

# Earnings Conference Call 3Q24

**SMU S.A.**

November 13, 2024  
09:00 am ET / 11:00 am Chile



## CAUTION REGARDING **FORWARD-LOOKING STATEMENTS**

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This presentation contains forward-looking statements. We have based all 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. Figures related to future dates, as well as the words “target,” “goal,” “objective,” “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.



3Q24  
Earnings

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



Omnichannel  
Growth

Omnichannel Growth

# New Store Openings in 2024



7



1



3



3

- 9 openings in 3Q24, an all-time high for a single quarter
- New stores outperforming expectations: on average, sales and EBITDA above plan



Super 10 Lampa



Unimarc San Esteban



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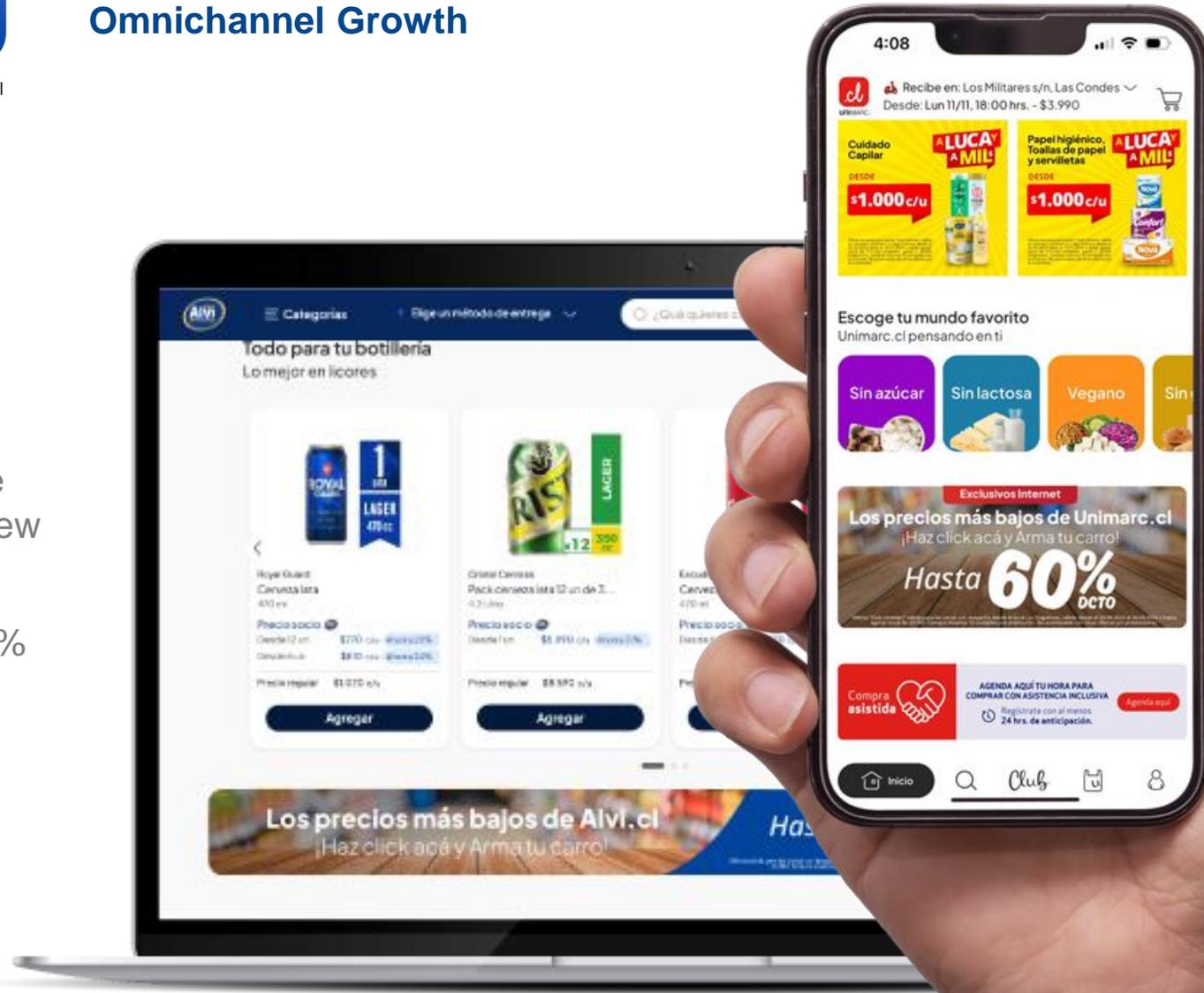


