics: usage of all data collected through all channels and IT developments to improve customer knowledge and internal data management.
  - ✓ Predictive Models: analyse common trends to improve the understanding of customer, demand, logistics and supply chain.
  - ✓ CRM: Customer Relationship Management.
  - ✓ Relational discounts models, such as "Club del Comerciante" recently launched by Surtimayorista to offer discounts to hospitality customers based on their purchases, aiming to increase average basket by improving cross-selling.
- Logistic and Supply Chain
  - ✓ Inventory Management: improvement and optimization by usage of data and trends.
  - ✓ Productivity Management: transforming processes by focusing on agility, flexibility, efficiency and supply chain precision.
- HR Management
  - ✓ Transforming management of human resources by creating on-line platforms for employee selection and recruitment processes, training and HR data management.

#### 4. Asset /Traffic Monetization and Best Practices

To boost growth by leveraging activities through the development of:

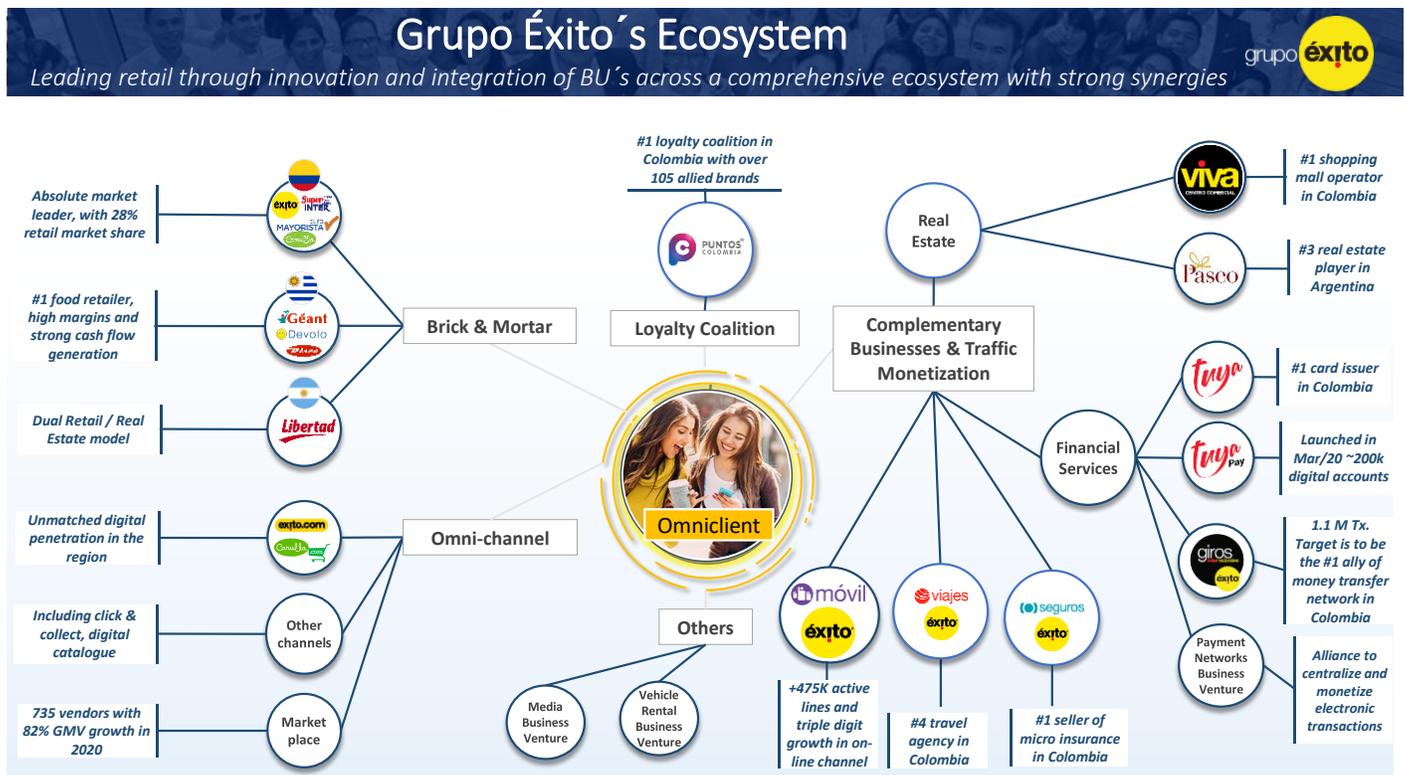
- **Loyalty Coalition:** which provide high potential for data monetization – transactional information, consumer data and marketing focused campaigns through Puntos Colombia.
- **Complementary Businesses:** to improve the Company's returns by strengthening:
  - Real Estate: to optimize the GLA and improve occupancy rates at VIVA and Paseo shopping centers through a dual retail / real estate business model.
  - Financial Services: TUYA, money transfers and payment networking, include a complete set of financial and digital services in alliances to centralize and monetize electronic transactions.
  - Travel: to strengthen the business and reverting the trend seen in 2020.
  - Insurance: to continue offering a wide portfolio of retail insurance policies through the partnership with Suramericana and lead as the seller of microinsurance in Colombia.
  - Virtual Mobile Operator: to increase the number of active users and complement the growth of omni-channel sales.
- **Operational Excellence:** execution of the program across countries to maintain SG&A expense growth below inflation levels, by focusing on:
  - Logistics & Supply Chain: improving the operation by setting stores and dark stores to support omni-channel activities and rolling out inventory management activities.
  - Lean Productivity Schemes: review of processes and structures across the diverse business units.

