

# Corporate Presentation

SMU S.A.

February 2025



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

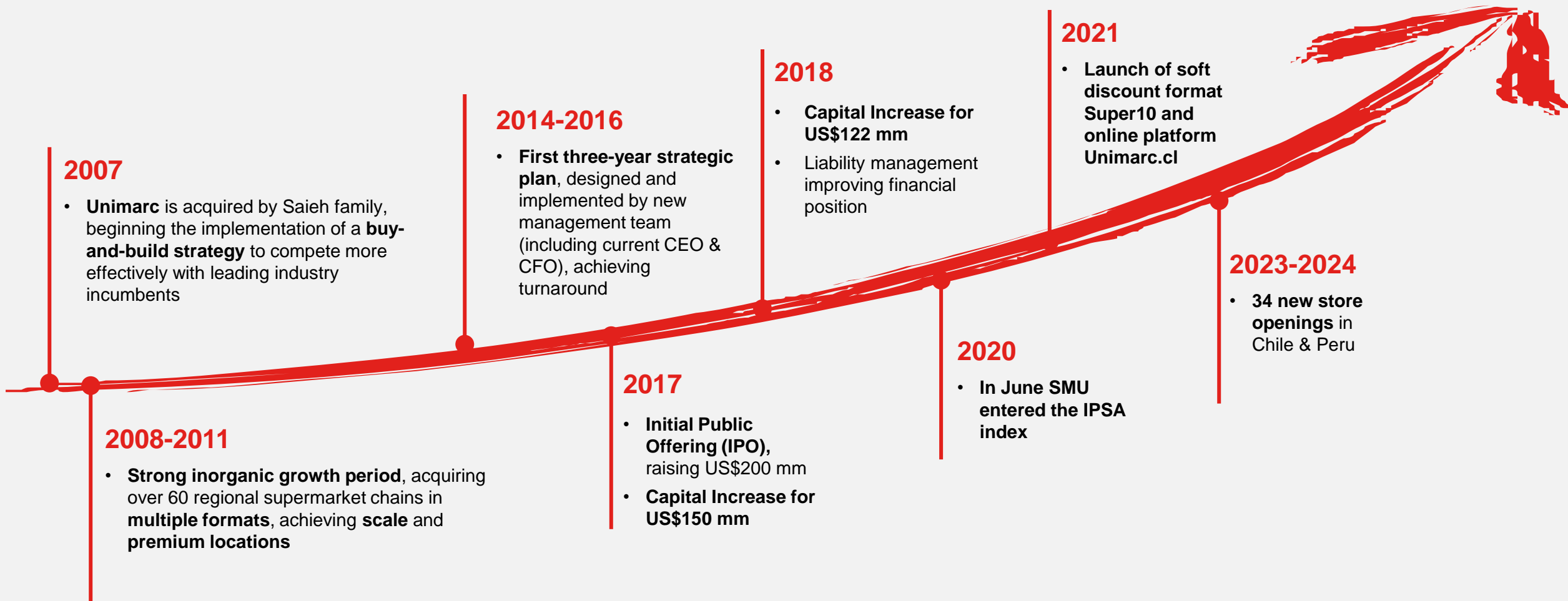
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This presentation contains forward-looking statements. We have based all forward-looking statements largely on our current beliefs, expectations and projections about future events and financial trends affecting our business. Although management considers 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.

## SMU At a Glance

Leading food retailer with nearly 20 years of strong track record focused on growth



**SMU**  
**At a Glance**

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

**+10MM**  
Deep insight into customer base

  
**US\$ 3bn**  
annual revenue

**US\$ 1bn**  
Market cap

Publicly traded since  
**2017** IPO

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



UNIMARC



Multiple Formats



**98%**

of sales  
Defensive industry with focus on food

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

 **23,000**  
employees

 **65%**  **35%**  
WOMEN MEN



# Investment Highlights



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

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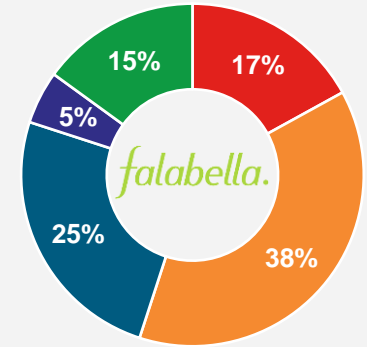
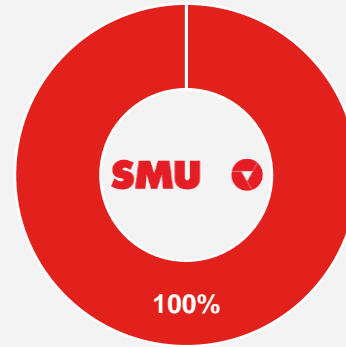
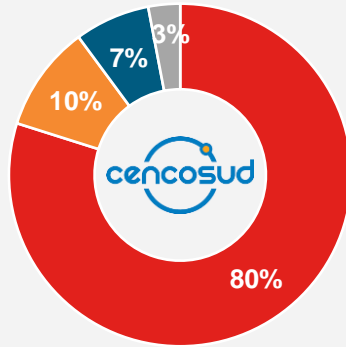
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# Defensive Industry

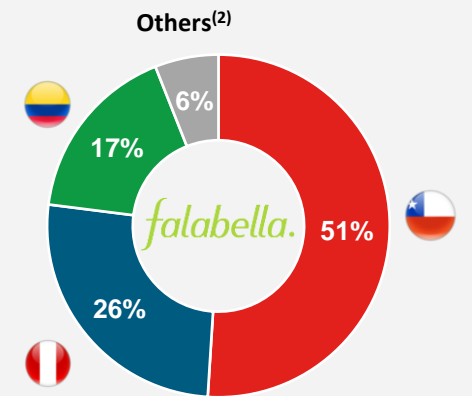
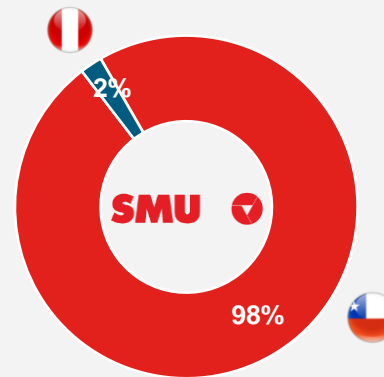
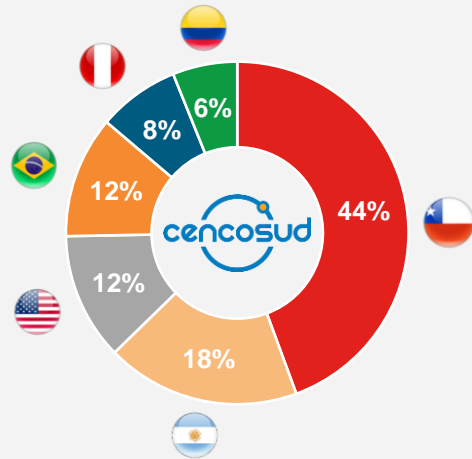
Food retail pure player with a leading position in a highly defensive industry in LatAm's most stable economy

