

# 2Q21 Earnings

## **SMU S.A.**

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August 2021



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

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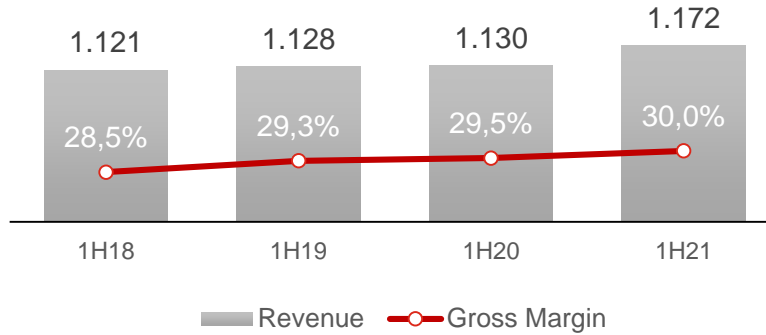
This presentation may contain forward-looking statements. We have based any such forward-looking statements largely on our current beliefs, expectations and projections about future events and financial trends affecting our business. Although management considers these projections to be reasonable based 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.

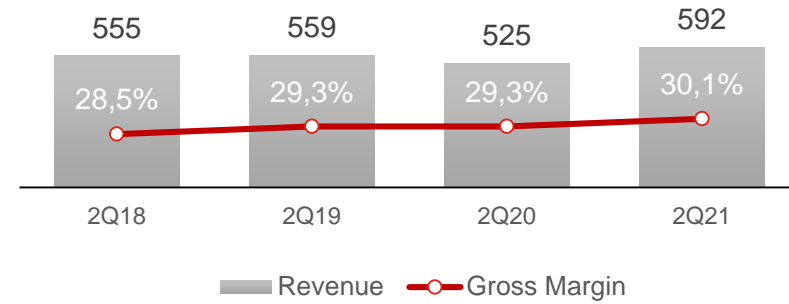
Revenue



Revenue – First Half (CLP Bn)



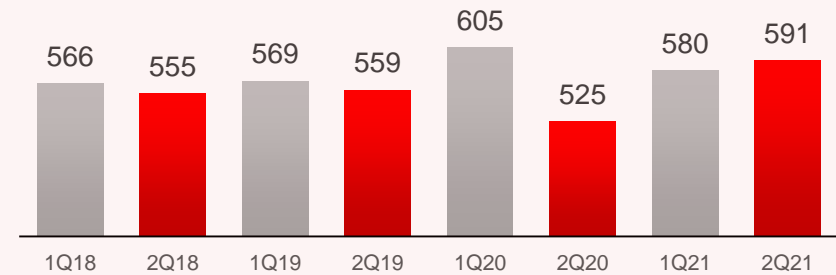
Revenue – Second Quarter (CLP Bn)



Revenue growth +3.7% in 1H21 (+12.7% in 2Q21)

- 2Q21 outperformed 1Q21
- Gross margin expansion +50 bps in 1H21 and +80 bps in 2Q21

Revenue 1Q vs 2Q (CLP Bn)