Omnichannel  
Growth

## Omnichannel Growth

## Online Growth

- Sales through SMU's online platforms and last milers grew 28% in 3Q24 vs. 3Q23
- Online penetration 3Q24: 4%





## Promotional Activity

- Focus on basic products to which customers are highly price-sensitive, driving sales growth in 3Q



**PRECIO OFERTA**

Hasta **40%** DCTO

Llena tu despensa con estas ofertas

**¡Comprar!**

The banner features a collection of grocery items including a large bottle of Keizer beer, a bag of Banquete lentils, a bag of Gatoza pasta, a bottle of Belmont dressing, and a bag of Elmann's flour. The background is a kitchen setting.

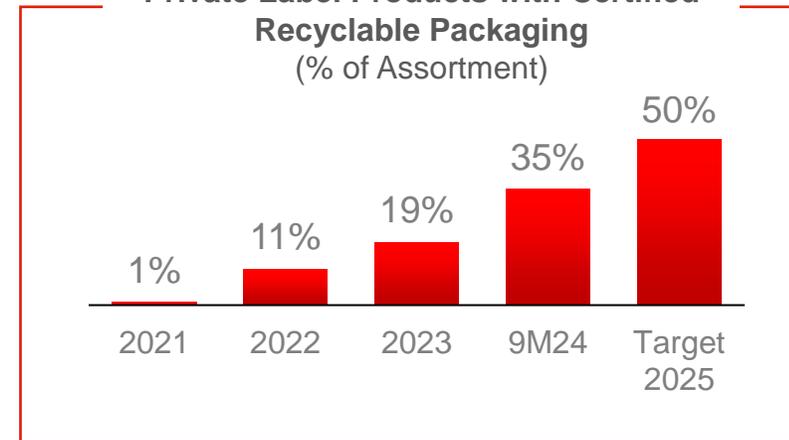


# Private Label Growth



- High quality products at attractive prices contribute to customer savings
- 130+ new products launched in 9M24
- Sales penetration 3Q24: 13.3%

Private Label Products with Certified Recyclable Packaging (% of Assortment)



## Loyalty Programs

- First food retailer in Chile to offer membership levels as part of loyalty program
- Differentiated discounts depending on membership level
- Since launching in July, each month approximately 300K customers have upgraded to a higher level



**3.8 million**  
members with purchases in  
last 3 months



➔ **más compras,  
más ahorras**  
Con el nuevo sistema de  
beneficios del Club Unimarc





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Customer Experience

## Loyalty Programs

2024 Alvi Members Expo event:

- Over 7,000 members of Club Alvi and representatives from 40 major brands that supply the traditional trade
- Small business owners discover new products and growth opportunities to increase profitability



**100K+**  
members with purchases in  
last 3 months





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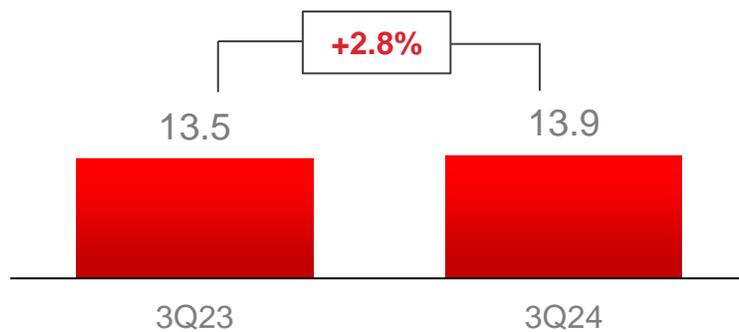
Efficiency &  
Productivity

## Efficiency & Productivity

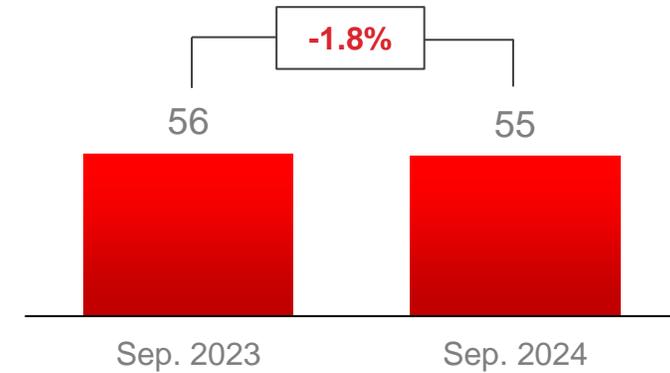
# Operating Efficiency

- Ongoing implementation of technologies such as self-service modules, voice picking, and automated demand planning that improve efficiency, productivity, and customer experience.

