

# 4Q21 Earnings **SMU S.A.**

---

March 2022



## 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.

## 4Q21 Earnings



## Omnichannel Growth

## New Store Openings

- Unimarc (3), Alvi (2), Super10 (1), and Maxiahorro (3) had a total of 9 openings and reopenings in 2021



4Q21 Earnings

Omnichannel  
Growth

Online  
**Coverage  
Expansion**

**UNIMARC.cl**

10 regions...  
more coming  
soon



**Last Milers**



National  
coverage  
through last  
milers (all 16  
regions)

## 4Q21 Earnings



### Customer Experience



## New Product Launches

- New brands and over 600 new products introduced in 2021, including a new line of basic staples; bread and pastries; cleaning supplies; among others



## 4Q21 Earnings

---

### Customer Experience



## Return of Promotional Activity

- Increase in share of promotional sales, driven by fill-in and celebration categories



## 4Q21 Earnings

### Customer Experience

# Building Customer Loyalty

- Applying customer insight to improve shopping experience—adjusting assortment and promotions—and to create new solutions for small business owners



## 4Q21 Earnings

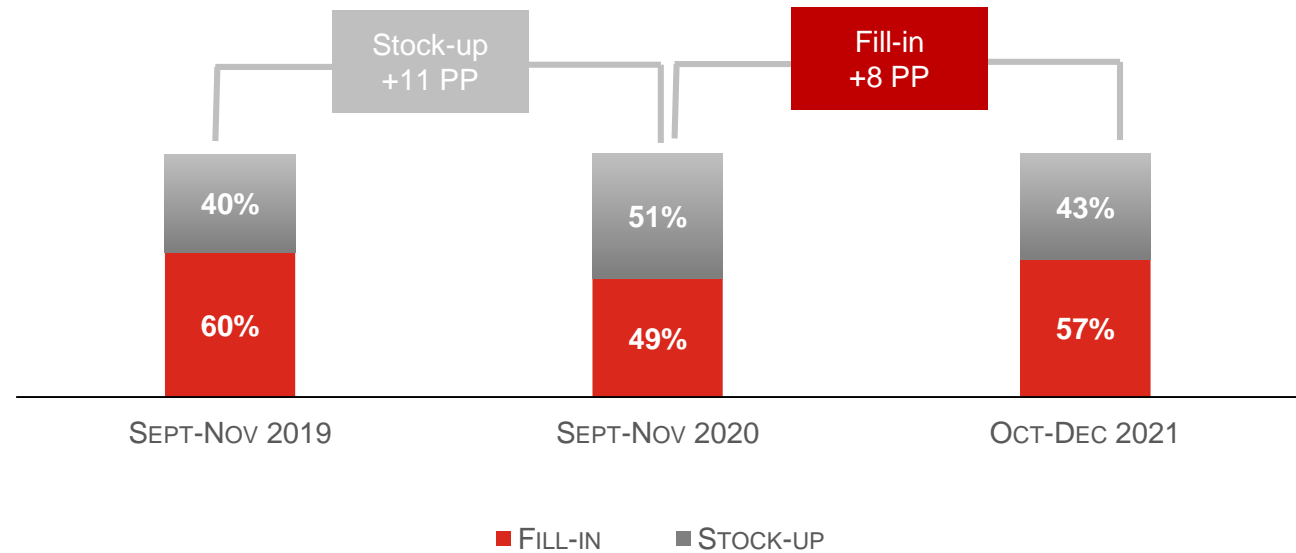


### Customer Experience

## Return to (some) Pre-pandemic Shopping Habits

- Significant recovery in fill-in purchases in 2021, following temporary shift to stock-up in 2020

