

**Operator:** Welcome to Grupo Éxito's third quarter 2021 results conference call. My name is Sylvia and I will be the operator for today's call. At this time, all participants are in a listen-only mode. Later, we will conduct a question and answer session. During the question and answer session, if you have a question, please press star (\*) then one (1) on your touchtone phone. Please note that this conference is being recorded. I would like to invite all participants to submit your questions first in the Q&A box in the webcast presentation in order to ask questions on the phone conference at the end of the call. Please include full name and the company name. Only these questions will be taken into consideration for the live Q&A session accordingly. Your questions can also be read by us if instructed by you. I will now turn the call over to Mr. Ruy Souza, Chief Financial Officer. Mr Souza, you may begin.

**Ruy Souza:** So good morning, everyone. This is Ruy speaking. Thank you for joining us today for the third quarter 2021 Grupo Éxito results. At this time, I am pleased to present our Chief Executive Officer, Mr. Carlos Mario Giraldo. So please move forward to the slide number three to review our agenda for today. We will cover financial and operating highlights for the quarter and for the accumulated first nine months of the year, performance by country and consolidated financial results also for the third quarter and for the accumulated period, and then, by the end, we will get back to be open to the Q&A session. That will be the agenda. Thank you for your attention and I will turn the call over to Carlos Mario.

**Carlos Mario Giraldo:** Thank you, Ruy, and to you all for being here present at the conference. I will go directly to slide number four, where we make the main highlights of our Q3 results. Really, it's a virtuous quarter where everything is aligned, top line profits, and the strategic pillars advance.

We start with sales growing by 14.1% as a result of a combination of innovative formats, omnichannel consistency, and a competitive advance, especially in Colombia. Our Ebitda is gaining 166 basis points, arriving to a margin of 8.5% and growing by 41.7%. The Ebitda gain is explained mainly by top line growth, by the recuperation and improvement of our credit and real estate businesses, and a very tight important expense control.

Our net income grew by 2.4 times as compared with the same quarter of the last year, and our net financial debt in the consolidated level is improving by 100,000 million Colombian pesos. This

is the best quarter for the three countries of the year, Colombia, Uruguay and Argentina, in the three cases with improvement in margins. Our omnichannel continues to be a very important bright spot for Éxito, keeping our double-digit share year to date, arriving to 12.2% share and in the third quarter, at a share of 11.1%. I have to make emphasis on the advance of our new alliance with Rappi for fast last-mile service, which is called Turbo Fresh, to which I will refer later. Finally, in the governance part, Jean Christophe Tijeras was named CEO in Uruguay, and Guillermo Destefanis is now the head of our Carulla format.

Our emissions are going to be down 35% by 2023. This is a goal that we established in 2018, so it was for five years. We're going to anticipate very probably and achieve it by 2022 and at that moment, we will announce a new goal, a new, very ambitious goal, of reduction of emissions.

And finally, I'm very happy to say that recently we got from Icontec, which is a recognized organization in Colombia, the certification for Carulla Fresh Market supermarkets as the first carbon neutral format in Colombia, and I would say probably in all South America. This is a very important advance in the carbon neutrality which we will achieve in the next years, and we will announce soon.

If we go to slide number five, really, this refers to the Colombian operation. In the slide number five, Colombia is driving growth with the highest sale improvement since 2007 in one quarter. This is, I would say, a combined result of a very strong economy and consumer demand, of our innovation to the market gaining competitive advantage, and our omnichannel leadership in food and co-leadership with other participants in non-food.

In the same-store sales growth, it is by 16.6% in Colombia, with growth in all segments of our stores, with Éxito leading with 16.9% growth. Even if you compare this growth against the normal pre-pandemic year of 2019, the growth is a very strong and solid 13.9%, that is, growth against 2020 of 16.6 and growth against 2019 of 13.9%.

Going to slide number six, when we look at this growth by segment, Éxito segment has a growth, a very important growth of 15.3 against 2019, and it is a result of: first, a very strong promotional event, one of the traditional promotional events of Éxito; of the advance of our WOW format;

and the growth of our apparel and fresh food categories, which were the bright categories during the quarter.