Sales / FTE  
(Chile; CLP Mn/month)



Average Headcount / Store





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Efficiency &  
Productivity

## Efficiency & Productivity

# Logistics Efficiency

- New distribution center for SMU Peru inaugurated in October
- Strategically located in Piura to supply growing number of Maxiahorro stores located in the north of Peru



**maxi**  
**ahorro**





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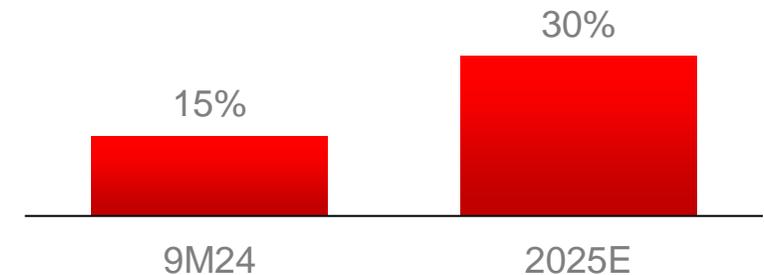
Efficiency &  
Productivity

## Efficiency & Productivity

# Energy Efficiency

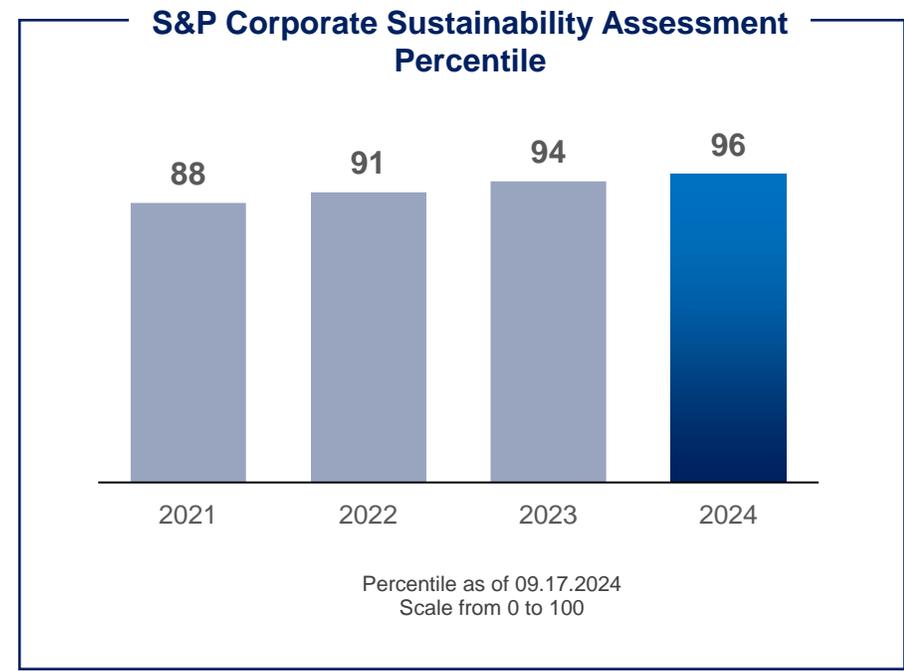
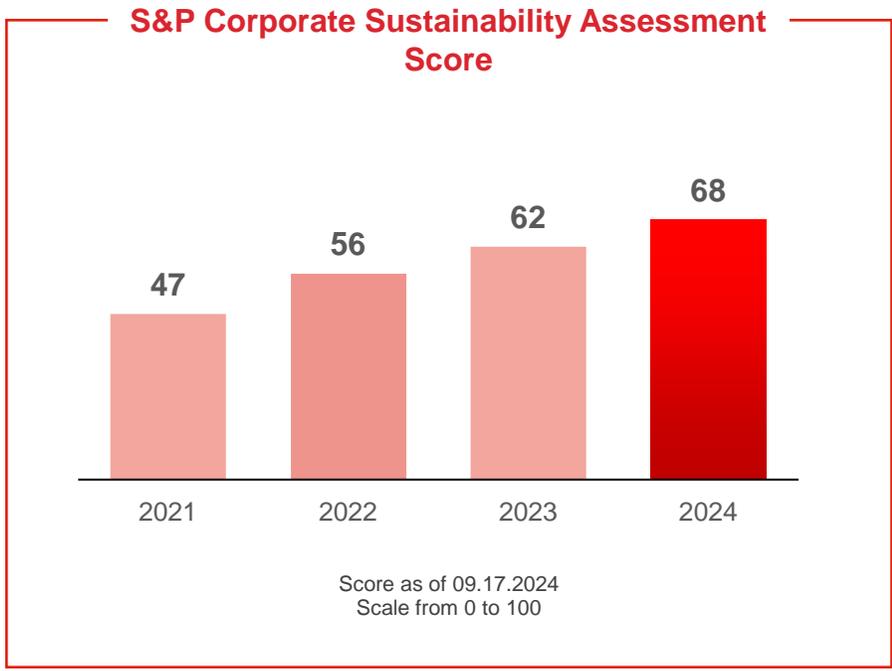
- Renewable energy accounts for 15% of electricity consumption in Chile.
  - Currently in bidding process to select suppliers for a further 15% of consumption, for a total of 30%
- Focus on energy consumption: Sustainable Store project implemented at 16 locations.
  - Monitoring of consumption and automated climate and lighting control
  - 5-10% energy savings

