

ATACADÃO S.A.
Publicly-Held Company
Corporate Taxpayer's ID (CNPJ/ME): 75.315.333/0001-09

MATERIAL FACT

ATACADÃO S.A. (B3: CRFB3) ("Grupo Carrefour Brasil", "Carrefour Brazil", "Company" or "Purchaser") in compliance with the provisions of article 157, paragraph 4 of Law No. 6,404/76, and of Ruling No. 358/2002, issued by the Brazilian Securities Commission ("CVM"), hereby announces to its shareholders and to the market in general that the Company has entered into, on the date hereof, a Share Purchase, Merger Agreement and Other Covenants ("Agreement") with Momentum – Fundo de Investimento em Participações Multiestratégia, controlled by entities under management of an Advent International Corporation affiliated entity, and Brazil Holdings S.C.S, a company controlled by Walmart Inc. ("Sellers"), for the acquisition of the totality of the shares issued by Grupo BIG Brasil S.A. ("Grupo BIG") for the total amount of R\$ 7,500,000,000.00 (seven billion five hundred million reais) (estimated Enterprise Value of R\$ 7,015,000,000.00¹ – seven billion fifteen million reais), subject to other adjustments set forth in the Agreement ("Transaction").

The execution of the Agreement and of its ancillary documents was duly approved by the Board of Directors of the Company, in a meeting held on the date hereof.

Strategic Rationale

The acquisition of Grupo BIG will expand Carrefour Brazil's presence in regions where it has limited penetration, such as the Northeast and South of the country, which offer strong growth potential. Grupo BIG's store network thus offers strong geographic complementarity.

The acquisition allows Carrefour Brazil to expand in its traditional formats (notably Cash & Carry and hypermarkets). The transaction will also reinforce Carrefour Brazil's footprint in formats in which it has a more limited presence, in particular supermarkets (99 Bompreço and Nacional stores), and soft discount (97 Todo Dia stores). In addition, Carrefour Brazil will operate in a new market segment with the Sam's Club format, through a license agreement with Walmart. This unique and highly profitable premium business model, aimed at the B2C segment, is based on a membership system, with over 2 million members, and has a strong focus on private label products.

Grupo BIG owns the real estate for 181 of its stores (47% of its total network) and 38 additional sites, which represent a total real estate value of approximately R\$ 7bn, according to an independent appraisal.

The complementarity of the two groups will enrich Carrefour Brazil's ecosystem of products and services, which currently serves over 45 million customers, and will extend its customer base with the addition of over 15 million Grupo BIG customers.

Benefits for Brazilian stakeholders

For more than 45 years, Carrefour Brazil has been working and investing so that millions of consumers can have the best product assortment and services in Brazilian retail. Since 2019, including this transaction, it will have invested over R\$ 15 billion, one of the largest investments in the Brazilian retail industry during the period. This directly contributes to the country's social and economic development, including the creation of thousands of new

¹ Before capitalized leases (IFRS 16) that amount to R\$ 2.2bn.

jobs, generation of new business with local producers, as well as social actions in the communities where the company is present.

In 2020, Carrefour Brazil significantly accelerated its digital transformation strategy, which benefited not only operations, but also the customer experience. Atacadão's new retail e-commerce platform and the new "Meu Carrefour" app, which connects all retail formats in one single ecosystem, provide Brazilian consumers with a convenient and complete daily shopping experience. With this acquisition, Carrefour Brazil accelerates its digitalization strategy, bringing its online offers to Grupo BIG's customers, thus expanding customer engagement with the chain's banners.

Grupo BIG's broad base of customers will become part of the Carrefour Brazil ecosystem and the Company will be able to offer to these customers the complete experience of an omnichannel environment, adding value to their shopping journey by offering not only food, but also non-food products, pharmacy products and fuel, both in the physical and digital environments. Moreover, customers will gain access to Banco Carrefour's various payment and credit solutions, which will be made available in all the acquired stores. The numerous possibilities to increase the monetization of Grupo BIG's customers make this acquisition a unique opportunity to generate synergies and reinvest more in Carrefour Brazil's competitiveness.

Carrefour Brazil plans to optimize the store network by converting Maxxi stores to its Atacadão banner. The company also expects that certain BIG and BIG Bompreço stores will be converted to the Atacadão or Sam's Club banners, with the remaining stores converted to the Carrefour hypermarket banner. Customers will thus be able to benefit from Atacadão's and Carrefour's offer, the Company's commitment to democratize quality and healthy food, as well as Carrefour Brazil's omnichannel ecosystem. The acquisition will also allow the company to offer the best prices to Brazilian families, small grocery stores and restaurants, as Atacadão and Carrefour have the lowest price proposition in the market, while also giving priority to regional and local suppliers.