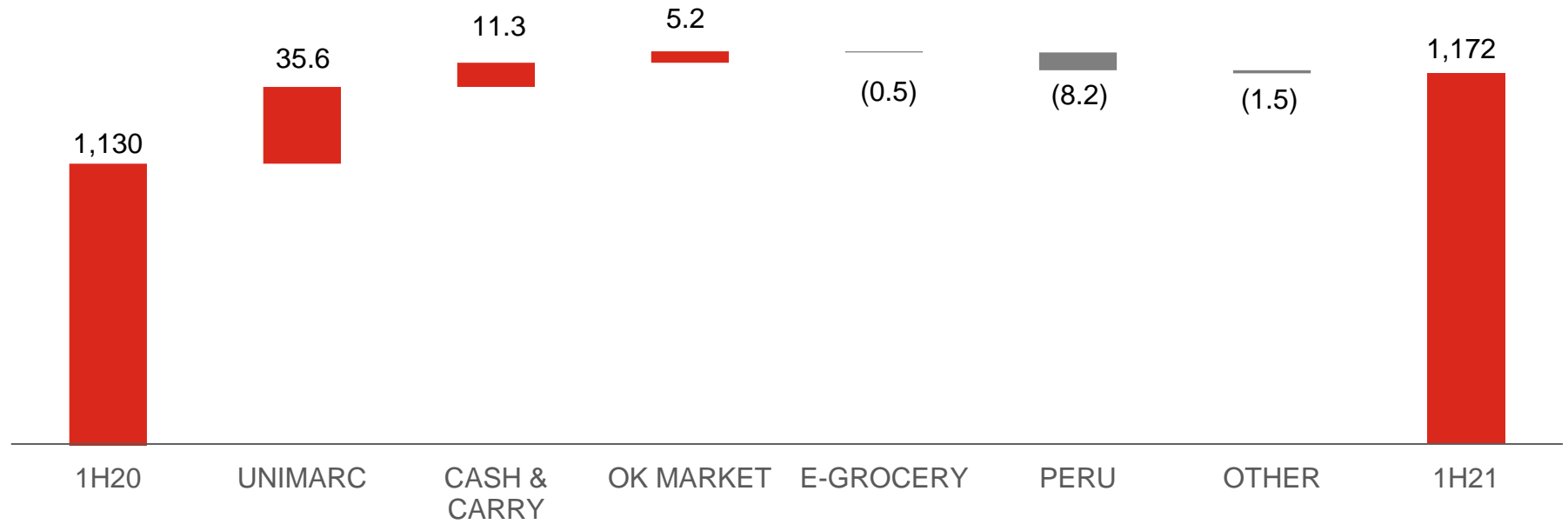




Growth driven by:

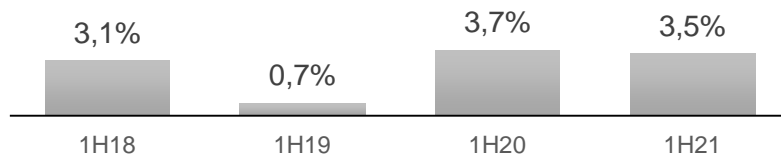
- Unimarc +4.7%
- Cash & Carry +3.7%
- OK Market +22.0%

First Half 2021 vs 2020 Revenue by Format (CLP Bn)

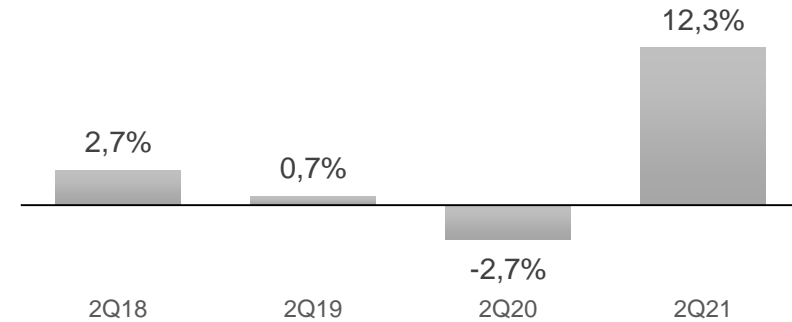




Same-Store Sales – First Half



Same-Store Sales – Second Quarter



Growth across formats in Chile

- Unimarc +4.2% in 1H21 and +15.4% in 2Q21
- Cash & Carry +4.0% in 1H21 and +9.8% in 2Q21
- OK Market +27.5% in 1H21 and +20.1% in 2Q21