- Joint Purchasing: commodity purchasing activities, including indirect goods, services and technology across the region to deliver cost savings.
- Back Office: opportunities to further optimize and centralize diverse processes across the region.

## 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
- **Employee well-being**
  - HR development

These five pillars are embedded into a synergic ecosystem in where all business units interact in an efficient manner to offer the best quality service to a customer considered as an “omniclient”.



## X. Additional Information

### Conference Call Details - Almacenes Éxito S.A. (BVC: ÉXITO)

Cordially invites you to participate in its *Fourth Quarter 2020 Results Conference Call*

Date: Tuesday, February 23, 2021

Time: 9:00 a.m. Eastern Time

9:00 a.m. Colombia Time

#### Presenting for Grupo Éxito:

Carlos Mario Giraldo Moreno, Chief Executive Officer

Ruy Souza, Chief Financial Officer

María Fernanda Moreno, Investor Relations Manager

*To participate, please dial:*

**USA Toll Free:** 1 (888) 771-4371

**Colombia Toll Free:** 01 800 9 156 924

**International (Outside USA dial):** +1 (847) 585-4405

Conference ID number: **50092257**

Almacenes Éxito S.A. will report its Fourth Quarter 2020 Earnings on Monday, February 22, 2021 after the market closes.

4Q20 results will be accompanied by a webcast presentation and audio webcast that will be available on the company's website at [www.grupoÉxito.com.co](http://www.grupoÉxito.com.co) or under

<https://onlinexperiences.com/Launch/QReg/ShowUUID=6B44859D-DCED-4E33-AEB8-78454BE8611D>

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#### Upcoming Financial Publications

First Quarter 2021 Earnings Release – May 4, 2021

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## Company Description

*Grupo Éxito is one of the largest multinationals in Colombia and a relevant food retailer in South America, with operations in Colombia, Uruguay and Argentina. The Company has clear competitive advantages derived from its strength in innovation, bricks and mortar, and the value of their brands, supported by the quality of its human resource. Grupo Éxito also leads an omnichannel strategy and diversifies its revenue with a sound set of complementary businesses to enhance its retail offering.*

*In 2020, Consolidated Net Revenues totalled COP \$15.7 billion derived from retail sales and its strong portfolio of complementary businesses: financial services, travel, insurance, virtual mobile operator and real estate with shopping malls in Colombia and Argentina. The Company operated 629 stores: in Colombia with Grupo Éxito, in Uruguay with Grupo Disco and Grupo Devoto, and in Argentina with Libertad.*

