



## 2Q20 Earnings SMU S.A.



## 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.



## 2Q20 Earnings Revenue

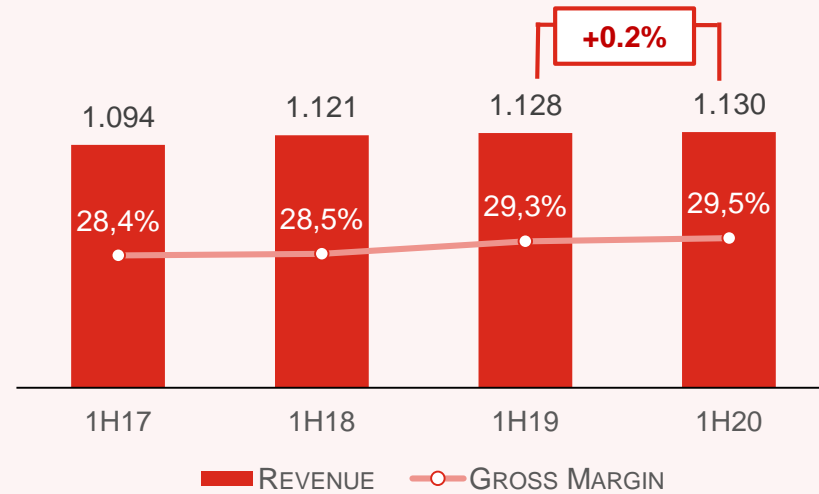
### Revenue YoY:

- Fewer stores in operation vs. 2019 following social unrest
- Strong growth in 1Q offset by pandemic-related changes in customer behavior in 2Q
- Quarantines and other restrictions significantly affect traffic and frequency of purchases

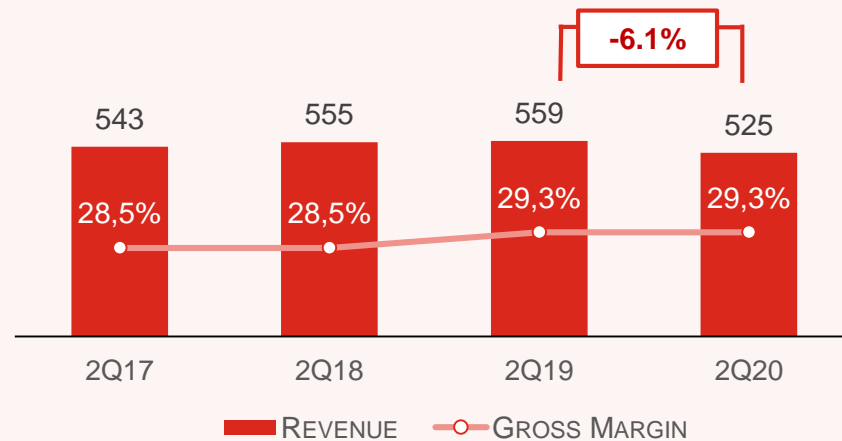
### Gross margin YoY:

- Stable despite change in product mix due to pandemic-related customer preferences

Revenue – First Half (CLP Bn)



Revenue – Second Quarter (CLP Bn)



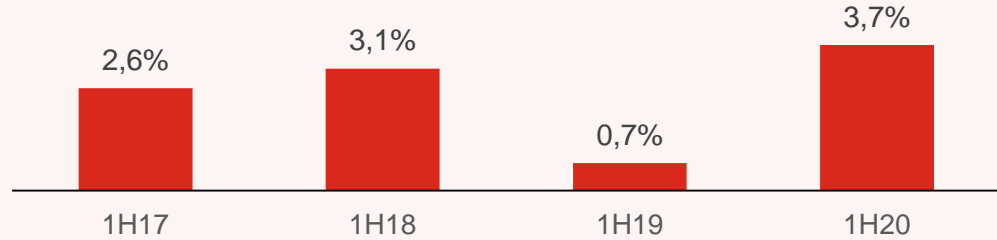
## 2Q20 Earnings Same-Store Sales



### Same-Store Sales:

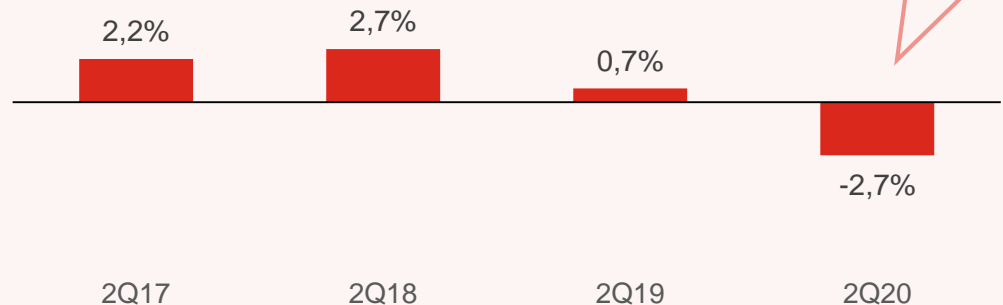
- Significant decrease in traffic, due to quarantines and other restrictions
- Centrally located stores are most heavily impacted
- Shift in customer preferences

