

Corporate Presentation

SMU S.A.

October 2024



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.

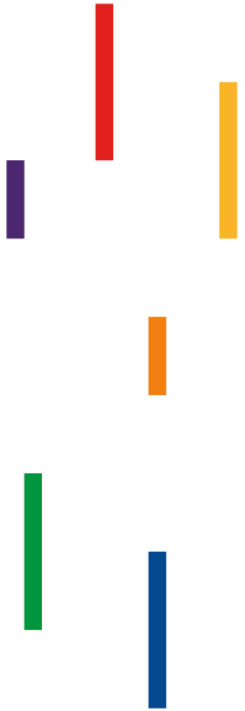
By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. In light of the risks and uncertainties described above, the forward-looking 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.

CONTENTS

1. **Company Overview**

2. Company Strategy

3. Financials



Leading food retailer in Chile, with multiple formats
and broad market coverage in a defensive industry



+10 MM
Deep insight into customer base

US\$ 3 bn annual revenue



Multiple Formats



23,000 employees
65% WOMEN 35% MEN

98% of sales
Defensive industry with focus on food

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

SMU Today Our Formats

Multiple formats provide broad coverage of all socioeconomic segments and all 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)

67
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)

30
Stores

2%
of revenue

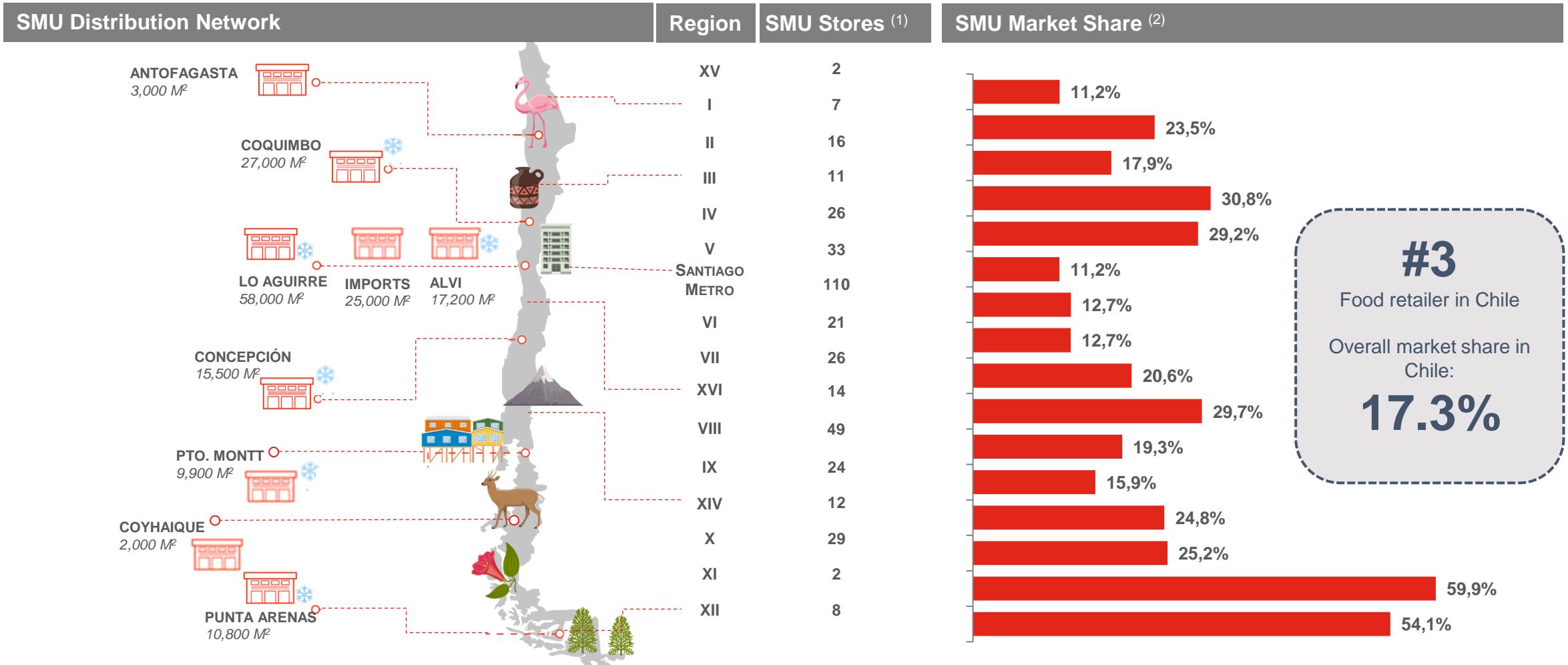
600
Average size (m2)

3,000
Average SKUs

Number of stores as of September 2024.

