

3Q22 Earnings **SMU S.A.**

November 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.

3Q22 Earnings

Omnichannel
Growth

New Store Openings in 3Q

- Unimarc Peñaflo
- Unimarc Las Tranqueras
- Unimarc Osorno
- Maxi Ahorro Piura - Aviación



3Q22 Earnings

Omnichannel
Growth

Launch: **App Alvi Compras**

- Online sales channel for members of Club Alvi
- New solutions drive B2B customer loyalty

**AHORRA
TIEMPO EN TUS
COMPRAS**

DESCARGA LA
NUEVA APP

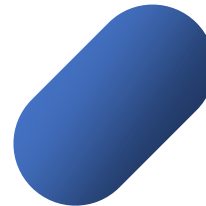
**Alvi Club
COMPRAS**

DESCARGA LA
APLICACIÓN

DISPONIBLE EN
Google Play

BÚSCALA CON
ESTE LOGO EN

DISPONIBLE EN
Google Play



3Q22 Earnings

Customer Experience

Successful Promotional Strategy

- Delivering a variety of attractive promotions to satisfy customer needs and preferences
- Maintaining discounts on basic products through *The Path to Savings* campaign, while also including traditional campaigns, such as *The BBQ*
- Applying strategy to online business for *Cyberazo*

RUTA DEL AHORRO UNIMARC

Busca el sello del ahorro y encuentra cientos de productos al mejor precio

RUTA DEL AHORRO UNIMARC

Siempre junto a ti y a todos los chilenos

club ahorro

SAN ASAITO

Solo por UNIMARCCel y App

Lomo Vetado o Liso Importado Arg/Uru envasado o vacío Cat. V (excluye premium) kg **30% decto**

Comprar

EL GRAN CYBERAZO UNIMARCCel

¡Las mejores ofertas de UNIMARCCel | APP U en un solo evento!

3Q22 Earnings

Customer Experience



Private Label Offering

- Expanded private label assortment is valued by customers, as evidenced by sales growth and number of repeat customers

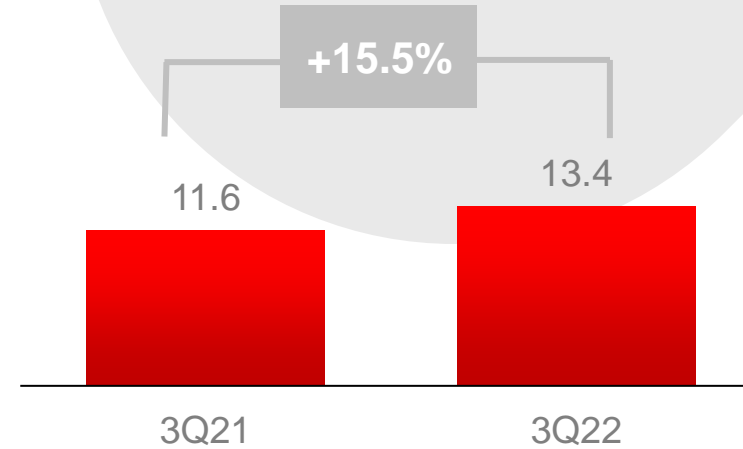
3Q22 Earnings



Efficiency & Productivity

New technologies & **processes drive productivity gains**

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





Compra Asistida



¿Tienes alguna condición de discapacidad y necesitas apoyo al visitarnos? Te ayudamos! Agenda tu hora aquí y te acompañaremos desde que ingresas al local hasta que finalizas tu compra.

[ver más](#)



Creating Shared Value Through Diversity & Inclusion

- **Community:** Support for Teletón, institution that provides comprehensive rehabilitation to children and young people with physical disabilities
- **Customers** with a disability or reduced mobility can schedule an appointment to have an Unimarc team member help them while they shop through new *Compra Asistida* service
- **Employees:** SMU's gender equality management system obtained third-party certification

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 September 30, 2022, the OK Market business is presented as available for sale. The sale was completed on February 28, 2022.

