

Corporate Presentation

SMU S.A.

January 2025



CAUTION REGARDING **FORWARD-LOOKING STATEMENTS**

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.

Investment Highlights



- **Food retail pure player with a leading position in a highly defensive industry** in LatAm's most stable economy **1**
- **Multiformat strategy** provides broad coverage of all socioeconomic segments and shopping habits **2**
- **Significant organic growth opportunities, in line with global trends** (cash & carry and soft discount) **3**
- **Broad geographic coverage**, with locations in all 16 regions of Chile, supported by an integrated operating and logistics platform **4**
- **Data-driven decision making**, based on in-depth knowledge of more than 10 million customers **5**
- **Commercial strategy** focused on reducing acquisition costs, improving competitive position and customer experience, levered on SMU's scale **6**
- **Experienced and stable management team** with ample industry expertise; a **proven track record of strategy execution**; and **action plans for future growth and profitability** **7**
- **Solid financial position**, with healthy cash generation and an **attractive dividend yield** **8**



SMU At a Glance

Food retail pure player with a leading position in a highly defensive industry in LatAm's most stable economy

+10 MM
Deep insight into customer base

US\$ 3 bn
annual revenue

Multiple Formats



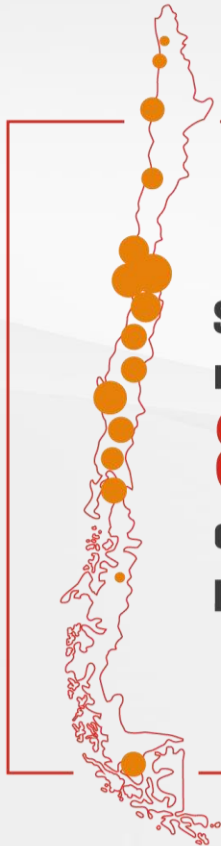
UNIMARC.



Mayorsa



Stores located near over **86%** of Chile's population



98%



of sales
Defensive industry with focus on food

23,000
employees

65%
WOMEN

35%
MEN

3# food retailer in Chile, with share of **17.3%**

Our Formats

Multiformat strategy provides broad coverage of all socioeconomic segments and shopping habits



Unimarc

Mayorista 10 & Super 10

Alvi

Maxiahorro & Mayorsa

Traditional supermarket (Focus on proximity and fill-in)

296
Stores

67%
of revenue

1,200
Average size (m2)

6,500
Average SKUs

Soft discount (Focus on price and stock-up)

68
Stores

17%
of revenue

1,300
Average size (m2)

3,400
Average SKUs

Cash & carry (Wholesale club: focus on fill-in)

35
Stores

14%
of revenue

1,400
Average size (m2)

3,200
Average SKUs

Soft discount/ cash & carry (Focus on price and stock-up)

33
Stores

2%
of revenue

600
Average size (m2)

3,000
Average SKUs



Growth Strategy

Attain **profitable and sustainable growth** through the consolidation of our multiformat strategy, satisfying the needs of our customers and creating shared value for all of our stakeholders

Strategic Plan 23 25







Omnichannel Growth

Leverage multiformat strategy and build on broad geographic coverage

- ✓ New openings (58), remodels (78), and conversions M10/S10 (14)
- ✓ Consolidate e-commerce business, improving experience and efficiency

Store openings progress

				
Plan	26	9	8	15
Progress	17	4	6	7



Customer Experience

Satisfy customer needs through loyalty programs and improved product assortment

- ✓ Loyalty programs: attractive promotions; new benefits and partnerships
- ✓ Private label growth, with new products and specialty brands

Customer Loyalty



Private Label

- 300+ new products
- 20+ specialty brands
- Certified recyclable packaging for 29% of assortment



Efficiency & Productivity

Optimization and innovation to improve the customer experience while controlling operating expenses

- ✓ **In-store:** new technologies and operating models
- ✓ **Logistics:** new technologies; expand network to support organic growth and multiformat strategy
- ✓ **Energy:** optimize consumption; expand use of renewables and electric vehicles



Committed & Sustainable Organization

Continue to drive initiatives that promote sustainable practices across our operations, covering the different pillars of our sustainability model

- ✓ Shared value with suppliers and communities
- ✓ Reduce food waste; manage carbon footprint
- ✓ Diversity and inclusion



FINANCIAL
CAPACITY

TECHNOLOGY &
DIGITALIZATION

Growth Strategy

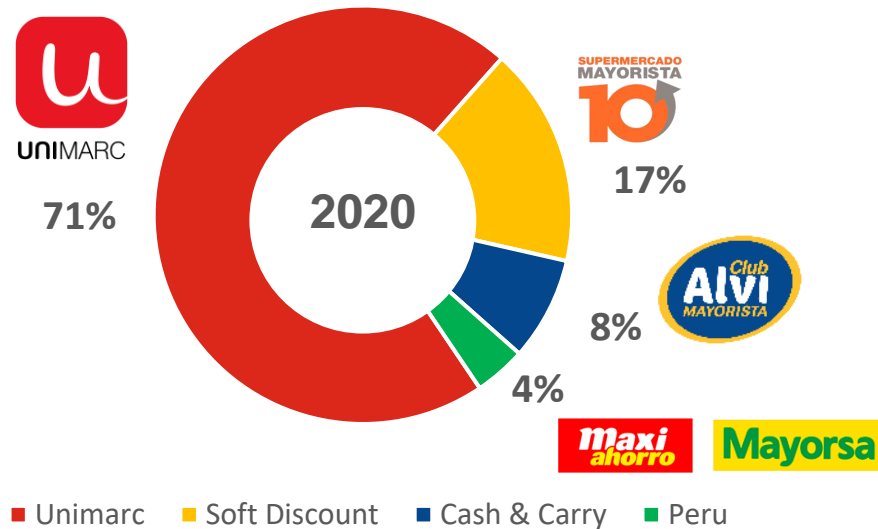
Significant organic growth opportunities, in line with global trends (cash & carry and soft discount)

