

# Éxito's ADR and BDR listing

Grupo Éxito

Aug 2023

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This Presentation contains forward-looking statements. The words “may”, “will”, “would”, “should”, “believes”, “anticipates”, “wishes”, “expects”, “estimates”, “intends”, “forecasts”, “plans”, “predicts”, “projects”, “targets” and similar words and expressions (or their negatives) are intended to identify these forward-looking statements. Forward-looking statements may contemplate future predictions that are merely estimates and not guarantees of future performance. Any projection, forecast, estimate or other forward-looking statement in this Presentation only illustrates hypothetical performance under specified assumptions of events or conditions and are not reliable indicators of future results or performance.

All figures are expressed in millions (M) or billion (B) of Colombian Pesos (COP) unless otherwise stated and expressed in long scale (COP B represent 1,000,000,000,000).

# Agenda

1

Transaction  
Overview

2

grupo **éxito**<sup>®</sup>  
Overview

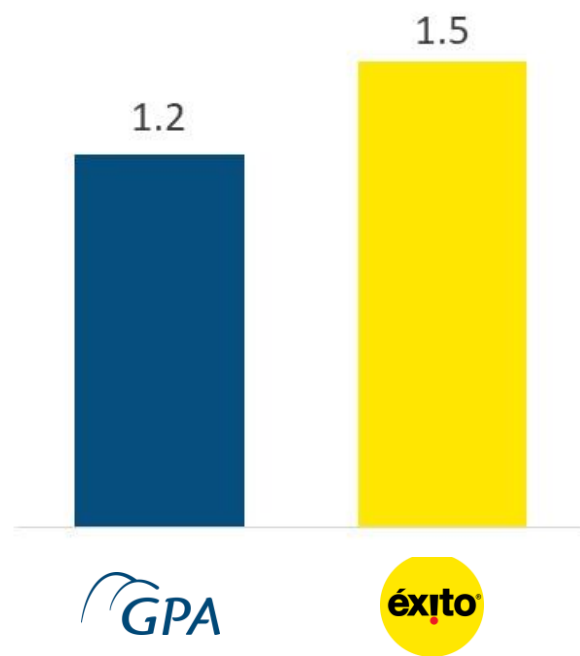
# Section 1

Transaction Overview



# Potential to unlock value at Éxito

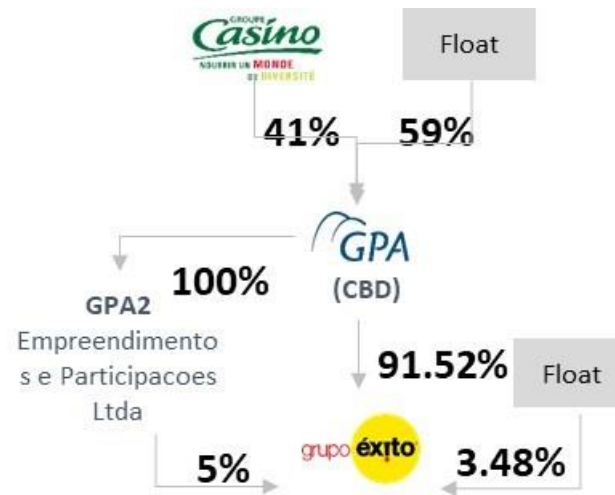
**GPA owns ~97% of Éxito**  
 Market capitalization (B USD)<sup>1</sup>



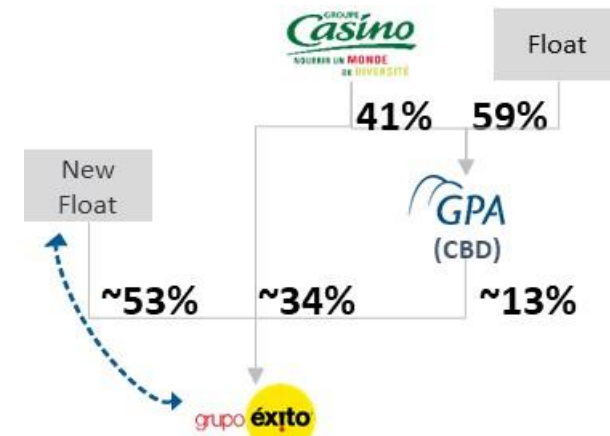
**Current Éxito's share value clearly affected by its low public float (~3.5%)**