### Shopping Missions (Chile)



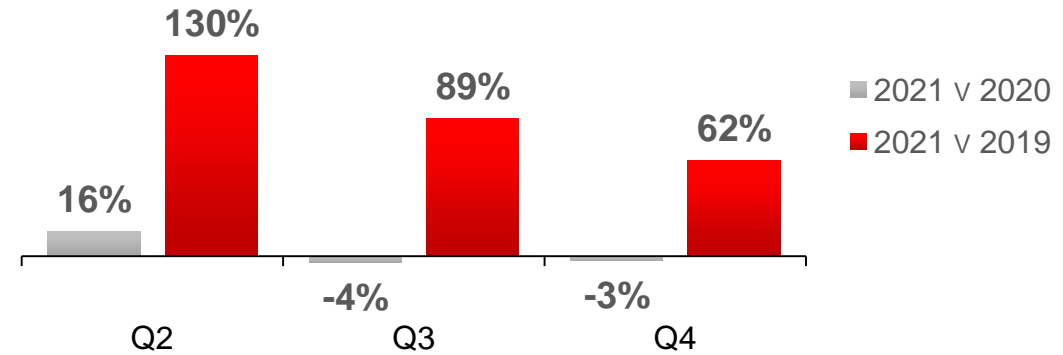


## 4Q21 Earnings

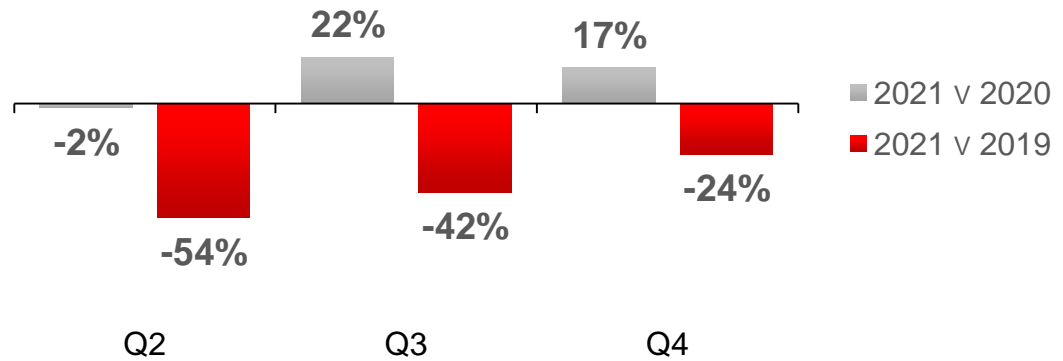
### Customer Experience

Transactions recover;  
**average ticket remains above pre-pandemic averages**

Var. Average Ticket Year-Over-Year



Var. Transactions Year-Over-Year



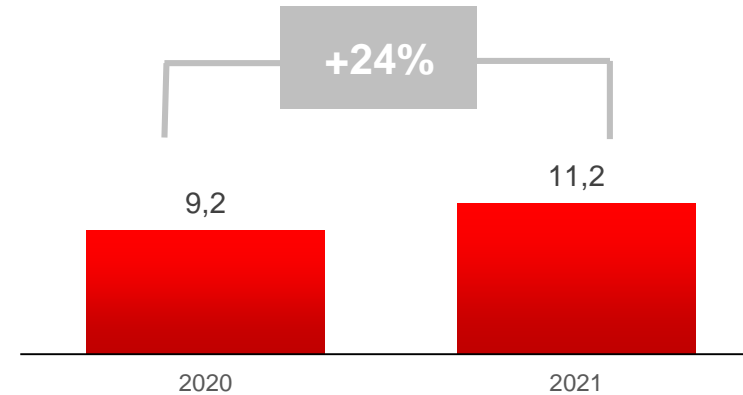
## 4Q21 Earnings

---

### Operating Efficiency

New technologies & **processes drive productivity gains**

Sales/Full-Time Equivalent (Chile - CLP Mn/month)



## 4Q21 Earnings

---

Committed &  
Sustainable  
Organization

## Reducing Food Waste

### Four-tier approach:

1. Customer insight → attractive assortment
2. Demand planning → accuracy in product volume
3. *Pronto Consumo* → price savings on products close to expiration date
4. Food donation → implemented in 98% of stores in Chile



## 4Q21 Earnings

---

Committed &  
Sustainable  
Organization

## Responsible Sourcing

- Gaining visibility on supplier practices and certifications

20 enero 2022 /

### Sernapesca entrega Sello Azul a Unimarc



## 4Q21 Earnings

Committed &  
Sustainable  
Organization



## Reducing Our Impact

- Carbon footprint: measuring AND reducing through energy efficiency initiatives
- New program to offer refills of laundry detergent, to reduce packaging volumes