*Grupo Éxito's solid omni-channel model and multi-format and multi-brand strategies make it the leader in all modern retail segments. The Company's hypermarkets lead under the Éxito, Geant and Libertad banners; in premium supermarkets under the Carulla, Disco and Devoto brands; in proximity under the Carulla, Éxito, Devoto and Libertad Express brands. In the low-cost market the Group operates stores under banners Surtimax, Super Inter and Surtimayorista in Colombia.*

*Since 2019 the Company officially declared its Digital Transformation Strategy to adapt to changes in consumer trends.*

## XI. Appendices

### Notes:

- Numbers expressed in long scale, COP billion represent 1.000.000.000.000.
- Growth and variations expressed versus the same period last year, except when stated otherwise.
- Sums and percentages may reflect discrepancies due to rounding of figures.
- All margins are calculated as percentage of net revenue.

### Glossary

- **Colombia results** includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country.
- **Consolidated results:** includes Almacenes Éxito results, Colombian and international subsidiaries in Uruguay and Argentina.
- **EBIT:** Recurring Operating Income adjusted for the other non-recurring operational income/expense result.
- **EBITDA:** Earnings before Interest, Taxes, Depreciation and Amortization.
- **EPS:** Earnings Per Share calculated on an entirely diluted basis.
- **Financial Result:** impacts of interests, derivatives, financial assets/liabilities valuation, FX changes and other related to cash, debt and other financial assets/liabilities.
- **GLA:** Gross Leasable Area.
- **GMV:** Gross Merchandise Value.
- **Holding:** includes Almacenes Éxito results without Colombian and international subsidiaries.
- **Net Group Share Result:** net result attributable to Grupo Éxito's shareholders.
- **Net Revenue:** total revenue related to total net sales and other revenue.
- **Other Revenue:** revenue related to complementary businesses (real estate, insurance, financial services, travel, etc.) and other revenue.
- **Recurring EBITDA:** measure of profitability that includes Recurring Operating Income adjusted for Depreciation and Amortization both in cost and expense (D&A).
- **Recurring Operating Income (ROI):** includes the Gross Profit adjusted by SG&A expense and D&A.
- **SSS:** same-store-sales levels, including the effect of store conversions.
- **Total Net Sales:** sales related to the retail business.