### Renewable Energy / Unregulated Electricity Rates (% of electricity consumption in Chile)





# ESG Performance



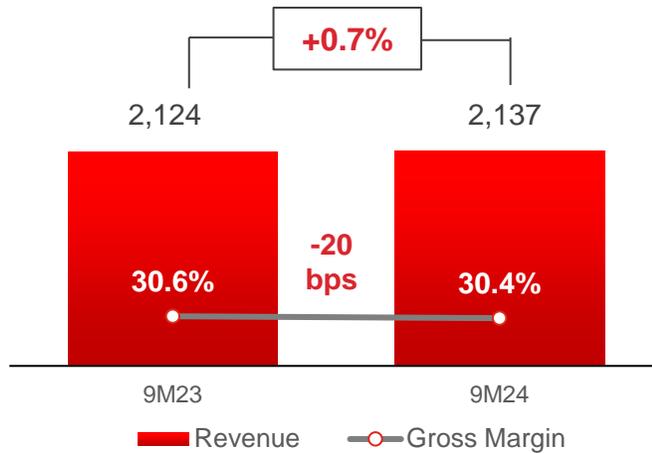


# 3Q24 Earnings

## Revenue

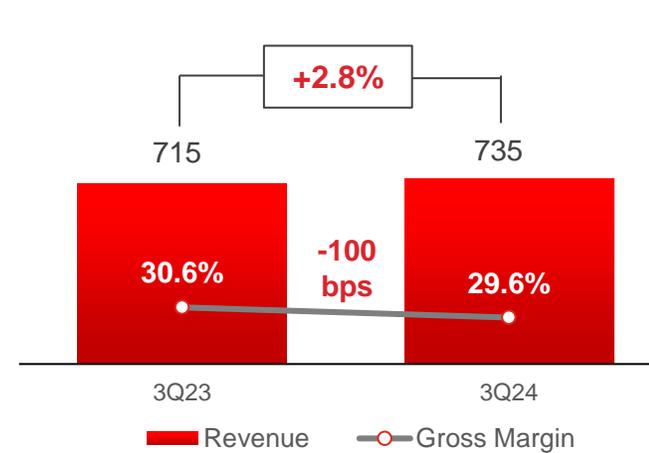
### Revenue

First Nine Months; CLP Bn



### Revenue

Third Quarter; CLP Bn



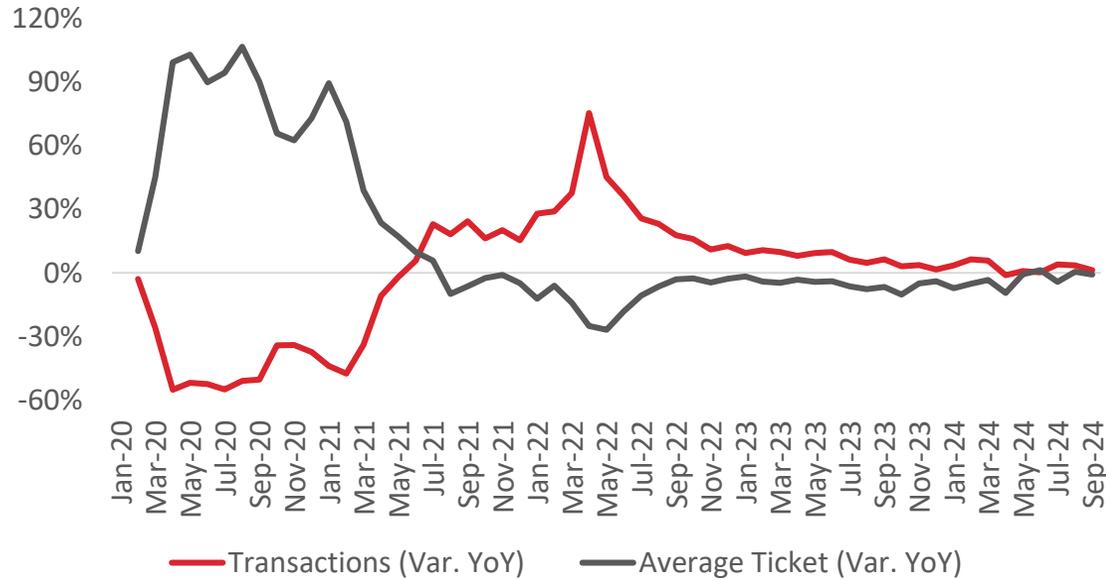
- Recovery in revenue growth: 2.8% in 3Q24 (-1.9% in 2Q24), driven by Unimarc (+3.6%), reflecting an improvement in SSS (+1.5%), as well as strong performance from new stores.
- Lower gross margin reflects promotional activity implemented during 2Q and 3Q, focused on basic products that are highly price-sensitive for consumers, affecting sales mix. Recovery expected for 4Q24, due to improved commercial efficiency.