### Same-Store Sales – First Half <sup>(1)</sup>



**SSS 1H20:** Unimarc +0.1%; Cash & Carry +12.4%; OK Market -5,6%; Peru +4.2%

### Same-Store Sales – Second Quarter



**SSS 2Q20:** Unimarc -7.0%; Cash & Carry +5.9%; OK Market -11.6%; Peru +7.4%

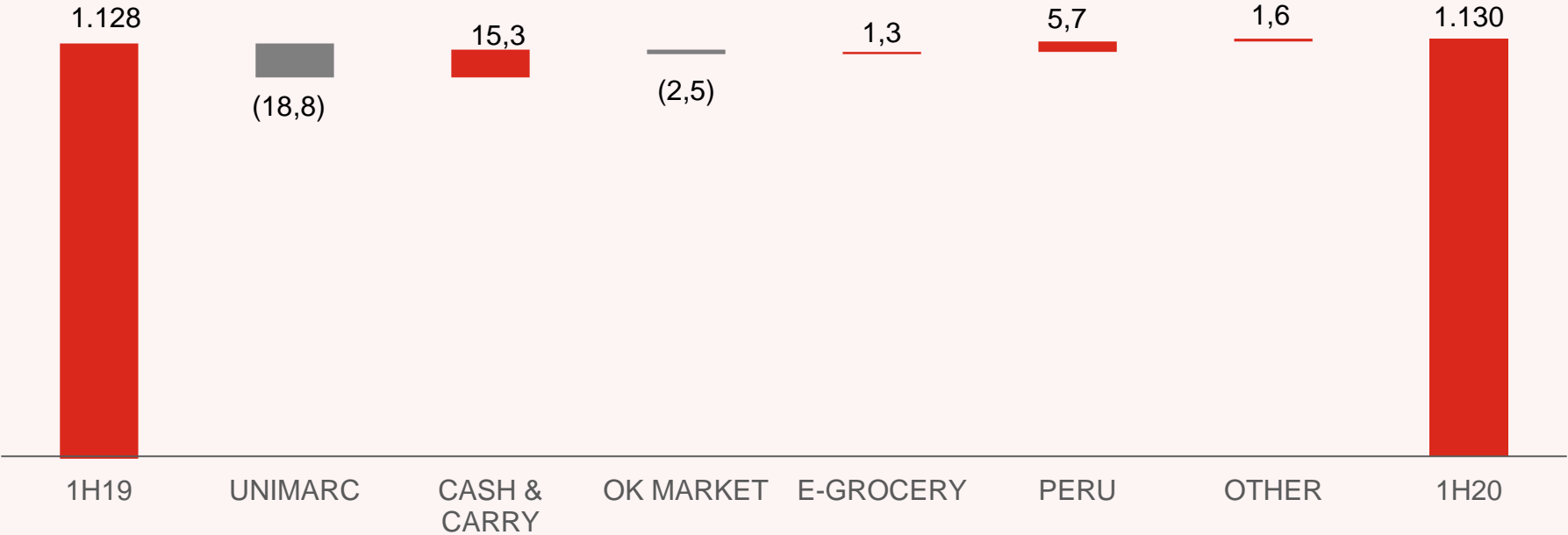
(1) Same-store sales reflects the percentage change in sales of our stores operating throughout the same months of both financial periods being compared, for the Food Retail segment. In order to be included in the calculation, a store must have been operating for at least 13 consecutive months, beginning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

# 2Q20 Earnings Revenue by Format

## Highlights:

- Cash & Carry +5.3%
- e-Grocery +39.7%
- Peru: +23.2% (CLP) / +11.2% (PEN)

## 1H20 vs 1H19 Revenue by Format (CLP Bn)



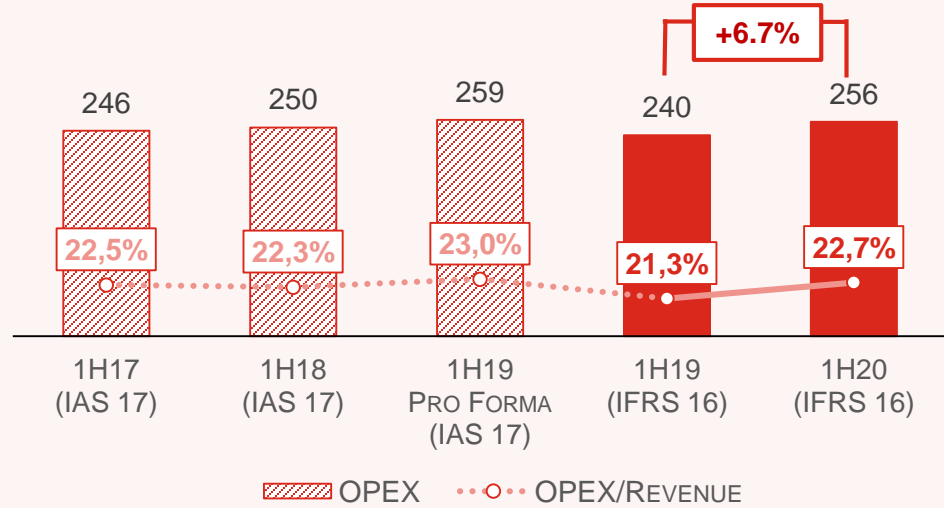
# 2Q20 Earnings Operating Expenses<sup>(1)</sup>