## A Current ownership structure<sup>1</sup>

ILUSTRATIVE TRANSACTION STRUCTURE



## B Post-transaction structure



BENEFITS

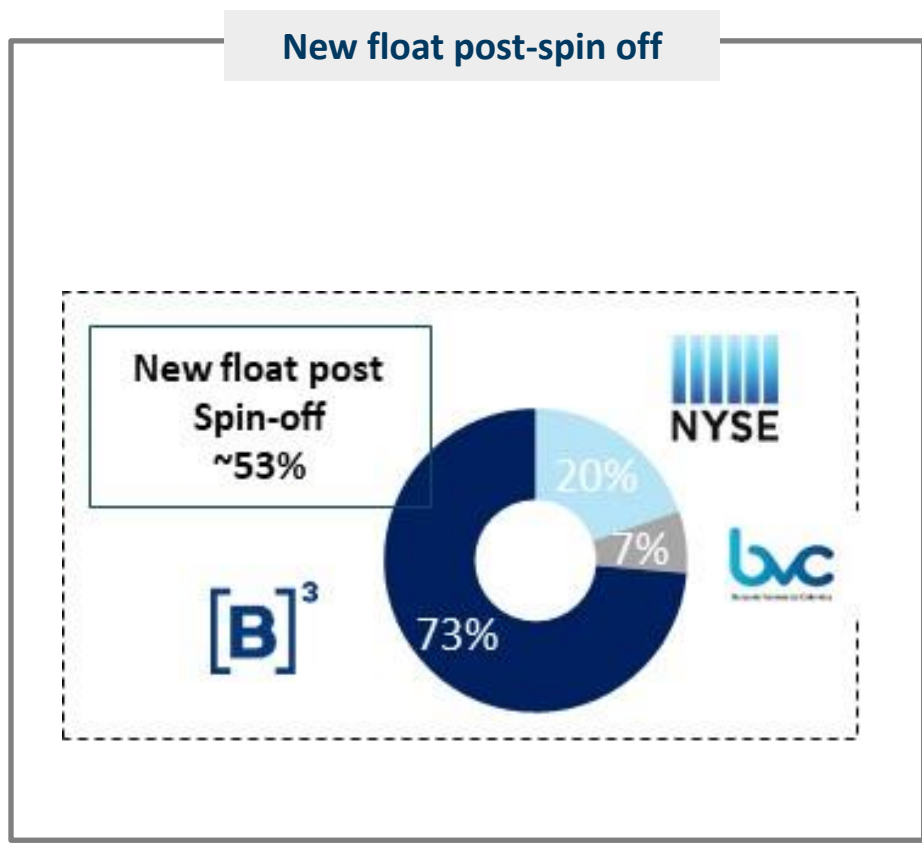
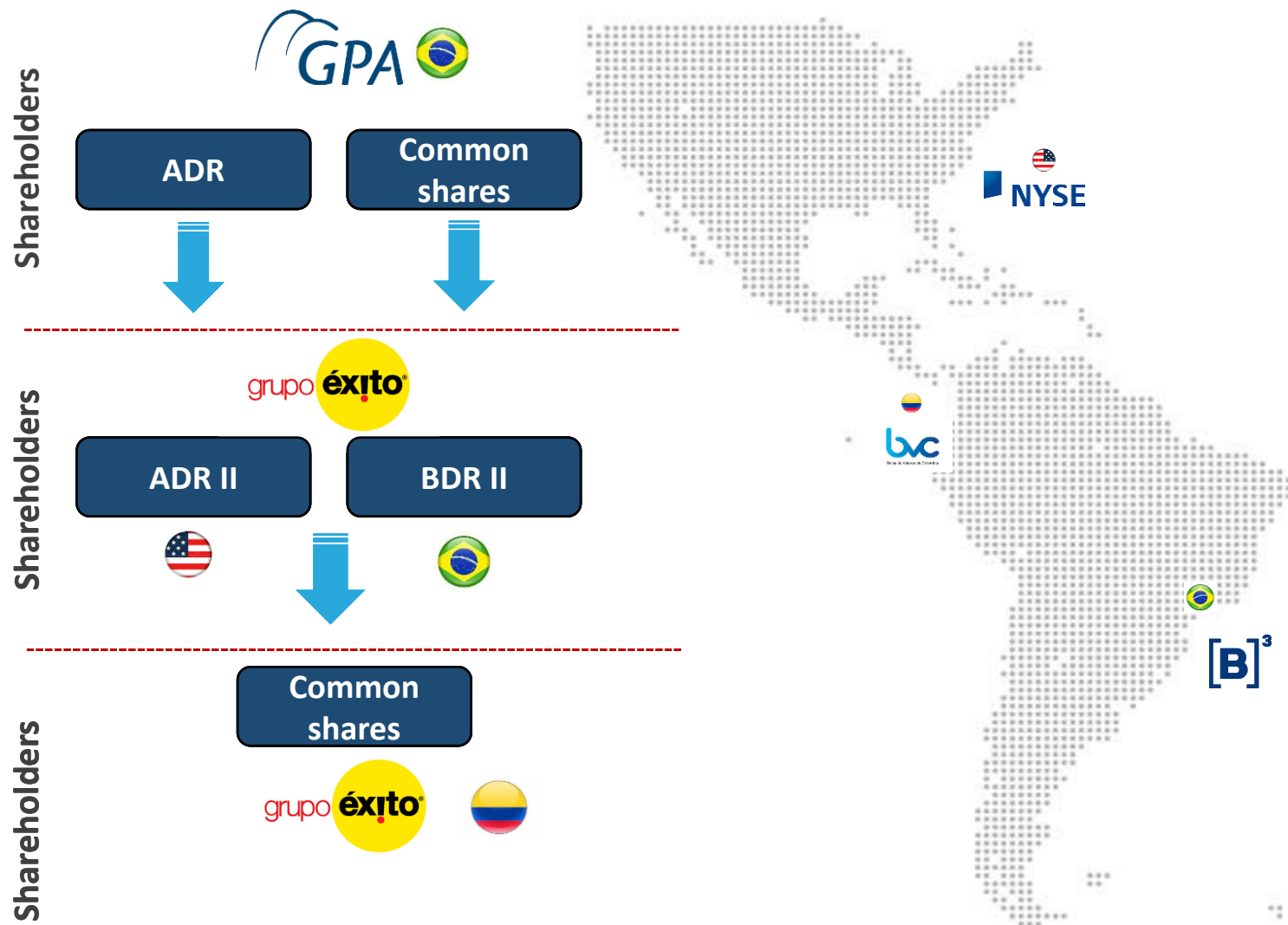
- Distribution of ~86 Éxito shares currently held by GPA (96.52%) through ADRs & BDRs (both level II)
- Potential increase in Éxito: float to ~53% and in shareholder's base (by adding GPA base currently of ~50,000 holders)
- Potential value unlocking benefiting Éxito's shareholders' base from increased liquidity and market visibility