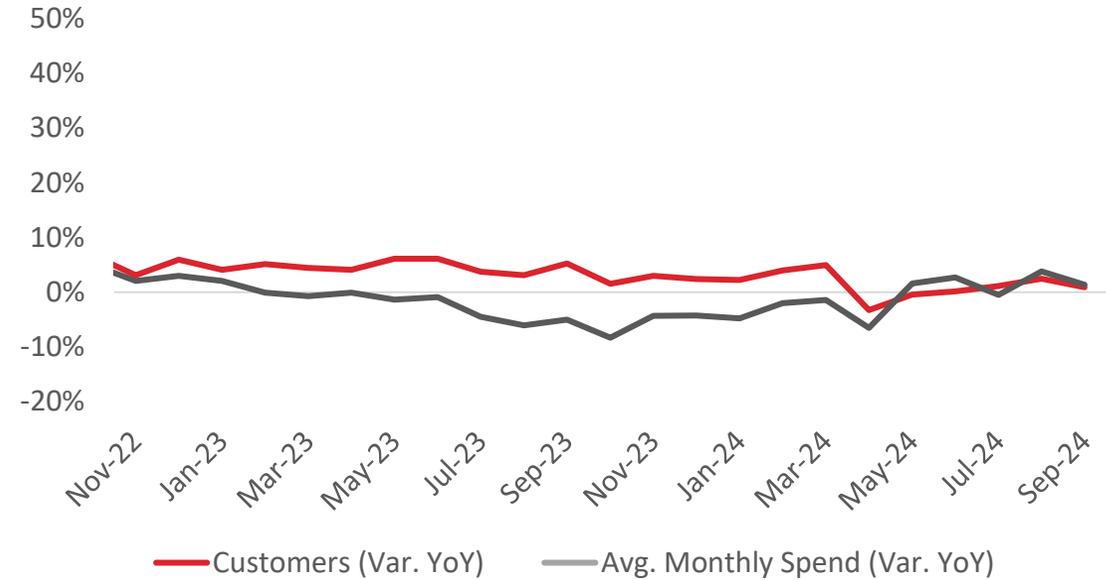
# 3Q24 Earnings

## Customers, Transactions, and Ticket

### Number of Transactions and Average Ticket (% Var. Year over Year)



### Number of Customers and Average Monthly Spend (% Var. Year over Year)



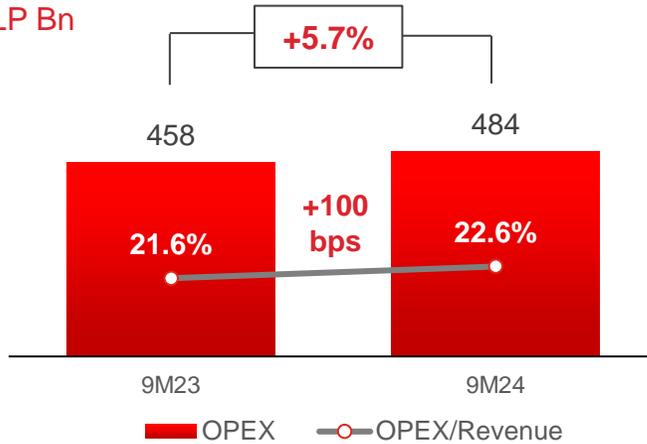
- **# Transactions & Customers:** consistent growth YoY until April 2024, followed by recovery in May and June, with growth continuing in 3Q24
- **Average Ticket & Average Monthly Spend per Customer:** lower YoY since at least early 2023, with recovery in May and June 2024 and continuing to trend positive in 3Q24



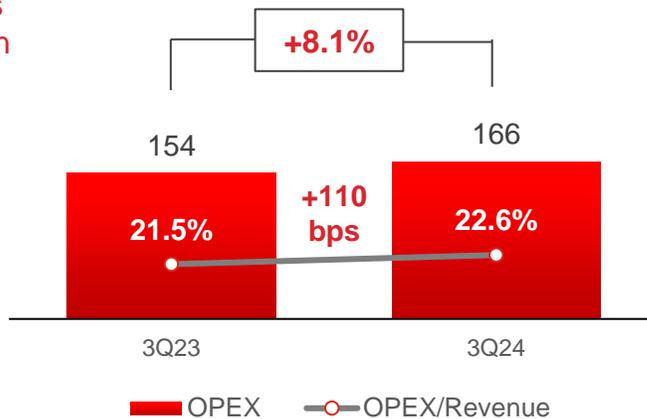
# 3Q24 Earnings

## Operating Expenses <sup>(1)</sup>

Operating Expenses  