## 4Q21 Earnings

Committed &  
Sustainable  
Organization

## Promoting Diversity & Inclusion

- Highest ranked food retailer in Chile according to the IMAD (Index of Women in Senior Management) ranking, placing 13<sup>th</sup> out of 124 companies



**DESUC**  
Dirección de Estudios Sociales

**ME** Mujeres **20** Años  
Empresarias

**Sale completed Feb. 28, 2022**

- Strategic decision to focus on core formats: traditional supermarket, cash & carry, soft discount, e-commerce
- Equity value of OK Market business: CLP 49 bn
- Estimated impact on 1Q22 net income: CLP 20 bn
- Proceeds to be primarily reinvested in SMU strategic initiatives



## NOTE ON PRESENTATION & COMPARISON OF INFORMATION

---

On October 8, 2020, SMU signed a binding agreement for the sale of its OK Market convenience stores to FEMSA Comercio S.A. de C.V., which operates OXXO convenience stores in Chile. On November 26, 2021, the Chilean antitrust authority (Fiscalía Nacional Económica or “FNE”) approved the Transaction, subject to remedies proposed by the parties. Therefore, and in accordance with the provisions of IFRS 5, in SMU’s Consolidated Financial Statements as of December 31, 2021, the OK Market business is presented as available for sale.

Consequently, the accounts in the Company’s statements of comprehensive income for the fourth quarter and full year 2020 have been restated in order to provide the same presentation as the fourth quarter and full year 2021 figures. As such, in both periods presented, the results from this business are consolidated in a single line of SMU’s statements of comprehensive income, under “Profit (loss) from discontinued operations”.

Unlike the statements of comprehensive income, the statements of financial position as of December 31, 2020 have not been restated, and as a result, such figures are not comparable to the figures presented as of December 31, 2021. In 2021, OK Market’s assets are consolidated in a single line of SMU’s statements of financial position, under “Non-current assets or asset groups classified as held-for-sale”, and its liabilities are consolidated in a single line under “Non-current liabilities or liability groups classified as held-for-sale”.

The statements of cash flows for the year 2020 have not been restated, and as a result, such figures are not comparable to the figures for the year 2021. The statements of cash flows for the year 2020 include cash flows corresponding to OK Market, whereas in 2021, such cash flows are not included. In addition, in 2021, there is an adjustment to eliminate the balance of cash and cash equivalents corresponding to OK Market.





### Revenue growth

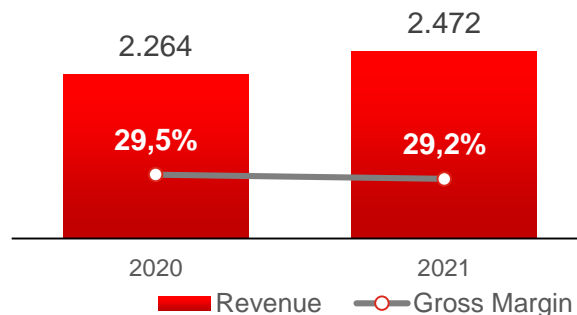
+9,2% FY21 / +13,5% 4Q21

### Gross profit

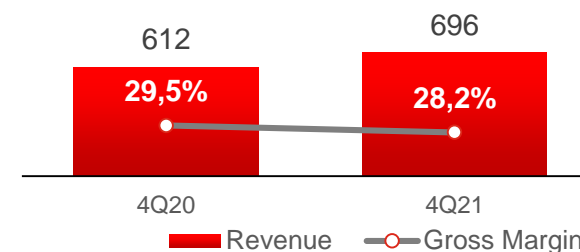
+8,0% FY21 / +8,8% 4Q21

Gross margin affected by product mix

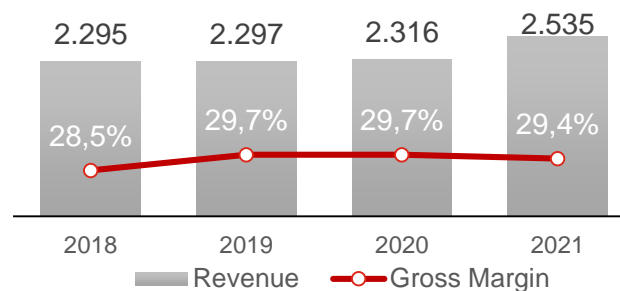
**Revenue As Reported (Ex. OK Market)**  
Full Year; CLP Bn