## Revenues by Business Segment



■ Supermarket ■ Home Improvement ■ Department Stores ■ Real Estate ■ Financial Services ■ Others<sup>(1)</sup>

## Revenues by Country

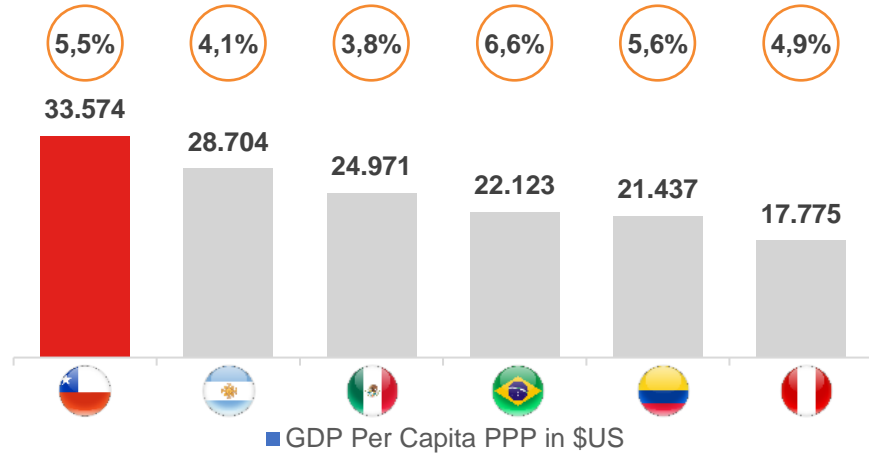


(1) Others Include Shopping Centers and Joint Ventures for Cencosud  
 (2) Others include Argentina, Uruguay, Brazil and Mexico

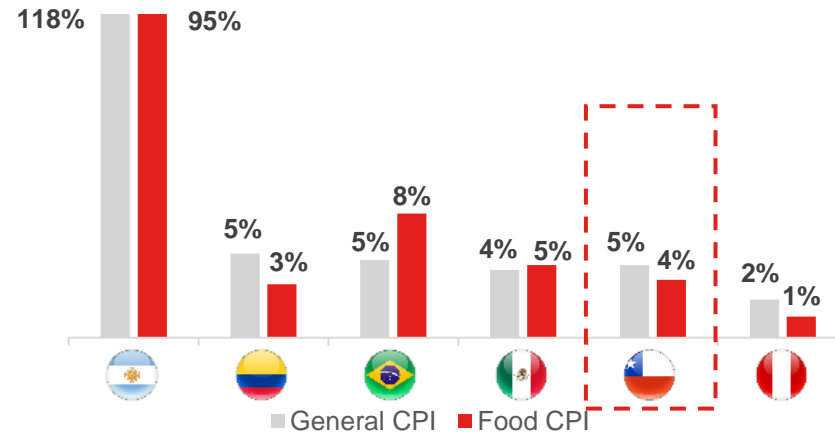
# Defensive Industry

## Defensive industry in Latam's most stable economy

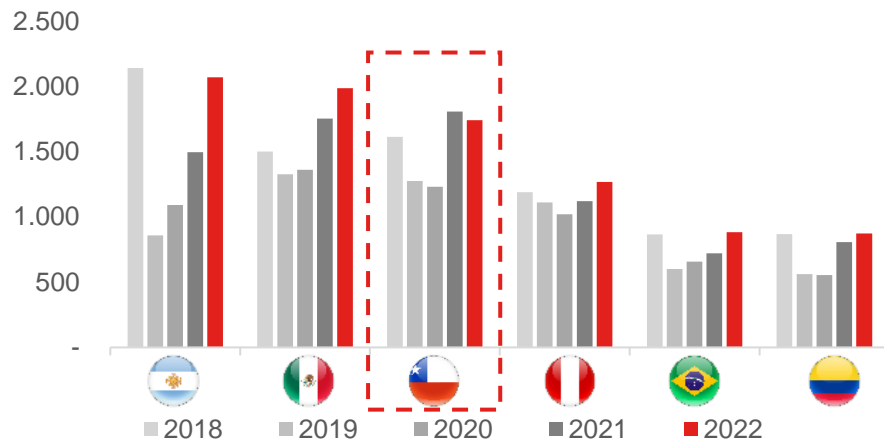
GDP per Capita (US\$ at PPP 2024)<sup>(1)</sup>



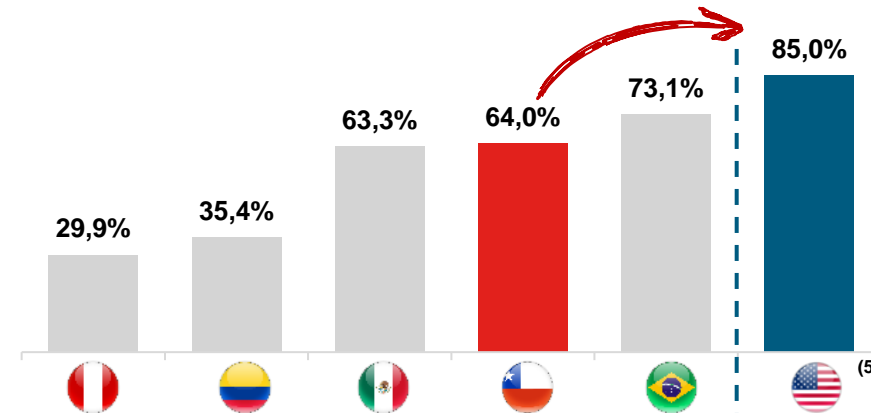
Consumer Price Index ('24 E.O.P % change)<sup>(2)</sup>



Food Expenditure per Capita (US\$)<sup>(3)</sup>



Formal Food Sales (% of Total Food Retail Sales)<sup>(4)</sup>



### Improving Market Conditions, providing SMU with space to continue growing in Chile

- Forecast GDP growth between 1.5% and 2.5% for 2025 and 2026
- Inflation converging to Chile's central bank goal of 3% in 2026
- Food expenditure per capita among the highest in the region but still with room for growth
- Formal food sales with market penetration of 64%, still low compared to the US
- MPR<sup>(6)</sup> has been reduced to 5.0%, from a peak of 11.25% in 2023
- Unemployment rate of 8.1% compared to OCDE's rate of 4.9%, showing potential for improvement
- Pension Funds Reform will increase available income, affecting 2.8 mm people, with an increase in pension between 14% and 35%