In Carulla, what I would say is that we had a growth of 3.9%, which is very good if we have in mind that Carulla was the best format during the COVID period of last year. So this growth of near to 4% means that if we compare it against pre-COVID 2019, the growth of Carulla at the premium segment is 19%.

Our low cost growing by 8.7%, driven by our initiative of cash and carry, the Surtimayorista, which is growing during the accumulated nine months a solid 18%, and also driven by our new innovation in the popular stores of Super Inter Vecino stores.

Moving to slide number seven, I've been consistent in the last years speaking about the importance that we give to innovation as a permanent competence and trait of Éxito. Our innovation formats are really paying. They are maximizing the value of our key assets, of our key stores, both in hypermarkets and supermarkets. I would first refer to Éxito Wow. As you know, Éxito Wow is probably one of the unique examples of innovation in hypermarkets, not only in South America, but in all America, and even compared with world-level competitors in other places. Éxito Wow stores are going to arrive this year to represent now are very material 30% of the total Éxito brand sales. It's interesting to see that the first stores that were taken into Wow and that now comply 24 months, they show a 33% average growth during these 24 months, so it's a really consistent growth. Éxito Wow is all about experience. It's all about omnichannel convenience at a hypermarket level, and we have a future potential of important renovations, around 40, in big- and medium-sized hypermarkets and around 100 in a smaller-size, compact hypermarkets.

If we go to the Carulla Fresh Market, the story is very similar. As you recall, Carulla is the top premium brand in Colombia, the only national proposition for top premium. Carulla has earned many international awards as one of the most premium formats and best experience for fresh products and healthy products in the world. Carulla is all about fresh, healthy service. By the end of this year, the Carulla Fresh Markets will arrive to be 40% of the total banner and same comparison with the Wow. If we take the first Carulla Fresh Market stores that comply now 24 months, they have had a growth of an average of 28%. So really, when you look at this, this

innovation in formats is being appreciated, perceived by our customers, preferred by our customers, and is driving the modernization of both Éxito brand and Carulla brand. Our goal is that every year our WOW stores and our Fresh Market stores will be a new generation, with new innovations, with new experiences, and that every year we will take this innovation to a new level.

Going to slide number eight, we speak about the low-cost performance. I would say that this is a highlight that we're seeing this year, different from what we had seen last year. Here, what it's important to say is that now our low-cost segment, which is composed by our cash and carry Surtimayorista, by our Super Inter and Surtimax brand and our Aliados is now material to Grupo Éxito. It arrives now to a 14.4% share of the total sales of the company. It gives us a good balance between the premium, the mid-market with the Éxito brand, and our popular brands. The two key pillars for this growth have been cash and carry. Our 36 stores now account for a year-to-date growth of 18% and our Super Inter with the innovation of the Vecino. The Vecino is a traditional store with a big composition of fresh products, very aspirational for low-income customers, and it has had a 13.9% growth compared with non-converted stores. Now we have converted 21 Super Inter stores, and they will represent by the end of the year, near to one third of the total Super Inter stores.

Going to slide number nine, we speak about omnichannel again. As you know, omnichannel is not new to Éxito. It has exploded with COVID, but it was a strategy that we had started to reinforce five years ago. So it took us very well prepared, both in the non-food and in the food segments. Éxito is leading in Latam the share of omnichannel sales, with a year-to-date total 12.2% [audio drop - 0:14:46.5] food, we are arriving to 5.8 million orders delivered to customers, even stores are no open compared with last year, where many stores were still not open, this means a very important level of home deliveries and by the end of the year, we think that we will arrive to something near to 8.5 million deliveries. Our big bets here are first, the marketplace, which has a share of 27% of the non-food GMV, and of course, the food last mile.

In slide number ten, we want to make a focus on three of the big initiatives in digital in our omnichannel. The first one is Turbo Fresh. As I said, it's an alliance between Rappi and exclusive Carulla brand, around 1,500 SKUs. It is what we call in the world the fast last mile, that is, last mile service below 10 minutes, which is impressive. For this, we have with Rappi an infrastructure

of dark stores. Today, 64 dark stores in the main cities of Colombia, especially with a focus of Bogota, Medellin, Cali, Barranquilla, Cartagena, and with a very interesting net promoter score of 70 points. To those of you that know the methodology of Net Promoter Score, that is a top level score in the world, which means that the consumers are receiving this service as a top quality service, which goes to one of the aspirations of last mile, and it is that you get your products in very few minutes.