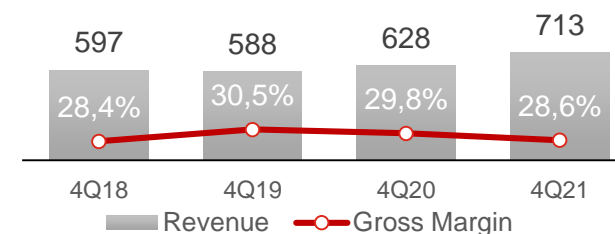
**Revenue As Reported (Ex. OK Market)**  
Fourth Quarter; CLP Bn



**Revenue Pro Forma (Incl. OK Market)**  
Full Year; CLP Bn



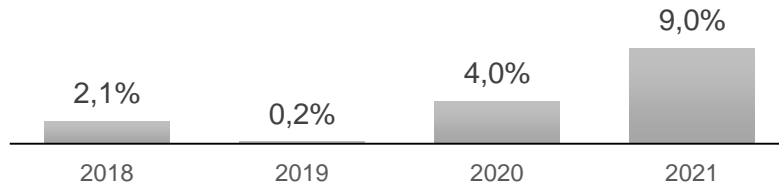
**Revenue Pro Forma (Incl. OK Market)**  
Fourth Quarter; CLP Bn



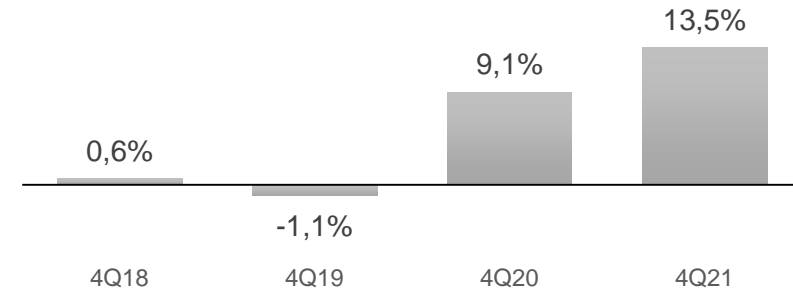
Same-Store Sales <sup>(1)</sup>



Same-Store Sales – Full Year



Same-Store Sales – Fourth Quarter



**Growth across formats in Chile, and recovering in Peru**

- Unimarc +10.1% in FY21 and +13.2% in 4Q21
- Cash & Carry +8.9% in FY21 and +14.9% in 4Q21
- Peru +0.8% in FY21 and +8.4% in 4Q21

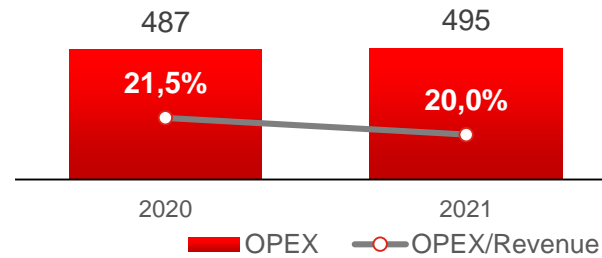
(1) Same-store sales reflects the percentage change in sales of our stores operating throughout the same months of both financial periods being compared, for the Food Retail segment. In order to be included in the calculation, a store must have been operating for at least 13 consecutive months, beginning on the date on which the store was opened or re-opened. Same-store sales for 2021 and 4Q21 do not include OK Market.



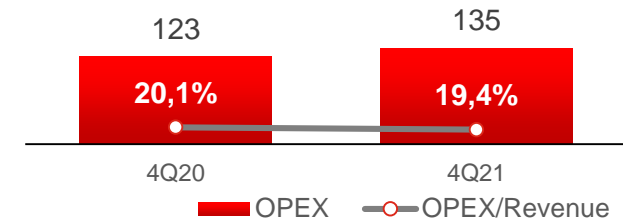
### Discipline in expenses

- Growth of 2% in FY21, despite high levels of inflation and minimum wage increases