## 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)

**36**  
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)

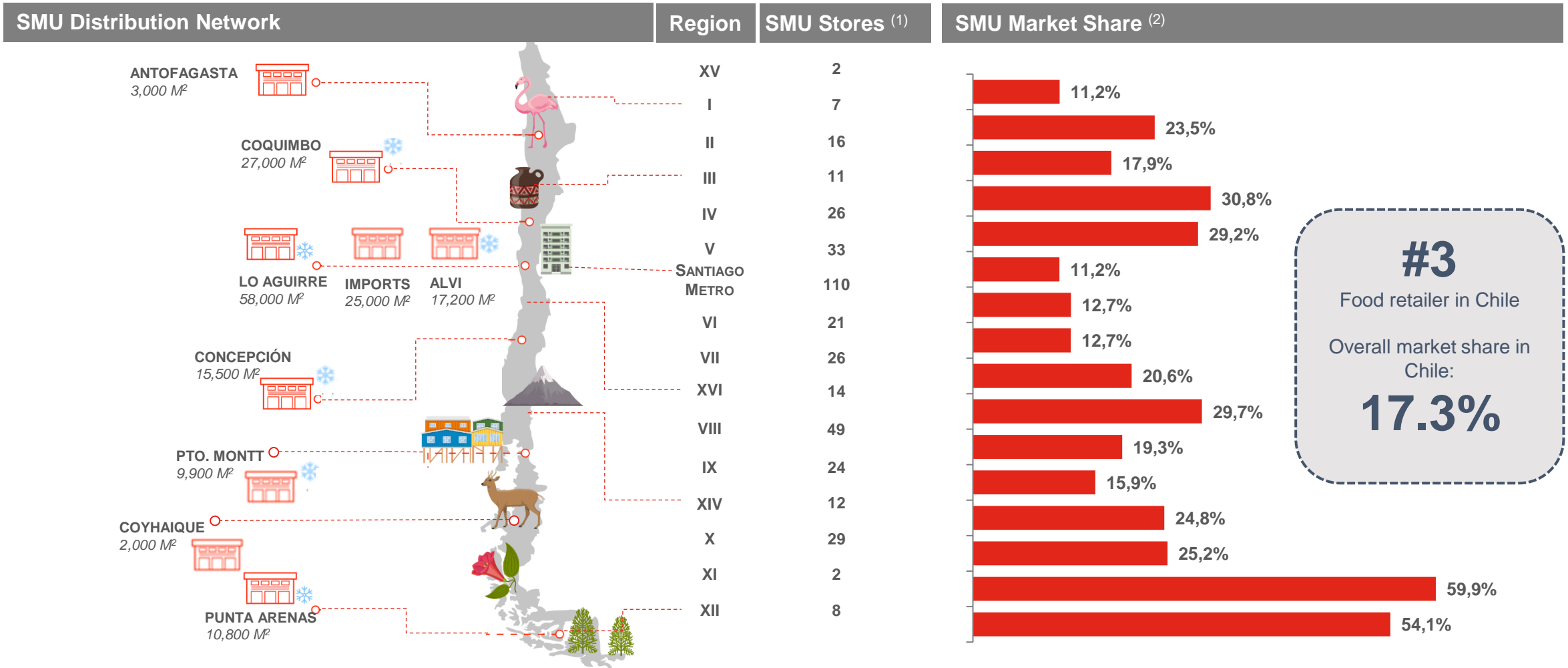
**3,000**  
Average SKUs





# Geographic Coverage

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



**#3**  
Food retailer in Chile  
Overall market share in Chile:  
**17.3%**

(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

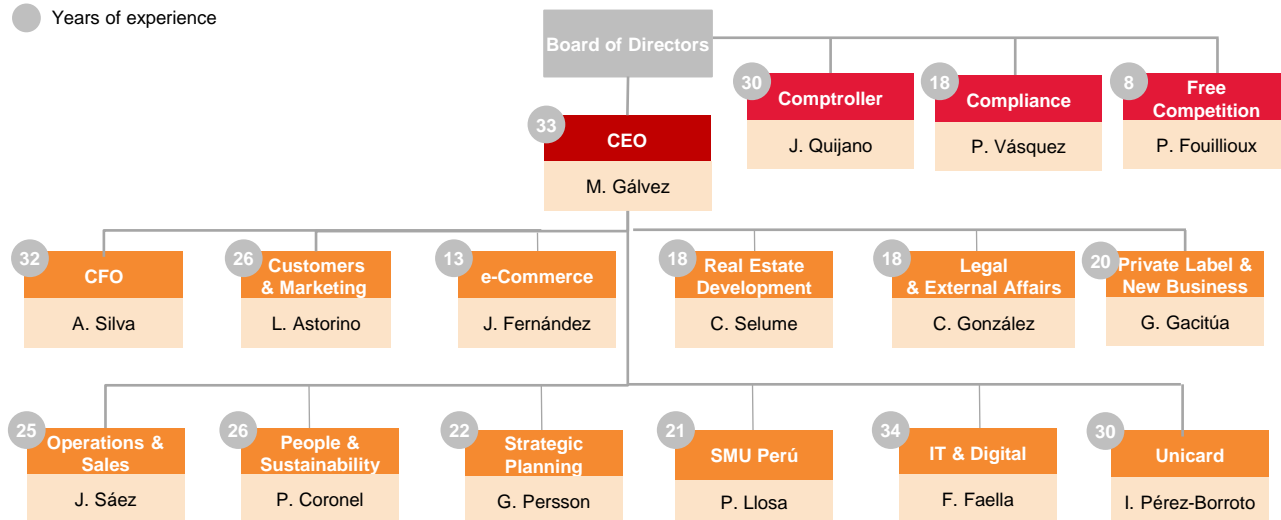
- Promotions and pricing
- Attractive assortment, based on customer preferences
- Private label growth
- Supplier development