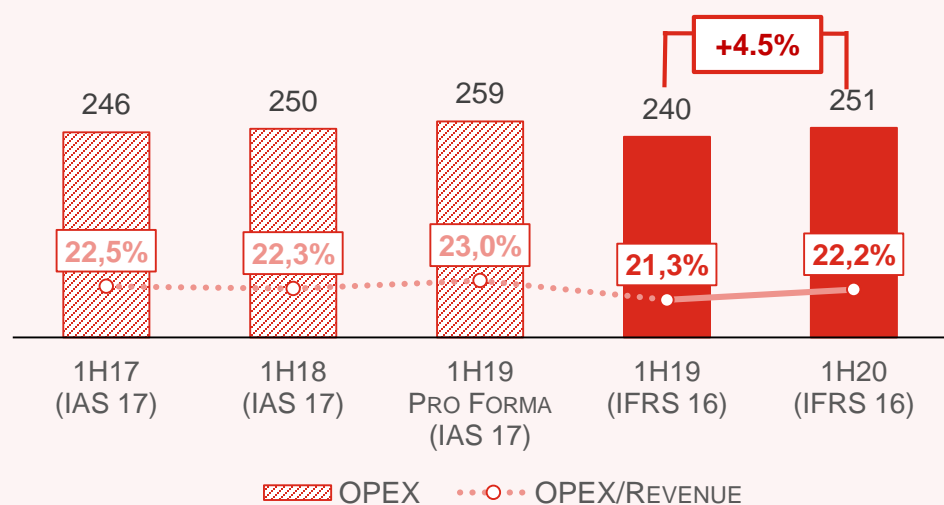
## Operating Expenses:

- Include extraordinary COVID-related expenses of CLP 5.3 Bn in 1H20
- Ex COVID, main increases are in personnel and insurance expenses

Operating Expenses – First Half (CLP Bn)



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



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

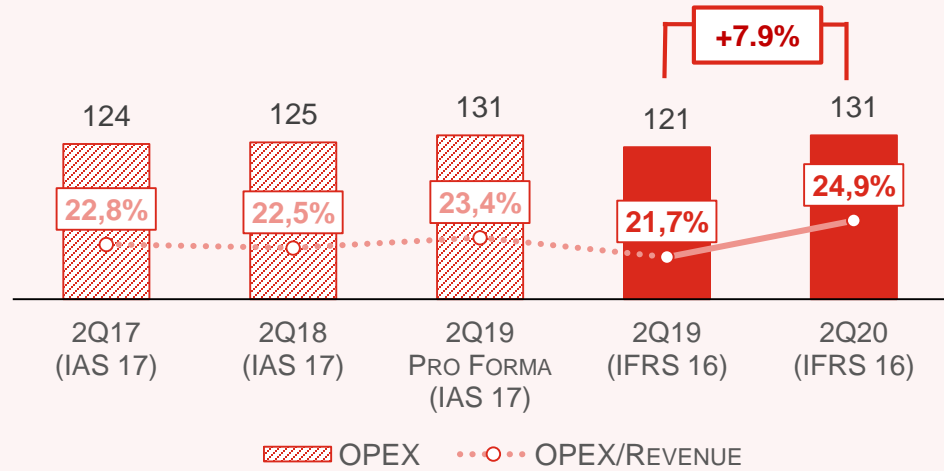
# 2Q20 Earnings Operating Expenses<sup>(1)</sup>



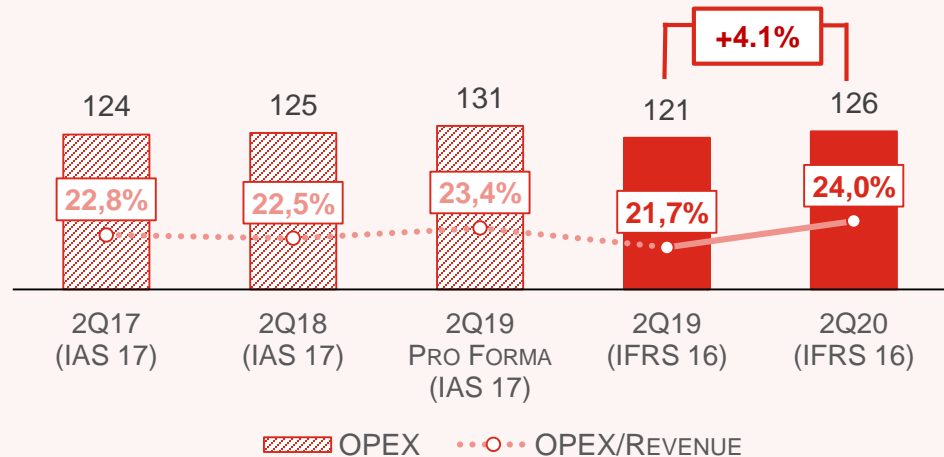
## Operating Expenses:

- Include extraordinary COVID-related expenses of CLP 4.6 Bn in 2Q20
- Ex COVID, main increases are in personnel and insurance expenses

Operating Expenses – Second Quarter (CLP Bn)



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



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

## 2Q20 Earnings Operating Indicators



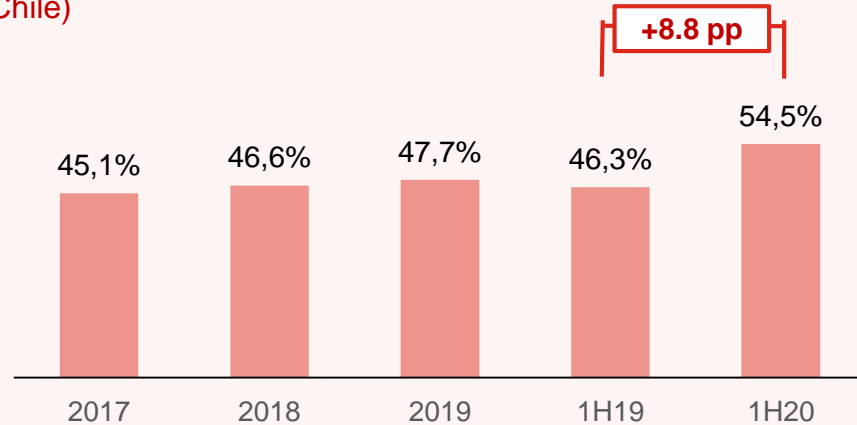
### Centralization:

- Increase in 1H20 largely due to product mix
- All-time high quarterly centralization rate achieved in 2Q20, with 58.8%

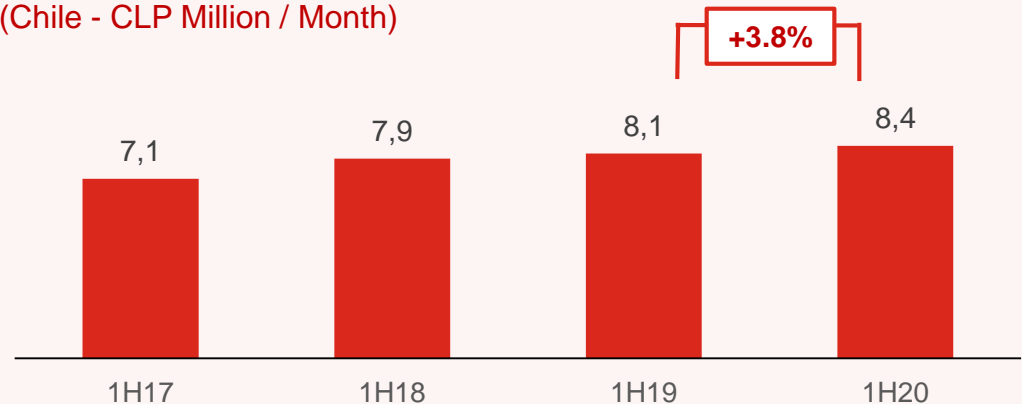
### Productivity:

- Increase in sales per FTE, despite weaker sales performance

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



### Sales / Full-Time Equivalent (Chile - CLP Million / Month)



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

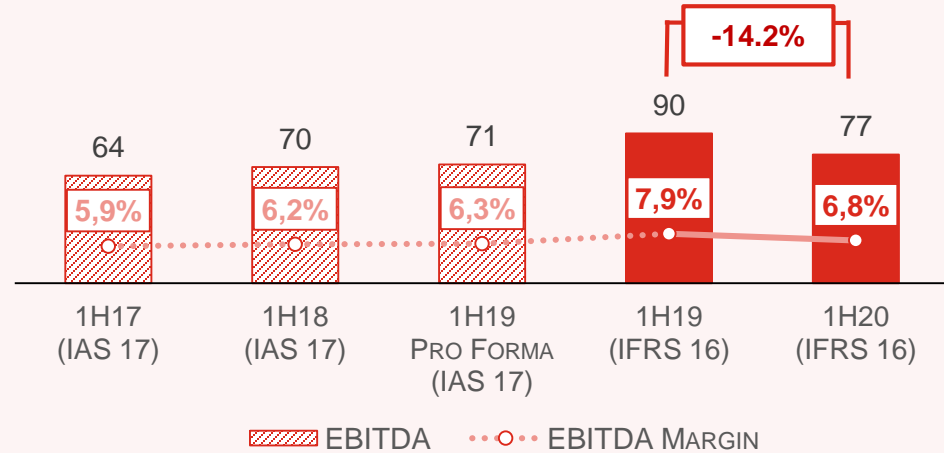


## 2Q20 Earnings EBITDA<sup>(1)</sup>

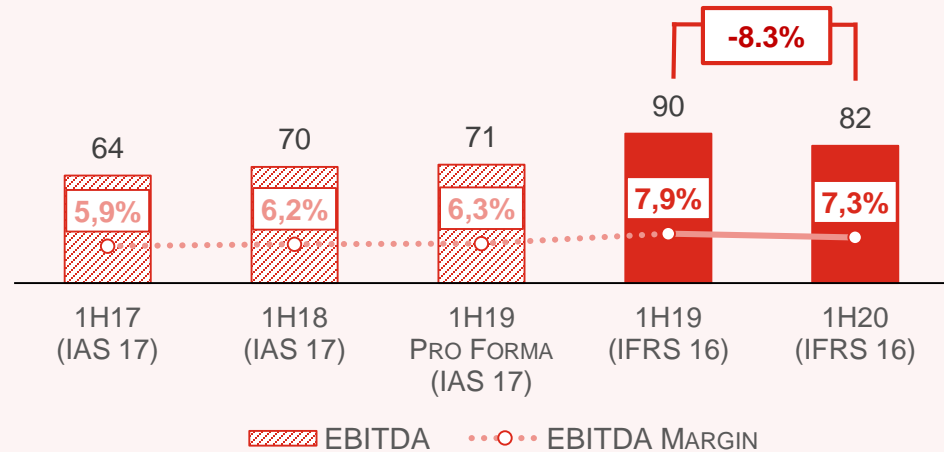
### EBITDA:

- Includes extraordinary COVID-related expenses of CLP 5.3 Bn in 1H20
- Lower EBITDA margin reflects increase in opex/revenue

### EBITDA – First Half (CLP Bn)



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



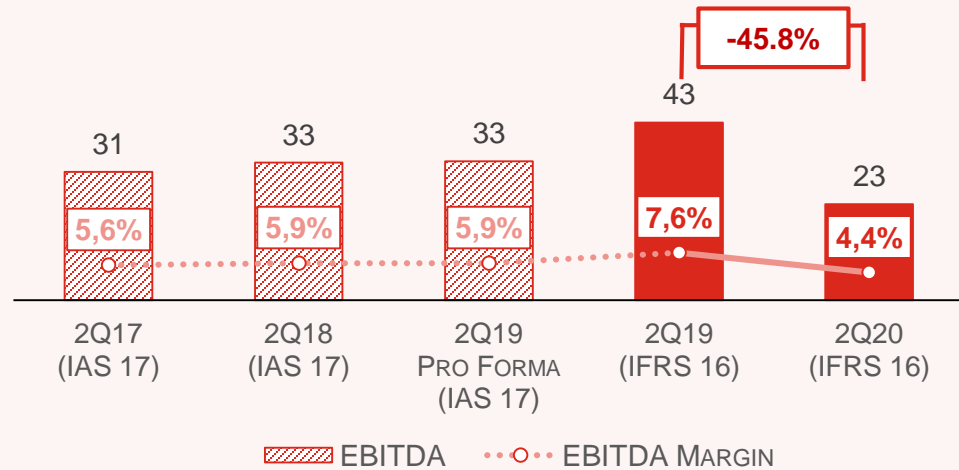
(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.

## 2Q20 Earnings EBITDA<sup>(1)</sup>

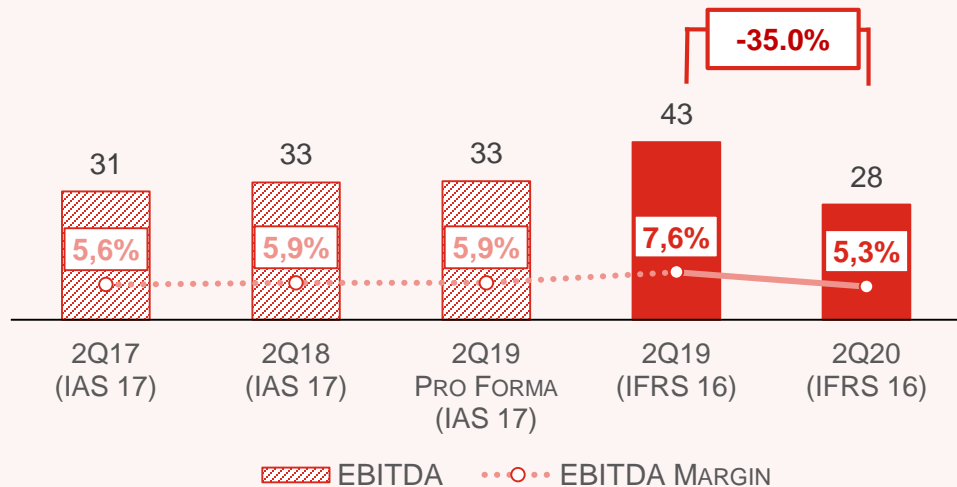
### EBITDA:

- Includes extraordinary COVID-related expenses of CLP 4.6 Bn in 2Q20

### EBITDA – Second Quarter (CLP Bn)



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

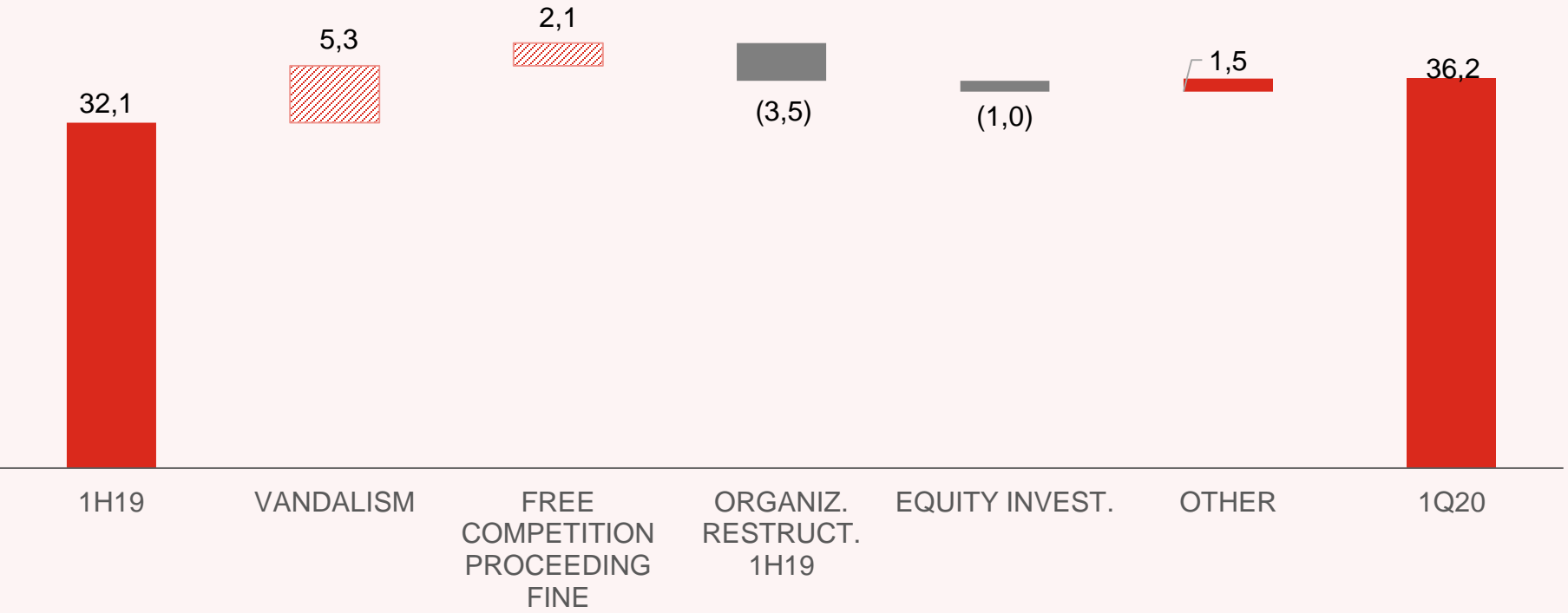


(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.

# 2Q20 Earnings Non-operating Results



## 1H20 vs. 1H19 Non-operating Loss (CLP Bn)



## 2Q20 Earnings Net Income



### Net Income 1H20:

CLP 13.5 Bn decrease

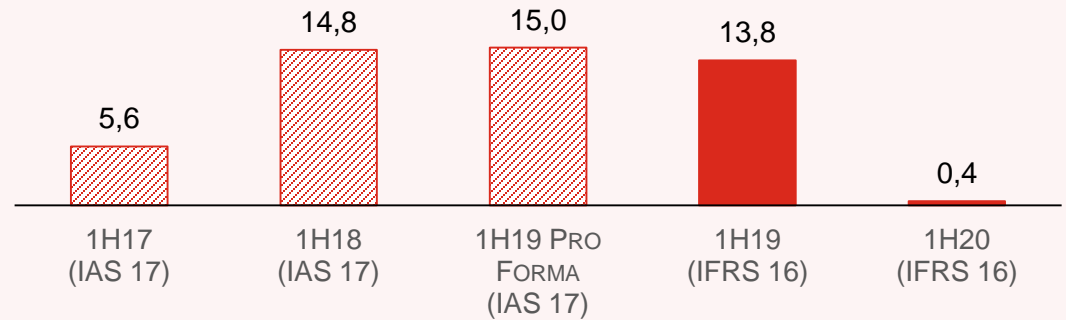
- Operating income -13.4 Bn
- Non-operating loss -4.1 Bn
- Taxes +4.0 Bn