Strategic
Plan
23
25

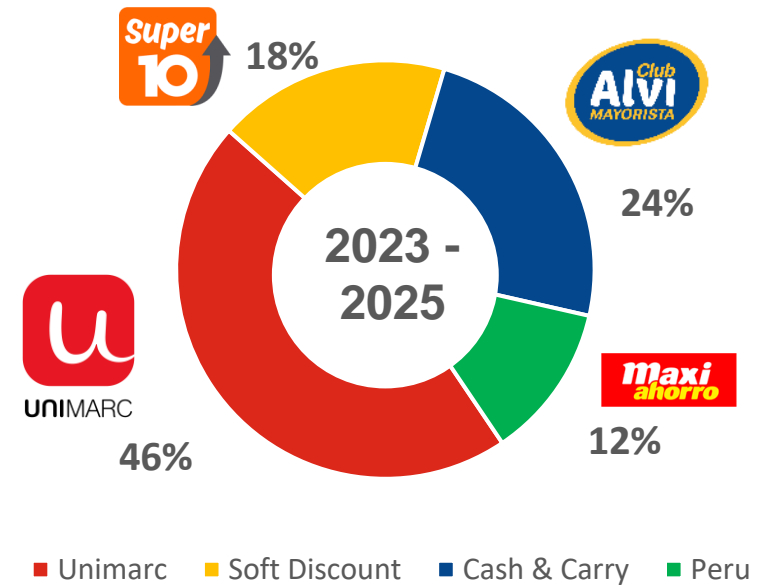
Organic
growth
plan for
2023-2025

- New openings for all formats
- Higher share for soft discount and cash & carry

Share of Selling Space by Format

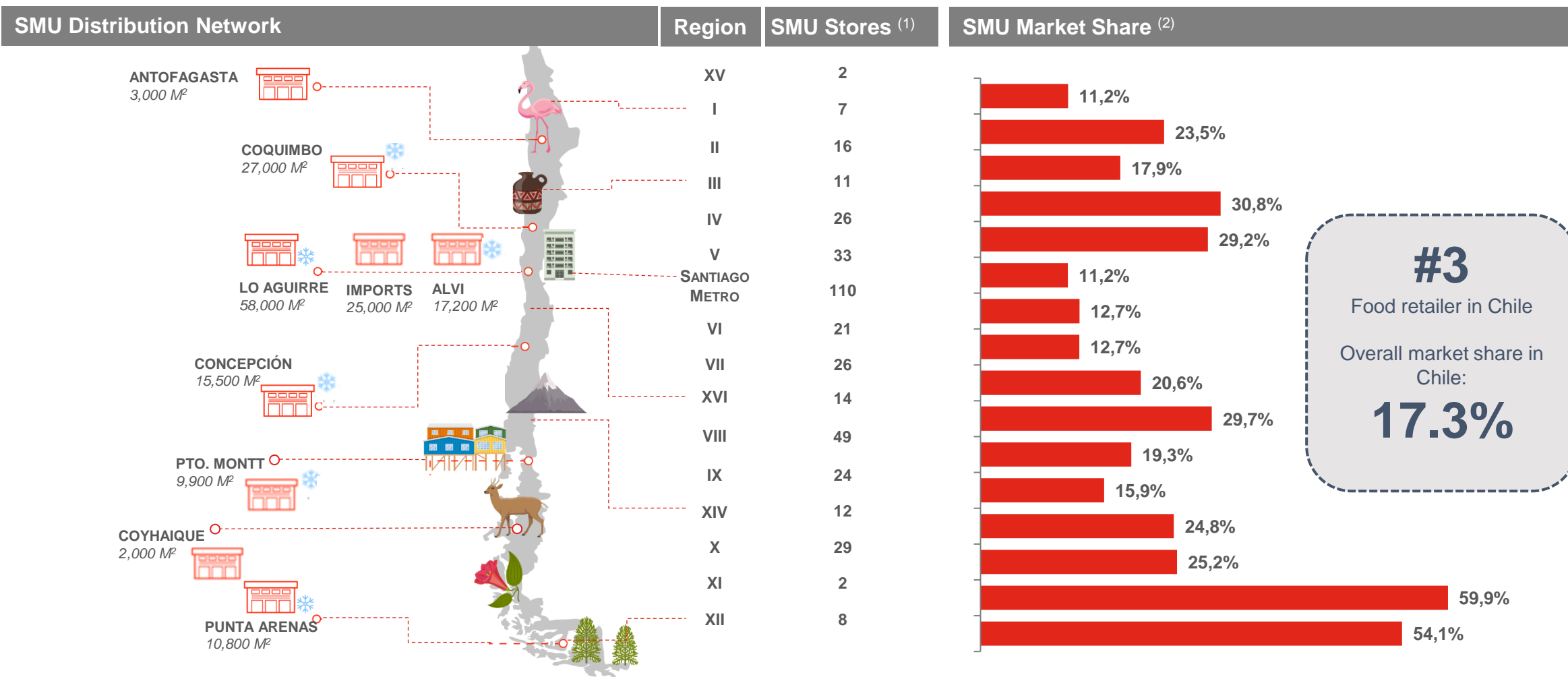


Share of New Sq. Meters by Format



Geographic Coverage

Broad geographic coverage, with locations in all 16 regions of Chile, supported by an integrated operating and logistics platform



(1) Number of Unimarc, Alvi, Mayorista 10, and Super10 stores as of Dec. 31, 2023.

(2) Market share figures are calculated as portion of SMU's sales in total 2023 Chilean supermarket sales by region according to INE as of Dec. 31, 2023.

Our Customers

Data-driven decision making, based on in-depth knowledge of more than 10 million customers

Club
UNIMARC

3.8 million
members with purchases in
last 3 months

9.1 million
members with signed
terms & conditions



100K+
members with
purchases in last 3
months



→ **más compras,
más ahorras**

Con el nuevo sistema de
beneficios del Club Unimarc

**Descuentos
por día y nivel**
Premiamos tu
lealtad con más
beneficios

Cumple tus
Misiones de compra
y sube de nivel

unipay
LA MEJOR FORMA DE PAGAR
EN UNIMARC

Membresía
Diamante
Más beneficios y descuentos

Commercial strategy focused on reducing acquisition costs, improving competitive position and customer experience, levered on SMU's scale