## 1. Consolidated P&L

in COP M	4Q20	4Q19	% Var	FY20	FY19	% Var
Net Sales	4,173,671	4,079,945	2.3%	15,141,244	14,503,846	4.4%
Other Revenue	171,342	244,583	(29.9%)	594,595	789,237	(24.7%)
<b>Net Revenue</b>	<b>4,345,013</b>	<b>4,324,528</b>	<b>0.5%</b>	<b>15,735,839</b>	<b>15,293,083</b>	<b>2.9%</b>
Cost of Sales	(3,186,064)	(3,123,986)	2.0%	(11,704,185)	(11,277,231)	3.8%
Cost D&A	(16,888)	(16,231)	4.0%	(74,725)	(61,746)	21.0%
<b>Gross Profit</b>	<b>1,142,061</b>	<b>1,184,311</b>	<b>(3.6%)</b>	<b>3,956,929</b>	<b>3,954,106</b>	<b>0.1%</b>
<i>Gross Margin</i>	<i>26.3%</i>	<i>27.4%</i>	<i>(110) bps</i>	<i>25.1%</i>	<i>25.9%</i>	<i>(71) bps</i>
SG&A Expense	(698,520)	(730,121)	(4.3%)	(2,759,793)	(2,736,070)	0.9%
Expense D&A	(115,671)	(113,943)	1.5%	(443,308)	(450,529)	(1.6%)
<b>Total Expense</b>	<b>(814,191)</b>	<b>(844,064)</b>	<b>(3.5%)</b>	<b>(3,203,101)</b>	<b>(3,186,599)</b>	<b>0.5%</b>
<i>Expense/Net Rev</i>	<i>18.7%</i>	<i>19.5%</i>	<i>(78) bps</i>	<i>20.4%</i>	<i>20.8%</i>	<i>(48) bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>327,870</b>	<b>340,247</b>	<b>(3.6%)</b>	<b>753,828</b>	<b>767,507</b>	<b>(1.8%)</b>
<i>ROI Margin</i>	<i>7.5%</i>	<i>7.9%</i>	<i>(32) bps</i>	<i>4.8%</i>	<i>5.0%</i>	<i>(23) bps</i>
Non-Recurring Income/Expense	(54,087)	(55,036)	(1.7%)	(142,583)	(93,320)	52.8%
<b>Operating Income (EBIT)</b>	<b>273,783</b>	<b>285,211</b>	<b>(4.0%)</b>	<b>611,245</b>	<b>674,187</b>	<b>(9.3%)</b>
<i>EBIT Margin</i>	<i>6.3%</i>	<i>6.6%</i>	<i>(29) bps</i>	<i>3.9%</i>	<i>4.4%</i>	<i>(52) bps</i>
Net Financial Result	(55,726)	(143,315)	(61.1%)	(245,631)	(492,930)	(50.2%)
Associates & Joint Ventures Results	6,769	(4,026)	N/A	19,668	(10,123)	N/A
<b>EBT</b>	<b>224,826</b>	<b>137,870</b>	<b>63.1%</b>	<b>385,282</b>	<b>171,134</b>	<b>125.1%</b>
Income Tax	(55,378)	(15,495)	N/A	(54,179)	(23,296)	132.6%
<b>Net Result</b>	<b>169,448</b>	<b>122,375</b>	<b>38.5%</b>	<b>331,103</b>	<b>147,838</b>	<b>124.0%</b>
Non-Controlling Interests	(24,984)	(30,097)	(17.0%)	(99,030)	(865,074)	(88.6%)
Net Result of Discontinued Operations	(180)	(15,157)	(98.8%)	(1,201)	774,838	(100.2%)
<b>Net Group Share Result</b>	<b>144,284</b>	<b>77,121</b>	<b>87.1%</b>	<b>230,872</b>	<b>57,602</b>	<b>300.8%</b>
<i>Net Margin</i>	<i>3.3%</i>	<i>1.8%</i>	<i>154 bps</i>	<i>1.5%</i>	<i>0.4%</i>	<i>109 bps</i>
<b>Recurring EBITDA</b>	<b>460,429</b>	<b>470,421</b>	<b>(2.1%)</b>	<b>1,271,861</b>	<b>1,279,782</b>	<b>(0.6%)</b>
<i>Recurring EBITDA Margin</i>	<i>10.6%</i>	<i>10.9%</i>	<i>(28) bps</i>	<i>8.1%</i>	<i>8.4%</i>	<i>(29) bps</i>
<b>EBITDA</b>	<b>406,342</b>	<b>415,385</b>	<b>(2.2%)</b>	<b>1,129,278</b>	<b>1,186,462</b>	<b>(4.8%)</b>
<i>EBITDA Margin</i>	<i>9.4%</i>	<i>9.6%</i>	<i>(25) bps</i>	<i>7.2%</i>	<i>7.8%</i>	<i>(58) bps</i>
Shares	447.604	447.604	0.0%	447.604	447.604	0.0%
<b>EPS</b>	<b>322.3</b>	<b>172.3</b>	<b>87.1%</b>	<b>515.8</b>	<b>128.7</b>	<b>N/A</b>

Note: Consolidated data include results from Colombia, Uruguay and Argentina, eliminations and the FX effect (-4.4% and -2.9% at top line and at recurring EBITDA in 4Q20 and of -2.6% and -1.7% in FY20, respectively). FY19 data included the Brazilian segment (Companhia Brasileira de Distribuição CBD, Segisor S A S and Wilkes Participações S A sold on November 27, 2019 and Via Varejo S A sold on June, 2019) and subsidiary Transacciones Energeticas S.A.S. (previously Gemex O&W S. A. S.). FY20 data included Transacciones Energeticas S.A.S. (previously Gemex O&W S. A. S.), as net result of discontinued operations.