SMU Today Geographic Coverage

100% coverage of Chile with leading position in several regions, supported by integrated operating 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.

Loyalty programs provide insight that allows us to better understand our more than 10 million customers and respond to their changing needs and preferences

Club
UNIMARC



Regístrate aquí y disfruta los descuentos del Club Unimarc en viajes, restaurantes, entretenición y mucho más!



Ahorro y beneficios

¡altiro!

Regístrate en el Club Unimarc y disfruta los descuentos en viajes, restaurantes, entretenición y mucho más!

YA ES MOMENTO DE UNAS VACACIONES... ¿UN VIAJECITO? ¡altiro!

Fin de semana largo

Hasta **30%* dcto.** EN PASAJES NACIONALES E INTERNACIONALES

JetSMART

¡APROVECHA ALTIRO!

¿Y SI COMEMOS ALGO RICO? ¡altiro!

Nuevo beneficio!

Desde **20%* dcto.** RESTAURANTES SELECCIONADOS

¡Galletita (para comerse)

Desde **20%* dcto.** TOLOLO PRM PR

DISFRUTA TAMBIÉN ESTOS RESTAURANTES

DESCUBRE ESTAS OFERTAS CLUB UNIMARC ¡altiro!

BAJA LA APP Y AHORRA MÁS PARA TU NEGOCIO

Descuento en lo que **TÚ** siempre compras.

MÁS promociones al alcance de tu mano.

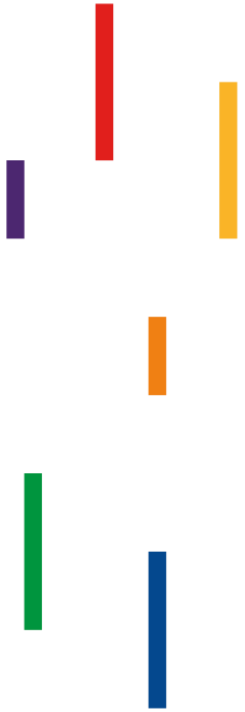
DESCARGALA GRATIS EN

Disponible en el App Store | Disponible en Google Play



CONTENTS

1. Company Overview
- 2. Company Strategy**
3. Financials



SMU Strategy Our History

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



NET INCOME

2013
CLP (531) bn

2016
CLP 12 bn

2019
CLP 35 bn

2022 ⁽¹⁾
CLP 111 bn

(1) Excludes impact of sale of OK Market

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

				
Plan	26	9	8	15
Progress	16	3	5	4

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 **25% 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 of 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 of 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



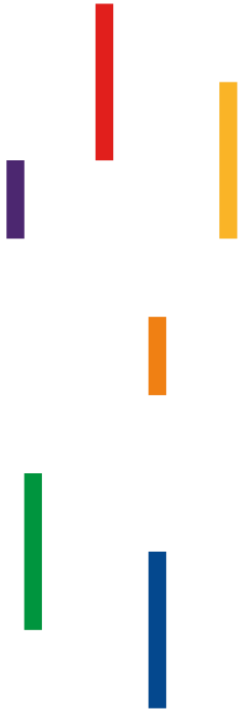
✓ **11.3%** increase in tons of food waste avoided in 2023 vs. 2022, through *Pronto Consumo* and donation programs

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



CONTENTS

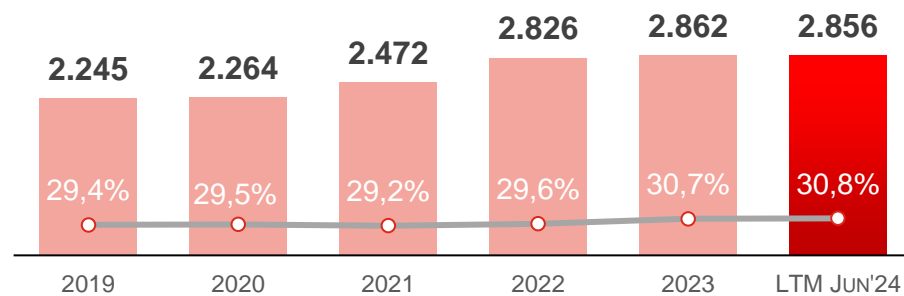
1. Company Overview
2. Company Strategy
- 3. Financials**