## Experienced and stable management team with ample industry expertise

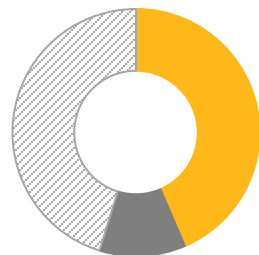
### Experienced Management Team

● 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 SOLARI C.  
DIRECTOR



ANDRÉS OLIVOS B.  
DIRECTOR



ALEJANDRO DANÚS  
INDEPENDENT DIRECTOR



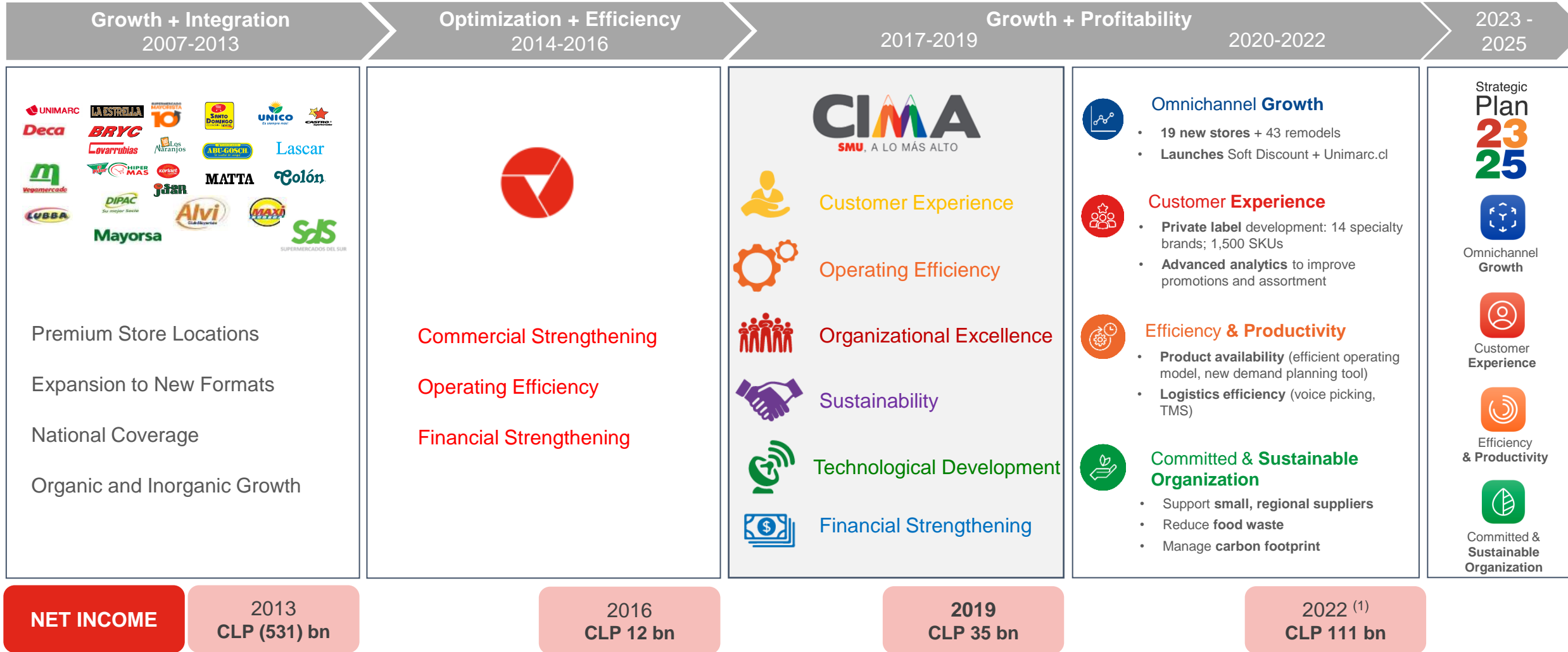
ENRIQUE GUNDERMANN  
INDEPENDENT DIRECTOR



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

## 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 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

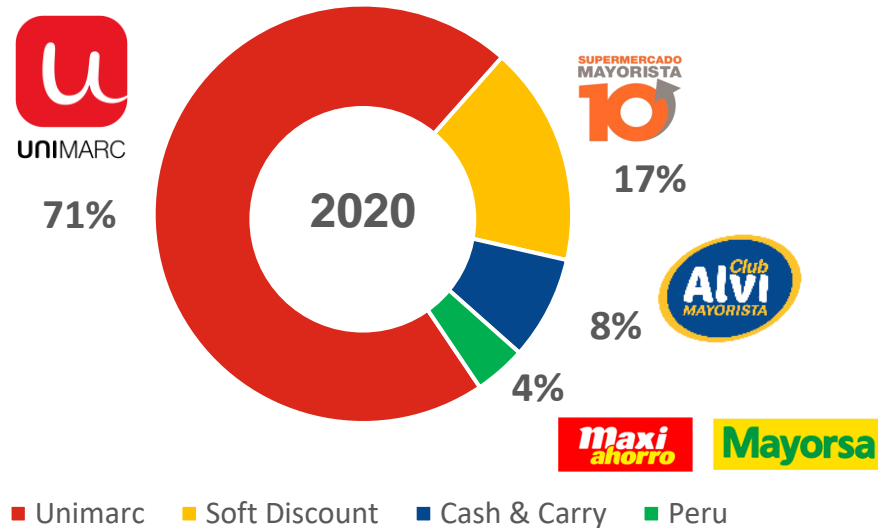
Significant organic growth opportunities, in line with global trends (cash & carry and soft discount)