### Net Income 2Q20:

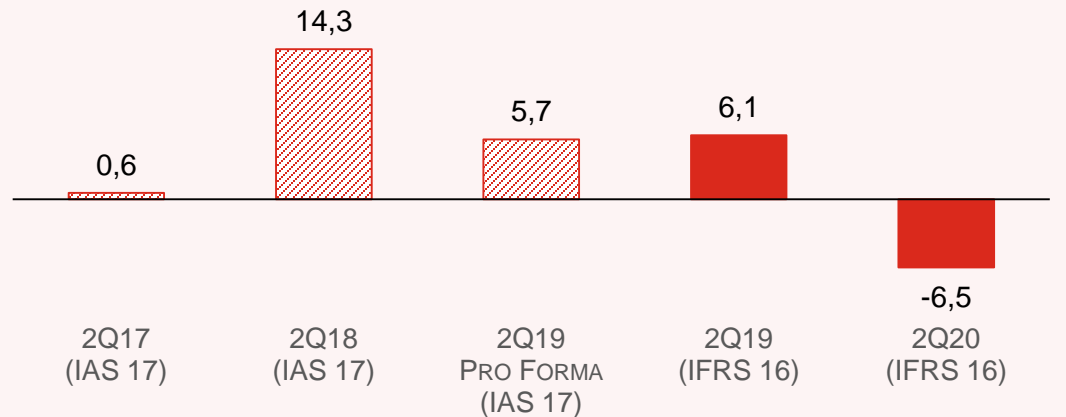
CLP 12.7 Bn decrease

- Operating income -19.3 Bn
- Non-operating loss +7.5 Bn
- Taxes -0.8 Bn

### Net Income – First Half (CLP Bn)



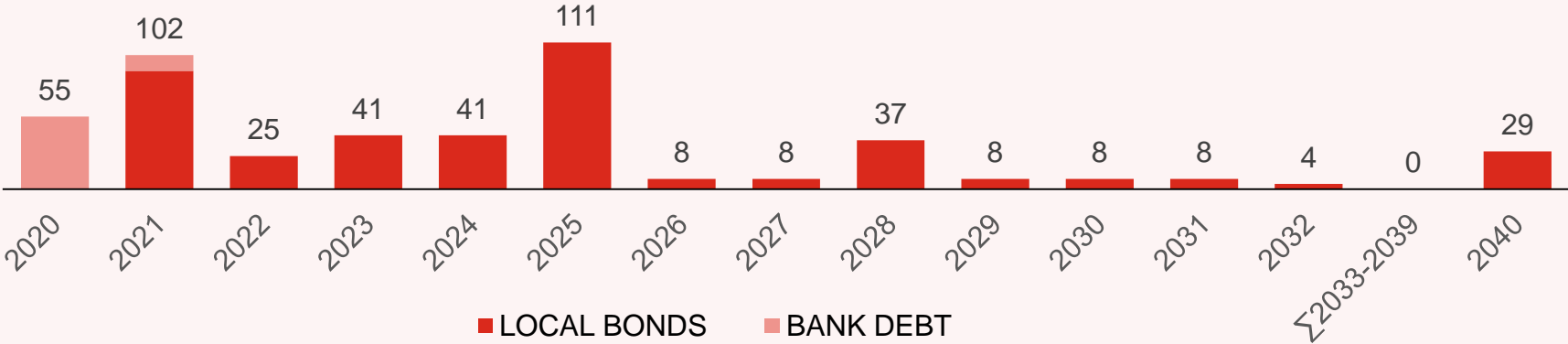
### Net Income – Second Quarter (CLP Bn)