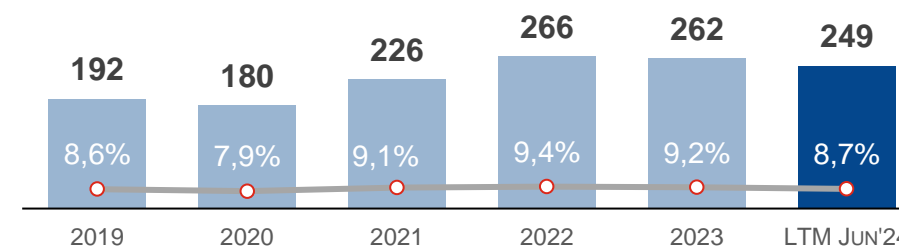
Financial Position

Solid performance in revenue, gross margin, EBITDA, EBITDA margin, and net income, with a **focus on profitability**

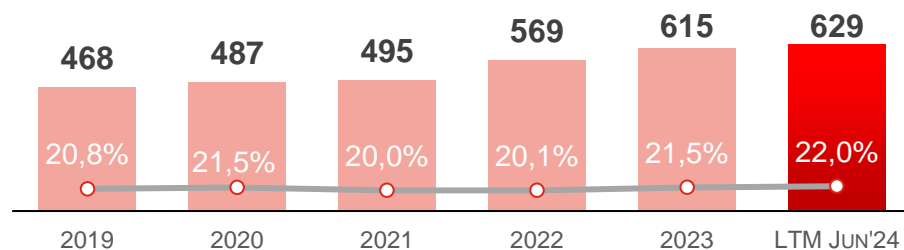
Revenue and Gross Margin ⁽¹⁾
(CLP Bn; %)



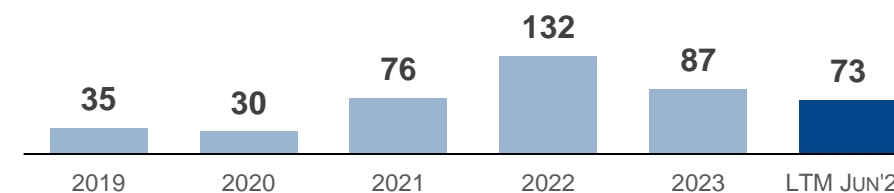
EBITDA and EBITDA Margin ^(1,3)
(CLP Bn; %)



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



Net Income ⁽⁴⁾
(CLP Bn)

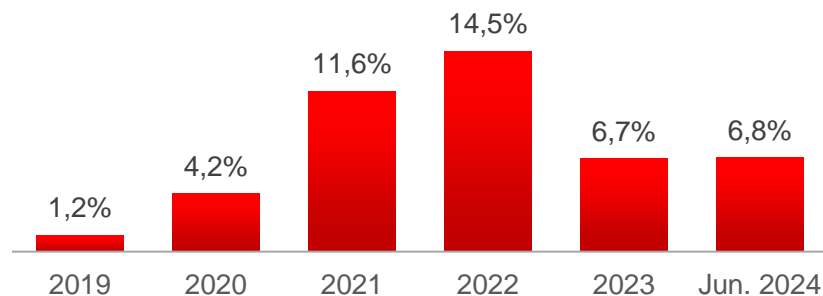


(1) Revenue, operating expenses, and EBITDA exclude OK Market in all periods.
 (2) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization.
 (3) EBITDA = Gross profit - administrative expenses - distribution costs + depreciation + amortization
 (4)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

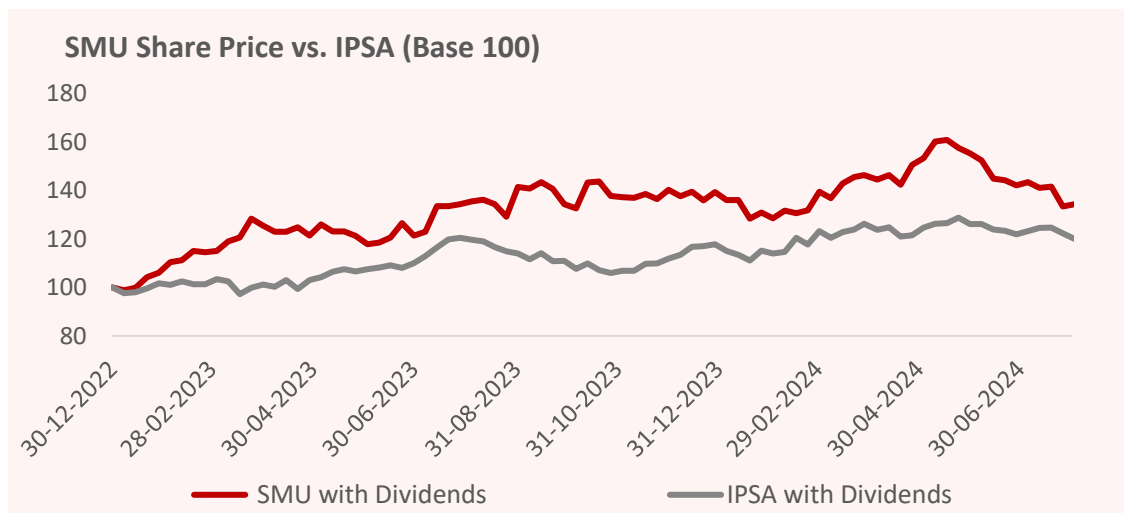
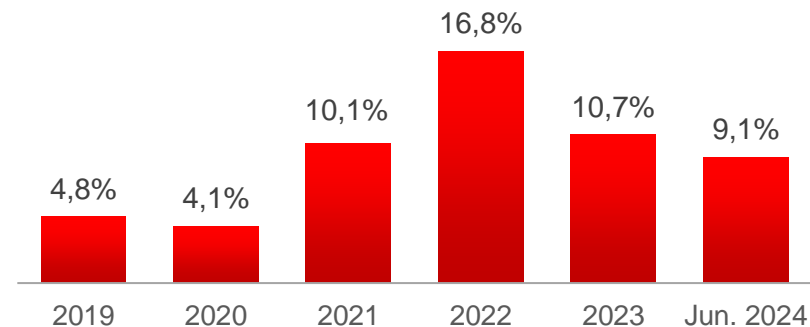
Financial Position