Note: (1) Ownership structure as of December 31, 2022.

1) Source: S&P Capital IQ, closing share price on July 31, 2023.

# The proposed Transaction involves a change in structure and multiple listing venue, translating into an expanded and diversified shareholder base

Éxito improved float and increased liquidity on the BVC, may bring a potential lift in Éxito's share price



## Illustrative timeline of the Transaction

- **1** Transaction announcement **September 5, 2022**
- **2** BDR filing approval, CVM and B3 authorized enrollment **April 4, 2023**
- **3** ADR program – 20F becomes effective **July 25, 2023**
- **4** Colombian Superintendency of Finance (SFC) share transfer approval **August 8, 2023**
- **5** BDR record date (22) - ADR record date (23) **August 22/23, 2023**
- **6** BDR program "regular way" & ADR "When-issued" basis commence trading **August 23, 2023**
- **7** ADR's "regular-way" commence trading **August 29, 2023**



# Section 2

Grupo Éxito Overview



# Grupo Éxito investment highlights



## Leading retail platform in Colombia and Uruguay

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



## Innovation with new business models and formats

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



## Top omni-channel platform in LatAm (9.5%)<sup>1</sup>

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



## Asset and traffic monetization

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

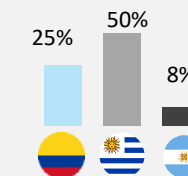


- ✓ #1 multi-format food retailer in Colombia and Uruguay
- ✓ Largest mall operator in Colombia<sup>2</sup>
- ✓ Relevant growth opportunities

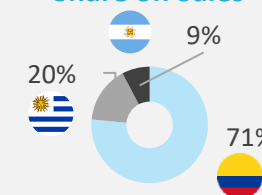


639 stores

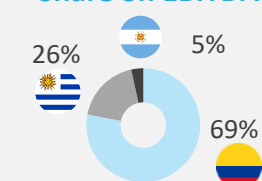
### Market Share<sup>5</sup>



### Share on Sales<sup>3</sup>



### Share on EBITDA<sup>3</sup>



**USD\$5.3 B<sup>3</sup>**  
Net Revenue

**USD\$1.4 B<sup>3</sup>**  
Gross Profit  
**25.8% margin**

**USD\$415 M<sup>3</sup>**  
Recurring EBITDA  
**7.9% margin**

**USD\$-183 M**  
NFD<sup>4</sup>

Notes: (1) Share on consolidated sales during 1H23. (2) Leader in terms of sales. (3) Figures considering LTM results and an average exchange rate of COP\$ 4,144.79 per USD. (4) Net Financial Debt calculated as borrowings from banks + letters of credit – cash and equivalents on average LTM. (5) Sources: Nielsen (including the formal market in Colombia as of June 2023) and players Grupo Disco, Tata, TI and El Dorado in Uruguay and Scentia (Argentina) as of May 2023.

