



## Statutory auditor's report on the financial statements (Free translation from the original in Spanish)

To the Members of the Board of Directors of Fundación Éxito

### **Opinion**

I have audited the accompanying financial statements of Fundación Éxito, which include the statement of financial position at December 31, 2019, and the statements of comprehensive income, social funds changes and cash flows for the year then ended, as well as the summary of the main accounting policies and other explanatory notes.

In my opinion, the accompanying financial statements, faithfully taken from the accounting books, present fairly, in all material respects, the financial position of Fundación Éxito at December 31, 2019, and the results of its operations and cash flows for the year then ended, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia.

### **Basis for the opinion**

I conducted my audit in accordance with the Auditing Standards on Financial Reporting accepted in Colombia. My responsibility under such standards is further described in the section concerning the "statutory auditor's responsibility for the audit of the financial statements" of this report.

I am independent of Fundación Éxito, in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), and the ethical requirements relevant to my audit of the consolidated financial statements in Colombia. I have fulfilled my other ethical responsibilities in accordance with the IESBA code and other ethical requirements.

I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for my opinion.

### **Responsibilities of management and those charged with governance in the Foundation for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia, and for such internal control as management determines necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease its operations, or has no realistic alternative but to do so.



**To the Members of the Board of Directors of Fundación Éxito**

Those charged with governance in the Foundation are responsible for supervising its financial reporting process.

**Statutory auditor's responsibility in relation to the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with the Financial Reporting Audit Standards Accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Financial Reporting Audit Standards Accepted in Colombia, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the Foundation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my statutory auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my statutory auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with the governance in the Foundation regarding, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during my audit.



**To the Members of the Board of Directors of Fundación Éxito**

**Report on other legal and regulatory requirements**

Management is responsible for compliance with certain regulatory requirements in Colombia, related to the handling of accounting documentation, the preparation of management reports, and the timely and appropriate payment of contributions to the Integral Social Security System. My responsibility as statutory auditor in these matters is to perform review procedures to issue an opinion on their due compliance.

With the above in mind, in my opinion:

- a) The Foundation's accounting records for the year ended December 31, 2019 have been kept in conformity with the legal regulations and accounting technique, and transactions therein recorded conform to the bylaws and decisions made by the meeting of Board of Directors.
- b) The correspondence, accounting vouchers and books of minutes and share register are properly kept and safeguarded.
- c) Due concordance exists between the accompanying financial statements and the administration report prepared by management. The administrators have stated in said management report that they did not hinder the free circulation of invoices issued by the vendors or suppliers.
- d) The information contained in the returns for self-computation of contributions to the Integral Social Security System, particularly regarding the affiliates and their base income for contribution, has been taken from the accounting records and supporting documents. At December 31, 2019, the Foundation is not in arrears regarding payment of contributions to the Integral Social Security System.

In compliance with the statutory auditor's responsibilities stated in items 1 and 3 of article 209 of the Colombian Code of Commerce, in relation to the assessment on whether the acts of the Foundation's management conform to the bylaws, orders and instructions of the Board of Directors meeting, and whether appropriate measures of internal control, conservation and custody of the Foundation's assets or those of third parties in its possession are in place, I have issued a separate report dated February 19, 2020.

**Other matters**

The Foundation's financial statements for the year ended December 31, 2018 were audited by a different statutory auditor, whom in a report dated February 20, 2019, issued an unqualified opinion on such statements. My opinion on this matter is unqualified.

*(Original in Spanish signed by:)*

Christian Gañan Betancur  
Statutory Auditor  
Professional Card No. 171279-T  
Appointed by PwC Contadores y Auditores Ltda.  
February 19, 2020