Total profitability for SMU's share price in 2023 was 50%, outperforming the IPSA

Dividend Yield ⁽¹⁾



Return on Equity ⁽²⁾



- Dividend policy: 75% of net income

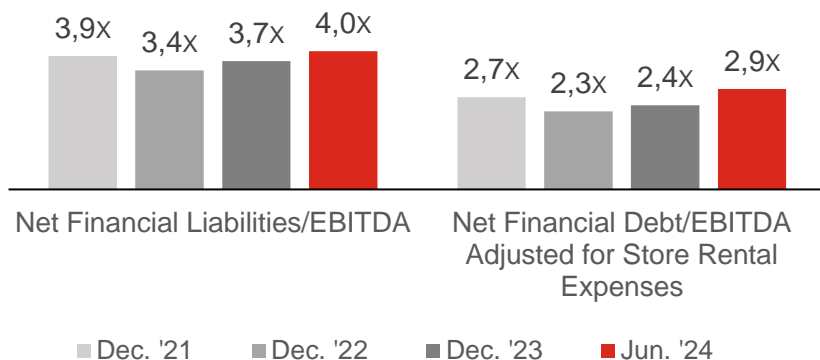
(1) Dividend Yield = Dividends paid during last 12 months / share price at period end.

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

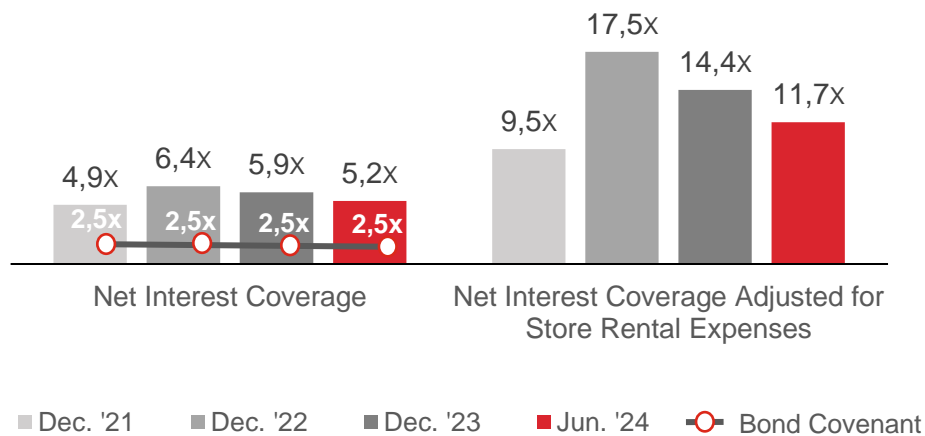
Financial Position

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)}

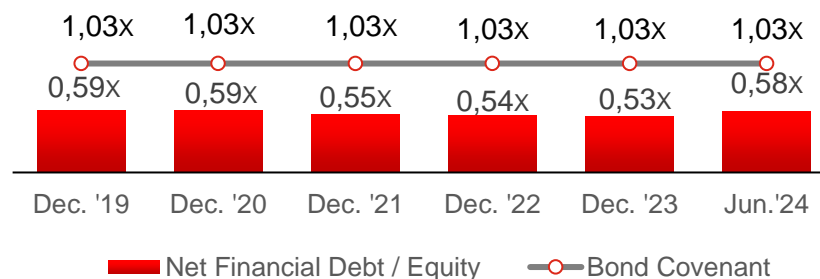


Net Interest Coverage ^{(4) (5)}



- (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)