# Expansion and innovation: Éxito Wow, Carulla Fresh Market and Surtimayorista

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

Total stores



209



106



59

## Formats and value proposal

Hyper, supermarkets & convenience stores  
Value for money  
High quality customer service

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

Cash and Carry stores  
Low-cost value proposition  
High returns

New model stores/format



30 (+11 YoY)



30 (+8 YoY)



59 (+13 YoY)

Share on banner sales during 2023

35.3% (+203bps YoY)

61.1% (+40 bps YoY)

5.5% (+48 bps share on Colombia's sales YoY)

Sale increase vs. regular stores

+27.2 p.p. after 24 months

+14.7 p.p. after 24 months

2.3x after 24 months

ROI<sup>1</sup>

67.9%

19.3%

32.9%

Video: <https://streamable.com/4f9puy>

Market research: <https://app.box.com/s/qpfwv9psqw0qqfoy7f2aarjkn2oy7tn5>

Video: <https://streamable.com/8k58fd>

Video: <https://streamable.com/tur4t2>

# Aliados and the Misurtii app



Focused on the traditional channel

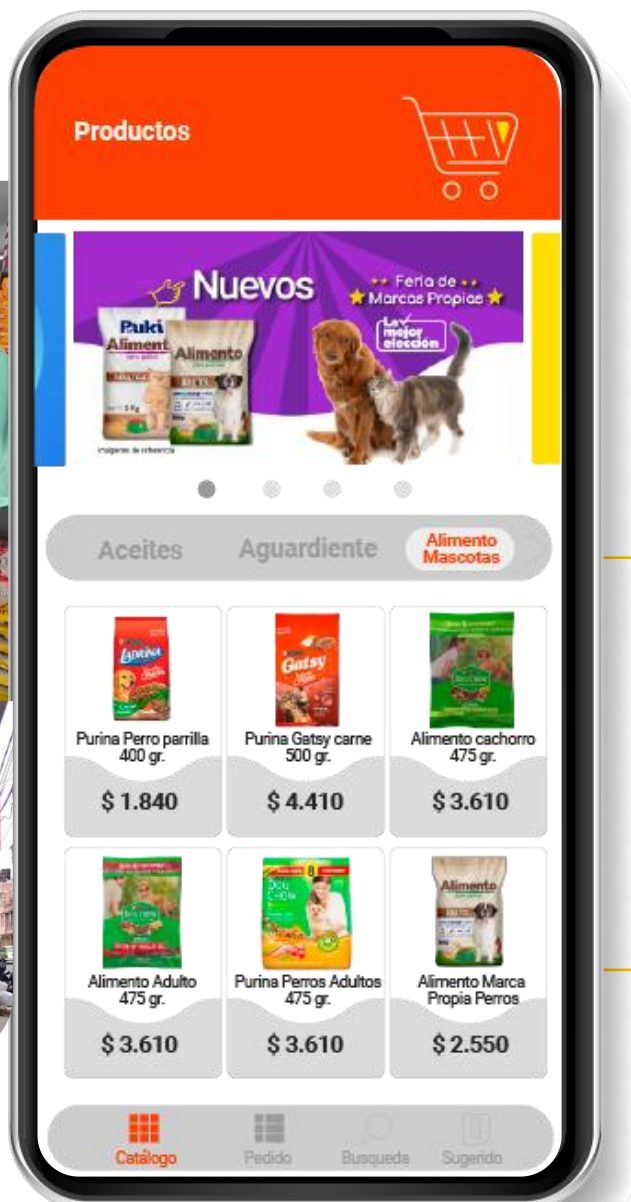
+USD 56 M sales

+1,700 Allies



### LTM 2023

Allies network	+10%
Sales	+28%
EBITDA	+3%



Focused on the traditional channel and mom&pop's

+USD 16 M sales

+17,000 active clients

### LTM 2023

Sellers	+21%
Sales	+82%
Orders	+117%

Footprint in **6** states in the country

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

Leader player in Colombia and LatAm with strong growth in sales and orders

Highlights	Total sales	Share of sales <sup>2</sup>	Orders
	COP \$1.8 B	12.2%	16.6 M
	(+14.4% vs LTM 22)	(vs. 11.7% LTM 22)	(+77% vs. LTM 22)



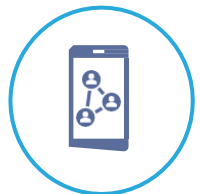
### E-commerce

- ✓ 178 million visits (+9.5% vs LTM 22)



### Last Mile & Home Deliveries

- “Turbo” 10-minutes delivery (52% share of Rappi sales)



### Apps

- ✓ 1.8 million downloads (+34%)