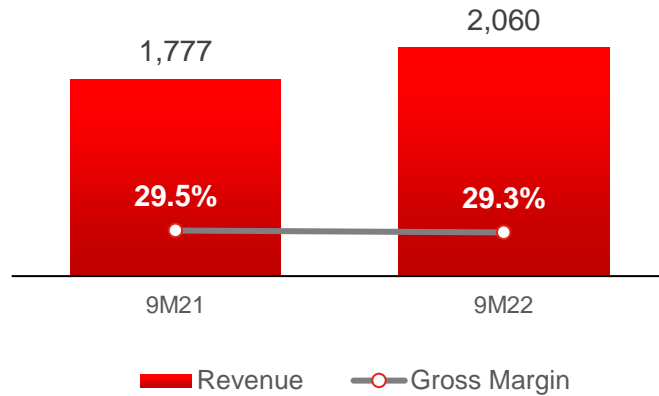
Consequently, in the Company’s statements of comprehensive income for the first nine months and third quarter of 2021, amounts corresponding to the OK Market business have been reclassified under a single line, “Profit (loss) from discontinued operations”. As a result, the 2021 figures presented are comparable to the 2022 figures.

The statements of cash flows for the first nine months of 2021 are not comparable to the figures for the first nine months of 2022. The statements of cash flows for the first nine months of 2021 include cash flows corresponding to OK Market, whereas in the first nine months of 2022, such cash flows are not included.

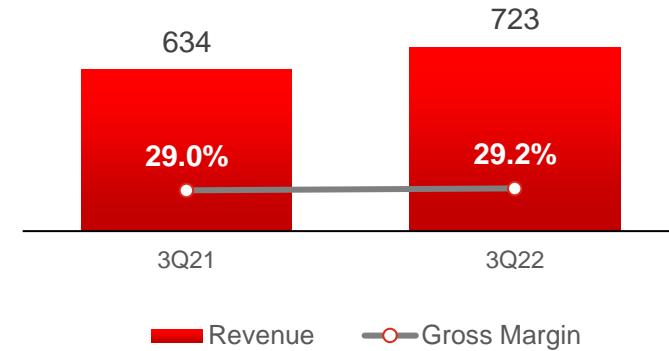
The statements of financial position are comparable between periods, because the comparison is between September 30, 2022 and December 31, 2021, and as of both dates, OK Market is presented as available for sale. Therefore, in both periods, OK Market’s assets are consolidated in a single line of SMU’s 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”.



Revenue (Ex. OK Market)
First Nine Months; CLP Bn



Revenue (Ex. OK Market)
Third Quarter; CLP Bn



Revenue growth +16.0% in 9M22; +14.2% in 3Q22

- Increase in market share
- Continued recovery in customer traffic
- Strong growth in cash & carry

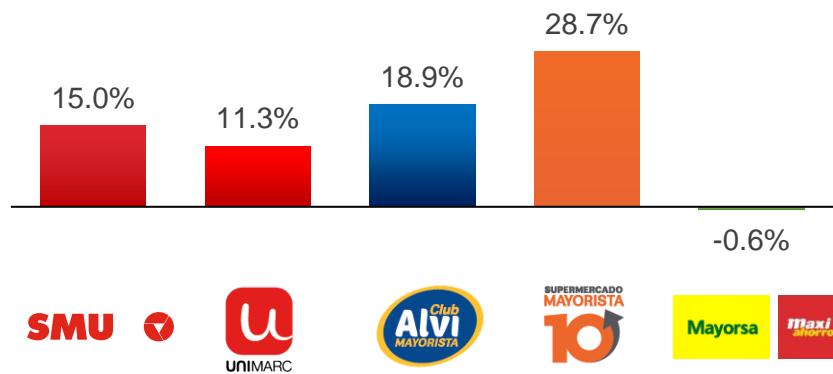
Gross profit growth +15.1% in 9M22; +14.8% in 3Q22

- Gross margin -20 bps vs. 9M21 due to change in format mix; +20 bps vs. 3Q21, reflecting low comparison base