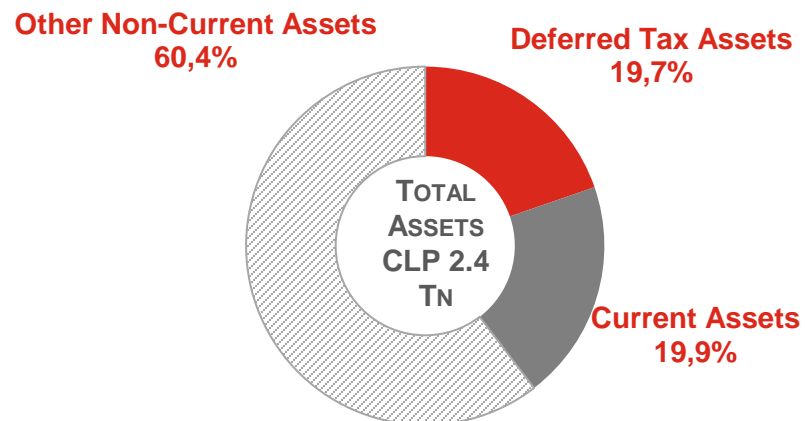
Net Financial Debt / Equity



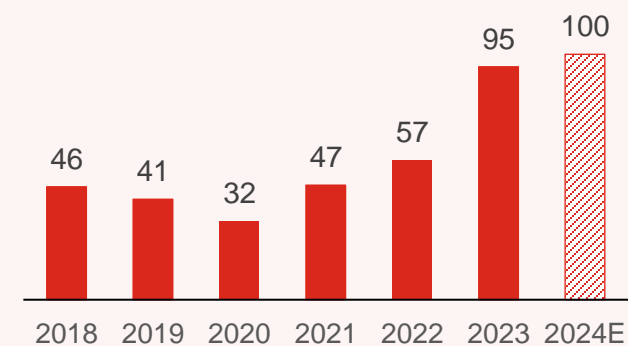
Financial Position

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

Net Operating Losses – Jun. 2024



CAPEX (CLP Bn)



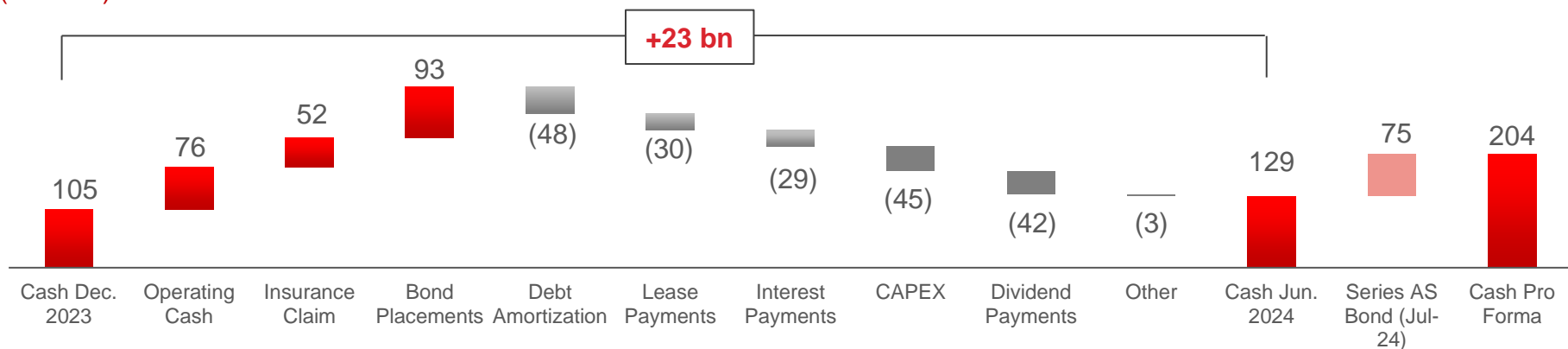
Highlights:

- SMU has accumulated Net Operating Losses (NOLs) backing a deferred tax asset from tax losses recorded at CLP 467 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

