

# EARNINGS 1Q23



**SMU S.A.**

May 17, 2023

11:00 am ET / 11:00 am Chile



## Caution Regarding Forward-Looking Statements

This presentation may contain forward-looking statements. We have based any such forward-looking statements largely on our current beliefs, expectations and projections about future events and financial trends affecting our business. Although management considers these projections to be reasonable based on information currently available to it, many important factors could cause our actual results to differ substantially from those anticipated in our forward-looking statements. The words “believe,” “may,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “forecast” and similar words are intended to identify forward-looking statements. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities and the effects of future regulation and competition.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. In light of the risks and uncertainties described above, the forward-looking events and circumstances discussed in this presentation might not occur and are not guarantees of future performance. Therefore, we caution readers not to place undue reliance on these statements. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to update or revise any forward-looking statements included in this presentation because of new information, future events or other factors.

1Q23  
Earnings

Strategic  
Plan  
**23**  
**25**



Omnichannel  
Growth

## Omnichannel Growth

## New Store Openings

- Two new Unimarc stores and one S10 reconversion in 2023 to date
- On track with plan for remainder of year:



UNIMARC

8



3



3



5



## E-commerce

- Microfulfillment center serving more municipalities in the Santiago Metro region (42% coverage)
- Expansion of click & collect coverage in Unimarc, and first stores added for Alvi



## Innovative Promotional Activity

- Leveraging our expertise in implementing promotions, as our core commercial strategy
- Expanding the *Path to Savings* concept
- Synergies across formats





## Customer Loyalty

- Club Alvi Expo
- Bringing B2B customers together with suppliers and brands to help grow their businesses



**ENCUENTRO DE Socios Alvi**

VUELVE VUELVE VUELVE VUELVE

**NO TE PIERDAS A:**

-  **STEFAN KRAMER**
-  **NOCHE DE BRUJAS**

ADemás:  
MÁS DE 40 MARCAS EXPOSITORAS - CONCURSOS Y SORTEOS - DESCUENTOS EXCLUSIVOS - GRANDES OPORTUNIDADES DE NEGOCIOS - SHOWS EN VIVO.

**MARTES 25 DE ABRIL**  
DE 16:00 A 21:00 HRS. MOVISTAR ARENA  
EXCLUSIVO SOCIOS COMERCIANTES

MÁS INFORMACIÓN EN [WWW.ALVI.CL/ENCUENTRODESOCIOS](http://WWW.ALVI.CL/ENCUENTRODESOCIOS)

VEN A CONOCER NUEVAS OPORTUNIDADES PARA TU NEGOCIO Y A PASARLO BIEN.

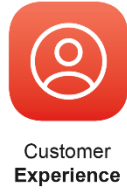
**PRESENTAN:** TORRE ALBA, PERE ELLI, Boudicca, Kellogg's, Marco Polo, EDRA, Club, Interno, Ambrofoli, Costas, Carozzi, Dog, MASTER CAT, Villa

**PARTICIPAN:** Doritos, Etercrisp, Lay's, Galletas, Knorr, HEINZ, Douring, MAGISTRAL, IANSA, IANSA, IANSA, Charly, CANNES, Felinnes, Livean, MUIBON, ZWILL, Nova, Elite, polett, clonida, CABANY, ACF



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## Customer Experience

## Private Label Growth

- 50+ product launches in 1Q23
- Sales growth 27% vs. 1Q22



*Nuestra  
Cocina*





# 1Q23 Earnings

Strategic  
Plan  
**23**  
**25**

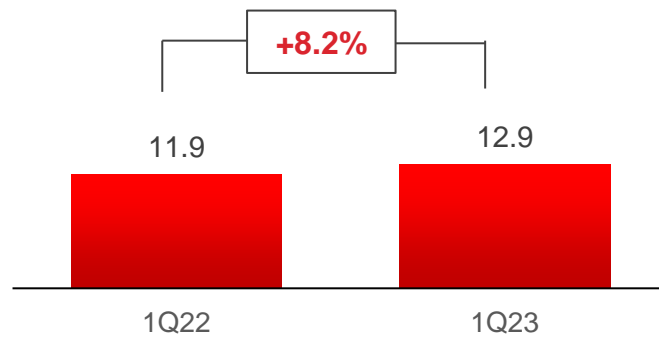


Efficiency &  
Productivity

## Efficiency & Productivity

- Roll-out of efficient operating model to third group of Unimarc stores, for a total of 151
- Expansion of self-service modules
- Expansion of Blue Yonder automated demand planning tool to new product categories