Key Drivers

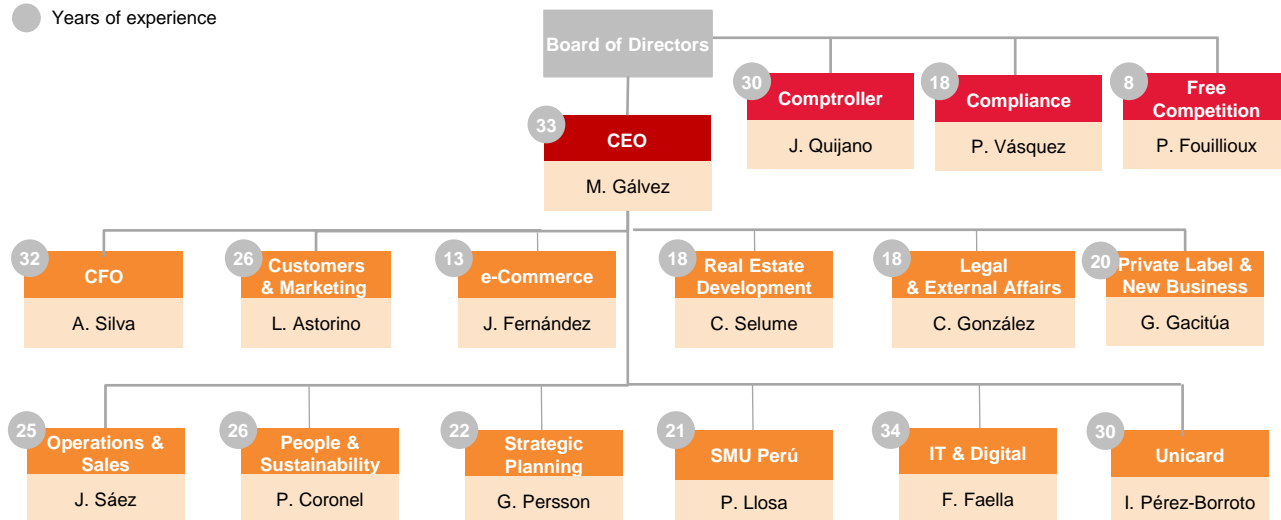
- Promotions and pricing
- Attractive assortment, based on customer preferences
- Private label growth
- Supplier development



Experienced and stable management team with ample industry expertise

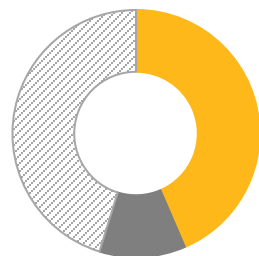
Experienced Management Team

● Years of experience



Ownership Structure (Dec. 31, 2024)

CorpGroup
45,2%



Others
43,5%

Southern Cross Group
11,3%

Board of Directors



PILAR DAÑOBEITÍA E.
CHAIRWOMAN OF THE BOARD



M. FRANCISCA SAIEH G.
VICE CHAIRWOMAN OF THE BOARD



ALEJANDRO ÁLVAREZ A.
DIRECTOR



ABEL BOUCHON S.
DIRECTOR



FERNANDO DE LOS ANGELES
DIRECTOR



ANDRÉS OLIVOS B.
DIRECTOR



ALEJANDRO DANÚS
INDEPENDENT DIRECTOR

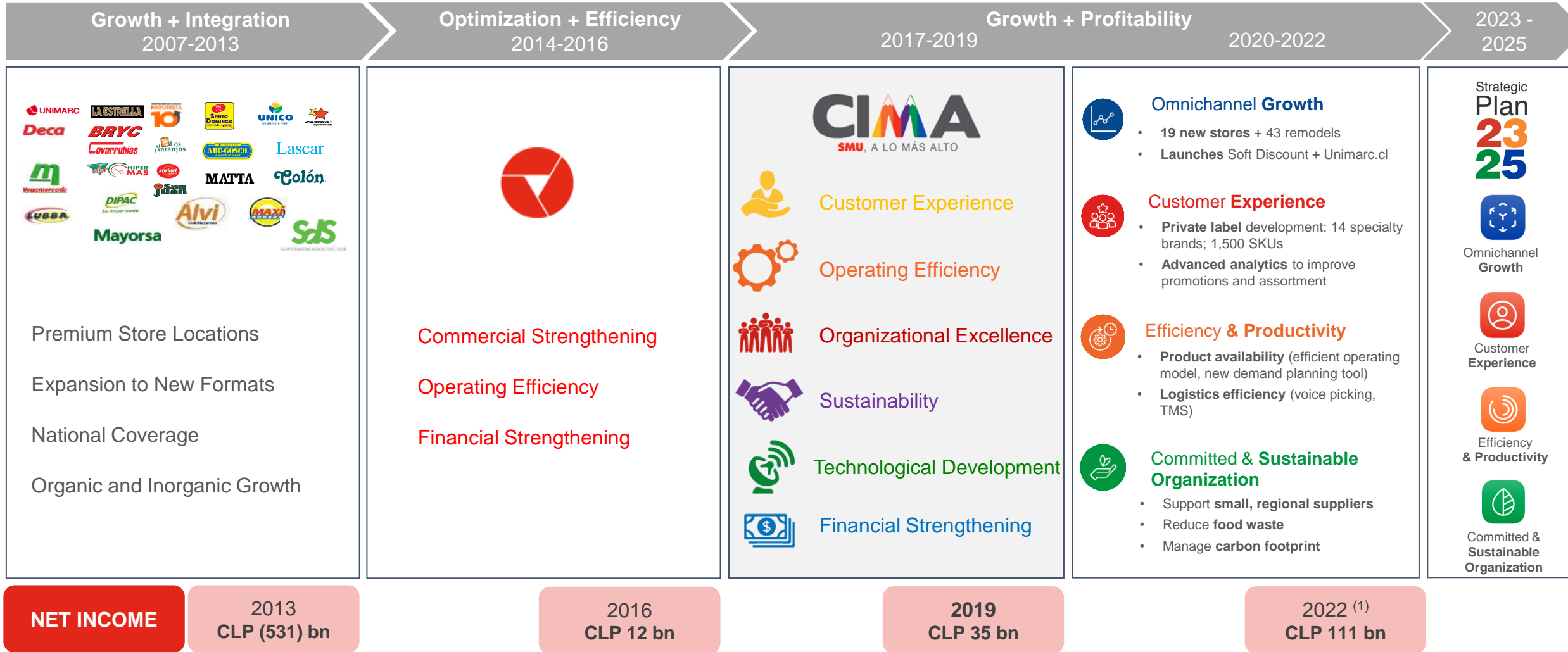


ENRIQUE GUNDERMANN
INDEPENDENT DIRECTOR



RAÚL SOTOMAYOR V.
DIRECTOR

Proven track record of strategy execution, with action plans for future growth and profitability