Strategic  
Plan  
**23**  
**25**

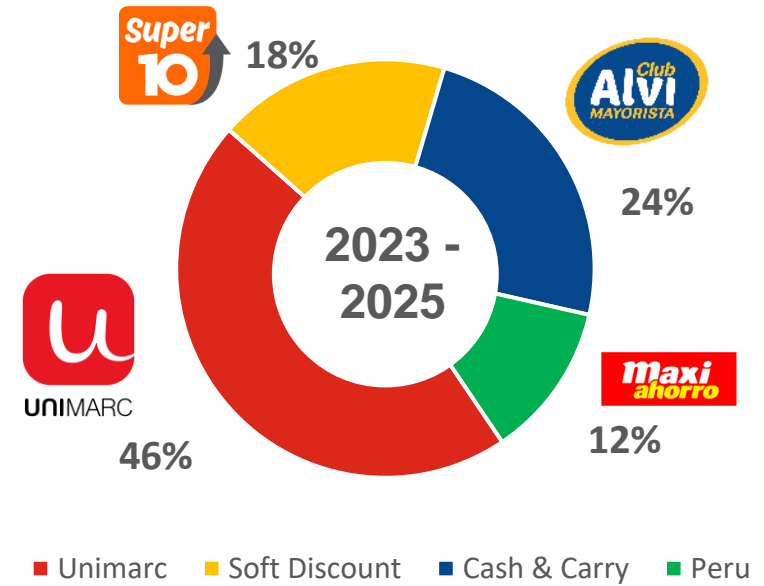
Organic  
growth  
plan for  
2023-2025

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

Share of Selling Space by Format



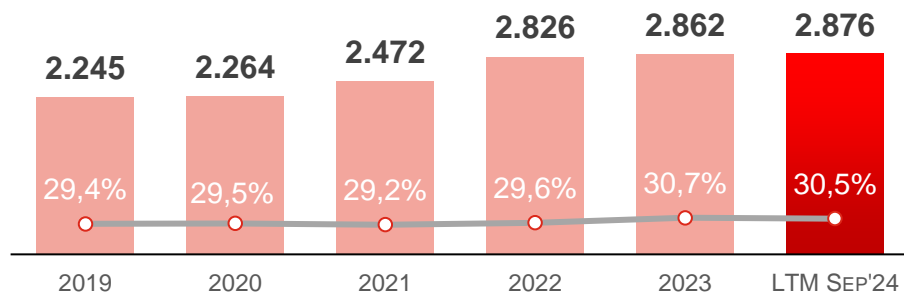
Share of New Sq. Meters by Format



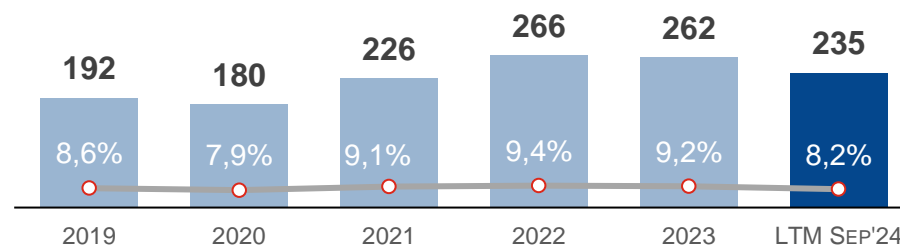
## Financial Position

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

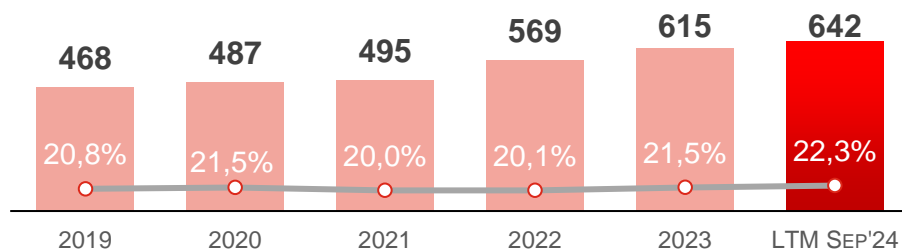
**Revenue and Gross Margin <sup>(1)</sup>**  
(CLP Bn; %)



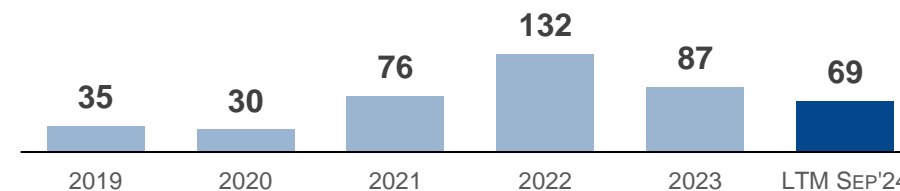
**EBITDA and EBITDA Margin <sup>(1,3)</sup>**  
(CLP Bn; %)



**Operating Expenses and OPEX Margin <sup>(1,2)</sup>**  
(CLP Bn; %)



**Net Income <sup>(4)</sup>**  
(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.

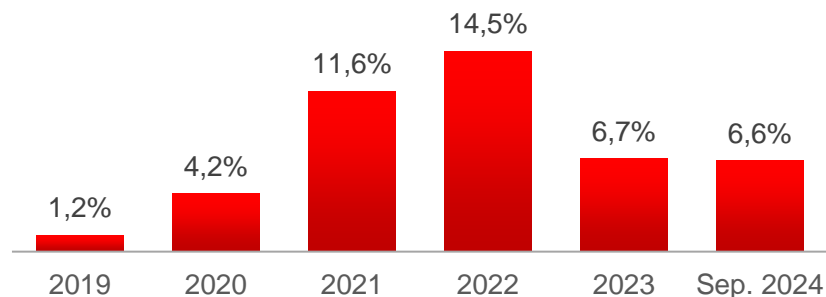
(3) EBITDA = Gross profit - administrative expenses - distribution costs + depreciation + amortization

(4) Net income for 2022 includes the non-recurring impact of the sale of OK Market (CLP 20.5 Bn)

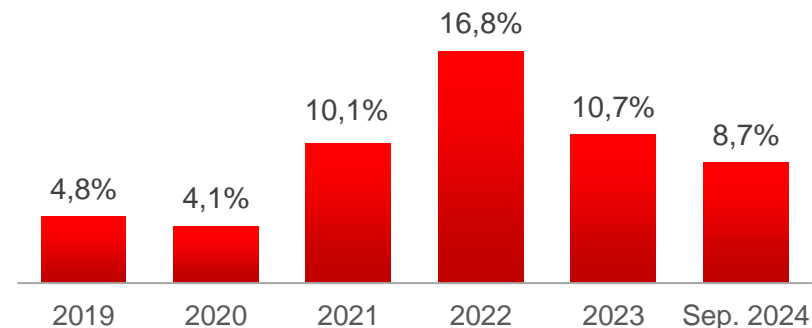
## Financial Position

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

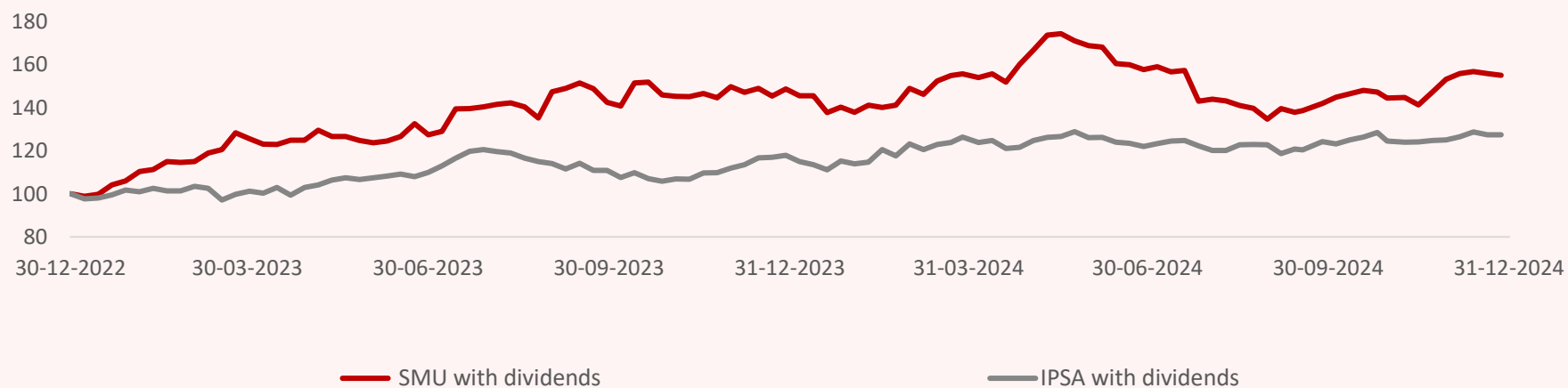
**Dividend Yield <sup>(1)</sup>**



**Return on Equity <sup>(2)</sup>**



**SMU Share Price vs. IPSA (Base 100)**

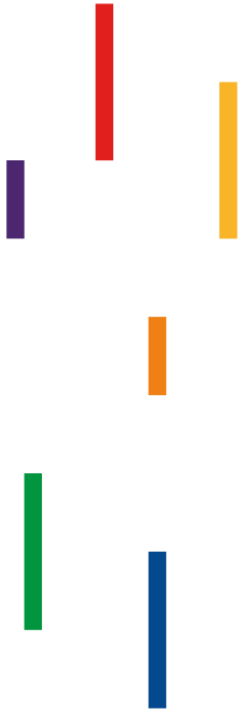


(1) Dividend Yield = Dividends paid during last 12 months / share price at period end.