## 2. P&L and CAPEX by Country

Income Statement	<u>Colombia</u>	<u>Uruguay</u>	<u>Argentina</u>	<u>Consol</u>
in COP M	FY20	FY20	FY20	FY20
Net Sales	11,642,685	2,654,336	847,060	15,141,244
Other Revenue	539,587	28,325	27,153	594,595
<b>Net Revenue</b>	<b>12,182,272</b>	<b>2,682,661</b>	<b>874,213</b>	<b>15,735,839</b>
Cost of Sales	(9,355,135)	(1,763,753)	(590,538)	(11,704,185)
Cost D&A	(68,699)	(5,345)	(681)	(74,725)
<b>Gross profit</b>	<b>2,758,438</b>	<b>913,563</b>	<b>282,994</b>	<b>3,956,929</b>
<i>Gross Margin</i>	22.6%	34.1%	32.4%	25.1%
SG&A Expense	(1,850,843)	(641,290)	(267,649)	(2,759,793)
Expense D&A	(378,920)	(47,030)	(17,358)	(443,308)
<b>Total Expense</b>	<b>(2,229,763)</b>	<b>(688,320)</b>	<b>(285,007)</b>	<b>(3,203,101)</b>
<i>Expense/Net Rev</i>	18.3%	25.7%	32.6%	20.4%
<b>Recurring Operating Income (ROI)</b>	<b>528,675</b>	<b>225,243</b>	<b>(2,013)</b>	<b>753,828</b>
<i>ROI Margin</i>	4.3%	8.4%	(0.2%)	4.8%
Non-Recurring Income and Expense	(110,054)	(23,411)	(9,118)	(142,583)
<b>Operating Income (EBIT)</b>	<b>418,621</b>	<b>201,832</b>	<b>(11,131)</b>	<b>611,245</b>
<i>EBIT Margin</i>	3.4%	7.5%	(1.3%)	3.9%
<b>Net Financial Result</b>	<b>(217,963)</b>	<b>(6,564)</b>	<b>(19,181)</b>	<b>(245,631)</b>
<b>Recurring EBITDA</b>	<b>976,294</b>	<b>277,618</b>	<b>16,026</b>	<b>1,271,861</b>
<i>Recurring EBITDA Margin</i>	8.0%	10.3%	1.8%	8.1%
<b>CAPEX</b>				
<i>in COP M</i>	<b>175,670</b>	<b>58,751</b>	<b>7,389</b>	<b>241,810</b>
<i>in local currency</i>	175,670	669	181	

Note: Consolidated data include results from Colombia, Uruguay and Argentina, eliminations and the FX effect (-4.4% and -2.9% at top line and at recurring EBITDA in 4Q20 and of -2.6% and -1.7% in FY20, respectively). The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country.