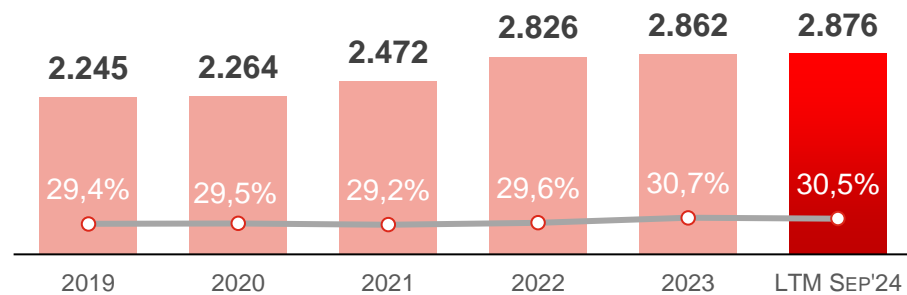


(1) Excludes impact of sale of OK Market

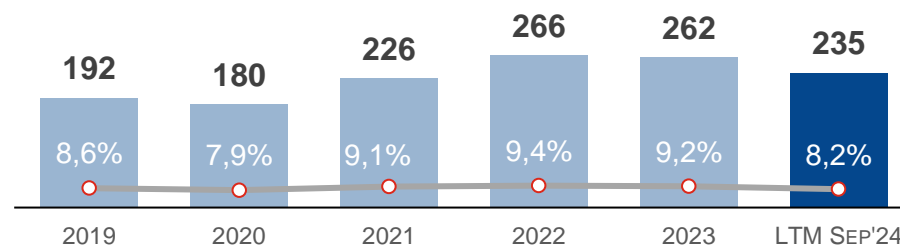
Financial Position

Solid financial position, with healthy cash generation and an attractive dividend yield

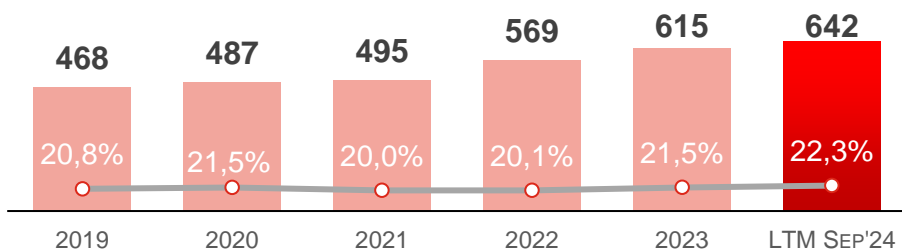
Revenue and Gross Margin ⁽¹⁾
(CLP Bn; %)



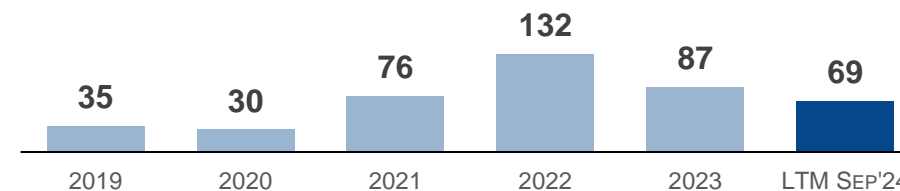
EBITDA and EBITDA Margin ^(1,3)
(CLP Bn; %)



Operating Expenses and OPEX Margin ^(1,2)
(CLP Bn; %)



Net Income ⁽⁴⁾
(CLP Bn)

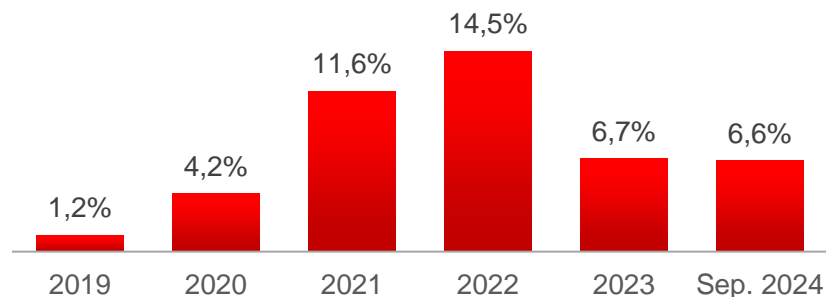


(1) Revenue, operating expenses, and EBITDA exclude OK Market in all periods.
 (2) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization.
 (3) EBITDA = Gross profit - administrative expenses - distribution costs + depreciation + amortization
 (4) Net income for 2022 includes the non-recurring impact of the sale of OK Market (CLP 20.5 Bn)