### Marketplace

- ✓ 26% share on omni-channel non-food GMV<sup>2</sup>
- ✓ 1,725 vendors



### Click & Collect

- ✓ 24% share on omni-channel GMV<sup>3</sup> in LTM23

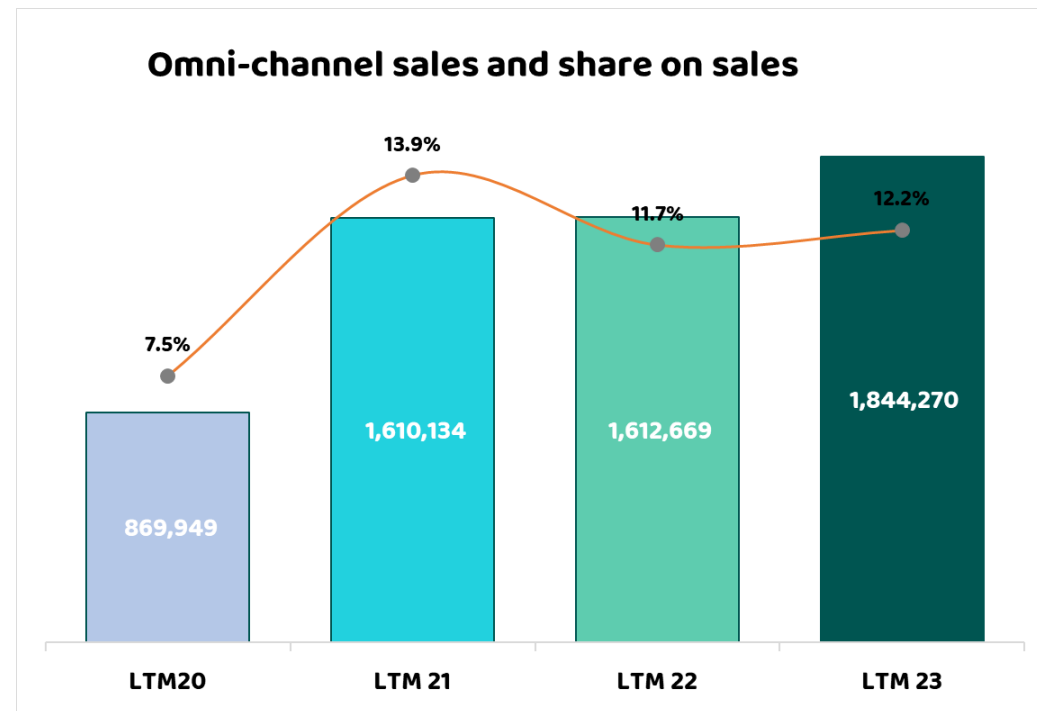
#### Food:

- Sales +29%
- 11.1% share on sales

#### Non-food:

- Sales -4.0%
- 14.5% share on sales

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

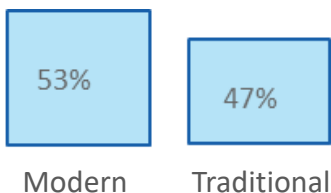


# Market penetration levers

Focus to drive food sales growth

## Opportunities in the traditional market

### Market penetration



- ✓ **\$11 B USD**
- ✓ **+205,000** points of sale as potential customers

### Partners

**ALADO SURTIMAX** +\$56 M USD Revenue

**Aliado Super INTER** ~ +1.700 Partners

### App Mi Surtii

**misurtii** + \$16 M USD Revenues + 17,000 active clients

## Expansion of the Cash and Carry model



### Current Portfolio

- **59** stores
- Revenue: **\$176 USD M**



## Price Strategy

### Unbeatable portfolio and Acqua Project

Best price in **213** subcategories

### Innovative Formats

**éxito** wow! +27.2 p.p. in sales  
**Price and Quality**

**Carulla** FreshMarket +14.7 p.p. in sales  
**Freshness and experience**

### Ongoing remodeling



## Last Mile

**16.6 M orders**  
(+77% vs LTM 22)

### Partnership with Rappi

**Rappi** + ~\$159 M USD  
Positive contribution to the margin

**10 min** “Turbo”  
**Deliveries in 10 minutes**

**52%** share of Rappi's sales

## Private Label





# The challenging consumer credit environment led to increased provisions, however, it's showing early signs of improvement



- **2.0 M** cards in stock  
#3 in cards issued
- **3.9 Bn COP** loan portfolio
- **AAA rating** for 13 straight years by **FitchRatings**

The loan portfolio deteriorated of the banking sector, is seeing early signs of improved credit performance and lower delinquency rates

Provision levels and risk coverage continue to be significantly better than legal requirements

DIGITAL FIRST BY



- **387** allied brands  
(+186% vs 1H22)
- **+6.5 M** active clients  
(+11.5%)
- **+2 M** APP downloads
- **+18.9 MM** points redeemed