# 2Q20 Earnings Financial Debt

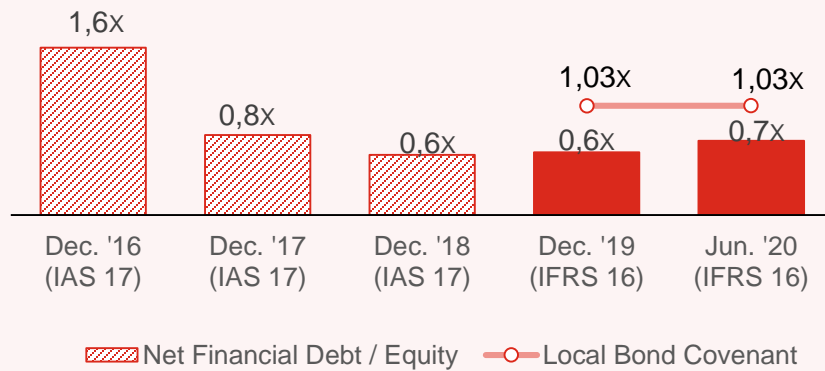


**Debt Maturity Profile as of June 30, 2020**  
(Bonds and Bank Debt - CLP Bn)

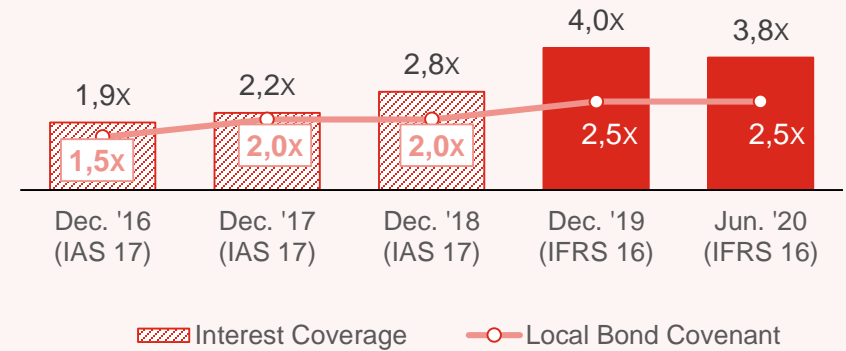


# 2Q20 Earnings Covenants

## Net Financial Debt / Equity <sup>(1)</sup>



## Interest Coverage <sup>(2)</sup>



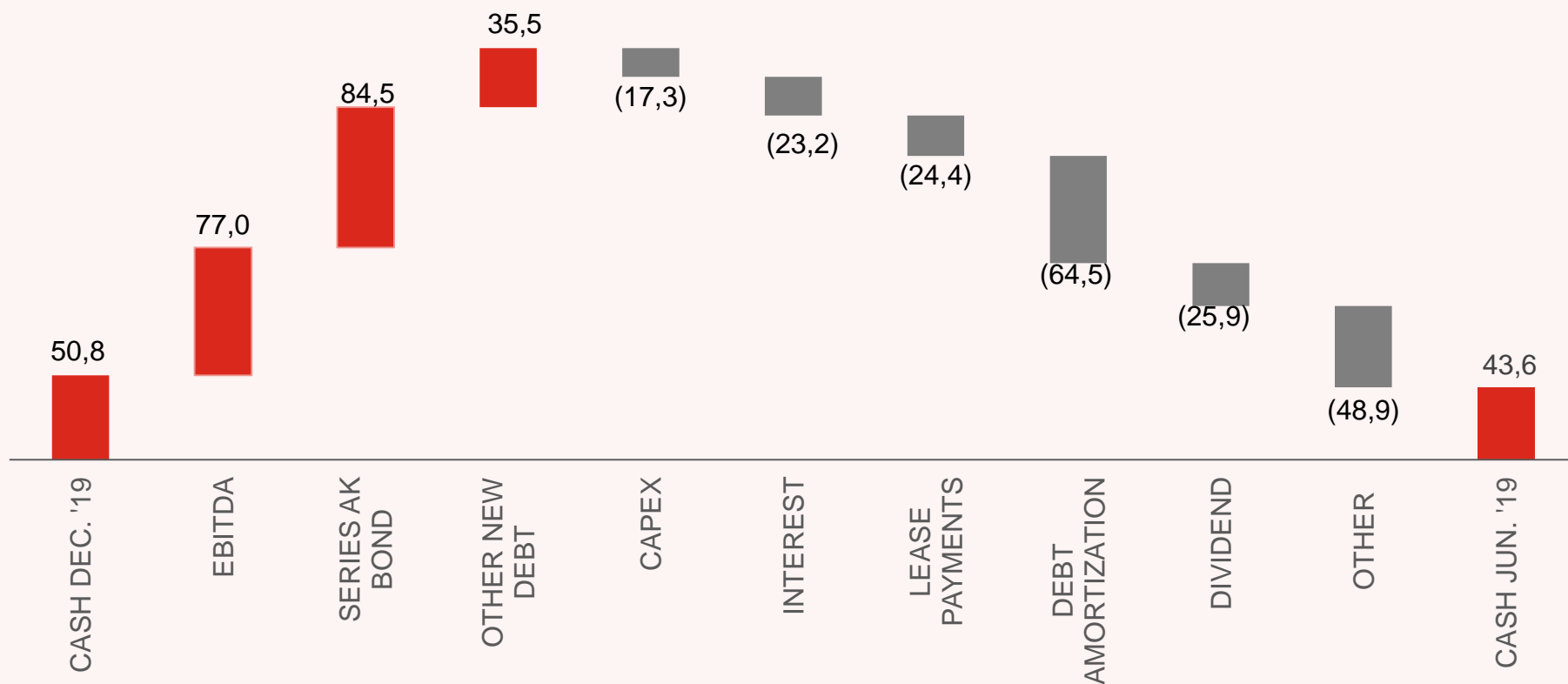
(1) Net financial debt = (Total current and non-current financial liabilities minus (total current and non-current obligations for rights of use)) minus cash and cash equivalents  
 (2) Interest coverage = EBITDA/net financial expenses

## 2Q20 Earnings Cash Flow

### Estimated uses of cash in 2H20:

- Interest payments: 23 Bn
- Lease payments: 25 Bn
- Capex: 25 Bn

### Sources and Uses of Cash 1H20 (CLP Bn)



## 2Q20 Earnings

### Relevant Events

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- **June 19, 2020: Placement of series AK local bond for UF 3 million:**
  - Annual interest rate 3.5%.
  - Matures 2025, bullet structure.
  - Use of proceeds: refinancing financial liabilities
- **July 30, 2020: Bondholders' meetings held to standardize covenants across bond lines:**
  - Net financial debt/Equity < 1.03x
  - Definition of EBITDA
- **September 22, 2020: Extraordinary Shareholders' Meeting:**
  - Modify Company by-laws to incorporate a Compliance Committee
- **Current status of stores closed following social unrest:**
  - Four stores have been reopened, 11 are pending construction or evaluation, and 11 have permanently closed





THANK YOU