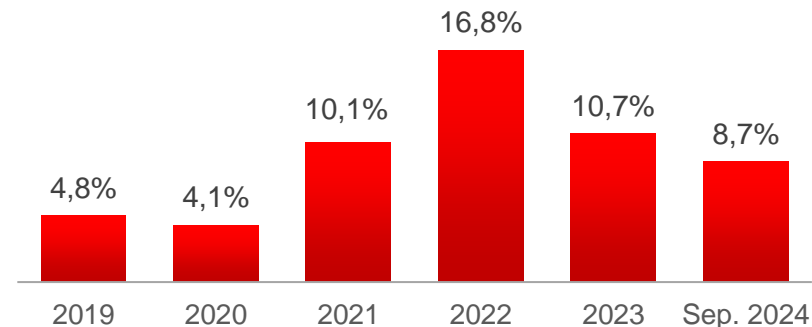
Financial Position

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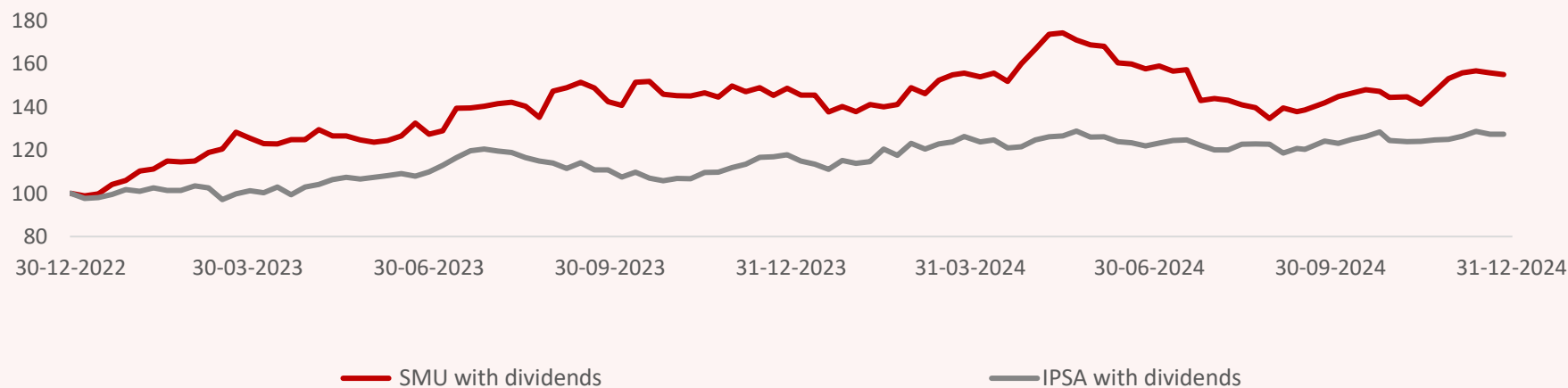
Dividend Yield ⁽¹⁾



Return on Equity ⁽²⁾



SMU Share Price vs. IPSA (Base 100)

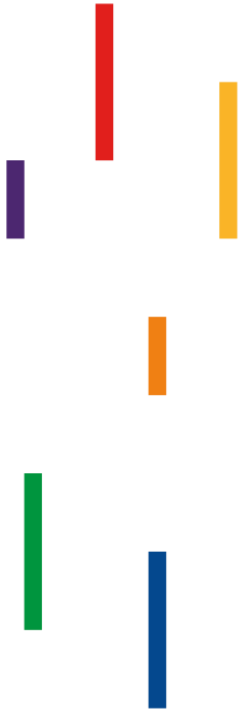


(1) Dividend Yield = Dividends paid during last 12 months / share price at period end.

(2) Return on Equity = Net income for last 12 months / shareholders' equity at period end.

Appendix 1:

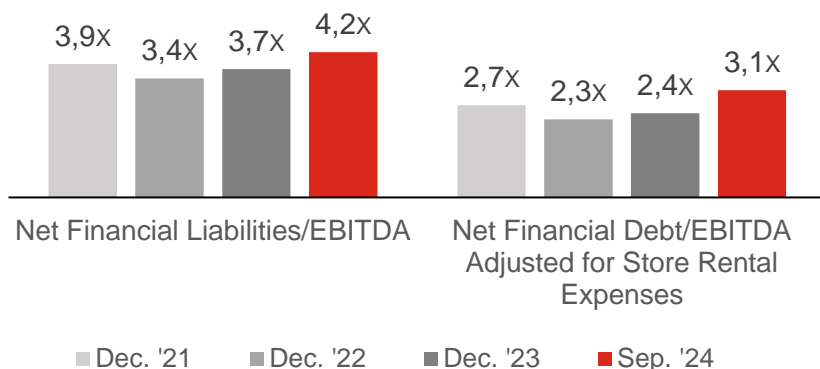
Financial Position



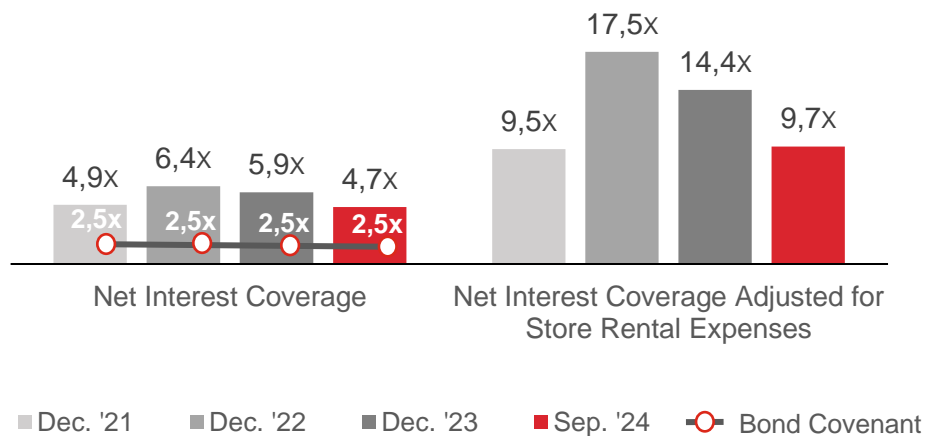
Financial Position

Operating improvements and capital structure optimization have led to sustained strengthening of financial position, maintaining full compliance with bond covenants

Net Financial Liabilities / EBITDA ^{(1) (2) (3)}

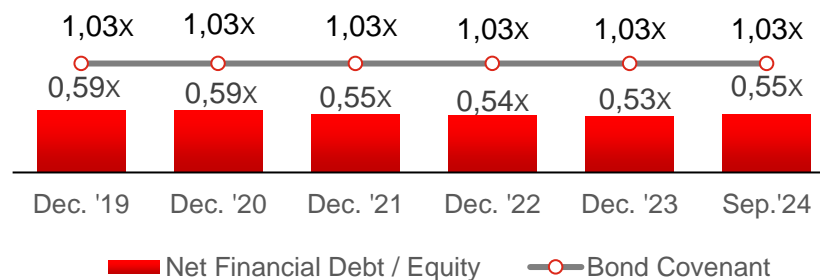


Net Interest Coverage ^{(4) (5)}



- (1) Net financial liabilities = other current and non-current financial liabilities - cash and cash equivalents
- (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) EBITDA adjusted for store rental expenses = EBITDA including store rental expenses not included in administrative expenses under IFRS
- (4) Net interest coverage = EBITDA/net financial expenses
- (5) Net interest coverage adjusted for store rental expenses = EBITDA adjusted for store rental expenses/(total financial expenses - financial expenses for obligations for rights of use - total financial income)