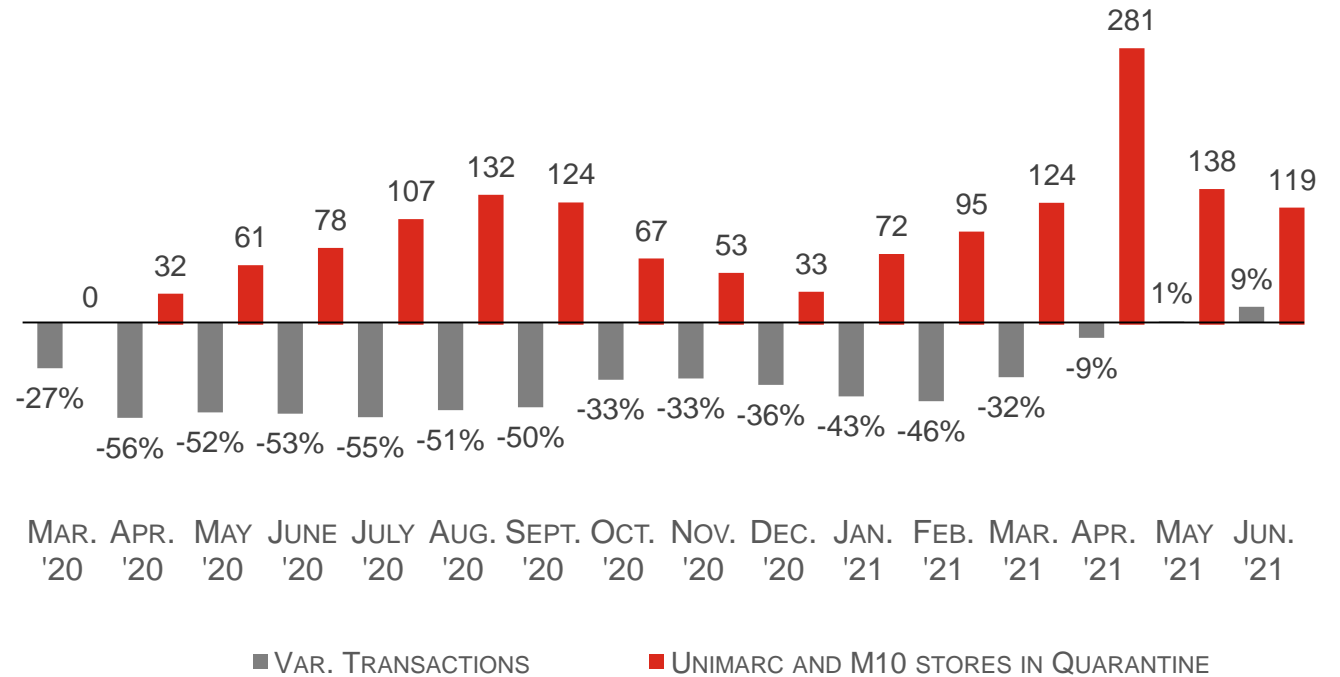
(1) Same-store sales reflects the percentage change in sales of our stores operating throughout the same months of both financial periods being compared, for the Food Retail segment. In order to be included in the calculation, a store must have been operating for at least 13 consecutive months, beginning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

## Customer shopping habits during the pandemic



- Strict quarantine restrictions limit customer mobility and affect traffic, especially at centrally-located stores
- However, traffic recovered in 2Q21, despite higher than ever levels of stores in quarantine areas
- In addition to recovery in traffic, average ticket also increased 13% vs. 2Q20

**Var. Transactions Year-Over-Year vs. Unimarc and M10 Stores in Quarantine**



## 2Q21 Earnings

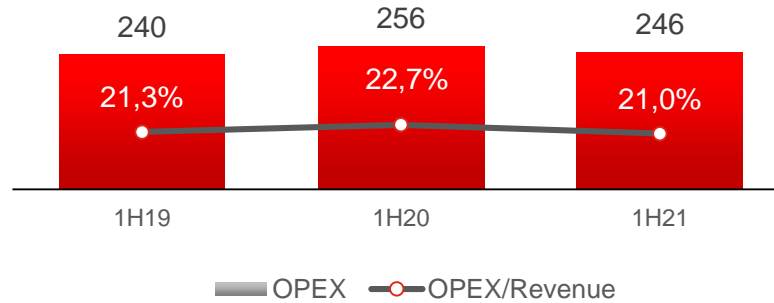
## Operating Expenses (1)

Decrease in OPEX in nominal terms:

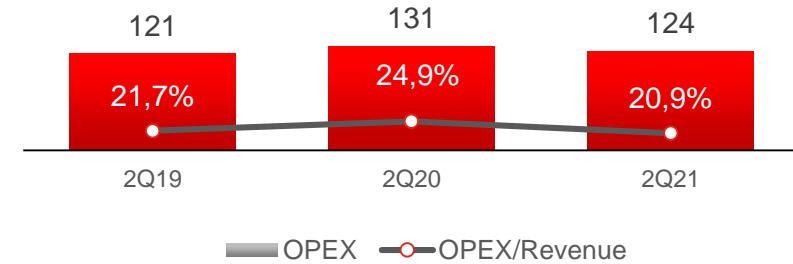
- 1H21: -4.2%
- 2Q21: -5.2%

Excluding COVID-related expenses, OPEX levels similar to 2019

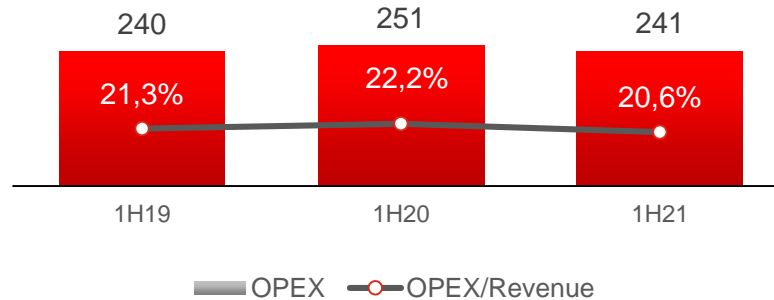
OPEX – First Half (CLP Bn)