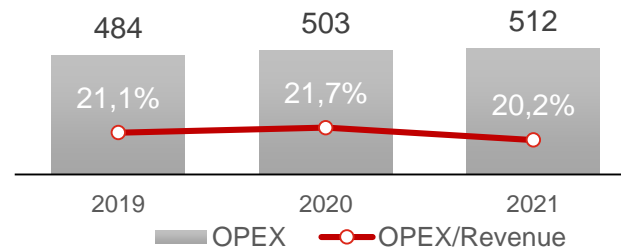
**OPEX As Reported (Ex. OK Market)**  
Full Year; CLP Bn



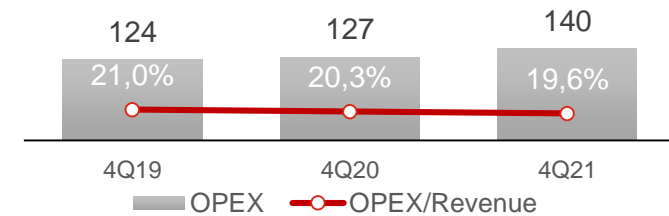
**OPEX As Reported (Ex. OK Market)**  
Fourth Quarter; CLP Bn



**OPEX Pro Forma (Incl. OK Market)**  
Full Year; CLP Bn



**OPEX Pro Forma (Incl. OK Market)**  
Fourth Quarter; CLP Bn



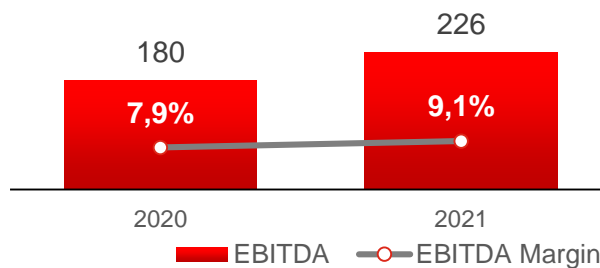
(1) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization.



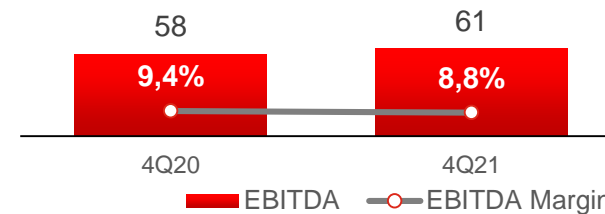
**Strong EBITDA performance, meeting five-year EBITDA margin target**

- FY21: +25.4%
- 4Q21: +6.6%

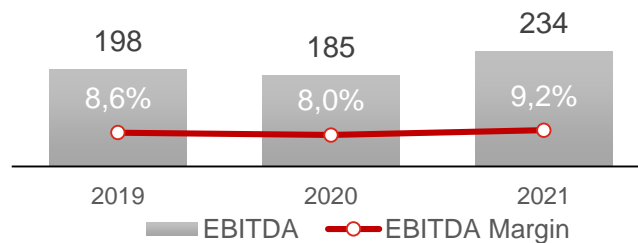
**EBITDA As Reported (Ex. OK Market)**  
Full Year; CLP Bn



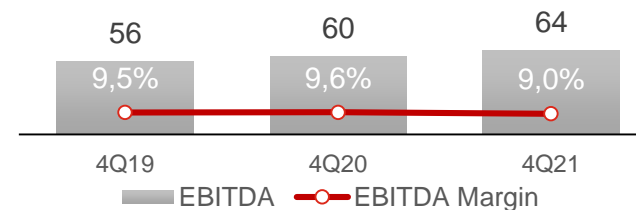
**EBITDA As Reported (Ex. OK Market)**  
Fourth Quarter; CLP Bn



**EBITDA Pro Forma (Incl. OK Market)**  
Full Year; CLP Bn



**EBITDA Pro Forma (Incl. OK Market)**  
Fourth Quarter; CLP Bn

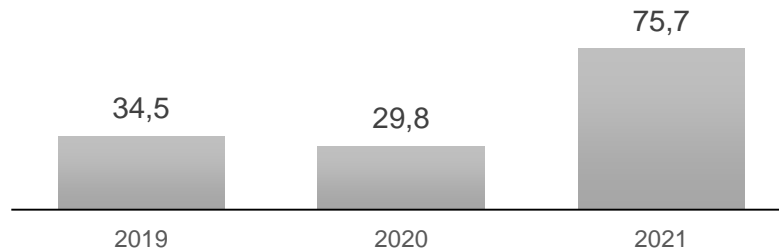


(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.