Synergies

Carrefour Brazil has identified significant synergy potential from year one, rising gradually to represent a net additional contribution to EBITDA of R\$ 1.7 billion on an annual basis three years after the closing of the transaction. Expected synergies notably include:

- (i) gains related to higher sales density and alignment of margins to quickly increase store profitability. Those gains will materialize after the conversion of the BIG, BIG Bompreço and Maxxi stores to the Carrefour and Atacadão banners, which have the best commercial offer in their respective segments;
- (ii) revenue related to the offering of Banco Carrefour's financial services within the new store scope, leveraging Carrefour Brazil's unique value proposition (credit cards, digital wallet, B2B payment terminals and credit);
- (iii) growth acceleration of Carrefour Brazil's digital offer (food and non-food e-commerce, marketplace B2C and B2B, partnerships for last mile delivery, etc.) through Grupo BIG's customer base and its network;
- (iv) optimization of overhead costs and indirect expenses and enhanced supply chain efficiency.

Main Structure of the Transaction

The Transaction will be implemented, subject to the fulfillment of certain conditions set forth in the Agreement, by means of two steps, as described below.

The Purchaser will acquire, by means of a purchase and sale, common shares representing 70% (seventy percent) of the capital stock of Grupo BIG, for the amount of R\$ 5,250,000,000.00 (five billion two hundred and fifty million reais), in cash ("Purchase and Sale") and, subsequently, an extraordinary general shareholders meeting of the Company, to be held on the same date, will decide upon the merger, by the Company, of common shares representing the remaining 30% (thirty percent) of the capital stock of Grupo BIG ("Merger of Shares").

In the context of the Merger of Shares, each common share issued by Grupo BIG will be replaced by common shares issued by the Company, resulting in the issuance of a total of 116,822,430 (one hundred sixteen million, eight hundred twenty-two thousand, four hundred and thirty) common shares, which shall not be transferred for a period of up to 6 months as from the consummation of the Transaction. The value per share of the Company was calculated based on the weighted average of the quotation price (VWAP) of the 30 days preceding the date hereof, adjusted pursuant to the Agreement.

In the event specific situations occur with respect to the Company, Sellers may convert the Transaction so that the acquisition of the totality of shares issued by Grupo BIG is consummated by means of a purchase and sale, fully in cash, and no Merger of Shares, for the total amount of R\$ 7,500,000,000.00 (seven billion five hundred million reais), adjusted by the positive variation of the CDI as from the date hereof until its payment and subject to other adjustments set forth in the Agreement.

The Company has agreed to make an upfront payment of R\$900,000,000.00 (nine hundred million reais) to Sellers, in cash, up to ten business days after signing, which shall be deducted from the total Transaction amount upon closing, or reimbursed by Sellers in the event the Transaction does not close.

Sellers may receive a price complement, based on a potential valuation increase of the shares issued by the Company, calculated as follows: Carrefour Brazil share appreciation, in R\$, between signing and 6 months post closing, multiplied by a factor of 20 million, as per the Agreement.

The Merger of Shares associated with a price complement based on Carrefour Brazil's share appreciation, materializes the Sellers' confidence in the valuation prospects of Carrefour Brazil, as well as in a quick capture of synergies with relatively low execution risk. Upon completion of the transaction, Carrefour Group will own 67.7% of Grupo Carrefour Brasil (vs 71.6% today), Península Participações 7.2% and Advent and Walmart, through affiliates, 5.6% jointly.

Conditions Precedent to the Transaction

The Transaction will be subjected to certain closing conditions, customary in transactions of this nature, such as (i) obtainment of approval by the shareholders of the Company, in the Extraordinary General Shareholders Meeting, of the Purchase and Sale and of the Merger of Shares; and (ii) the approval of the Transaction by the Administrative Council for Economic Defense (CADE). The completion of the transaction is expected in 2022.

Withdrawal Right

According to articles 252, paragraph 2, 137, paragraph 1, and 256 of Law No. 6,404/76, the withdrawal right based on the book value of the shares of the Company will be guaranteed to the shareholders, on the date hereof, who do not vote favorably to the Merger of Shares, who abstain from voting or who do not attend the Extraordinary General Shareholders Meeting to be duly called until the closing of the Transaction. Other information regarding the withdrawal right will be disclosed by the time of the approval of the Transaction.

Additional Information

Additional information related to the Transaction, as required according to the terms of CVM Ruling No. 565/15 will be timely provided.

Grupo Carrefour Brasil will maintain its shareholders and the market in general informed about the conclusion of the Transaction.