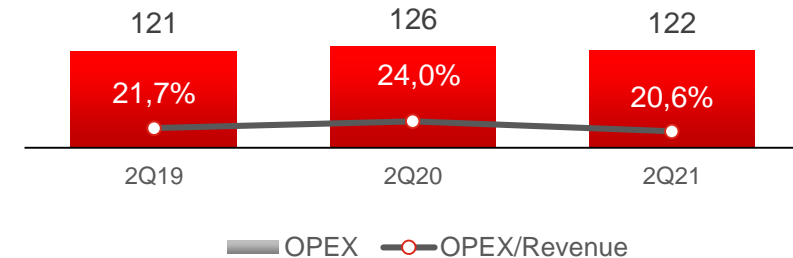
OPEX – Second Quarter (CLP Bn)



OPEX – First Half, ex COVID Expenses (CLP Bn)



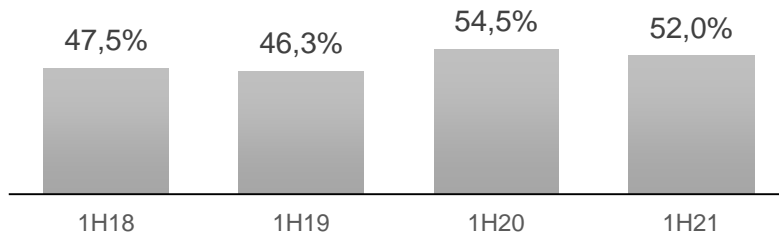
OPEX – Second Quarter, ex COVID Expenses (CLP Bn)



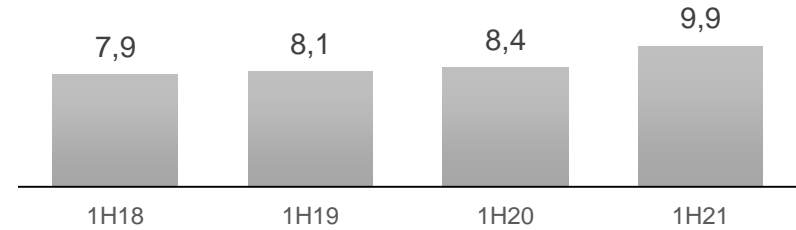
(1) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization.



Centralization (Chile) <sup>(1)</sup>



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



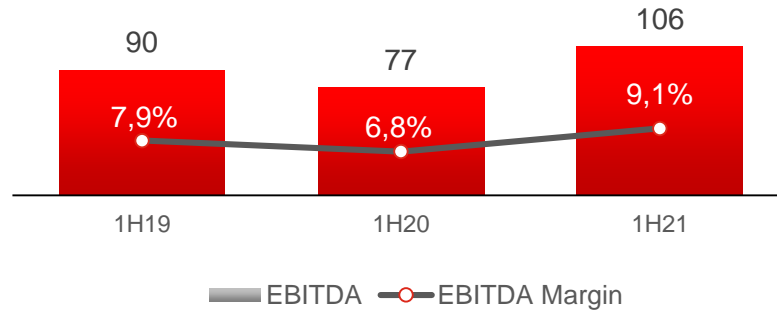
(1) Percentage of revenues from products distributed by the Company (at any stage) over total revenues from food retail operations in Chile.