**Sales/Full-Time Equivalent**  
First Quarter; CLP Mn/month (Chile)





## Caring for the Environment

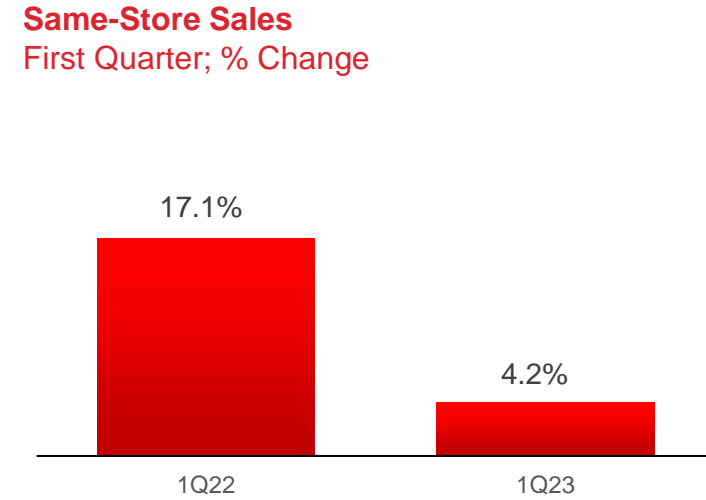
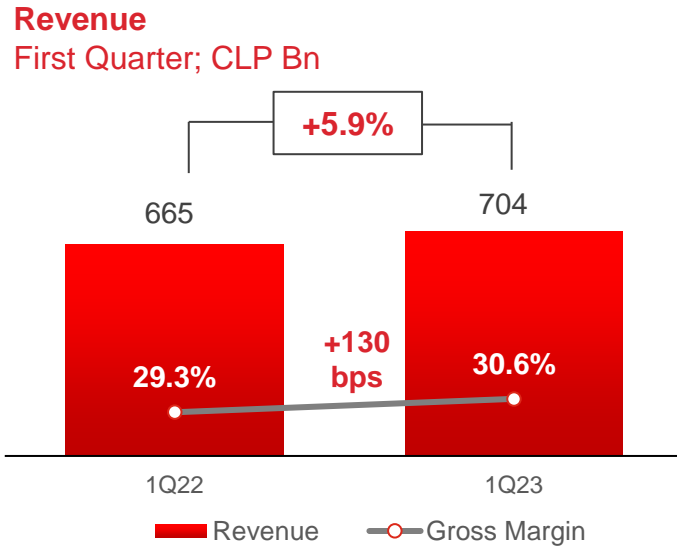
- *Giro Limpio* certification: working with transportation suppliers to improve energy performance
- *Estrella Azul* certification: meeting targets in recyclable packaging



Efficiency &  
Productivity



Customer  
Experience

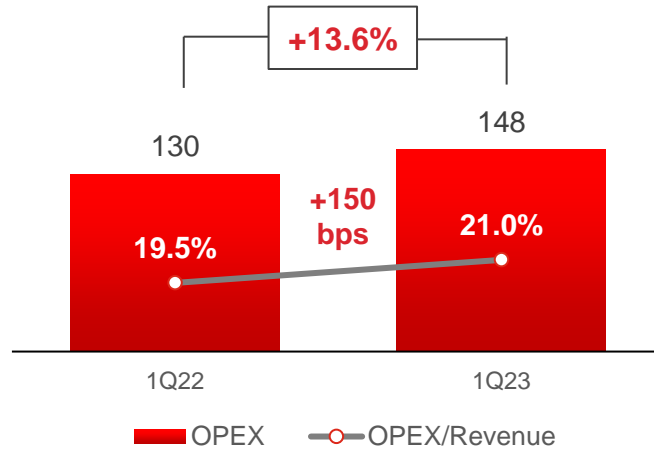


- Revenue growth driven by recovery in customer traffic and strong performance in soft discount and cash & carry stores (+11.5%)
- Gross margin gains reflect improved commercial efficiency

- SSS in 1Q22 reflect consumer preferences stemming from higher liquidity, creating a high comparison base for 1Q23

(1) Same-store sales reflects the percentage change in sales of our stores operating throughout the same months of both financial periods being compared, for the Food Retail segment. In order to be included in the calculation, a store must have been operating for at least 13 consecutive months, beginning on the date on which the store was opened or re-opened.

