

# EARNINGS 2Q23



**SMU S.A.**

August 17, 2023

11:00 am ET / 11:00 am Chile



## 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.

2Q23  
Earnings

Strategic  
Plan  
23  
25



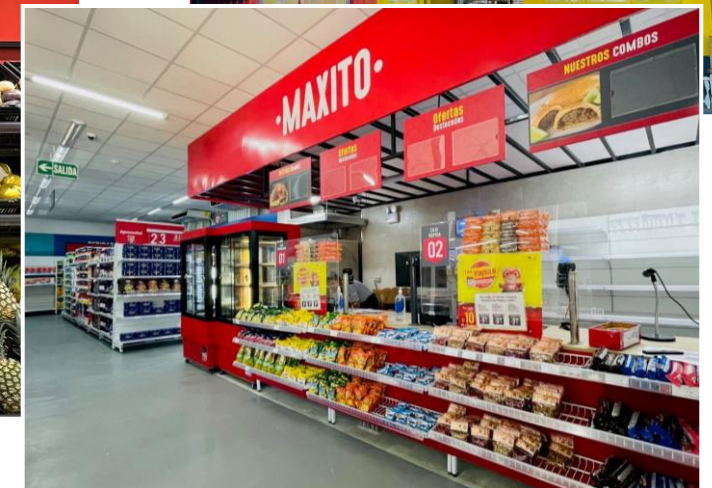
Omnichannel  
Growth

## Omnichannel Growth



## New Store Openings

- Three new Unimarc stores and one S10 reconversion, plus one Maxiahorro, in 2023 to date



## E-commerce

- Growth in sales and sales penetration
- Improvements in customer experience, including attractive promotions such as Cyber Day

**EL GRAN CYBERAZO**  
Exclusivo Internet

Hasta **60%** Productos Seleccionados  
OCTO

¡Lo quiero!

Descubre las cyber ofertas  
En este gran Cyberazo Unimarc

TODO EN CARNES    BEBIDAS Y LICORES    DESAYUNOS Y DULCES    NIÑOS Y BEBES    TODO PARA TU HOGAR    LIMPIEZA Y MAS

The banner features a purple background with white and pink text. It highlights a 60% discount on selected products for October. Below the main text, there are images of various Unimarc products including Babysec, Confor, and Royal Gard. At the bottom, there are six categories of products: CARNES, LICORES, DULCES, BEBES, HOGAR, and MAS.

## Innovative Promotional Activity

- Leveraging our expertise in implementing promotions, as our core commercial strategy
- More visibility for *Path to Savings* concept
- Synergies across formats



## Private Label Growth

- 80+ product launches in 1H23
- Strong performance from existing brands and products

My  
WAY



SANTO  
GUSTO



Como  
en Casa





## Efficiency & Productivity

- Ongoing implementation of technologies and operating models that improve efficiency, productivity, and customer experience
  - Self-service modules
  - Blue Yonder automated demand planning tool
  - Voice picking in new distribution centers
- New pilot program: Digital shelf management to monitor stock-outs, prices, and inventory



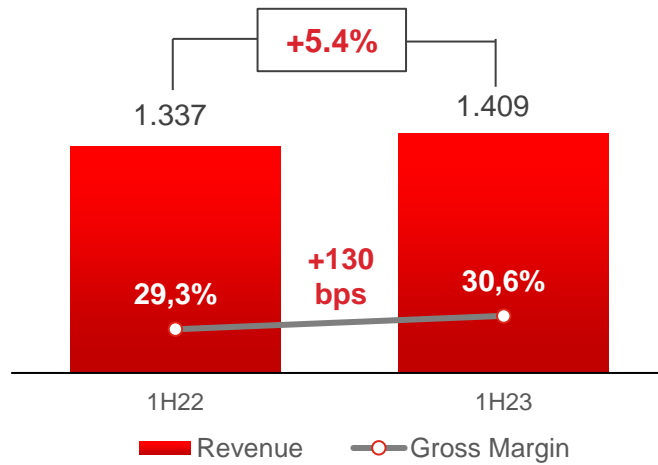
## Shared Value

- *Mi Compromiso PYME*: strengthening our commitment to small, local suppliers, by joining initiative led by *Unión Emprendedora* and EY
- *Gift card Unidos* campaign: supporting social organizations to make a positive impact on communities, in line with our Diversity and Inclusion Model