The second big initiative is our WhatsApp service. WhatsApp, as you know, in the world but in Colombia it's a key thing, has a huge penetration in the population and people use it very easily. We have developed a chatbot service with a georeferenciation with customers to their preferred or nearest store, and customers are communicating with the store through this chatbot service, and now it represents 20% of our omnichannel sales, and it is connecting to 320 stores of the company.

I want to speak about Clickam. I have not mentioned this before because it was not mature. It is a referral marketing model app. We started with the employees of Grupo Éxito so that they could, through the app, sell products and services of the company. For example, they can sell insurance or travel products of Viajes Éxito or Seguros Éxito, and for referring these products to third parties who buy these products, they gain a commission. So it is also a way of creating a sense of belonging with the company, but also a very interesting digital new product. It now has 36,000 users and now we're taking it outside of Éxito employees to employees of other companies and to any relevant community. You will be hearing in the future probably about Clickam, as you will be hearing about our WhatsApp service, our Turbo Fresh, and you will be hearing of different innovation as our Tuya Pay digital wallet. So as you can see, Éxito is going very deep in digital and creating products which are going to drive growth and profitability in the future.

In slide number 11, we speak about our asset and customer traffic monetization, which continues to be a key part of our business model. In real estate, occupancy levels are at 92%, improving versus last year, and revenue increased by 49%. Puntos Colombia, I think it is becoming every day a second currency in Colombia after the peso. It is widely traded by 18 million customers that the database of Bancolombia and Éxito have. We are now above 5 million of those customers, which have expressly given us our database and these are the most valuable customers in that

database. And it is now in a solid Ebitda of mid-high single digits, which is very interesting for such a young business, with a very promising future.

In Tuya, our credit card company, with the Éxito credit card, it had a good improvement, the loan portfolio, arriving to 3 billion Colombian pesos. That is increasing by 10%, and with our Tuya Pay digital wallet arriving to more than 640,000 frequent users, we took the decision to take it in the following month from Tuya Pay to Éxito Pay, given the strength of the Éxito brand and that should give us an explosion to compete in the very interesting market of the digital wallets, Éxito through Tuya, is the only traditional retailer competing in this market, where banks and fintechs are the main promoters of the digital wallets.

Finally, we have the rental car business, which was launched with Renting Colombia, and it's a very promising initiation, not only by renting cars at different periods, but also by the sale of used cars, which is becoming very important.

Going to slide number 12, we speak about our sustainability strategy. Éxito is fully committed to ESG strategies. As you know, Merco found in what they did to different groups of interest in Colombia that they qualified Éxito as the number three company in Colombia in helping the society and our people during the COVID period and the first of the public traded companies so this really is a big responsibility to continue in the future.

I would highlight nutrition. As you know, nutrition is a big commitment for Éxito to have zero malnutrition in the Colombian country by 2030, and we are benefiting directly through the Fundación Éxito 57,000 children.

As I said, reduction of emissions we'll achieve that 35% that started in 2018 by 2022 and we will make a new commitment rapidly. The recycling is going forward and we will be arriving to near to 20,000 tons of recycling in Colombia of carton and plastic, being the main recycler in our country, and our shopping malls served as vaccination point, especially for cars and bicycles and motorcycles, and we arrived to 360,000 vaccines administered in these Viva shopping malls. I would now turn to Ruy to continue with the financial results.

>>Thank you, Carlos Mario. Let's move on to slide number 13, please, to review the main highlights in terms of financial performance in Colombia. In Colombia, we had top line growing 15.1% and Ebitda 49.4%, improving 200 bps of margin, a very positive performance for the quarter.

In Colombia, net sales grew 14.3% and the other revenues 32.7% to reach the 15.1% growth of the net revenues. The main levers here were the performance of the innovative formats, the omnichannel contribution with 11.1% penetration during the quarter, and also the complementary businesses recovery. As we saw before, sales also grew double digit when compared to the Q3 of 2019.