Operating Expenses  
First Quarter; CLP Bn

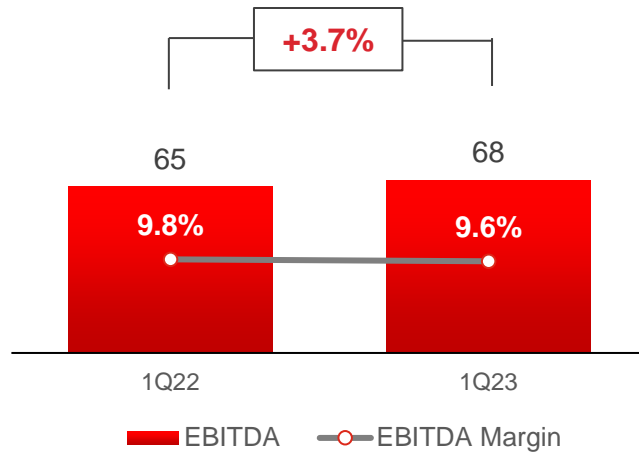


- Increase in operating expenses driven by accumulated annual inflation (13.3%) and higher minimum wage (17.1%)

(1) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization..



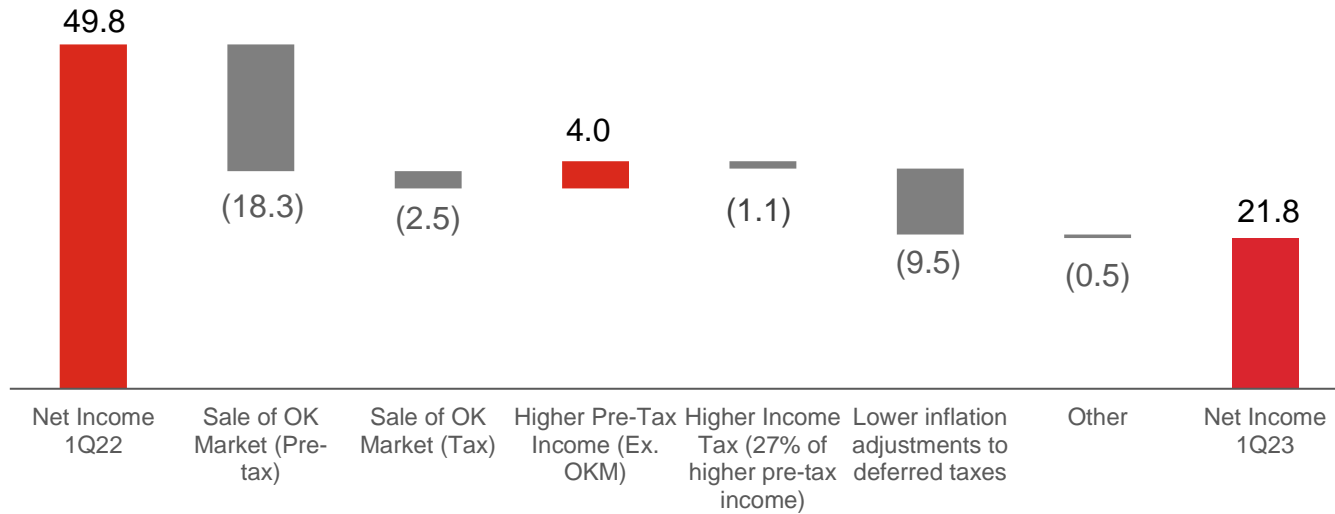
**EBITDA**  
First Quarter; CLP Bn



- EBITDA growth despite high comparison base in 1Q22
- EBITDA margin remains well above 9% long-term target

(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.