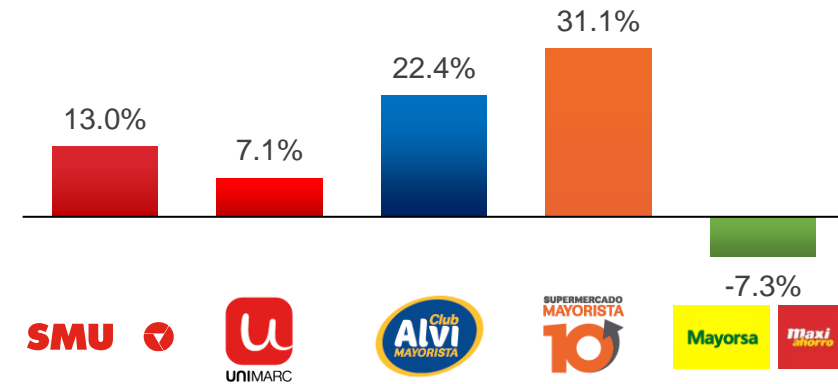
Same-Store Sales ⁽¹⁾



Same-Store Sales – First Nine Months 2022



Same-Store Sales – Third Quarter 2022



Multiformat strategy delivers strong results, satisfying needs of customers in different segments

- Chile: +15.0% in 9M22 and 12.9% in 3Q22
- Peru: high comparison base in 3Q21, plus SSS doesn't reflect strong results in new stores

(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.

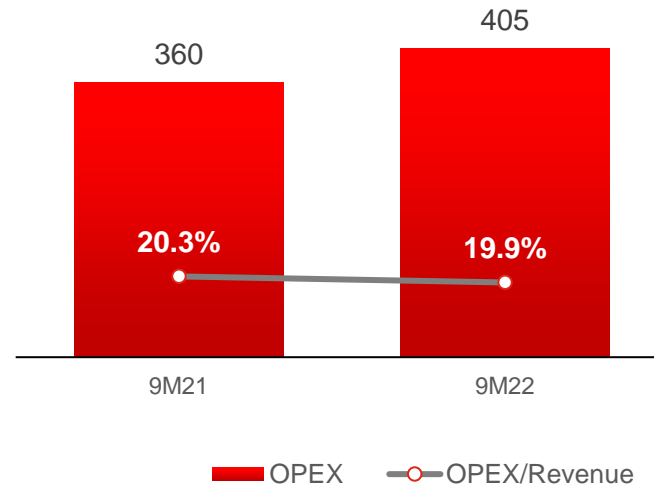
Operating Expenses +14.8% vs. 9M21 (+15.5% vs. 3Q21)

- Main drivers: inflation, minimum wage

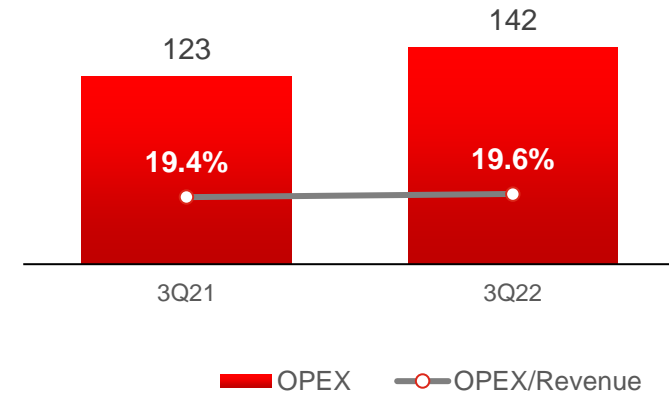
Opex margin improves 40 bps in 9M22 (-20 bps vs. 3Q21)

- Operating leverage; revenue grew more than opex

OPEX (Ex. OK Market)
First Nine Months; CLP Bn



OPEX (Ex. OK Market)
Third Quarter; CLP Bn



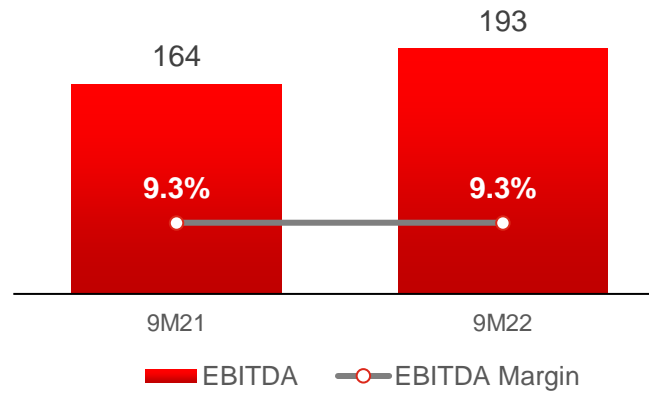
(1) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization.