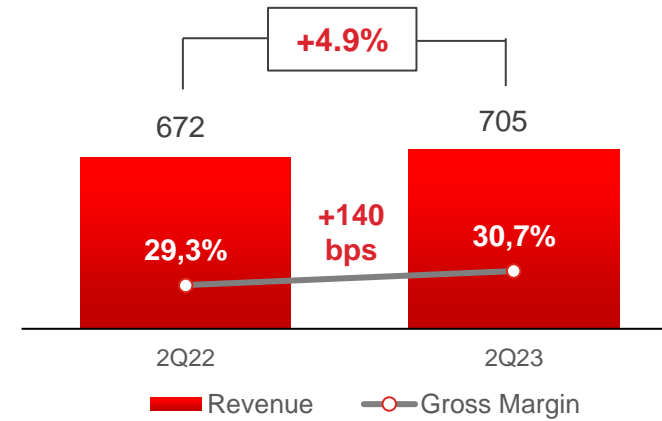




Revenue  
First Half; CLP Bn



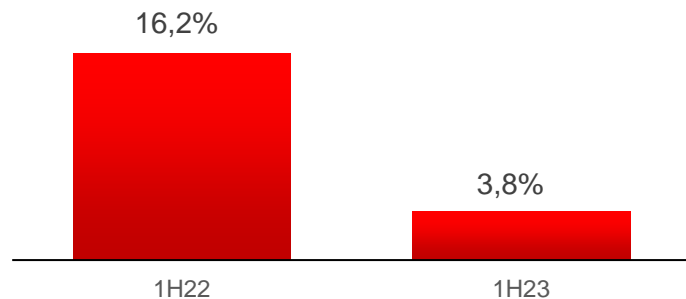
Revenue  
Second Quarter: CLP Bn



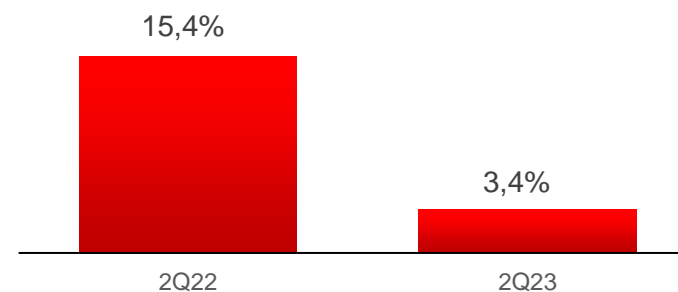
- Revenue growth despite high comparison base. Recovery in customer traffic continues, and new openings contribute to Unimarc growth
- Gross margin gains reflect improved commercial efficiency

**Same-Store Sales <sup>(1)</sup>**

**Same-Store Sales**  
First Half; % Change



**Same-Store Sales**  
Second Quarter; % Change

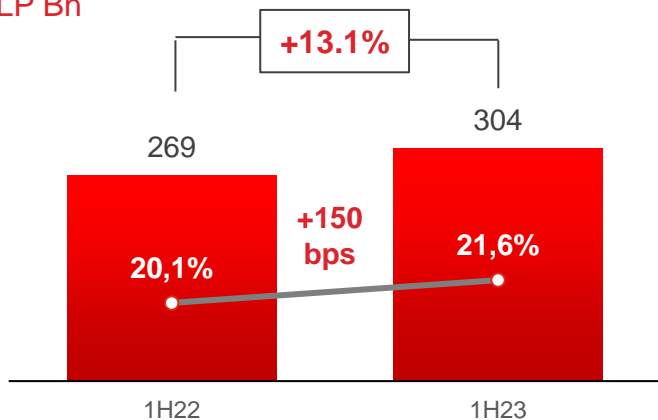


- High comparison base for SSS in 2022, especially in cash & carry segment (+26.9% in 2Q22)

(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.