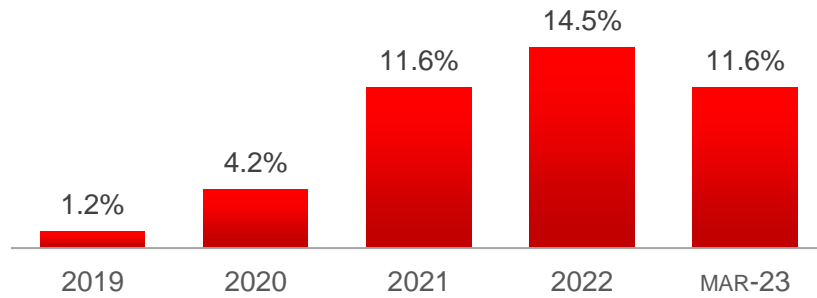
**Net Income 1Q23 vs. 1Q22**  
CLP Bn



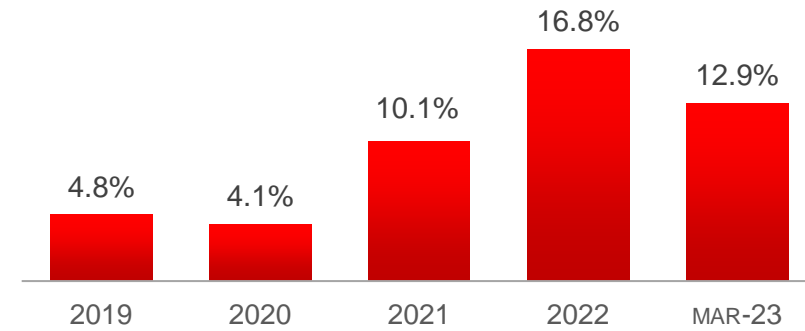
**Year-over-year comparison affected by:**

- Sale of OK Market in 1Q22 (CLP 20.8 bn)
- Lower inflation adjustments to deferred taxes

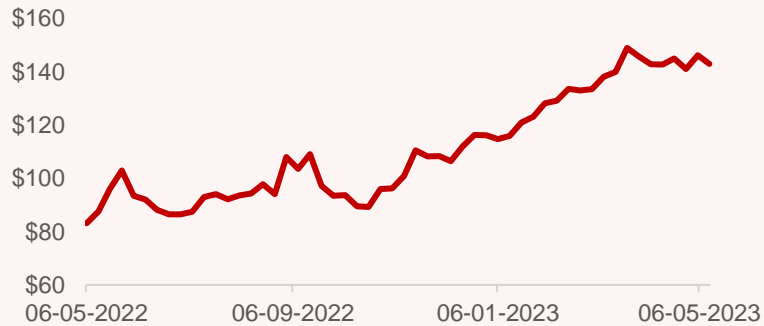
**Dividend Yield <sup>(1)</sup>**



**Return on Equity <sup>(2)</sup>**



**SMU Share Price**

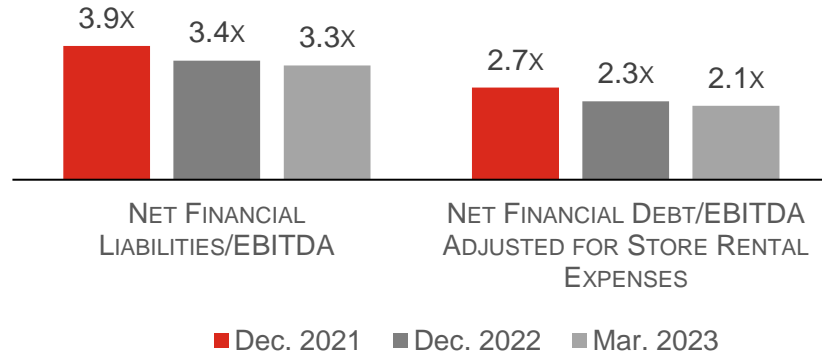


(1) Dividend Yield = Dividends paid during last twelve months / share price at period end.