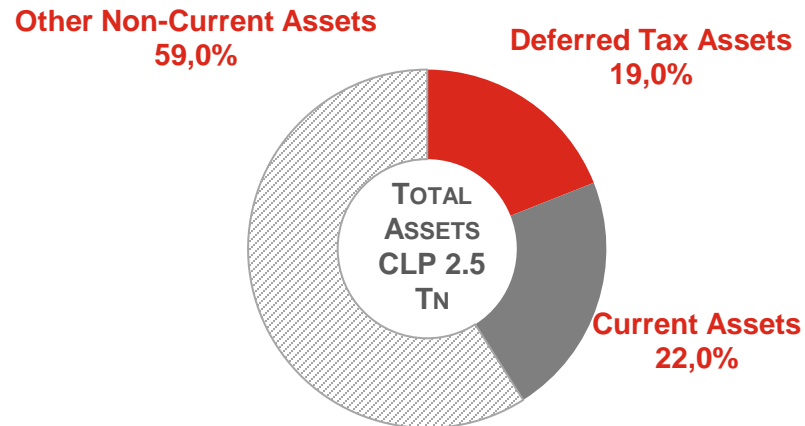
Net Financial Debt / Equity



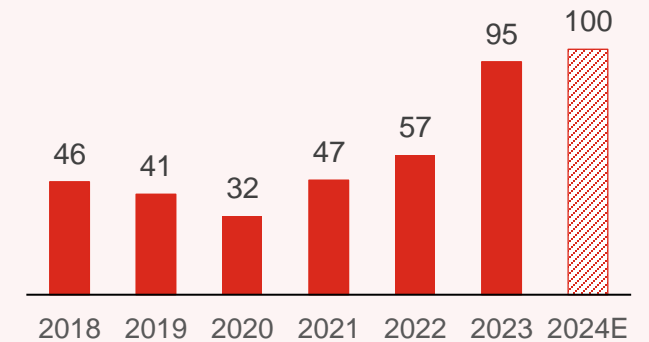
Financial Position

...and flexibility in the Company's cash position, further supported by valuable accumulated NOL's

Net Operating Losses – Sep. 2024



CAPEX (CLP Bn)



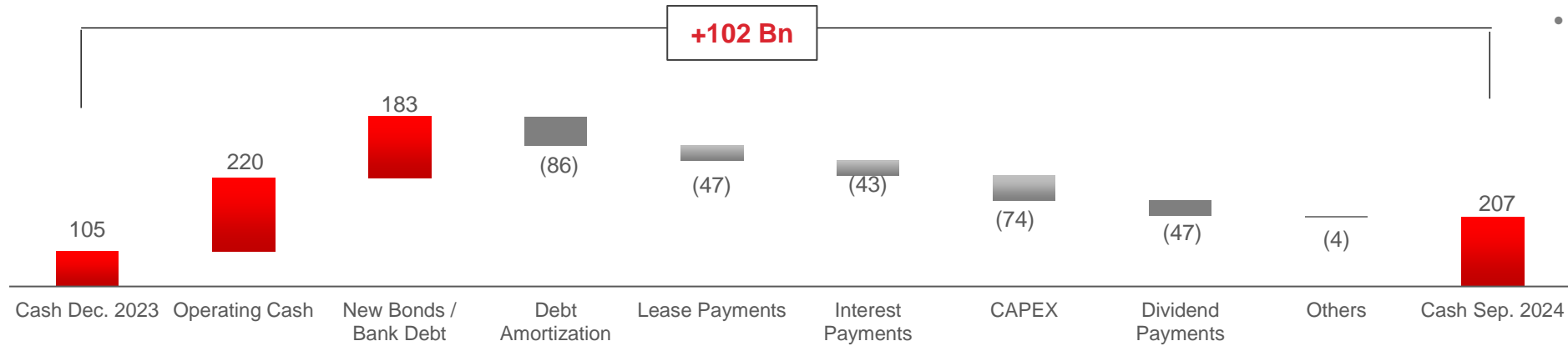
Highlights:

- SMU has accumulated Net Operating Losses (NOLs) backing a deferred tax asset from tax losses recorded at CLP 471 Bn
- Chilean law allows companies to carry losses forward indefinitely, offsetting future income taxes
- No annual limit on the utilization of tax losses in Chile
- NOLs are adjusted annually for inflation

Financial Position

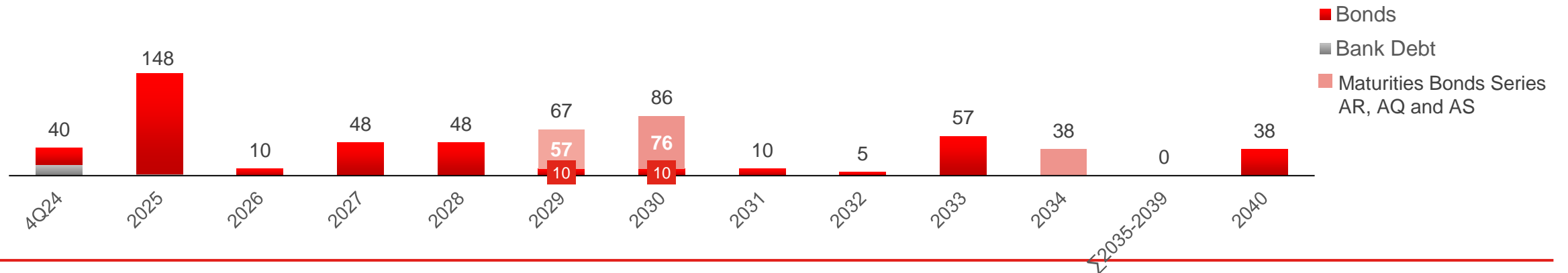
Solid cash position provides flexibility to meet financial obligations, finance capex, and pay dividends, with recent bond placements further contributing to a **comfortable debt maturity profile** for coming periods

Cash Flow 9M24 (CLP Bn)