First Nine Months; CLP Bn



Operating Expenses  
Third Quarter; CLP Bn



- Personnel and service expenses account for over 85% of the increase in operating expenses
  - Average minimum wage (+10% in 9M24 and +12% in 3Q24)
  - Inflation
  - Higher electricity rates



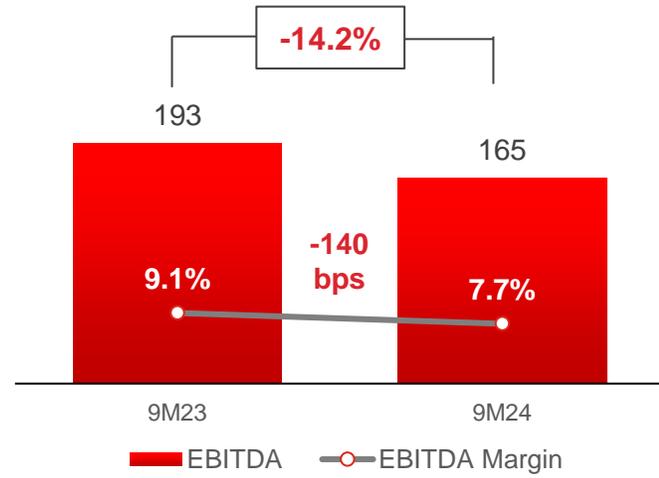
(1) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization.



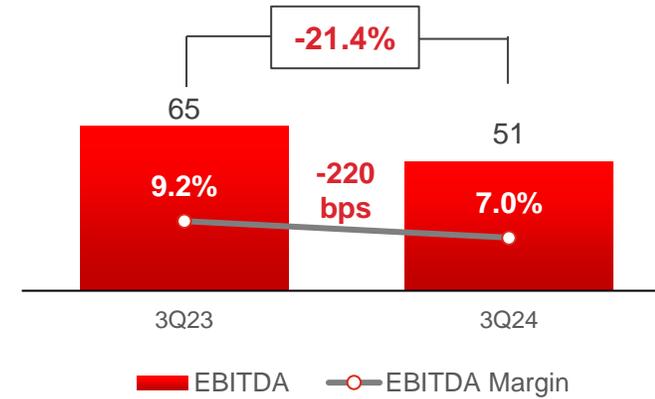
# 3Q24 Earnings

## EBITDA (1)

**EBITDA**  
First Nine Months; CLP Bn



**EBITDA**  
Third Quarter; CLP Bn



- EBITDA affected by lower gross profit and increase in operating expenses.
- Sequential improvement in EBITDA margin (7.0% in 3Q24 vs. 6.8% in 2Q24), and further improvement expected in 4Q.