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

# Appendix 1:

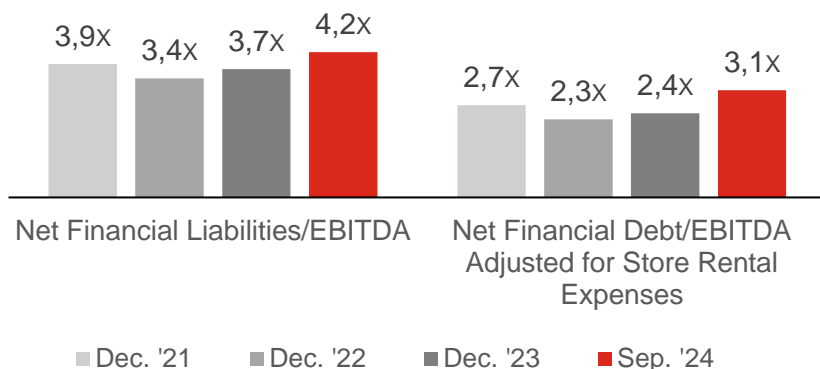
## Financial Position



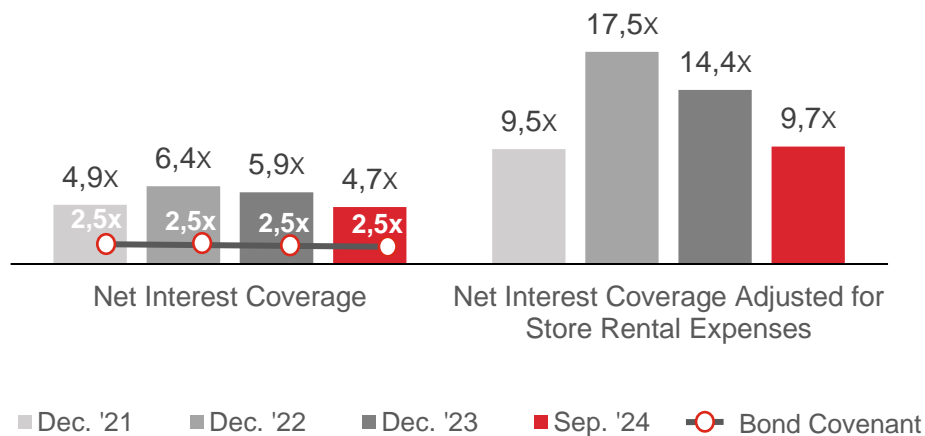
## Financial Position

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

### Net Financial Liabilities / EBITDA <sup>(1) (2) (3)</sup>

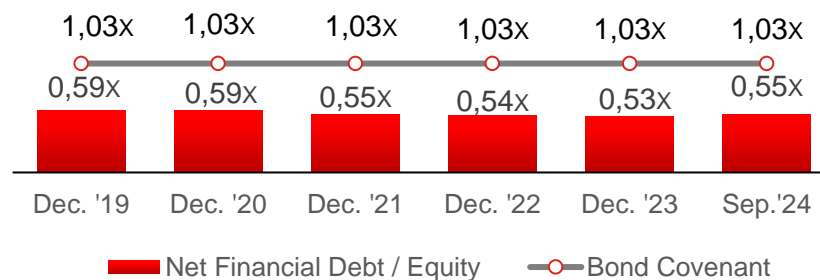


### Net Interest Coverage <sup>(4) (5)</sup>



- (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)