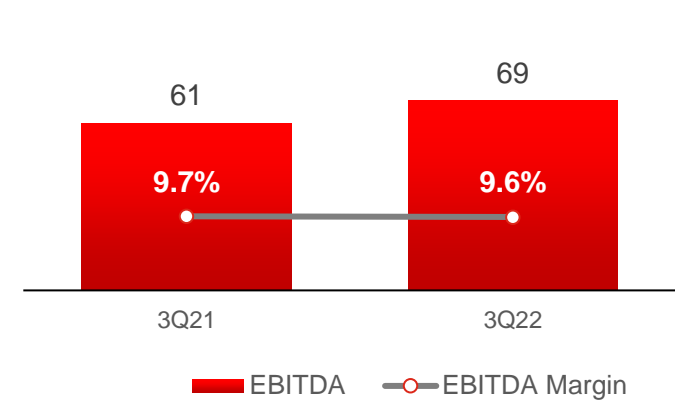
EBITDA +17.1% vs. 9M21
(+13.2% vs. 3Q21)

EBITDA margin exceeds 9%
target

EBITDA (Ex. OK Market)
First Nine Months; CLP Bn



EBITDA (Ex. OK Market)
Third Quarter; CLP Bn

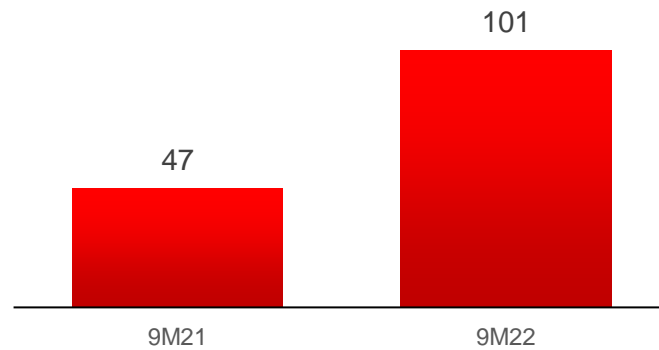


(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.

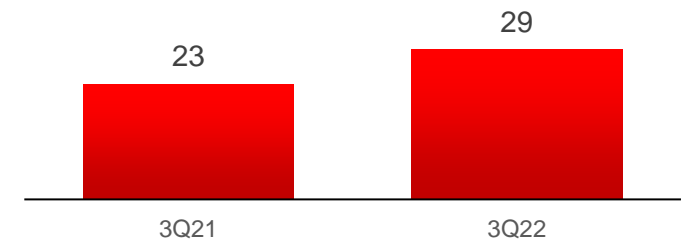


Net Income +116% vs. 9M21
(+30% vs. 3Q21)

Net Income
First Nine Months; CLP Bn



Net Income
Third Quarter; CLP Bn



Net Income: 9M22 vs 9M21 (CLP Bn)

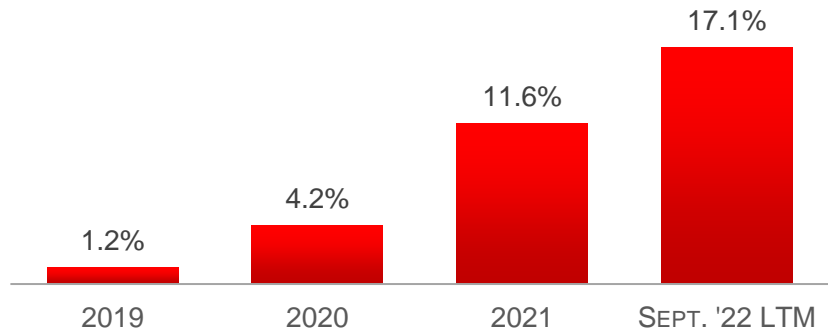
Main Impacts

- Improved operating results drive recurring improvements to net income (+CLP 20.6 bn)
- Non-recurring effects (sale of OK Market in 2022 and organizational restructuring in 2021) account for CLP 29.1 bn)
- Inflation: negative impact from inflation-indexed liabilities is offset by positive impact from inflation-indexed tax asset