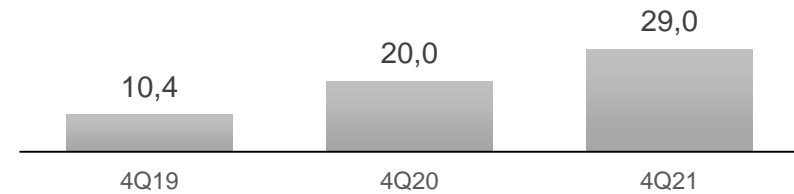
## Net Income



Net Income – Full Year (CLP Bn)



Net Income – Fourth Quarter (CLP Bn)

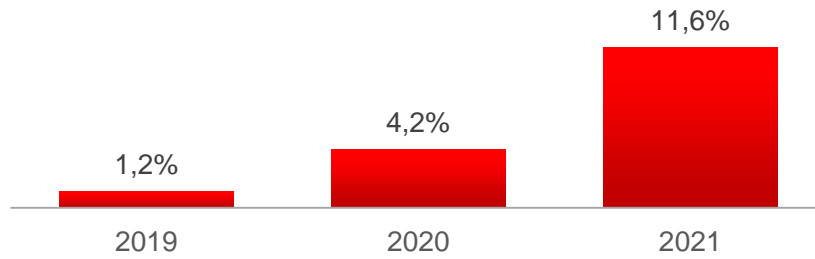


### Profits driven by strong operating results

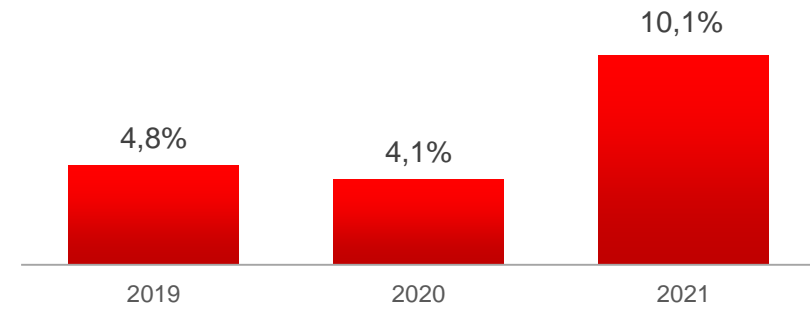
- FY21 net income +154% (net income from continued operations +171%)
- 4Q21 net income +45% (net income from continued operations +66%)



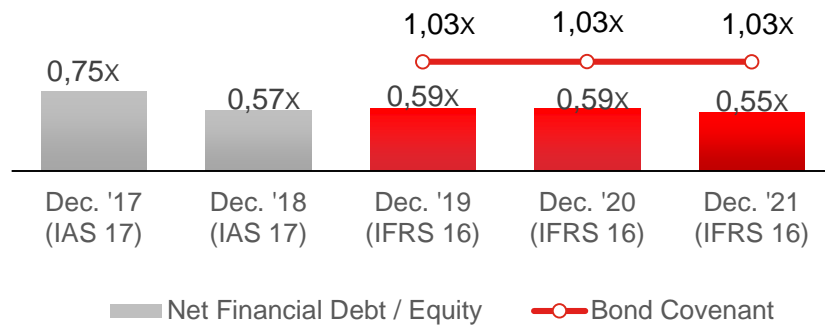
**Dividend Yield**  
(Dividends Paid/Share Price)