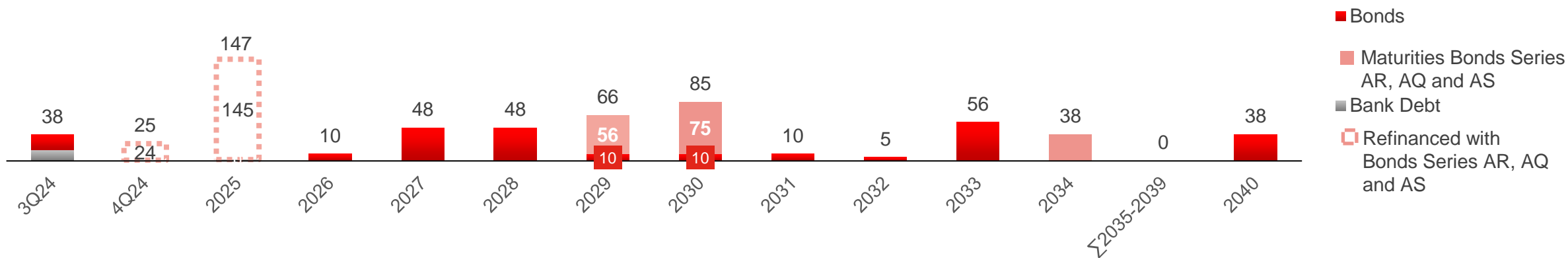
Solid cash position provides flexibility to meet financial obligations, finance capex, and pay dividends, with recent bond placements further contributing to a **comfortable debt maturity profile** for coming periods

Cash Flow 1H24
(CLP Bn)



- Ending cash balance of CLP 129 bn, well above minimum target (CLP 50 bn).
- Bond placement in July adds CLP 75 bn to cash balance

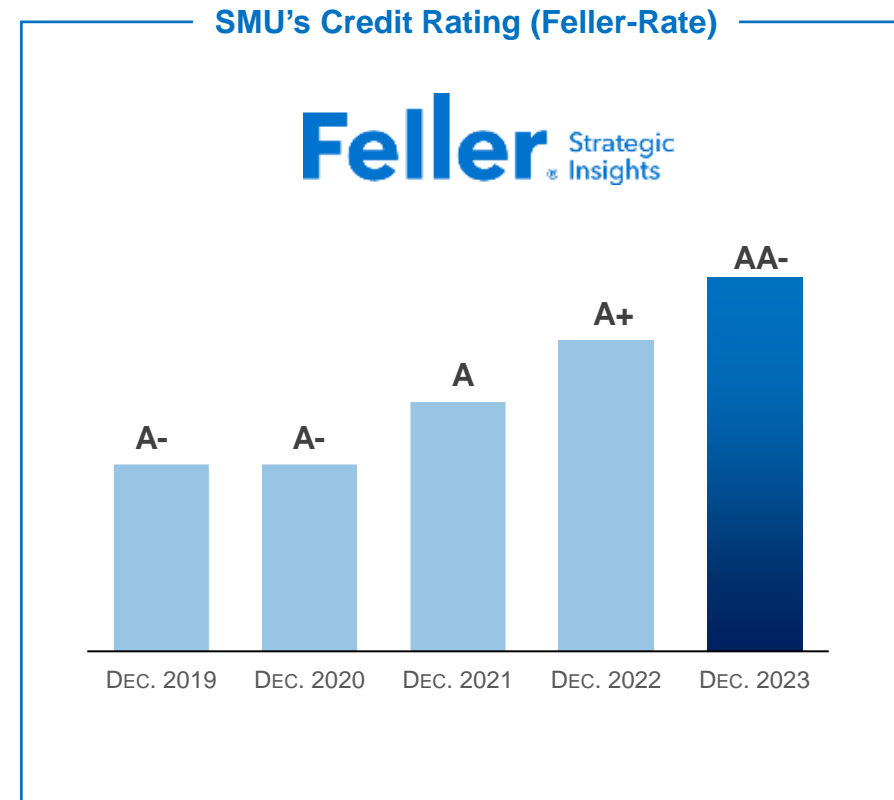
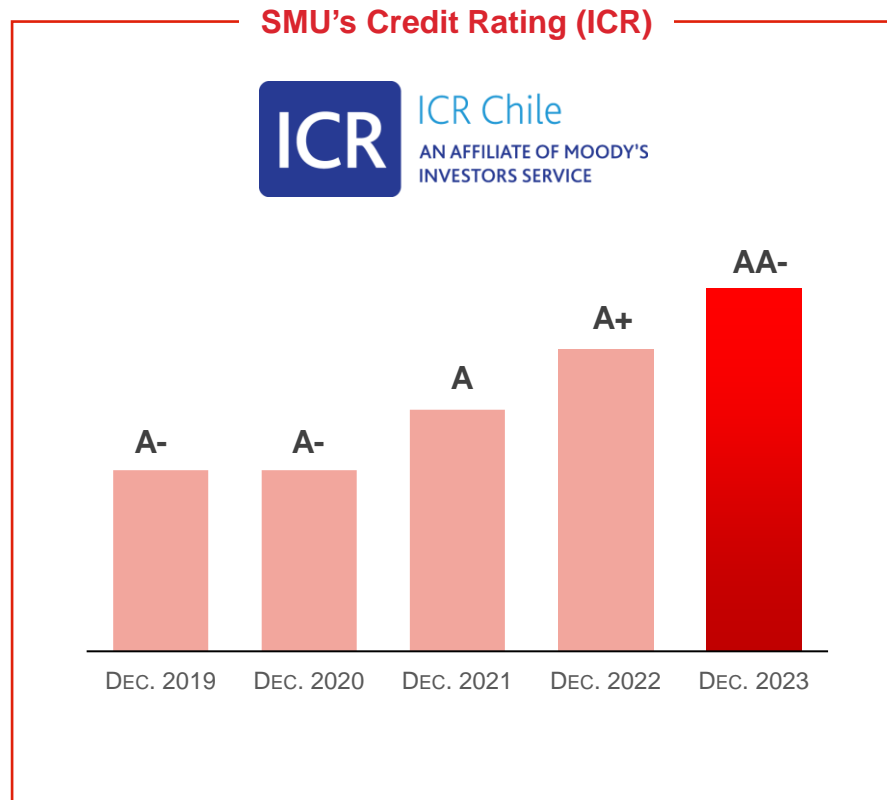
Debt Maturity Profile as of June 30, 2024, Pro Forma ⁽¹⁾
(Bonds and Bank Debt - CLP Bn)