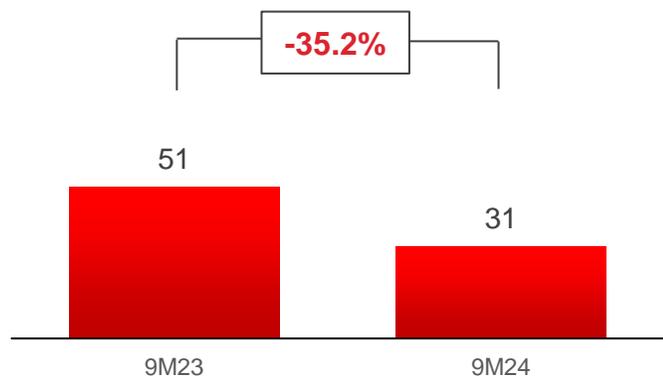
(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.



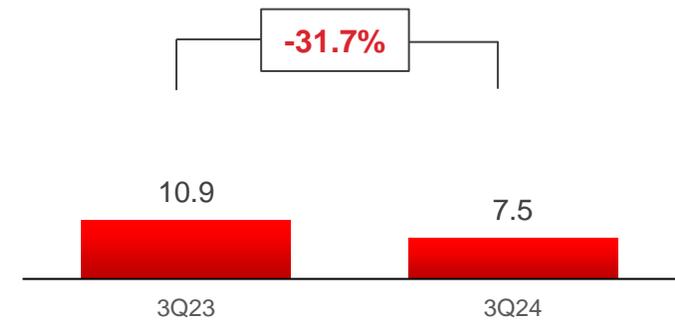
# 3Q24 Earnings

## Net Income

**Net Income**  
First Nine Months; CLP Bn



**Net Income**  
Third Quarter; CLP Bn



- Lower net income reflects lower operating income (-CLP 32 bn in 9M24 and -CLP 15.7 bn in 3Q24), partially offset by higher income tax benefit (+CLP 14.1 bn in 9M24 and +CLP 10.3 bn in 3Q24)

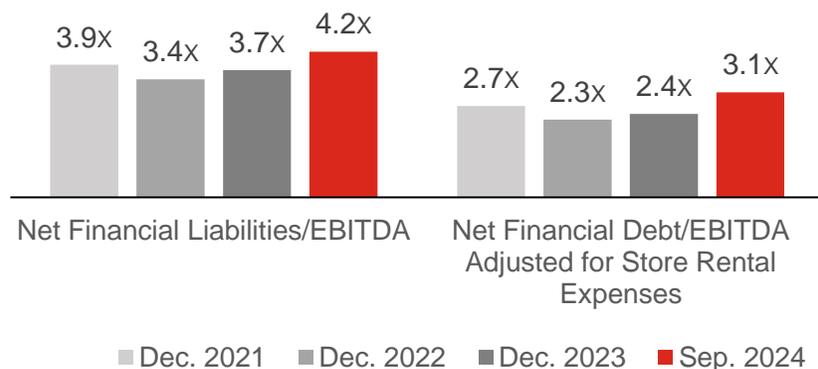
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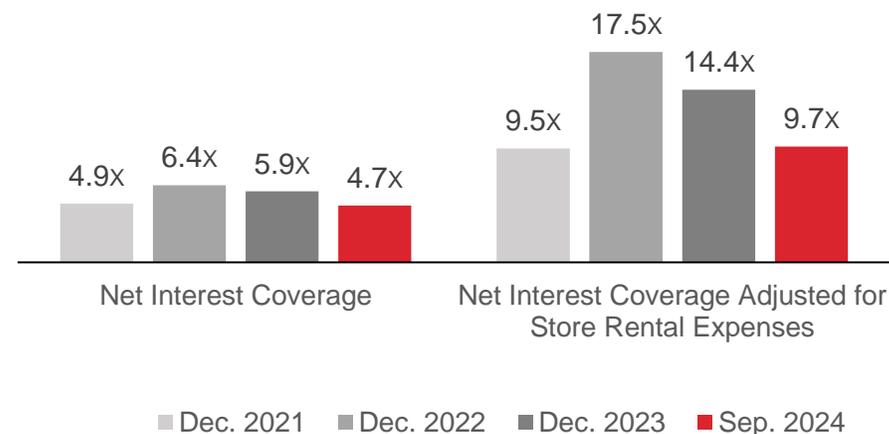
# 3Q24 Earnings