### 3. Consolidated Balance Sheet

in COP M	Dec 2019	Dec 2020	Var %
<b>Assets</b>	<b>15,861,015</b>	<b>15,649,974</b>	<b>(1.3%)</b>
<b>Current assets</b>	<b>5,356,665</b>	<b>5,265,996</b>	<b>(1.7%)</b>
Cash & Cash Equivalents	2,562,674	2,409,391	(6.0%)
Inventories	1,900,660	1,922,617	1.2%
Accounts receivable	379,921	471,202	24.0%
Assets for taxes	333,850	362,383	8.5%
Assets held for sale	37,928	19,942	(47.4%)
Others	141,632	80,461	(43.2%)
<b>Non-current assets</b>	<b>10,504,350</b>	<b>10,383,978</b>	<b>(1.1%)</b>
Goodwill	2,929,751	2,853,535	(2.6%)
Other intangible assets	304,215	307,797	1.2%
Property, plant and equipment	3,845,092	3,707,602	(3.6%)
Investment properties	1,626,220	1,578,746	(2.9%)
Right of Use	1,303,648	1,317,545	1.1%
Investments in associates and JVs	210,487	267,657	27.2%
Deferred tax asset	177,269	234,712	32.4%
Assets for taxes	-	-	N/A
Others	107,668	116,384	8.1%
<b>Liabilities</b>	<b>7,416,173</b>	<b>8,245,701</b>	<b>11.2%</b>
<b>Current liabilities</b>	<b>5,906,214</b>	<b>6,422,947</b>	<b>8.7%</b>
Trade payables	4,662,801	4,678,078	0.3%
Lease liabilities	222,177	223,803	0.7%
Borrowing-short term	616,822	1,110,883	80.1%
Other financial liabilities	114,871	87,289	(24.0%)
Liabilities held for sale	-	-	N/A
Liabilities for taxes	72,910	76,111	4.4%
Others	216,633	246,783	13.9%
<b>Non-current liabilities</b>	<b>1,509,959</b>	<b>1,822,754</b>	<b>20.7%</b>
Trade payables	114	68	(40.4%)
Lease liabilities	1,308,054	1,319,092	0.8%
Borrowing-long Term	43,531	344,779	N/A
Other provisions	18,998	14,542	(23.5%)
Deferred tax liability	116,503	118,722	1.9%
Liabilities for taxes	800	4,463	N/A
Others	21,959	21,088	(4.0%)
<b>Shareholder´s equity</b>	<b>8,444,842</b>	<b>7,404,273</b>	<b>(12.3%)</b>

Note: Consolidated data include figures from Colombia, Uruguay and Argentina.

#### 4. Consolidated Cash Flow

in COP M	Dec 2020	Dec 2019	Var %
<b>Profit</b>	<b>329,902</b>	<b>922,676</b>	<b>(64.2%)</b>
Adjustment to reconcile Net Income	1,046,604	2,321,985	(54.9%)
Cash Net (used in) Operating Activities	630,301	(462,317)	N/A
Cash Net (used in) Investment Activities	(273,926)	(6,734,779)	(95.9%)
Cash net provided by Financing Activities	(469,470)	3,977,780	N/A
<b>Var of net of cash and cash equivalents before the FX rate</b>	<b>(113,095)</b>	<b>(3,219,316)</b>	<b>(96.5%)</b>
Effects on FX changes on cash and cash equivalents	(40,188)	(191,690)	(79.0%)
<b>(Decrease) net of cash and cash equivalents</b>	<b>(153,283)</b>	<b>(3,411,006)</b>	<b>(95.5%)</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>5,973,680</b>	<b>(57.1%)</b>
<b>Ending balance of cash and cash equivalents discontinued</b>	<b>-</b>	<b>-</b>	
<b>Ending balance of cash and cash equivalents</b>	<b>2,409,391</b>	<b>2,562,674</b>	<b>(6.0%)</b>

Note: Consolidated data include figures from Colombia, Uruguay and Argentina.

#### 5. Financial Indicators

	Indicators at Consolidated Level		Indicators at Holding Level	
	December 2020	December de 2019	December 2020	December de 2019
Assets / Liabilities	1.90	2.14	1.85	2.14
Liquidity (Current Assets / Current Liabilities)	0.82	0.91	0.81	0.92