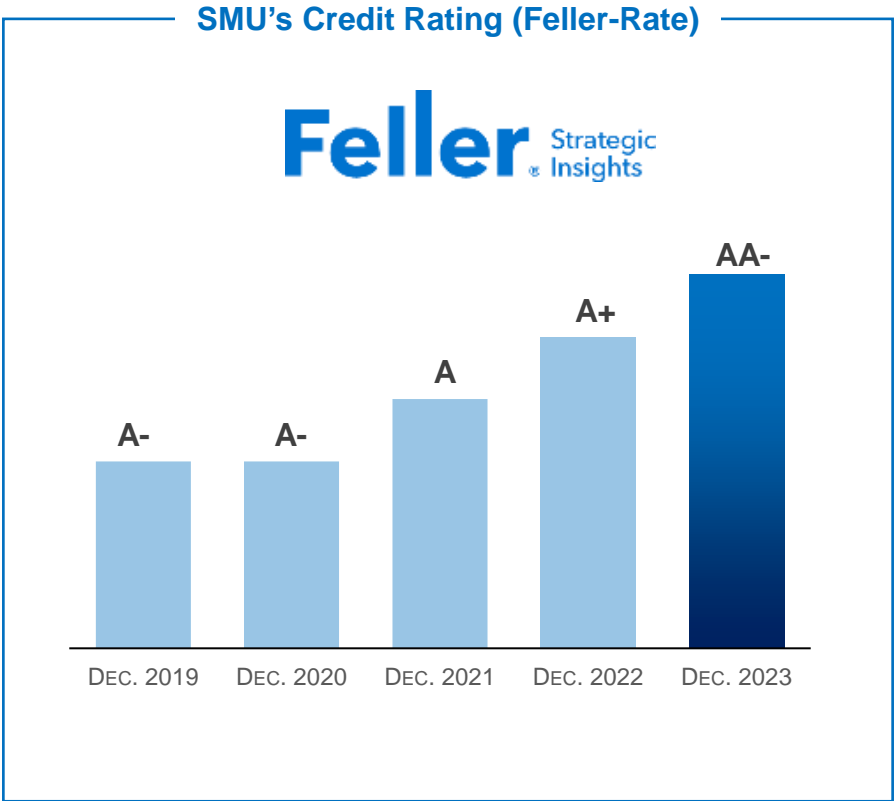
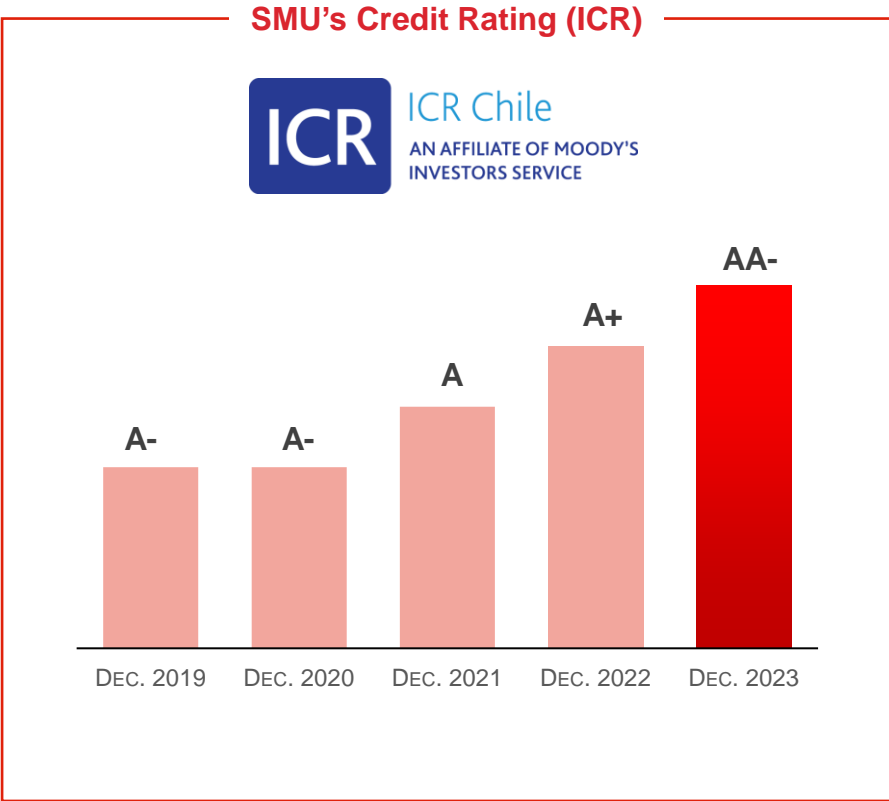
- Refinancing strategy has generated a cash surplus of CLP 160 Bn, providing flexibility to cover bond and bank maturities in 4Q24 + 2025 (CLP 190 Bn)