## Financial Ratios <sup>(1)</sup>

### Net Financial Debt / EBITDA



### Net 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

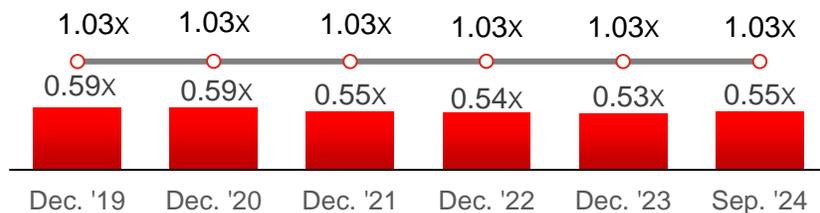
EBITDA adjusted for store rental expenses = EBITDA including store rental expenses not included in administrative expenses under IFRS

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>(1)</sup>



■ Net Financial Debt / Equity    ● Bond Covenant

### Bond Covenant: Net Interest Coverage <sup>(2)</sup>



■ Net Interest Coverage    ● Bond Covenant

(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

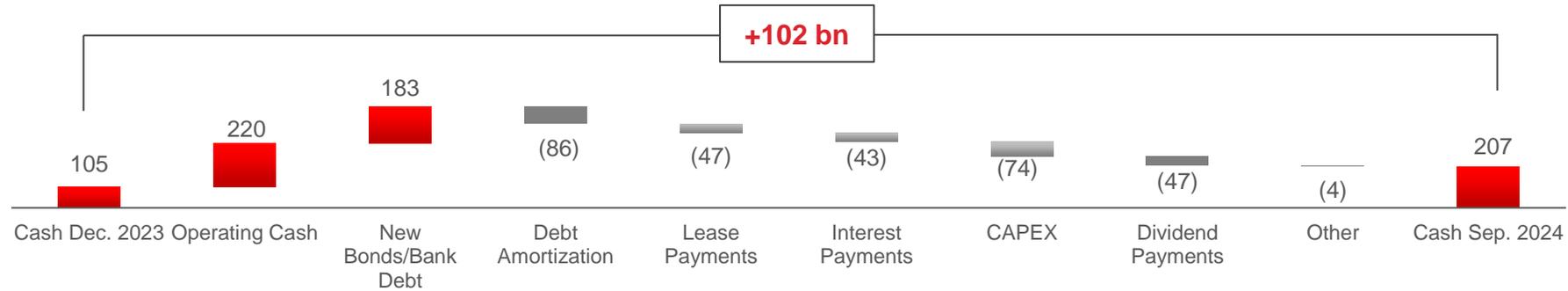
(2) Net interest coverage = EBITDA/net financial expenses



# 3Q24 Earnings

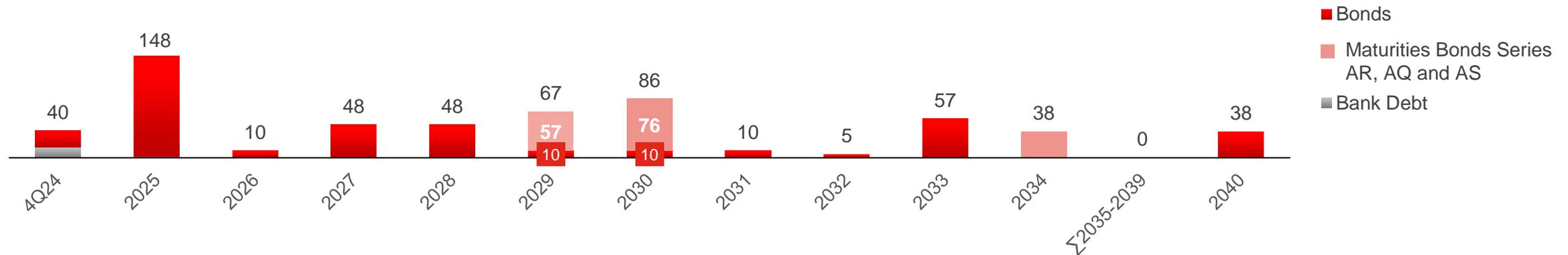
## Strong Cash Position

### Cash Flow 9M24 (CLP Bn)



- Refinancing strategy has led to cash surplus of CLP 160 bn, providing flexibility to cover bond + bank maturities in 4Q24 + 2025 (CLP 190 bn)

### Debt Maturity Profile as of September 30, 2024 (Bonds and Bank Debt - CLP Bn)



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