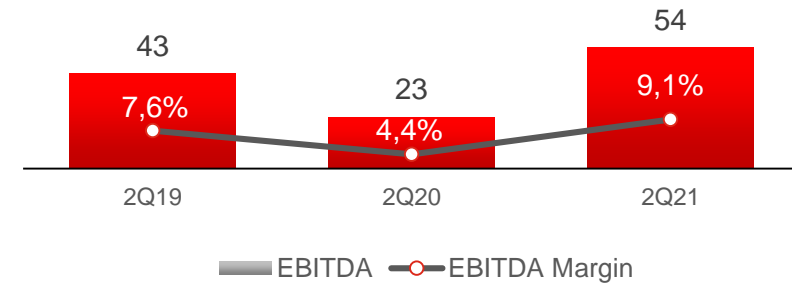
# 2Q21 Earnings

## EBITDA (1)

EBITDA – First Half (CLP Bn)



EBITDA – Second Quarter (CLP Bn)

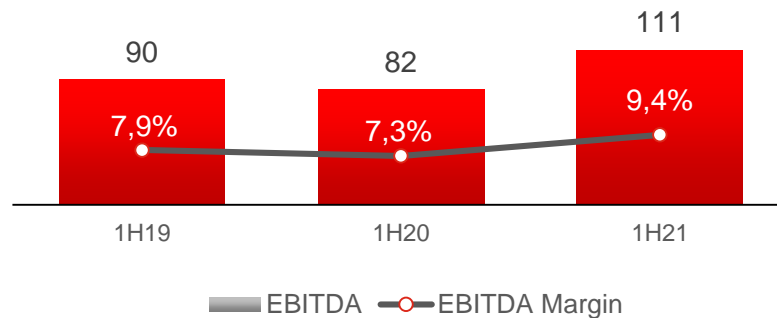


Strong growth in EBITDA:

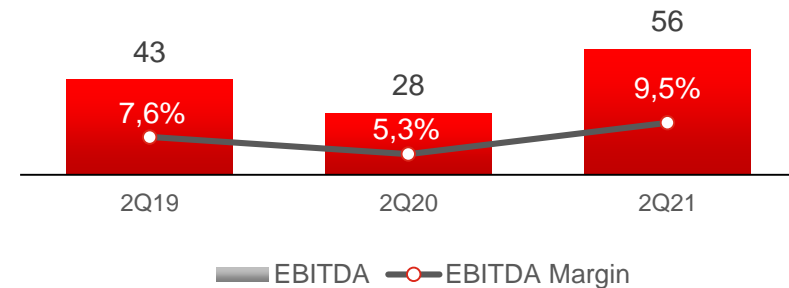
- 1H21: +38.3%
- 2Q21: +134.4%

EBITDA margin reached 9.1% in both 1H and 2Q, with an even more significant expansion when COVID expenses are excluded

EBITDA – First Half, ex COVID Expenses (CLP Bn)



EBITDA – Second Quarter, ex COVID Expenses (CLP Bn)

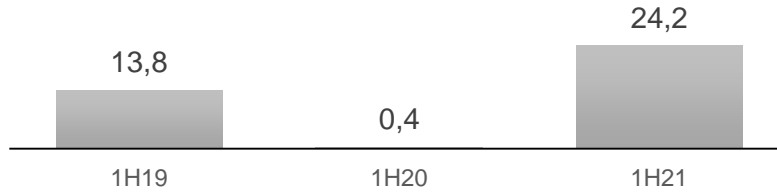


(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.

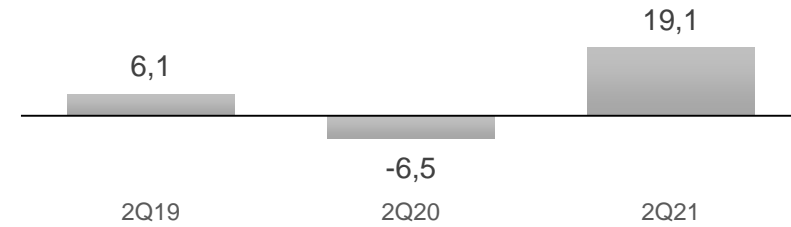
## Net Income



Net Income – First Half (CLP Bn)



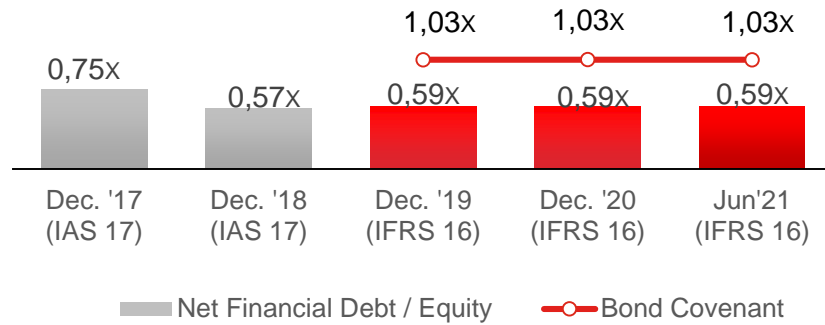
Net Income – Second Quarter (CLP Bn)