Going to the gross margin results, we posted in the Q3 a gross margin driven by the two groups of businesses, the retail and the complementary. The retail margin improved by 10 basis points versus last year and 110 basis points versus 2019 and when added to the complementary business contribution, the gross margin reached 22.9%, 86 basis points above last year.

In terms of SG&A, SG&A grew 5.8% in the Q3, despite the 14.3% growth in sales. That led the SG&A in terms of rate to be 17.8%, a 156 bps below third quarter of 2020. Several initiatives have been implemented since last year, and that allowed the company to post a very good result in terms of expenses.

The accumulated results for the first nine months of the year is also positive, with expenses growing below inflation and also below the sales growth.

In terms of Ebitda for the Colombian perimeter in the Q3, our Ebitda grew almost 50% when compared to the third quarter of 2020 and also grew 28% versus the third quarter of 2019. The additional Ebitda generated accounts for 92,000 million Colombian pesos, and it is composed by plus 63 coming from the retail contribution and 29,000 million coming from other businesses, the complementary ones. For the first nine months of the year, Ebitda grows 26% and improves 155 basis points in the Colombian perimeter.

Moving on to slide number 14, we will review the performance in Uruguay, where we had the best quarterly performance of this year with top line recovery and also an important margin evolution, Ebitda margin evolution, around 90 basis points for the quarter.

Net revenues in Uruguay grew 4.1%. In local currency, sales grew by 1.4, driven again by the omnichannel and the innovation in formats. Omnichannel in Uruguay grew 23.8% and the Fresh Market stores, the renovated ones, grew almost 4 percentage points above the non-converted stores.

When comparing in Uruguay net sales to the third quarter of 2019, also in local currency, the growth is 13.4%. In terms of gross margin, we continue to see the positive impacts of the efforts made in markdown and logistics costs, as well as emerging retail, leading this perimeter to an improvement of 130 bps during the Q3, while the improvement for the first nine months of the year is 92 basis points.

As we saw in the first half of the year in Uruguay, expenses grew below inflation in local currency, and it was the case also for the third quarter, and to summarize, at the Ebitda level in the Q3 of 2021, Uruguay posted a double-digit 10.1% margin, improving 90 bps from the third quarter of 2020 and improving 170 bps comparing to third quarter of 2019. For the first nine months of the year, the accumulated Ebitda is 192,000 million Colombian pesos, with a 10% margin.

Going on to slide number 15, we will review Argentina performance, where we also had the best quarterly performance of the year. Ebitda improved 83 basis points from last year, boosted by internal efficiencies and also boosted by the macroeconomic context recovery, mostly in terms of consumption.

Net revenues grew in Argentina by 27.9% in Colombian pesos, which represents 57.5 in local currency above inflation, with positive performance in food category and also contribution from the Fresh Market source and from the omnichannel initiatives.

Real estate revenue in this country grew also in local currency above inflation, reflecting mostly the higher traffic levels and also sustaining an occupancy rate of almost 90% in the shopping malls of our operation in Libertad.



Gross margin in Argentina evolved once again, this time improving 24 basis points. When we see the results for the first nine months of the year, the improvement is 182. It was benefited by lower share of promotional events and also efficiencies in terms of logistics costs.

Expenses in Argentina in the third quarter grew below sales and also below local inflation, with the SG&A rate improving 64 bps.

Finally, in terms of Ebitda, we reached 2.8% margin, recovering 83 basis points from last year. However, still below the third quarter of 2019 by 150 basis points. In Argentina, the continued efforts in terms of working capital and CapEx is still the focus to sustain the cash position of this operation.

To review our consolidated results, let's move forward to slide number 16, please. The third quarter showed that the consistent strategy led the group to post top line growth of 14%, with Ebitda margin expansion of 166 basis points when compared to last year, and also margin expansion of 90 basis points when compared to the third quarter of 2019.

In terms of net result, the growth was 2.4 times, reaching a 3% margin, 160 basis points above last year.

In terms of net revenues, the growth was, as I was mentioning, 14.1% for the quarter. That accounts for 2.5% for the accumulated period of the first nine months of the year. As we have seen before, it was leveraged by innovative formats and the omnichannel initiatives across all three countries, and also by traffic monetization, mostly in Colombia and Argentina.