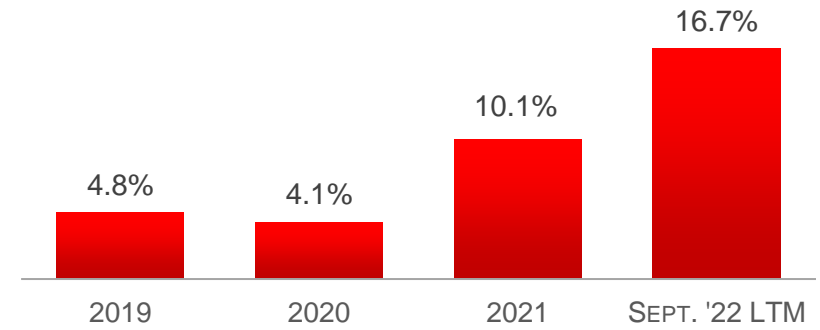




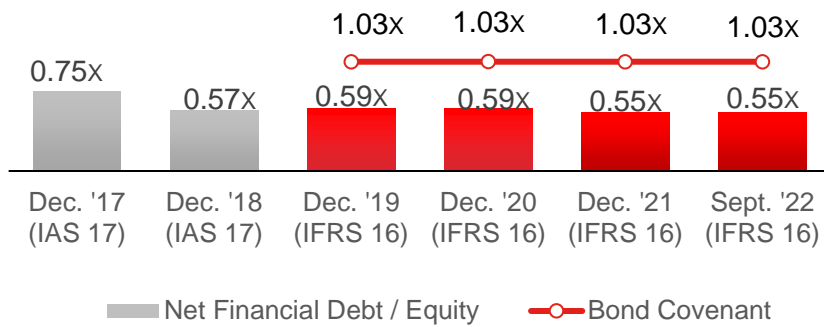
Dividend Yield
(Dividends Paid/Share Price)



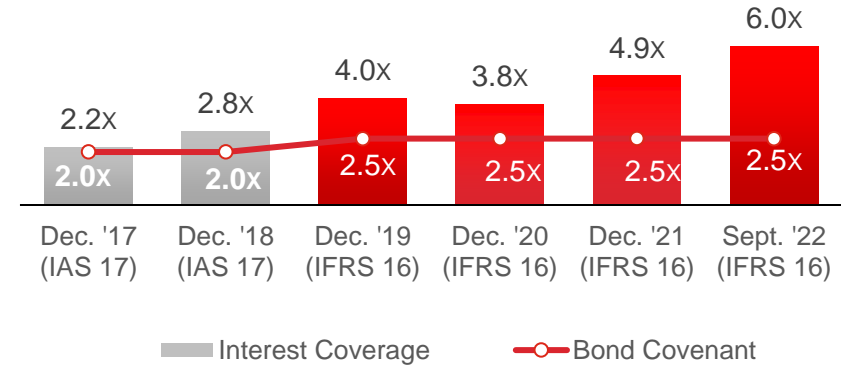
Return on Equity



Bond Covenant: Net Financial Debt / Equity (2)



Bond Covenant: Interest Coverage (3)

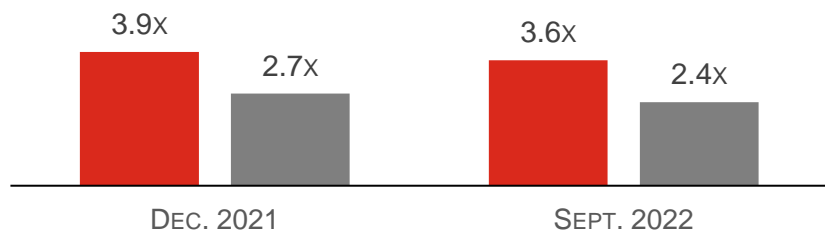


(1) Due to the implementation of IFRS 16 on Jan. 1, 2019, figures for 2019, 2020, 2021 and 2022 as reported are not comparable with figures for prior periods, when IAS 17 was in force. Pro forma IAS 17 figures have been provided for illustrative purposes only, in order to facilitate comparative analysis 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