(1) Pro forma includes placement of Series AS bonds (UF 2,000,000; 4.14%) on July 10, 2024.

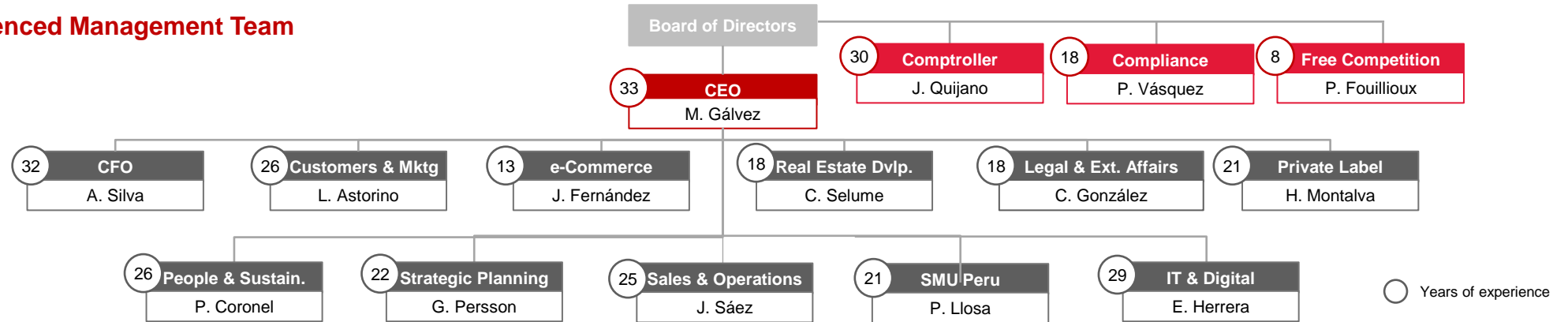
Financial Position

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

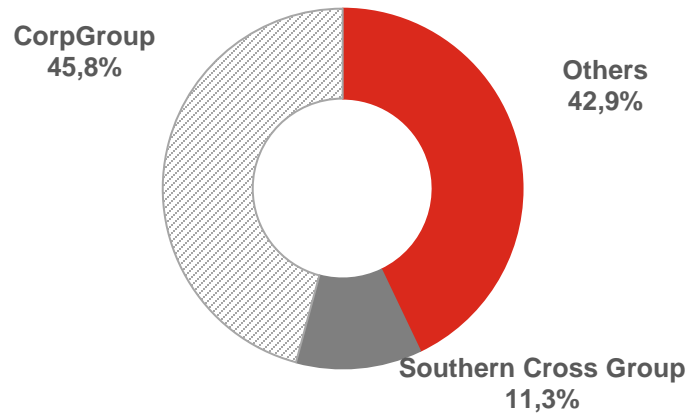


Experienced management team and a committed board of directors with ample industry expertise

Experienced Management Team



Ownership Structure (Sept. 30, 2024)