## 6. Almacenes Éxito<sup>(1)</sup> P&L

in COP M	4Q20	4Q19	% Var	FY20	FY19	% Var
Net Sales	3,329,904	3,109,562	7.1%	11,649,896	11,044,128	5.5%
Other Revenue	97,579	146,492	(33.4%)	312,444	440,144	(29.0%)
<b>Net Revenue</b>	<b>3,427,483</b>	<b>3,256,054</b>	<b>5.3%</b>	<b>11,962,340</b>	<b>11,484,272</b>	<b>4.2%</b>
Cost of Sales	(2,636,146)	(2,463,529)	7.0%	(9,345,057)	(8,930,322)	4.6%
Cost D&A	(13,287)	(15,037)	(11.6%)	(62,513)	(52,487)	19.1%
<b>Gross profit</b>	<b>778,050</b>	<b>777,488</b>	<b>0.1%</b>	<b>2,554,770</b>	<b>2,501,463</b>	<b>2.1%</b>
<i>Gross Margin</i>	<i>22.7%</i>	<i>23.9%</i>	<i>(118) bps</i>	<i>21.4%</i>	<i>21.8%</i>	<i>(42) bps</i>
SG&A Expense	(470,256)	(469,016)	0.3%	(1,779,944)	(1,727,258)	3.1%
Expense D&A	(96,986)	(88,166)	10.0%	(352,303)	(360,064)	(2.2%)
<b>Total Expense</b>	<b>(567,242)</b>	<b>(557,182)</b>	<b>1.8%</b>	<b>(2,132,247)</b>	<b>(2,087,322)</b>	<b>2.2%</b>
<i>Expense/Net Rev</i>	<i>(16.5%)</i>	<i>(17.1%)</i>	<i>56 bps</i>	<i>(17.8%)</i>	<i>(18.2%)</i>	<i>35 bps</i>
<b>Recurring Operating Income (ROI)</b>	<b>210,808</b>	<b>220,306</b>	<b>(4.3%)</b>	<b>422,523</b>	<b>414,141</b>	<b>2.0%</b>
<i>ROI Margin</i>	<i>6.2%</i>	<i>6.8%</i>	<i>(62) bps</i>	<i>3.5%</i>	<i>3.6%</i>	<i>(7) bps</i>
Non-Recurring Income and Expense	(31,851)	(37,520)	(15.1%)	(96,847)	(70,375)	37.6%
<b>Operating Income</b>	<b>178,957</b>	<b>182,786</b>	<b>(2.1%)</b>	<b>325,676</b>	<b>343,766</b>	<b>(5.3%)</b>
<i>EBIT Margin</i>	<i>5.2%</i>	<i>5.6%</i>	<i>(39) bps</i>	<i>2.7%</i>	<i>3.0%</i>	<i>(27) bps</i>
<b>Net Financial Result</b>	<b>(63,509)</b>	<b>(146,074)</b>	<b>(56.5%)</b>	<b>(260,317)</b>	<b>(473,382)</b>	<b>(45.0%)</b>
<b>Net Group Share Result</b>	<b>144,284</b>	<b>77,121</b>	<b>87.1%</b>	<b>230,872</b>	<b>57,602</b>	<b>300.8%</b>
<i>Net Margin</i>	<i>4.2%</i>	<i>2.4%</i>	<i>184 bps</i>	<i>1.9%</i>	<i>0.5%</i>	<i>143 bps</i>
<b>Recurring EBITDA</b>	<b>321,081</b>	<b>323,509</b>	<b>(0.8%)</b>	<b>837,339</b>	<b>826,692</b>	<b>1.3%</b>
<i>Recurring EBITDA Margin</i>	<i>9.4%</i>	<i>9.9%</i>	<i>(57) bps</i>	<i>7.0%</i>	<i>7.2%</i>	<i>(20) bps</i>

(1) Holding: Almacenes Éxito results without Colombian subsidiaries.