Other revenues grew 27.6% in the Q3, and it reached 91% of the 2019 levels. So we are still on a recovery trail and we hope to be above pre-pandemic levels by the beginning of next year.

Gross margin in the Q3 of 2021 landed at 25.5%, 80 basis points above last year, with positive evolution in the two groups of businesses, the retail and the complementary. Gross margin for the first nine months landed at 26% and it is 130 basis points above last year.

In terms of total expenses, the consolidated figure shows a 7.9 growth versus last year, improving 116 bps in terms of rate and the growth for the accumulated of the nine months is 3.6% for the consolidated perimeter.

In terms of Ebitda, we reached 354,000 million Colombian pesos, growing almost 42% versus last year and 28% versus 2019. The Ebitda margin improved versus the last two years, as I mentioned before, as we can see on the right bottom bridge, the results were leveraged by the two groups of businesses, with retail contributing with additional 75,000 million Colombian pesos versus last year and the complementary businesses contributing with additional 29,000 million Colombian pesos.

Finally, in terms of net results, we see a growth of 2.4 times, reaching 126,000 million Colombian pesos, and improving 160 bps versus last year. The first nine months of the year show a net result of 262,000 million Colombian pesos, growing three times versus last year, with 150 basis points improvement in terms of margin.

In the next slide, let's review the detail for the net result evolution for the Q3. So when we compare how the net results evolved from 52,000 million in the third quarter of 2020 to 126,000 million Colombian pesos in this quarter, it is mainly explained by: first, the positive contribution from both groups of businesses, 29,000 million from the complementary businesses and almost 70,000 from retail; second, financial expenses, 27,000 million COP reduction thanks to the debt conditions, renegotiations and also to a lower level of indebtedness; third, the lower income from associates due to a non-recurring revenue accounted in Tuya last year, and fourth, the positive 23,000 million Colombian pesos impact from deferred tax adjustments related to the tax reform. Even isolating this positive impact coming from the tax reform, net results would have grown two times when compared to last year results.

Finally, on slide 18, regarding our cash and debt situation at holding level, I would like to mention the following. First, the net financial debt position improved by 100,000 million Colombian pesos during this period, with 170,000 million Colombian pesos of dividends paid, which means almost 3,000 million Colombian pesos of cash generation to the shareholders, and also that the gross debt position reduced by 18% thanks to a lower level of revolving credits and also to the scheduled amortization that we performed during the last 12 months.

Now I'll turn the call back to Carlos Mario to go on with the main conclusions for this quarter. Thank you.

**Carlos Mario Giraldo:** Thank you, Ruy. I would say the main conclusions are, first, at the consolidated level, we continue with a consistent focus on innovation, omnichannelity, traffic, and asset monetization. This is not new for you and it helps us to arrive to this 14.1% growth in top line.

A positive, profitable growth in Ebitda of 166 basis points and net profit 2.4 times less than last quarter.

Consistent results in the three countries, Colombia, Uruguay and Argentina. And what I would add is a positive outlook for the last quarter, where we are seeing that the good and strong consumer demand remained, at least during October and the first part of November.

In Colombia, our omnichannel top Latam 12.2% share; now, one third of our total sales are represented by innovation format if we put together the Wow Éxito, the Fresh Market in Carulla and the Super Inter Vecino stores.

Our Ebitda improving by 200 basis points and with an important improvement from real estate and our credit card Tuya contribution.

Uruguay with a strong 10.1% margin, improving both against 2020 and 2019, continues to be a stable cash generator for the organization and with a clear control by Éxito, and in Argentina, sales above inflation, which is very important in Argentina given the very high inflation that we have and cash protection, one of our main goals, has been achieved. This would end this initial part of the conference and we open it to Q&A.

**Operator:** Thank you. We will now begin the question and answer session. As a reminder, we'll have the questions via audio conference first, then the webcast questions. Please remember to submit your questions in the Q&A box throughout the presentation. If you have a question, please press star (\*) then one (1) on your touchtone phone. If you wish to be removed from the

queue, please press the pound sign or the hash key (#). If you are using a speakerphone, you may need to pick up the handset first before pressing the numbers. Once again, if you have a question, please press star (\*) then one (1) on your touchtone phone.