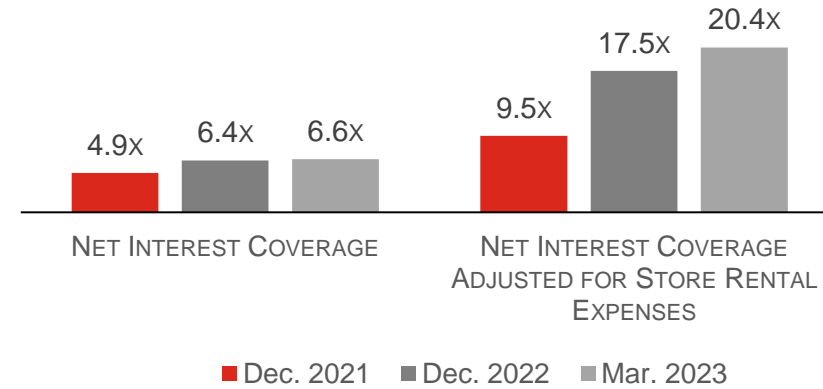
(2) Return on Equity = Net income for last twelve months / shareholders' equity at period end.



**Net Financial Debt / EBITDA**



**Interest Coverage**



(1) Definitions:

Net financial liabilities = other current and non-current financial liabilities - cash and cash equivalents

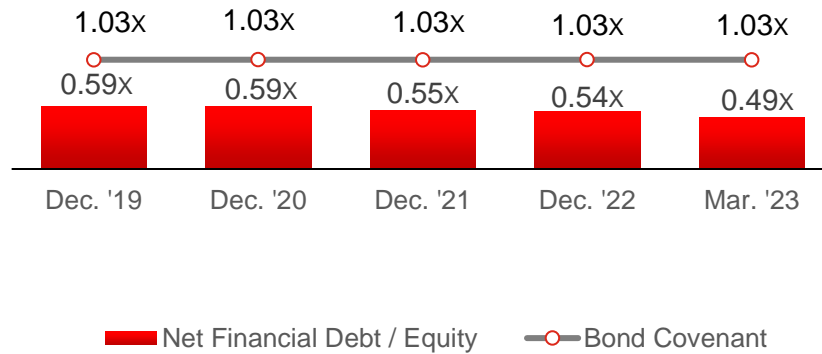
Net financial debt = other current and non-current financial liabilities – current and non-current obligations for rights of use - cash and cash equivalent

EBITDA adjusted for store rental expenses = EBITDA including store rental expenses not included in administrative expenses under IFRS

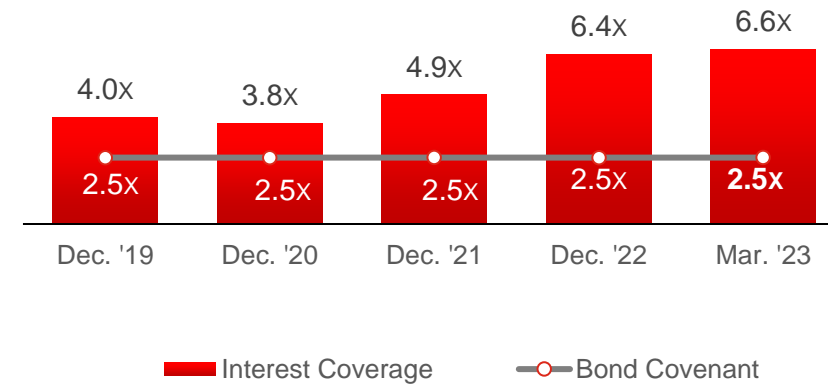
Net interest coverage = EBITDA for the last 12 months / (total financial expenses – total financial income)

Net interest coverage = EBITDA adjusted for store rental expenses/(total financial expenses – financial expenses for obligations for rights of use – total financial income)