Noël Prioux, CEO of Carrefour Brazil, commented: *"The acquisition of Grupo BIG marks a major new step in our development, extending our geographical footprint in certain states, expanding our presence in formats and adding a very promising new model that we do not yet operate - Sam's Club. Together, our offer will be even more attractive, complete and competitive, benefiting the purchasing power of Brazilian consumers and adding millions of customers to our ecosystem. We are delighted to welcome within our group the Grupo BIG teams, who have done an excellent job initiating the company's transformation over the past years. This is certainly a very important milestone in the history of Carrefour Brazil and points to a strong acceleration of growth in the coming years."*

Patrice Etlin, Advent International senior partner and a member of its global executive committee, declared: *"We have always admired Carrefour as an excellent retail operator in Brazil, and forming this partnership is a source of great satisfaction for us. We are very proud of the transformation that we have implemented alongside Walmart and the management of Grupo Big, and Carrefour will take possession of a first-rate team and a great store network."* **Luiz Fazzio, CEO of Grupo BIG added:** *"Grupo BIG has grown because of the excellence of our team, its ability to execute an ambitious plan and our focus on our employees, customers, suppliers and communities. This agreement reinforces the success of our value creation approach at Grupo BIG."*

São Paulo, March 24, 2021

ATACADÃO S.A.

Sébastien Durchon

Chief Financial Executive Officer and Investor Relations Officer

APPENDIX 1 - 2020 KEY FIGURES

	Carrefour Brazil	Grupo BIG	Combined operations (pro forma)
Gross sales, R\$ bn	74.9	24.9	c. 100
Net sales, R\$ bn	67.6	21.7	89.3
Adjusted EBITDA (post-IFRS 16), R\$ bn	5.6	0.9	6.5 <i>+1.7 net synergies after 3 years</i>
Store count	489	387	876
Employees	c.96,000	c.41,000	c.137,000

APPENDIX 2 - GRUPO BIG PRO FORMA SIMPLIFIED BALANCE SHEET AT 31/12/2020 (NON-AUDITED)

ASSETS		R\$ bn	LIABILITIES		R\$ bn
PP&E & right-of-use assets		6.4	Equity		8.7
Recoverable taxes & deferred income taxes		5.5	Lease liabilities		2.2
Inventory		2.8	Provisions net of judicial deposits		1.6
Accounts receivable		1.5	Accounts payable		3.7
Net cash		0.5	Payroll, social charges & tax payables		0.5
Other assets		0.7	Other liabilities		0.7
TOTAL		17.4	Liabilities		8.7
			TOTAL		17.4

APPENDIX 3 - ENTERPRISE VALUE

	R\$ bn
Equity value (pre-IFRS 16)	7.5
(-) Net cash as of 31/12/2020	0.5
(=) Enterprise value (pre-IFRS 16)	7.0

About Grupo BIG

Present in Brazil since 1995, Grupo BIG (formerly Walmart Brazil) operates a multi-format network of 387 stores, comprising 35 membership-only stores under the Sam's Club banner, 107 hypermarket stores under the BIG and BIG Bompreço banners, 99 supermarket stores under the Bompreço and Nacional banners, 97 soft discount stores under the Todo Dia banner, 49 Cash & Carry stores under the Maxxi banner as well as 13 gas stations. Grupo BIG has a presence in 19 states, with a higher footprint in the southern and northeastern regions of Brazil. In 2020, Grupo BIG generated gross sales of R\$ 24.9 billion and adjusted EBITDA of R\$ 928 million.

About Carrefour Brazil

Carrefour Brazil operates 489 stores in Brazil, including 100 hypermarket stores under the Carrefour banner, 53 supermarket stores under the Carrefour Bairro and Market banners, 130 proximity stores under the Carrefour Express banner, 206 Cash & Carry stores under the Atacadão banner, as well as 125 pharmacies and 77 gas stations. In 2020, Carrefour Brazil generated gross sales of R\$ 74.7 billion and adjusted EBITDA of R\$ 5.6 billion.

About Advent International

Founded in 1984, Advent International is one of the largest and most experienced global private equity investors. The firm has invested in over 350 private equity transactions in 41 countries, and as of September 30, 2020, had \$66.2 billion in assets under management. With 15 offices in 12 countries, Advent has established a globally integrated team of over 200 investment professionals across North America, Europe, Latin America and Asia. The firm focuses on investments in five core sectors, including business and financial services; health care; industrial; retail, consumer and leisure; and technology. After 35 years dedicated to international investing, Advent remains committed to partnering with management teams to deliver sustained revenue and earnings growth for its portfolio companies. For more information, visit Website: www.adventinternational.com