## 7. Almacenes Éxito<sup>(1)</sup> Balance Sheet

in COP M	Dec 2019	Dec 2020	Var %
<b>Assets</b>	<b>13,519,213</b>	<b>13,468,080</b>	<b>(0.4%)</b>
<b>Current assets</b>	<b>4,448,466</b>	<b>4,309,539</b>	<b>(3.1%)</b>
Cash & Cash Equivalents	2,206,153	1,969,470	(10.7%)
Inventories	1,555,865	1,583,972	1.8%
Accounts receivable	199,712	292,941	46.7%
Assets for taxes	314,736	339,539	7.9%
Others	172,000	123,617	(28.1%)
<b>Non-current assets</b>	<b>9,070,747</b>	<b>9,158,541</b>	<b>1.0%</b>
Goodwill	1,453,077	1,453,077	0.0%
Other intangible assets	159,225	166,511	4.6%
Property, plant and equipment	2,027,180	1,909,426	(5.8%)
Investment properties	91,889	89,246	(2.9%)
Right of Use	1,411,410	1,570,161	11.2%
Investments in subsidiaries, associates and joint ventures	3,614,639	3,618,703	0.1%
Others	313,327	351,417	12.2%
<b>Liabilities</b>	<b>6,322,685</b>	<b>7,264,217</b>	<b>14.9%</b>
<b>Current liabilities</b>	<b>4,847,078</b>	<b>5,310,807</b>	<b>9.6%</b>
Trade payables	3,901,549	3,931,085	0.8%
Lease liabilities	224,492	230,240	2.6%
Borrowing-short term	204,705	647,934	N/A
Other financial liabilities	95,437	81,366	(14.7%)
Liabilities for taxes	66,270	68,274	3.0%
Others	354,625	351,908	(0.8%)
<b>Non-current liabilities</b>	<b>1,475,607</b>	<b>1,953,410</b>	<b>32.4%</b>
Lease liabilities	1,394,323	1,554,725	11.5%
Borrowing-long Term	6,293	325,770	N/A
Other provisions	53,056	51,846	(2.3%)
Deferred tax liability	-	-	0
Others	21,935	21,069	(3.9%)
<b>Shareholder's equity</b>	<b>7,196,528</b>	<b>6,203,863</b>	<b>(13.8%)</b>

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

## 8. Debt by Country- Currency and Maturity

### Net debt breakdown by country

31 Dec 2020, (millions of COP)	Holding (2)	Colombia	Uruguay	Argentina	Consolidated
Short-term debt	729,300	753,749	427,282	17,141	1,198,172
Long-term debt	325,864	344,873	-	-	344,873
<b>Total gross debt (1)</b>	<b>1,055,164</b>	<b>1,098,622</b>	<b>427,282</b>	<b>17,141</b>	<b>1,543,045</b>
Cash and cash equivalents	1,969,470	2,083,836	251,736	73,819	2,409,391
<b>Net debt</b>	<b>914,306</b>	<b>985,214</b>	<b>175,546</b>	<b>56,678</b>	<b>866,346</b>

### Holding Gross debt by maturity

31 Dec 2020, (millions of COP)	Nominal amount	Nature of interest rate	Maturity Date	31-dic-20
Revolving credit facility - Bilateral	100,000	Floating	January 2023	
Short Term - Bilateral	600,000	Floating	March 2021	570,000
Mid Term - Bilateral	135,000	Floating	June 2022	135,000
Revolving credit facility - Bilateral	100,000	Floating	August 2022	
Revolving credit facility - Syndicated	500,000	Floating	August 2022	
Long Term - Bilateral	290,000	Floating	March 2026	253,750
<b>Total gross debt (2)</b>	<b>1,725,000</b>			<b>958,750</b>

Note: The Colombian perimeter includes the consolidation of Almacenes Éxito S.A. and its subsidiaries in the country. 1) Debt without contingent warranties and letters of credits. (2) Holding gross debt issued 100% in Colombian Pesos with an interest rate below IBR3M + 4.0%, debt at the nominal amount. IBR 3M (Indicador Bancario de Referencia) – Market Reference Rate: 1.693%; other collections included, and positive hedging valuation not included.

## 9. Stores and Selling Area

<u>Banner by country</u>	<u>Store number</u>	<u>Sales Area (sqm)</u>
<b>Colombia</b>		
Éxito	241	619,954
Carulla	95	85,129
Surtimax	74	34,271
Super Inter	69	65,557
Surtimayorista	34	33,621
<b>Total Colombia</b>	<b>513</b>	<b>838,532</b>
<b>Uruguay</b>		
Devoto	59	40,127
Disco	30	35,252
Geant	2	16,411
<b>Total Uruguay</b>	<b>91</b>	<b>91,790</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>629</b>	<b>1,036,085</b>

Note: The store count does not include allies in Colombia.

## Note on Forward-Looking Statements

*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 able to predict all 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.*

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