And the first question comes from Nicolas Larrain, from JP Morgan.

**Nicolas Larrain:** Hi, guys, good morning and thank you Carlos Mario and Ruy, for the presentation. I was wondering if you could comment a bit on the competitive environment in Colombia. A few years back, hard discounts were a big competitive threat. It seems that over the pandemic and now in recent quarters, you guys haven't commented much on stepped up competition. I wanted to understand how are you seeing other players behaving in the current environment. Thank you.

**Carlos Mario Giraldo:** Thank you, Nicolas. It's a very important question. What I would say is that I will open it in food, offline-online, and then in non-food. In food, we continue to have competition at different levels. At the premium level, I would say it's very much Carulla development and there's only very, very few local stores that offer such a proposition to our customers. At the meat level, for Éxito we have our traditional competitors like Cencosud and Olímpica and Alkosto in some areas of food, and here Éxito is performing very well as compared with this market given the big success of the Wow stores. And at the popular segment, we are improving a lot with Super Inter. Surtimax is doing some pilots of kind of a soft discount proposition which are working very well and will be deployed during the next year, and our cash and carry is having growth coming not only from the success of the format, but also from the fact that we are having back the customers of not only the mom-and-pops, but also restaurants, cafeterias and hotels.

In the discounters, as you know, there has been an important problem with one of the discounters, but the other two discounters continue to expand in an aggressive way and I think they are performing well. Here, fortunately, we have propositions like cash and carry, like our popular formats, like our private first price proposition, and also, I would say, very important, our last-mile delivery, which has a lot of dark stores now and will get also to areas that are today in proximity covered by discounters.

I would say also that in non-food, competition continues to be strong with very good level competitors like in the offline Homecenter, in the home products, Falabella, in our textiles and electro products, Alkosto, and also MercadoLibre in the online. What we believe is that the electro competition is important, but it's concentrating mainly around Alkosto and Éxito, I would say, and in the textile part of the business, we are competing against the department stores and Zara proposition and some online textile propositions. But here our growth has been huge also because consumers that had left behind the buying of textiles, of apparel, during the COVID, now returning to that buying and that looks very interesting for the future. And we are strengthening a lot our private brands like Arkitect, People, Bronzini, only to tell you that now private brands of Éxito in apparel are meaning near 50% of our sales, and these private brands in our apparel business are within the ten most important brands, even comparing the best apparel brands in Colombia, like Leonisa, Gef, Punto Blanco, or Offcorss and it is something that we want to promote because it's a high-margin business. If you have any additional doubt, I can advance or make a deeper answer.

**Nicolas Larrain:** No, Carlos Mario. That's very thorough. Thank you very much.

**Operator:** We have no further question on the phone.

**Ruy Souza:** We have two more questions here in the webcast. I will read them and then we will be happy to answer. Question coming from Irma. "Can you just recap what you plan to do in terms of refurbishments or conversions in 2022? And how do you see the one third of sales in Colombia coming from innovative formats evolving by 22-23?"

**Carlos Mario Giraldo:** For the moment, we are planning and we will announce the definite figures. We are planning to do a total CapEx investment next year between 100 and 110 million dollars, more towards 110 million dollars, which will be concentrated in these types of refurbishments and innovation in formats. We will be concentrating between eight to ten Wow stores, eight to ten Fresh Market stores, and we will be doing ten new cash and carry stores, some conversions and some organic expansion. We will also be doing an important number of Super Inter Vecinos and of our Surtimax soft discount new proposition. We will be spending a very important investment in logistic capabilities for omnichannelity in new technologies to keep us at the top of technological and modern development for the digital sales, and we will be

starting at least two real estate projects for Viva malls, which is going to be very important and we think that there's a very important opportunity for Viva once we are having back our revenues and not only that, but the occupation levels and the profitability levels.

**Ruy Souza:** Just to complement with a few figures, regarding your second question, we estimate that the participation, the penetration of the innovative formats by the end of next year will be around 40%, compared to the 33% that we expect to land in 2021. We don't have the figures for 2023 yet, but perhaps it will be much more probably an additional evolution due to the maturity trend that we have been seeing in these formats.

Another question that we have. "What are the expectations in terms of investments and in terms of growth for Q4 of 2021?"