 **33%** in Allies

**# 1 Brand power according to Kantar**

Present in **1** of every **3** households



## Loyalty platform PCO

- Loyalty as a service
- Puntos Pay
- Media services and data monetization

# Complementary businesses – Traffic and asset monetization

Real Estate: hidden value in Éxito's valuation

Video: <https://streamable.com/ydqx9l>

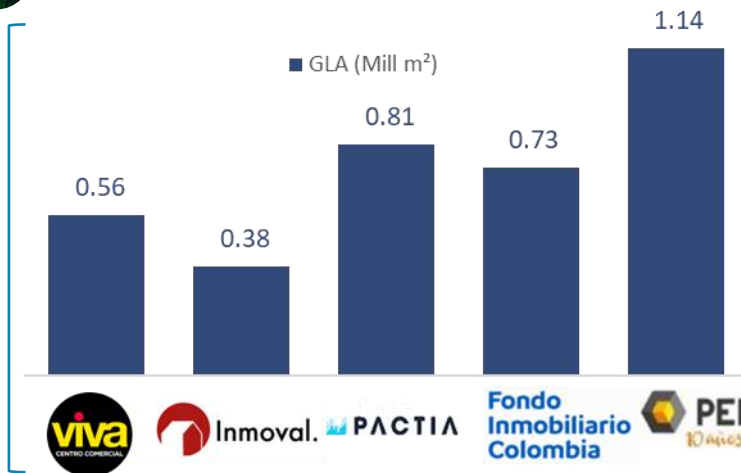
## Real Estate business

771,000 sqm GLA, 33 assets  
(558,000 sqm through Viva Malls SPV)

- ✓ #1 shopping center operator in Colombia
- ✓ **VIVA Malls:** joint business with FIC<sup>1</sup>, 51% stake, 17 assets
- ✓ **VIVA Malls** accounted for **42.8% of other revenue<sup>2</sup>** and **13.3% of recurring EBITDA<sup>2</sup>** on a **consolidated basis 2022**
- ✓ **Recurring EBITDA margin<sup>2</sup> of 55.8%<sup>3</sup>**
- ✓ Viva Malls valuation amounting to **COP\$ 2.9 B (~USD \$700 M)**, **1.4x book value** (considering an 7% to 8% *cap rate*).
- ✓ **Occupancy rate of 96.6%<sup>2</sup>**



RE SPV<sup>5</sup> Colombia  
1Q 2023



Note: (1) Fondo Inmobiliario Colombia. (2) Figures considering 1H2023 results. (3) Lower margin when compared to REITs, as our revenues include costs and expenses adjustments as per NIIF 15 (67.5% when adjusted). (4) Figures considering an LTM average exchange rate of COP\$ 4,144.79 per USD. (5) SPV: Special Purpose Vehicle, GLA Viva en SPV: Viva Malls.



# International operations: Uruguay and Argentina

Strategic investments from a diversified portfolio in the region



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

- ✓ **94 stores** with a total selling area of ~92,000 sqm
- ✓ **Most profitable operation** with an 10.6% LTM EBITDA margin
- ✓ **Pioneered the Fresh Market concept** in the region, with a unique purchase experience
- ✓ High **cash generation**



### Fresh Market<sup>1</sup>



Notes: (1) Figures as of June 30, 2023

Video: <https://youtu.be/ZgaMH39p3eQ>

## Dual model

### Retail

- ✓ **36 stores** ~109,000 sqm sales area in 9 provinces
- ✓ **Expansion focused on the Cash and Carry format**
- ✓ Opening of the **first Fresh Market store** in **Buenos Aires**
- ✓ **Sales** grew above inflation, **recurring EBITDA LTM +41 bps**
- ✓ Attractive asset hedge

### Real Estate

- ✓ **~189,000 sqm** of GLA
- ✓ **93.0%** occupancy rate
- ✓ **3<sup>rd</sup> real estate player** in the country







# ESG achievements 1H23

ESG initiatives to generate value through economic growth, social development and environmental conservation



## Zero malnutrition

- **28,706 children benefited** from nutrition and complementary programs
- **59,719 food packages delivered** to children and their families
- Presence in **23 states** in Colombia



## My planet

- **9,570 tons of material** collected at the operation and **671 tons** of recyclable material post-consumption
- **62,516 trees** donated by customers, suppliers, employees and allies



## Sustainable trade

- **92%** of fruit and vegetables **purchased locally**
- **128** direct suppliers **geo-referenced** in our supply chain for products such as **avocado, coconut, banana and tomato**



## Governance & Integrity

- **Recognized by MERCO Talento** as the best **retail** company to work for.
- **Advances on the spin-off project<sup>1</sup>**



## Our people

- **51%** of **female workforce**
- **42%** of female leadership positions
- **1,552** employees recognized as **diverse population**