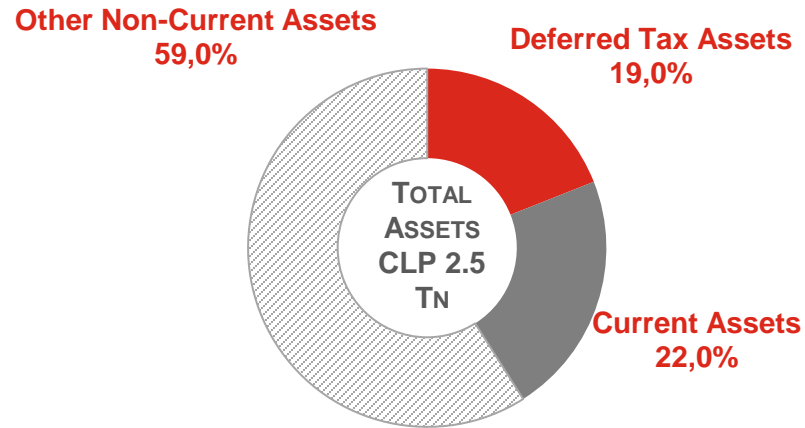
### Net Financial Debt / Equity



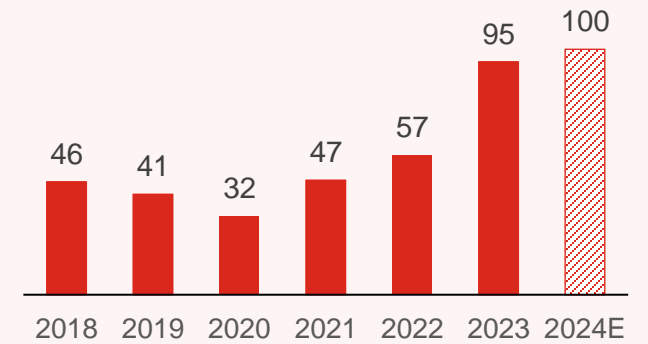
## Financial Position

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

### Net Operating Losses – Sep. 2024



### CAPEX (CLP Bn)



### Highlights:

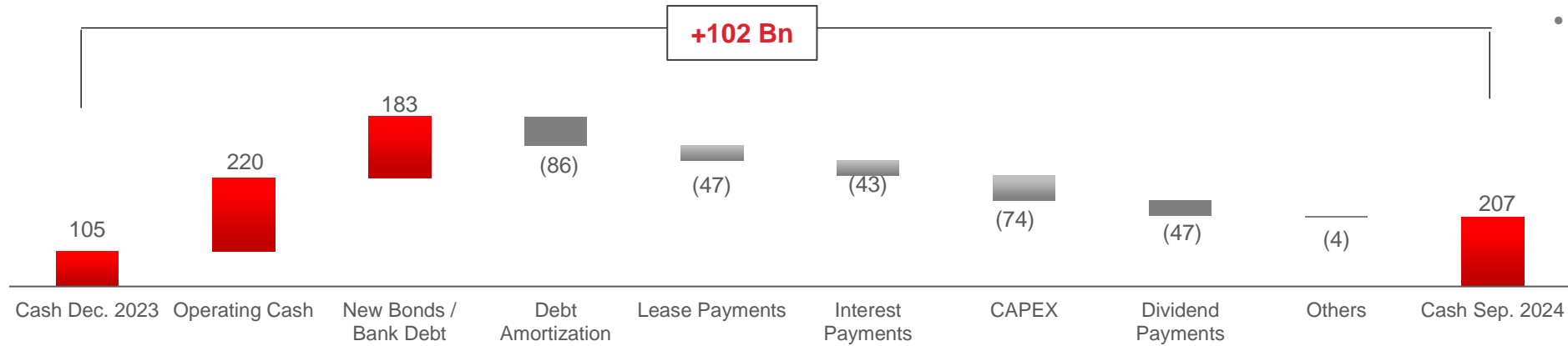
- SMU has accumulated Net Operating Losses (NOLs) backing a deferred tax asset from tax losses recorded at CLP 471 Bn
- Chilean law allows companies to carry losses forward indefinitely, offsetting future income taxes
- No annual limit on the utilization of tax losses in Chile
- NOLs are adjusted annually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



## Financial Position

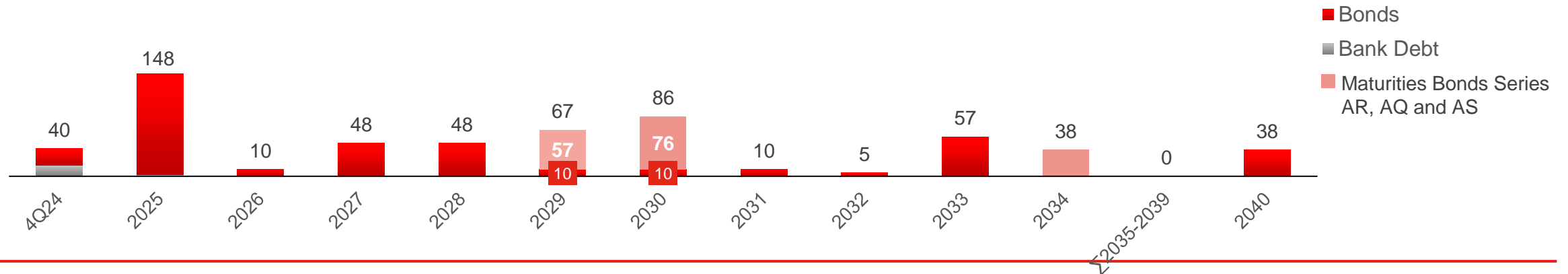
**Solid cash position** provides flexibility to meet financial obligations, finance capex, and pay dividends, with recent bond placements further contributing to a **comfortable debt maturity profile** for coming periods

### Cash Flow 9M24 (CLP Bn)



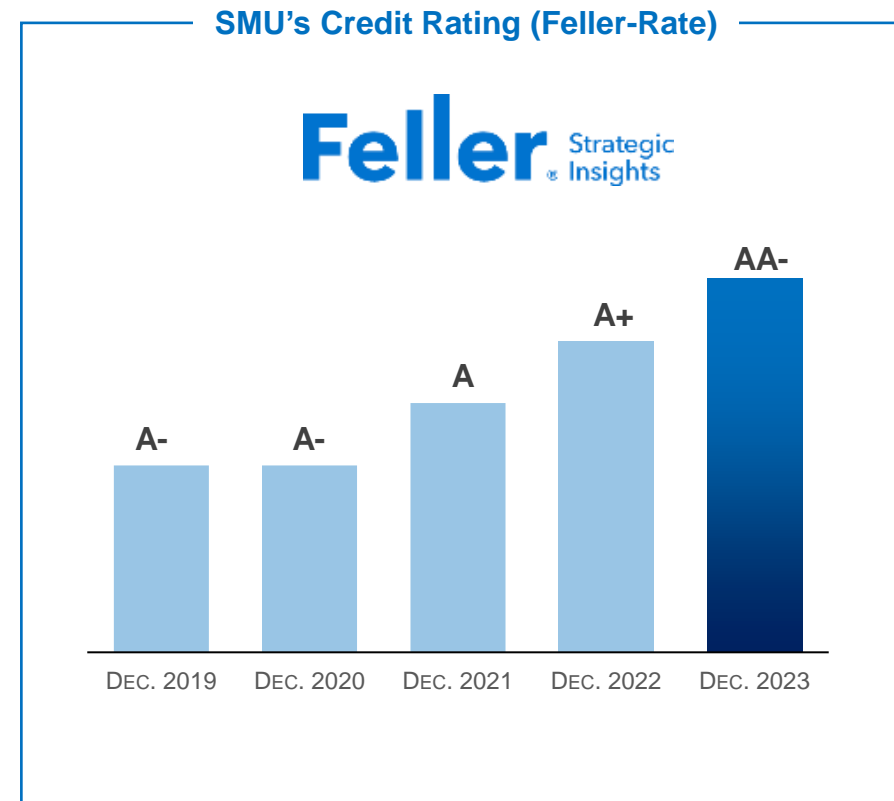
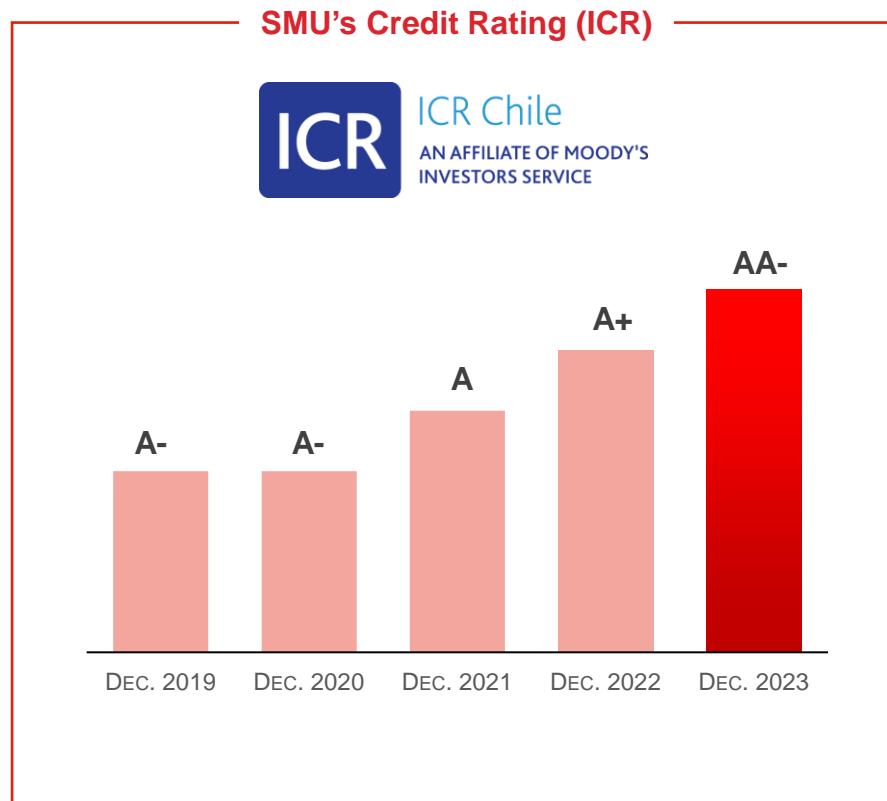
- Refinancing strategy has generated a cash surplus of CLP 160 Bn, providing flexibility to cover bond and bank maturities in 4Q24 + 2025 (CLP 190 Bn)