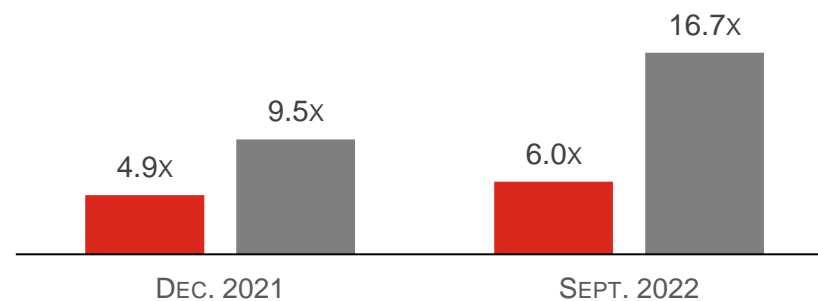
(3) Interest coverage = EBITDA/net financial expenses

Net Financial Debt / EBITDA



- Net Financial Liabilities/EBITDA
- Net Financial Debt/EBITDA Adjusted for Store Rental Expenses

Interest Coverage



- Net Interest Coverage
- Net Interest Coverage Adjusted for Store Rental Expenses

(1) Definitions:

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

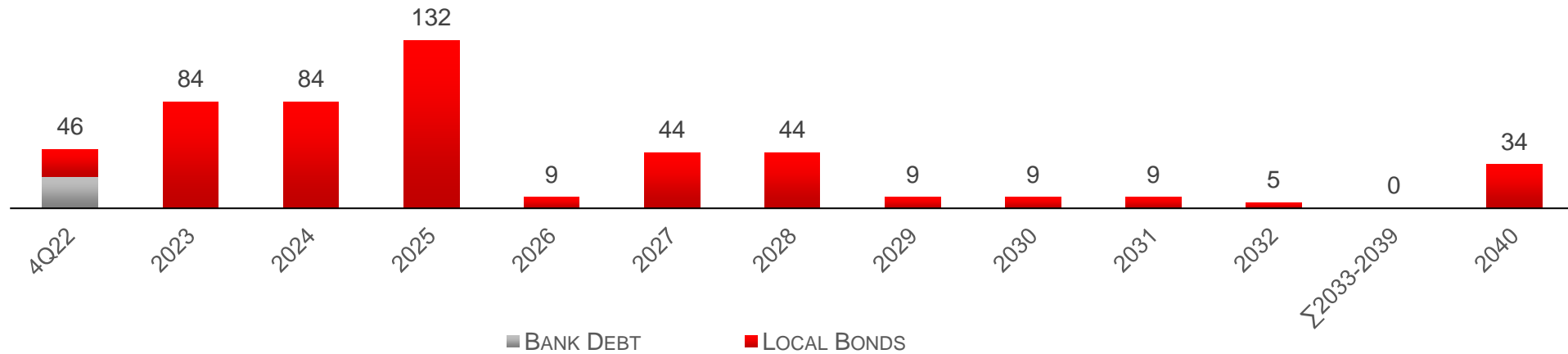
Net financial debt = other current and non-current financial liabilities – current and non-current obligations for rights of use - cash and cash equivalent

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)

Debt Maturity Profile as of September 30, 2022
(Bonds and Bank Debt - CLP Bn)



Strong cash generation facilitates debt amortizations

- In 9M22, SMU refinanced only 57% of financial debt maturities, paying down the remaining 43% (CLP 24 bn), and plans to pay down CLP 22 bn in bond maturities during 4Q
- Excess cash: CLP 130 bn as of Sept. 30 2022, compared to minimum cash level CLP 50 bn.

Credit Rating Upgrades

- ICR upgraded rating from A (positive outlook) to A+ (stable outlook) on Sept. 26
- Feller-Rate upgraded rating from A (positive outlook) to A+ (stable outlook) on Oct. 5
- Upgrades reflect sustained improvements to operating and financial results



Interim Dividend

- Dividend of CLP 3.81874/share to be paid December 7 (75% of 3Q net income)

Share Buyback Program

- Board of Directors extended implementation of share buyback program for an additional 12 months

THANK YOU