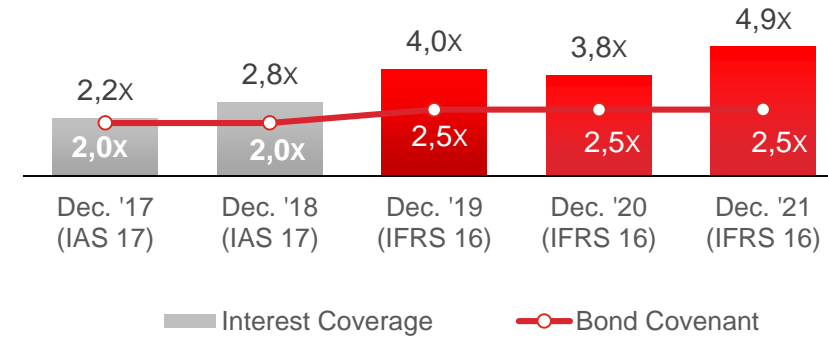
**Return on Equity**



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



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

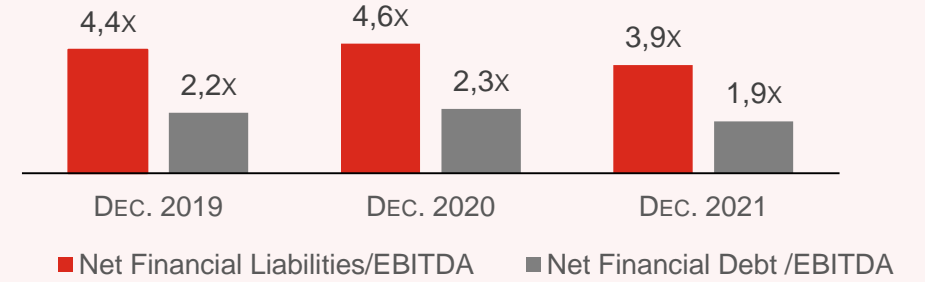


(1) Due to the implementation of IFRS 16 on Jan. 1, 2019, figures for 2019, 2020, and 2021 as reported are not comparable with figures for prior periods, when IAS 17 was in force. Pro forma IAS 17 figures have been provided for 2019 for illustrative purposes only, in order to facilitate comparative analysis over time.

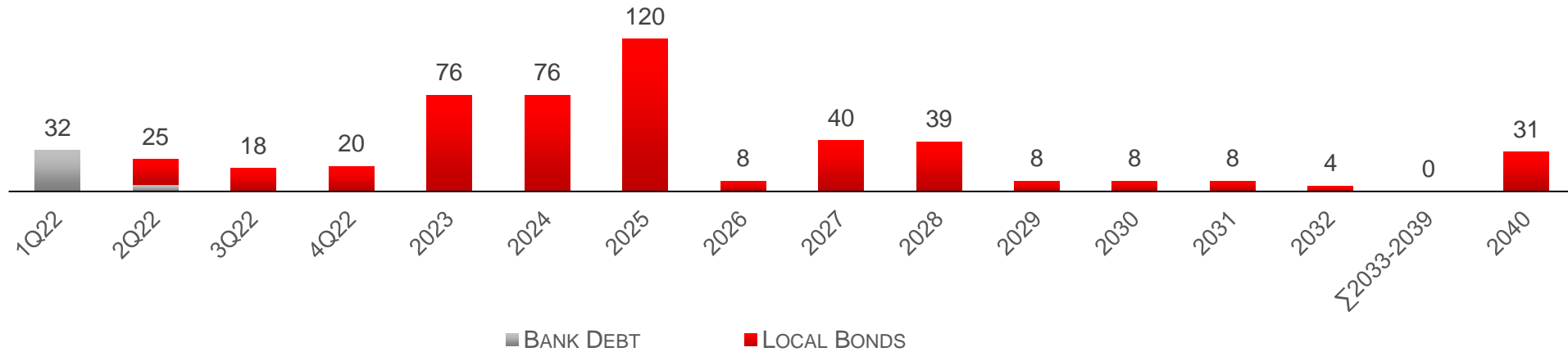
(2) Net financial debt = Total current and non-current financial liabilities minus total current and non-current obligations for rights of use minus cash and cash equivalents

(3) Interest coverage = EBITDA/net financial expenses

Net Debt/ EBITDA



Debt Maturity Profile as of December 31, 2021 <sup>(1)</sup>  
(Bonds and Bank Debt - CLP Bn)



(1) Includes series AO bonds placed on March 31, 2022, maturing on March 1, 2027.



### Placement of Series AO Bonds on March 15, 2022

- UF 1 million (CLP 32 bn)
- Annual interest rate 6.3% (placement rate 6.25%)
- Bullet; matures March 1, 2027
- Use of proceeds: refinancing debt, as part of long-term financial strategy
- Lower spread compared to previous debt placement, with longer duration



# THANK YOU

---