## Healthy lifestyle

- Plans to improve well-being **conditions of 70%** of employee's sample
- **Psychosocial survey** performed by employees at stores

# Closing remarks: Éxito is a unique investment opportunity



- ✓ **#1 retailer** in Colombia and Uruguay
- ✓ **#1 shopping center operator** in Colombia
- ✓ **#1 food e-commerce** in Colombia



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

Wow, Fresh Market and Surtimayorista



**Solid omni-channel strategy** with consistent share growth on total consolidated sales



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

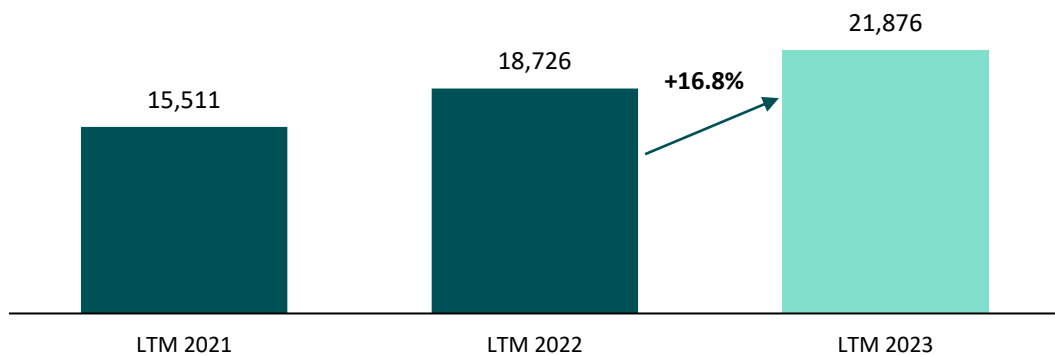


## Consolidated results

### Net Revenues

(MM COP)

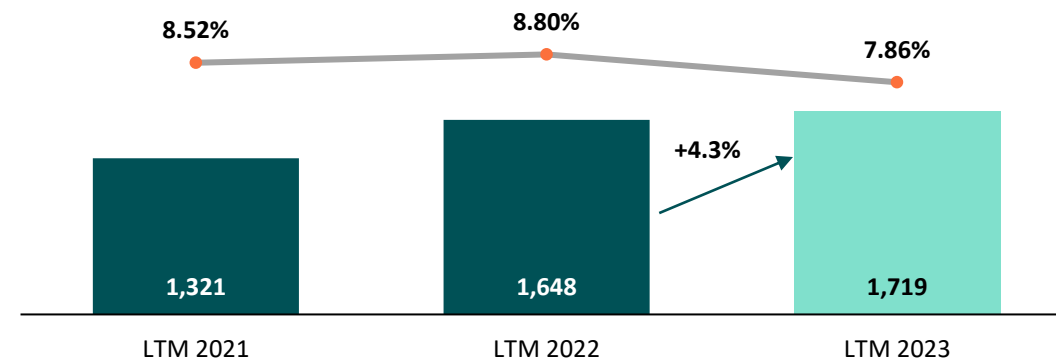
CAGR +18.8%



### Recurring EBITDA and margin

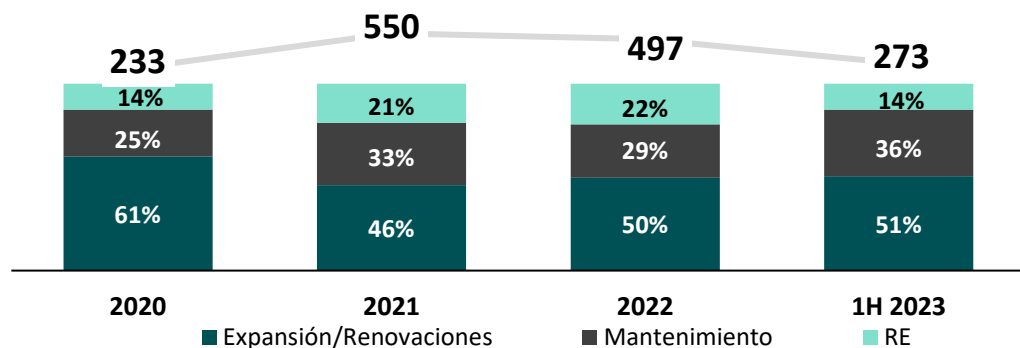
(MM COP; %)