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



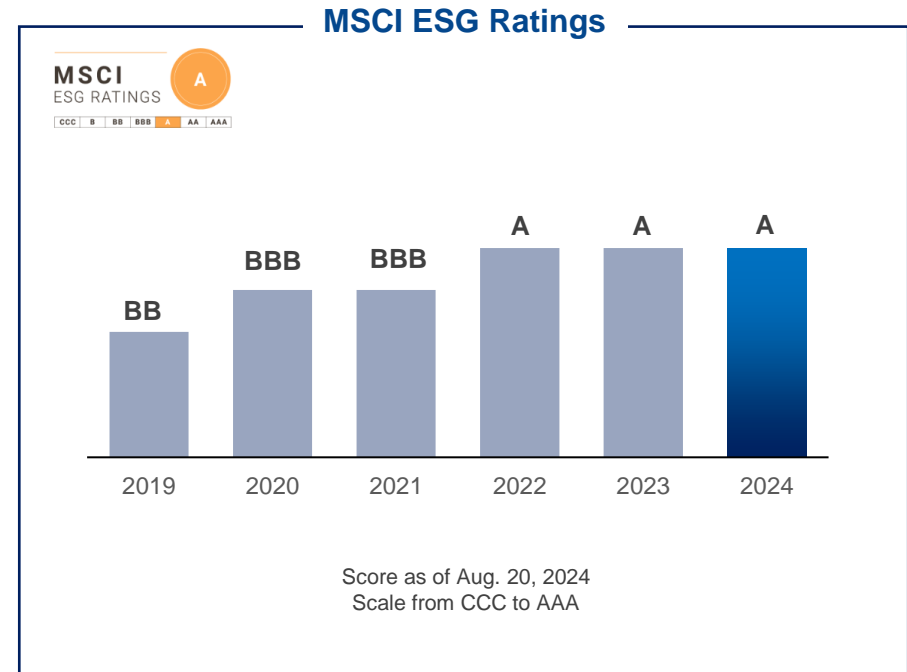
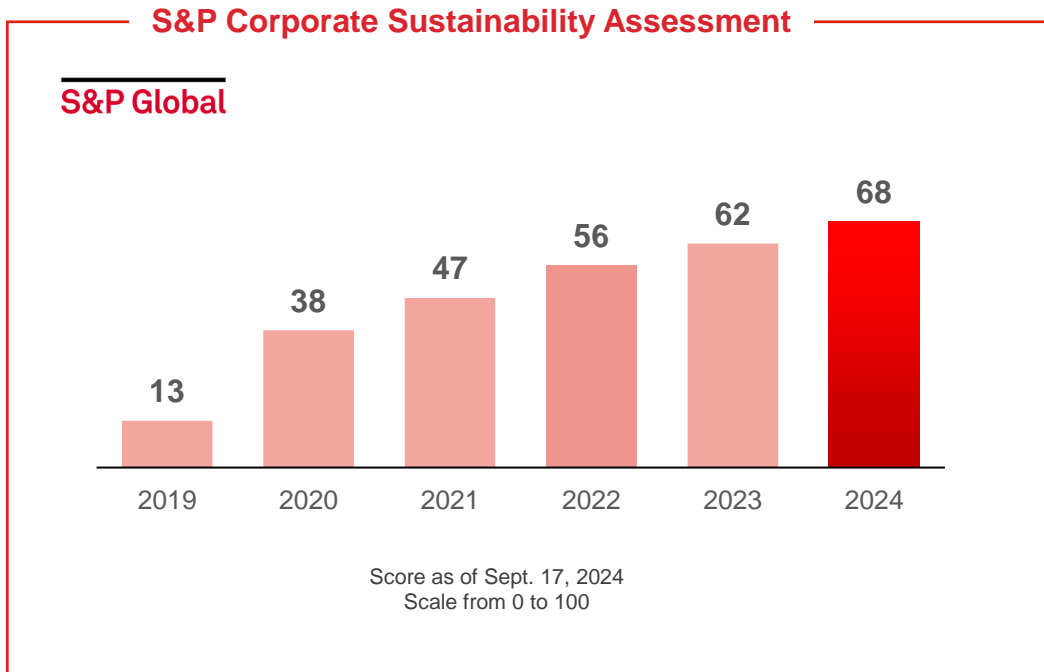
Financial Position

In 2023, for the third consecutive year, SMU's local credit rating was upgraded, reaching category AA-



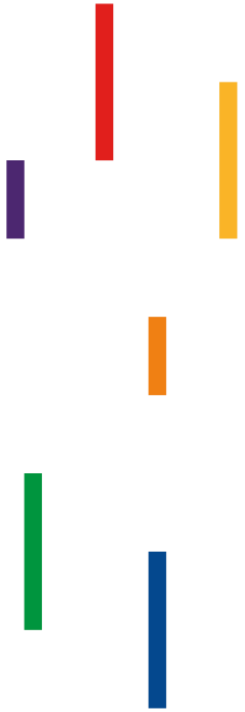
Sustainability

We have strengthened our ESG performance and transparency, improving our ESG scores and qualifying for the Dow Jones Sustainability Index Chile and MILA in 2024



Appendix 2:

Detailed Growth Plan 2023-2025



Attain **profitable and sustainable growth** through the consolidation of our **multiformat strategy**, satisfying the **needs of our customers** and creating **shared value** for all of our stakeholders

Strategic
Plan
23
25



Omnichannel
Growth

Leverage multiformat strategy and build on broad geographic coverage

- ✓ New openings (58), remodels (78), and conversions M10/S10 (14)
- ✓ Consolidate e-commerce business, improving experience and efficiency

Unimarc Pirque:
Premium Affordable



Alvi Tobalaba



Maxi Ahorro Sechura



Super10 Limache

	 UNIMARC	 Club Alvi MAYORISTA	 Super 10	 Maxi ahorro
Plan	26	9	8	15
Progress	17	4	6	7

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Strategic
Plan
**23
25**



Customer Experience

Satisfy customer needs through loyalty programs and improved product assortment

- ✓ Loyalty programs: attractive promotions; new benefits and partnerships
- ✓ Private label growth, with new products and specialty brands

Customer Loyalty



- ✓ Deep customer insight
- ✓ Innovative promotions & immediate benefits
- ✓ New membership levels



Private Label

- ✓ **300+** new products
- ✓ **20+** specialty brands
- ✓ Certified recyclable packaging for **29% of assortment**



Attain **profitable and sustainable growth** through the consolidation of our **multiformat strategy**, satisfying the **needs of our customers** and creating **shared value** for all our stakeholders

Strategic
Plan
23
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Efficiency &
Productivity

Optimization and innovation to improve the customer experience while controlling operating expenses

- ✓ **In-store:** new technologies and operating models
- ✓ **Logistics:** new technologies; expand network to support organic growth and multiformat strategy
- ✓ **Energy:** optimize consumption; expand use of renewables and electric vehicles

In-Store Efficiency

- ✓ New efficient operating model (150+ stores)
- ✓ Self-service modules (190+ stores)
- ✓ Roll-out of digital treasury system



Logistics Efficiency

- ✓ Expansion of voice picking
- ✓ Expansion of automated demand planning tool
- ✓ Roll-out of new warehouse management system

Energy Efficiency

- ✓ Implementation of energy management system, certified under ISO 50001
- ✓ Increasing use of renewable energy sources from 15% to 30% of consumption in Chile



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Strategic
Plan
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Committed &
Sustainable
Organization

Continue to drive initiatives that promote sustainable practices across our operations, covering the different pillars of our sustainability model

- ✓ Shared value with suppliers and communities
- ✓ Reduce food waste; manage carbon footprint
- ✓ Diversity and inclusion

Shared Value



✓ **400+** small, regional suppliers have benefited from *100% Nuestro* program,

which supports development through training, visibility, and other initiatives

Diversity & Inclusion

- ✓ **Gender equity management system:** Expanding coverage of certification
- ✓ Alliances with organizations that promote diversity and inclusion, such as *Teletón*, *Fundación Las Rosas*, *Fundación Descúbreme*, and others

Environment



✓ **11.3%** increase in tons of food waste avoided in 2023 vs. 2022, through *Pronto Consumo* and donation programs

- ✓ **Carbon footprint:** Measurement and certification of carbon footprint since 2018



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