**Carlos Mario Giraldo:** I'll leave Ruy investments, and I will take the one in growth. As of now, we are seeing that growth will be above the accumulated growth in the Q4 and will be double digit or very near to double digit, especially for different reasons. First, top line expansion, a very frenetic commercial calendar where we are going to have two more days without VAT, and that's important and the one that we recently had. At the same time, we are seeing that our omnichannelity will be continuing, expanding its participation during the last quarter of the year, and that for the moment, the consumer confidence continues to be strong as we have now seen during the months of October and the beginning part of November.

**Ruy Souza:** In terms of investments, we're still maintaining our outlook that we gave for the full year and there will be a higher concentration of investments during the Q4 of this year related to several refurbishments that will be inaugurated during the Q4. So we will be reaching for the full year the figure that we gave by the beginning of the year for the consolidated perimeter, something around 100 million dollars for the full year.

There is another question here coming from Daniel. "Could you comment if there is any impact going forward in Argentina due to the price freezing policy? What do you expect going forward in this manner?"

**Carlos Mario Giraldo:** Argentina is very difficult to predict, and this price freezing policy is not new. It's something with which we have lived in the last four years and it's kept by the government. It's important to understand that it includes a certain number of SKUs, but not all the food items. And so we are, I would say, keeping this freeze, but increasing the prices as they are increased by our suppliers in the rest of the portfolio and that means that very probably during the last quarter, if things continue as they are, we will continue growing above inflation, which is a lot we can say. Inflation is at 50% but we believe that we can keep the dynamics that we have above inflation for many reasons. First, there's a big monetary input into the market, given by the market, by the government, given elections momentum. And the second thing is that when we compare with the base line, we are seeing that last year there were some of our shopping malls and some of our stores, especially the non-food part of the stores, that were closed during the weekends. And this very moment we are having almost all Argentinian shopping malls and stores open in the different regions of the country.

**Ruy Souza:** Another question coming from Irma. "Could you please give a bit more detail on the alliance with Rappi for the quick commerce?" I guess she means the Turbo Rappi. "Which part of this alliance are you responsible for? And which part is Rappi responsible for? And do you have full access to the data?"

**Carlos Mario Giraldo:** I want to be cautious about the details because it's a competitive tool that we have today winning the market. But I would say it's an alliance exclusive between Rappi and Carulla. It's only been done with the Carulla brand. It's a quick, fast service beyond 10 minutes. It now has 64 dark stores and we will end around 100 dark stores by the end of the year. It is using technology for the georeferenciation of our customers. Each of the two companies is putting into that supply chain so that it's a balanced alliance. We're very happy, both of us, with that, because it's creating a major disruption in the market, not only in the offline proximity market but also in the online food market. And finally, what was the last part of the question?

**Ruy Souza:** If we have full access to the data.

**Carlos Mario Giraldo:** Oh, yeah, we have full access to the data.

**Ruy Souza:** Thank you, I guess we don't have any further questions. Let's move on to the closing remarks. I'll give floor again to Carlos Mario. Thank you, everyone.

**Carlos Mario Giraldo:** Thanks all of you for the presence and for your questions. I would do a short last remark. First, the figures, the numbers, the KPIs speak for themselves. The top line innovation, driven by innovation, omnichannel, and also by our monetization of traffic and our assets, it continues to work and we will be consistent in that, accelerating the concentration on these three pillars of strategic development.

We have a dynamic investment in technology, information technology, logistics, our innovation formats, and the new real estate projects looking forward through Viva Malls. Our competitive strategy will continue to be consistent, with new emphasis. One of them is going to be the fast last mile, a second one will be our marketplace, where we believe there's a huge opportunity in making an optimization of our platform with national vendors and international marketplace vendors.

And finally, we are seeing a favorable outlook for the Q4, with sales probably arriving to double digits if it continues as it is, with a challenging commercial calendar, with days without VAT, Black Friday and Christmas season, everything in 90 days. So it's a quarter in which we can barely sleep and we have to work all the time in order to profit from the opportunities.

Thanks to you all, and we'll see you in the next quarter call.

**Operator:** Thank you, ladies and gentlemen. This concludes today's conference. Thank you for participating. You may now disconnect.