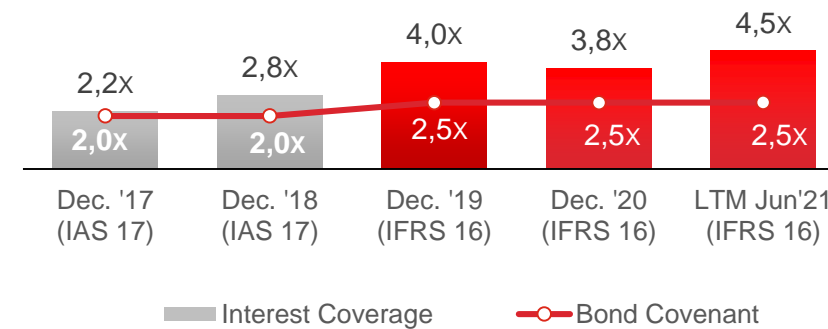
### Profits driven by strong operating results in 1H21 and 2Q21

- 1H21 net income +23.8 bn
- 2Q21 net income +25.7 bn

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



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

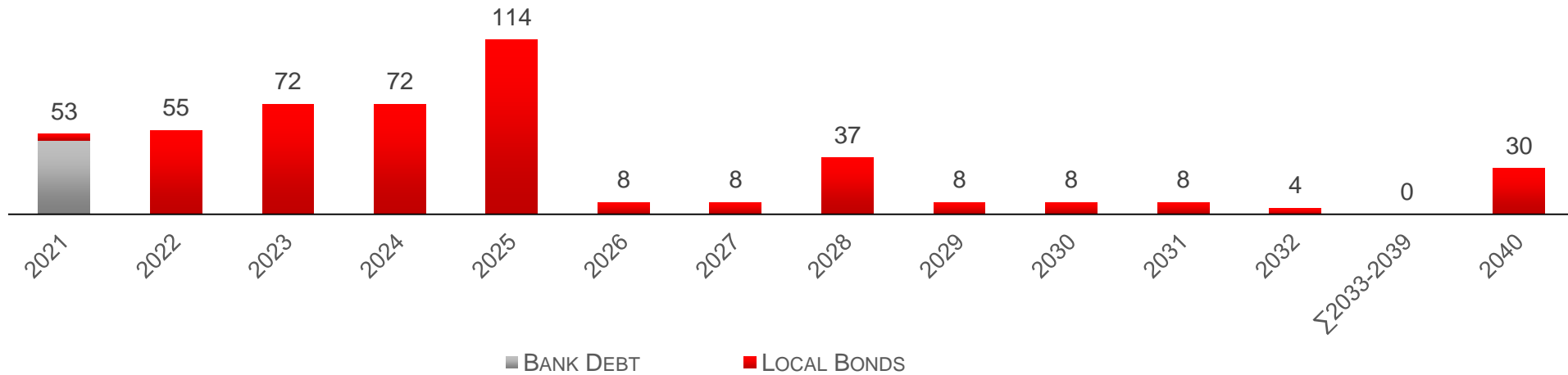


(1) Due to the implementation of IFRS 16 on Jan. 1, 2019, figures for 2019 and 2020 as reported are not comparable with figures for prior periods, when IAS 17 was in force. Pro forma IAS 17 figures have been provided for 2019 for illustrative purposes only, in order to facilitate comparative analysis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

**Debt Maturity Profile as of June 30, 2021**  
(Bonds and Bank Debt - CLP Bn)



## Revenue Growth Drivers



- Promotional activity
- Customer-centric assortment



- Focus on specific B2B segments
- Institutional sales



- Strong growth in leading categories
- Focus on in-store product availability

## Recent Events



### Agreement To Lease Montserrat Locations

- Binding agreement to lease up to 22 store locations in Santiago Metro and Valparaíso Regions of Chile
- Opportunity to increase geographic coverage
- Subject to approval by free competition authorities, among other conditions



### Interim Dividend Payment

- Interim dividend paid in (CLP 1.8/share)
- Payout ratio equivalent to 75% of 1Q21 net income



### Sale of OK Market

- Deadline extended following presentation of mitigation measures to antitrust authorities

THANK YOU

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