**Bond Covenant: Net Financial Debt / Equity <sup>(2)</sup>**



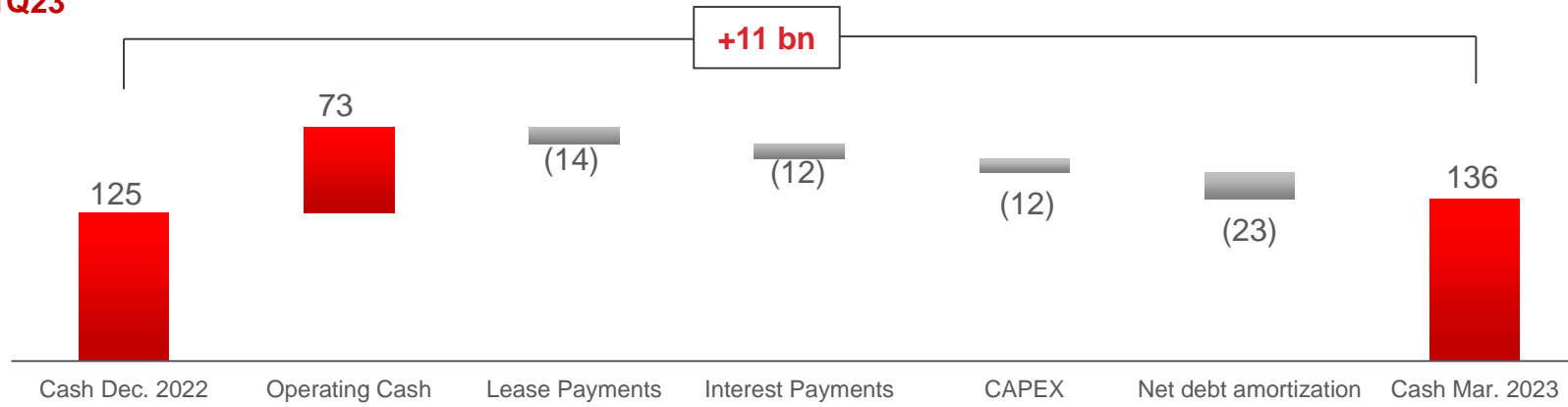
**Bond Covenant: Interest Coverage <sup>(3)</sup>**



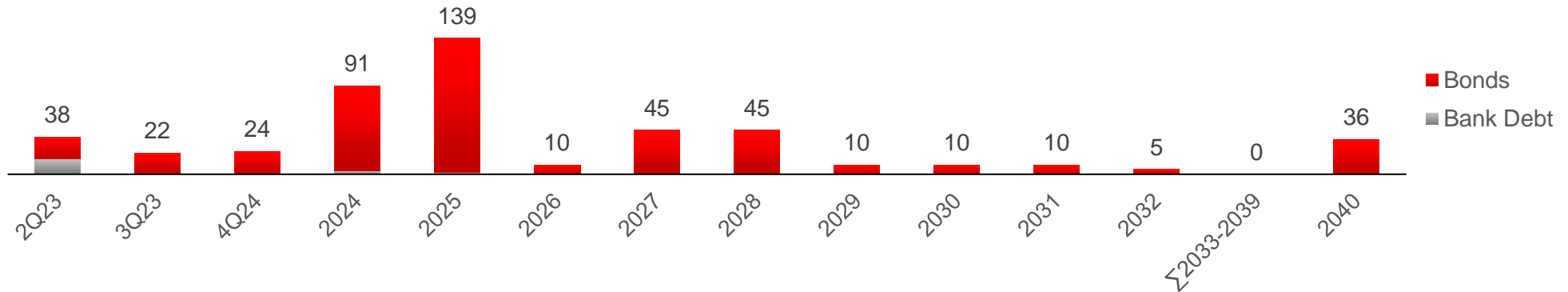
(1) Net financial debt = Total current and non-current financial liabilities minus total current and non-current obligations for rights of use minus cash and cash equivalents

(2) Interest coverage = EBITDA/net financial expenses

**Cash Flow 1Q23**  
(CLP Bn)



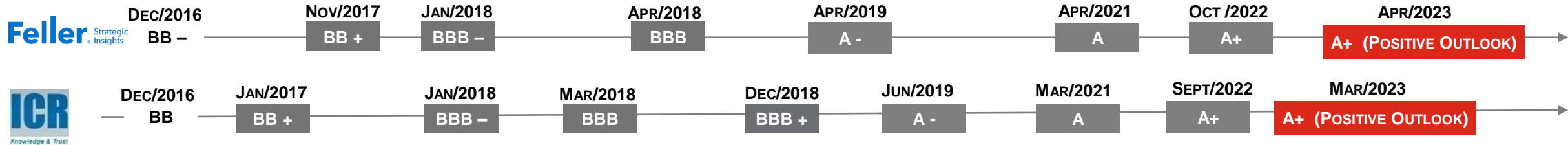
**Debt Maturity Profile as of March 31, 2023**  
(Bonds and Bank Debt - CLP Bn)





# Positive Outlook

- Following annual review in March and April, both ICR and Feller-Rate improved outlook to positive
- Change reflects continued improvement in operating and financial results in 2022
- Current rating: A+, positive outlook



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