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



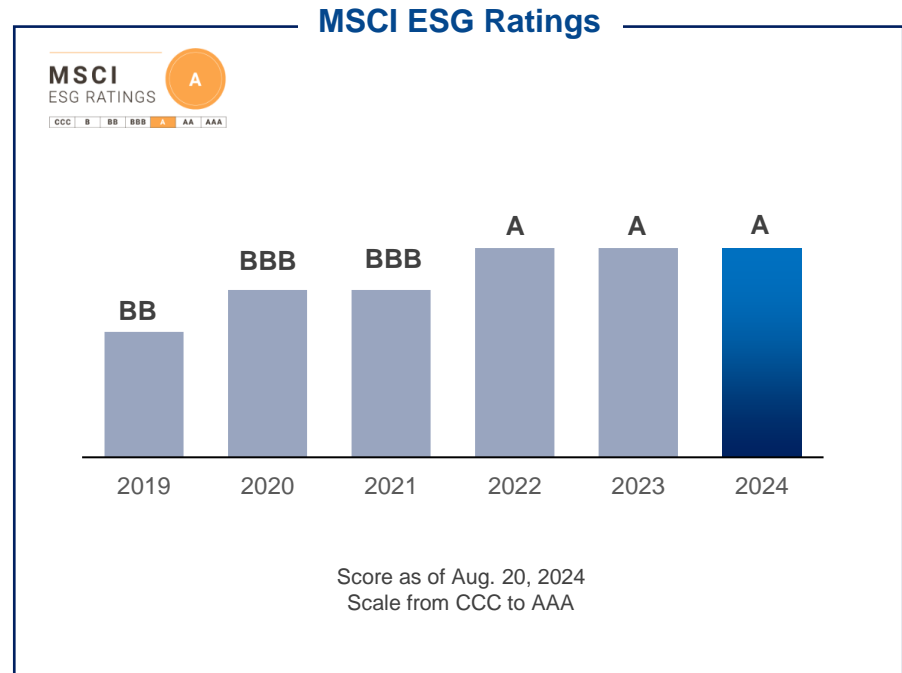
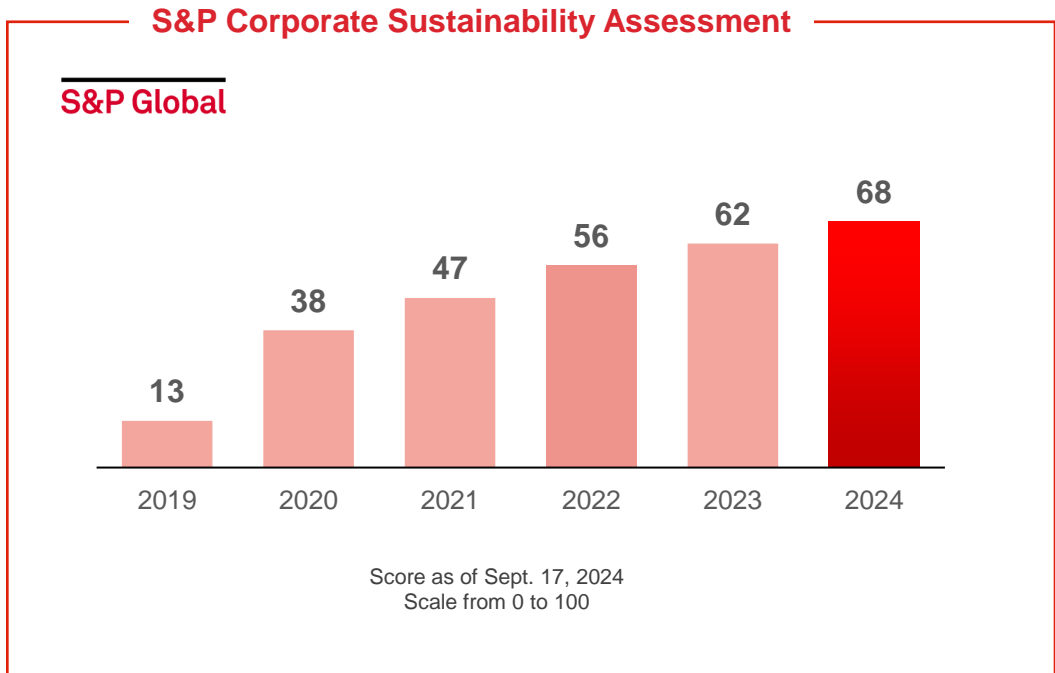
## Financial Position

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



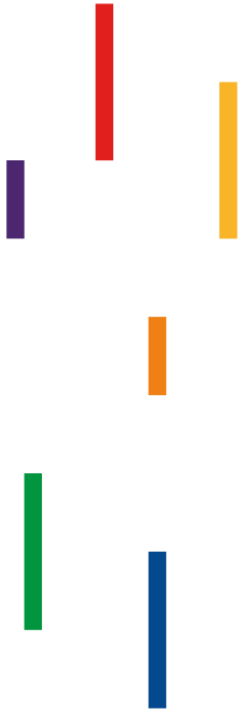
# Sustainability

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			
Plan	26	9	8	15
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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**



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  
25



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



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  
25



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



# Corporate Presentation

SMU S.A.

February 2025