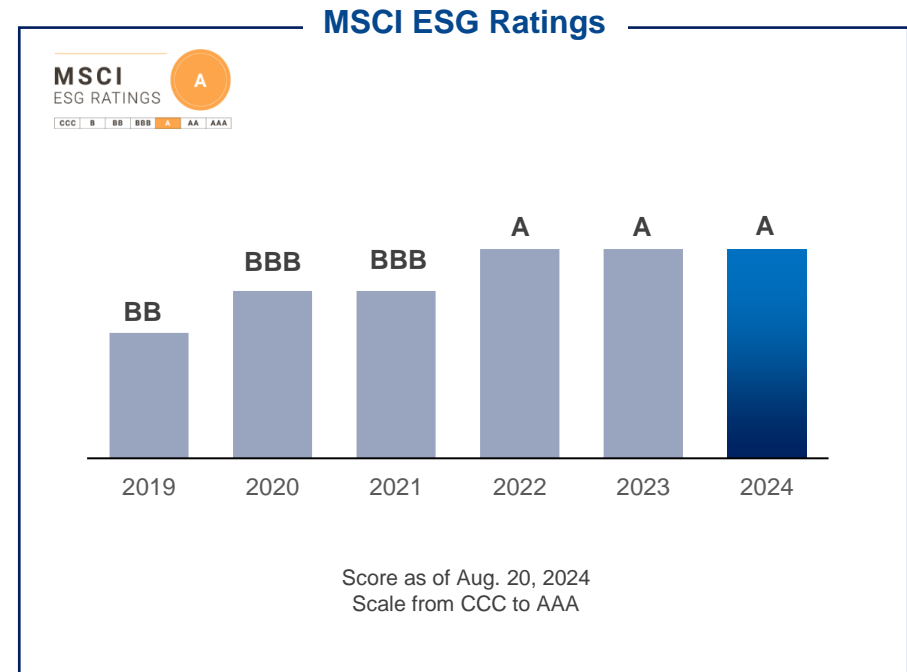
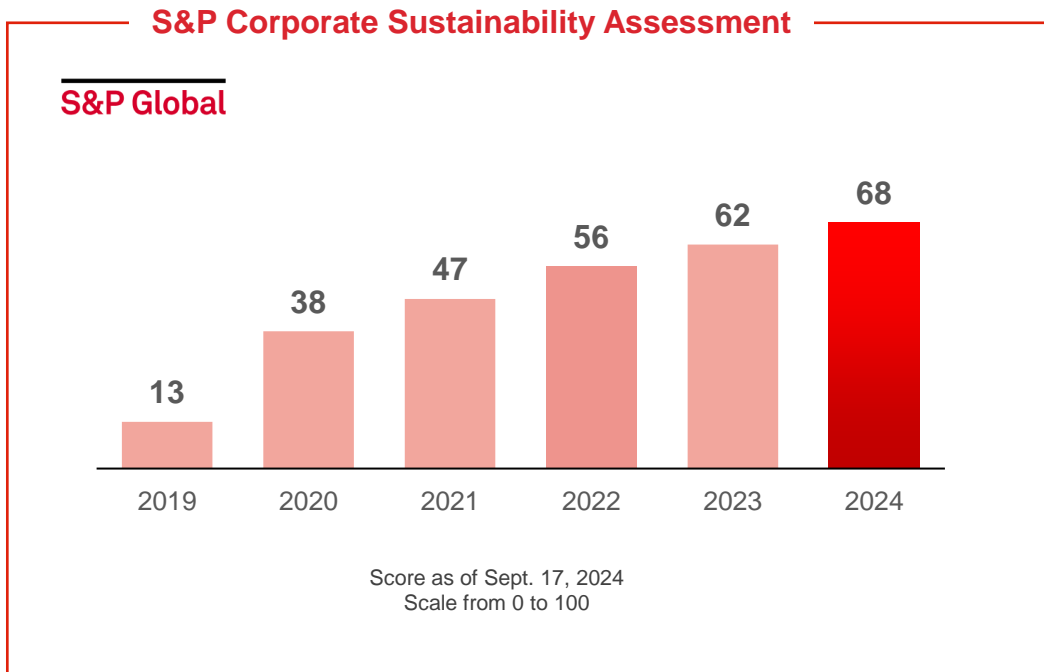


Board of Directors: Expertise in Diverse Industry Sectors

Name	Position	Sector Expertise
Pilar Dañobeitía E.	Chairwoman	Multisector
Francisca Saieh G.	Vice Chairwoman	Marketing & Consumer Design
Alejandro Álvarez A.	Director	Legal
Abel Bouchon S.	Director	Consumer & Retail
Alejandro Danús Ch.	Independent Director	Multisector
Fernando Del Solar C.	Director	Consumer & Retail
Enrique Gundermann W.	Independent Director	Consumer & Retail
Andrés Olivos B.	Director	Consumer & Retail
Raúl Sotomayor V.	Director	Multisector

Sustainability

We have strengthened our ESG performance and transparency, improving our ESG scores



Corporate Presentation

SMU S.A.

October 2024