CAGR +14.1%



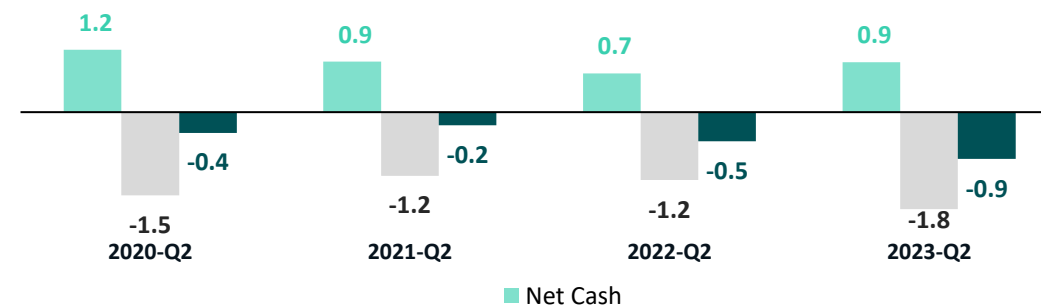
### CapEx LATAM

(MM COP)

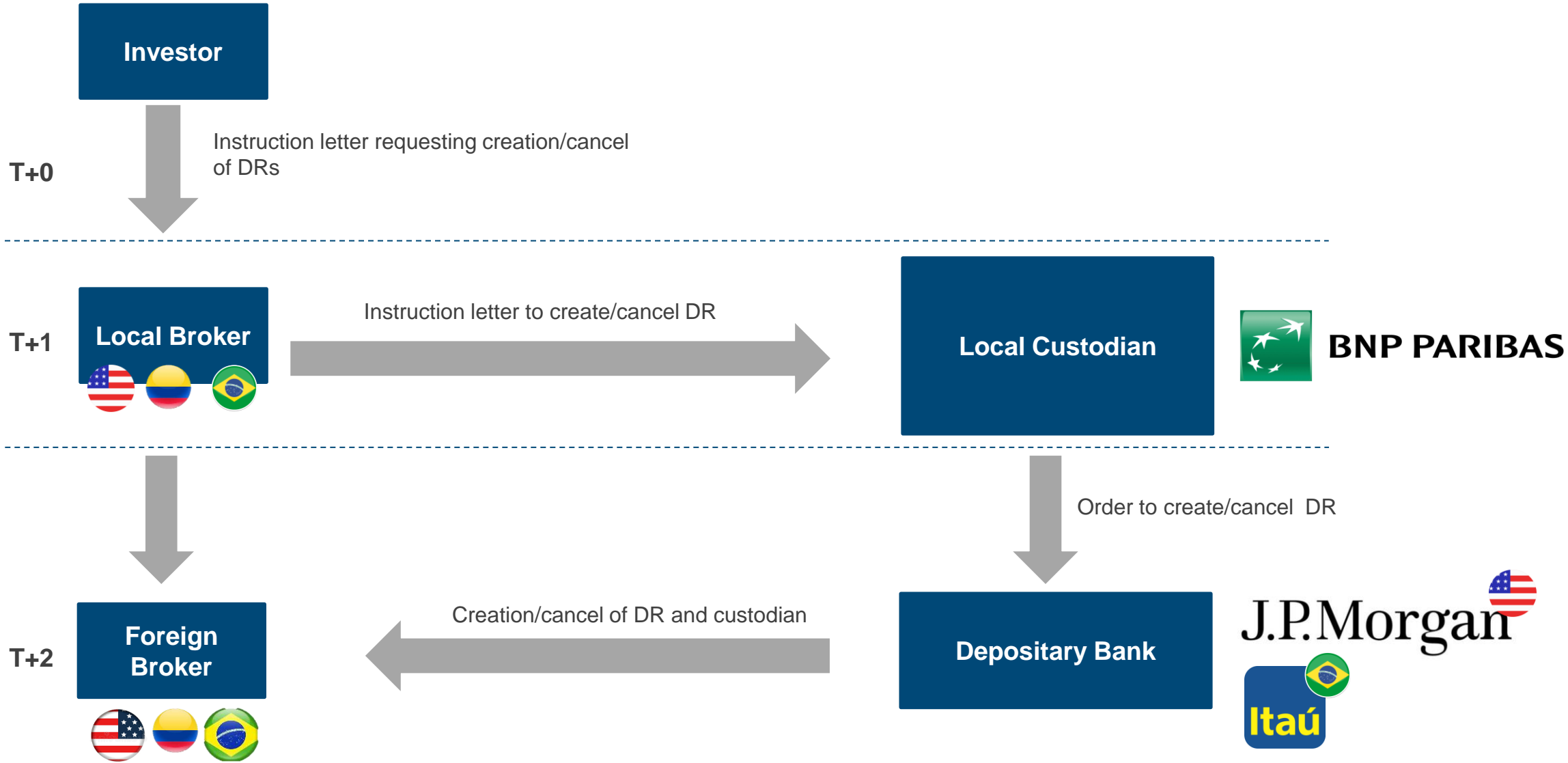


### Net Financial Debt at Holding level

(B COP)



# DR Conversion



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