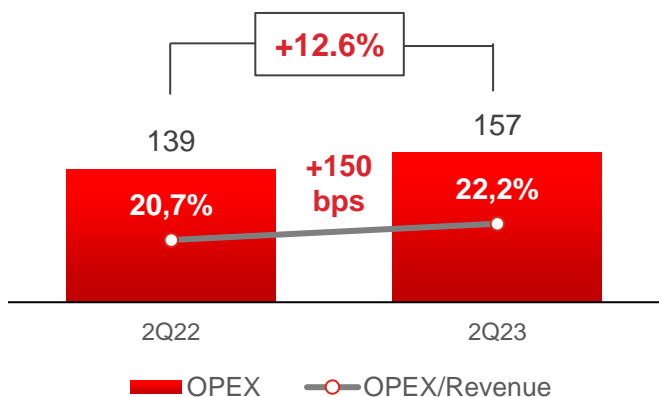
**Operating Expenses**

First Half; CLP Bn



**Operating Expenses**

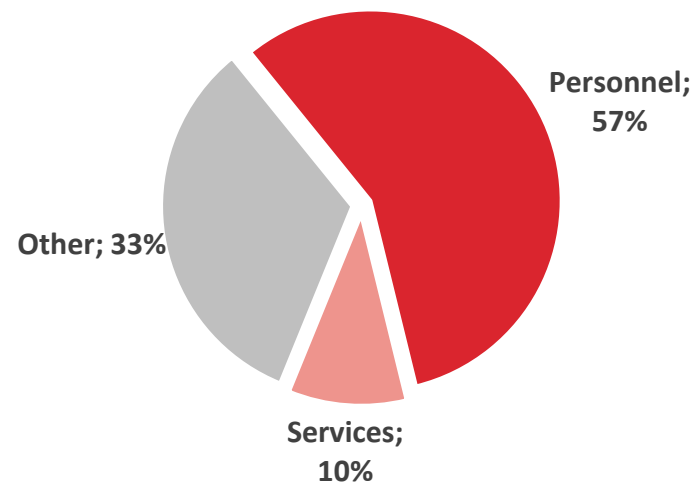
Second Quarter; CLP Bn



- Increase in operating expenses driven by accumulated annual inflation (12.5%) and higher minimum wage (16.7%)
- Personnel and service expenses account for 57% and 10%, respectively, of increase in opex in 1H23

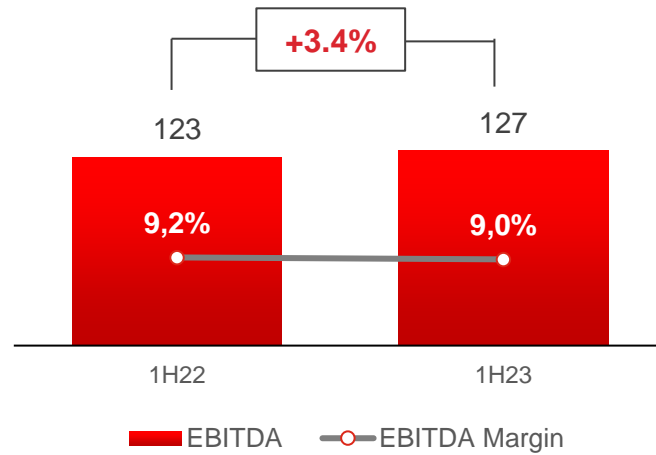
**Increase in Operating Expenses 1H23 vs 1H22: CLP 35 bn**

Share by account

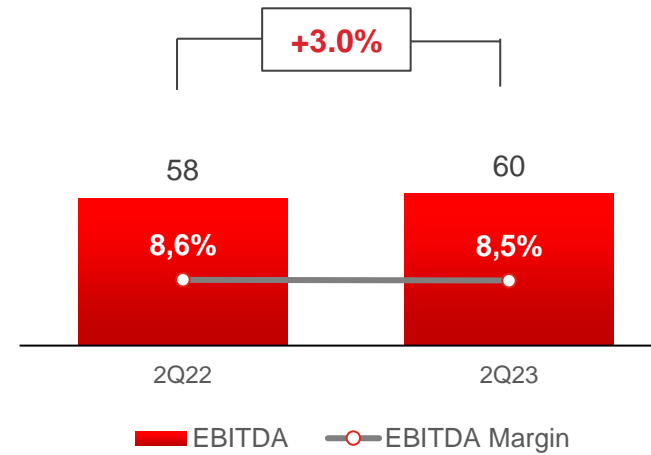


(1) Operating expenses: Sum of distribution and administrative expenses, excluding depreciation and amortization..

EBITDA  
First Half; CLP Bn

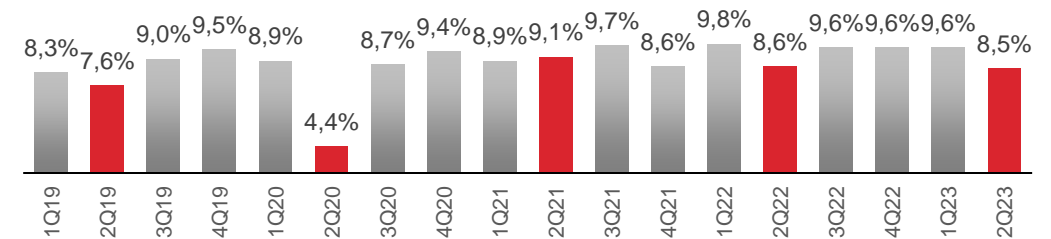


EBITDA  
Second Quarter; CLP Bn



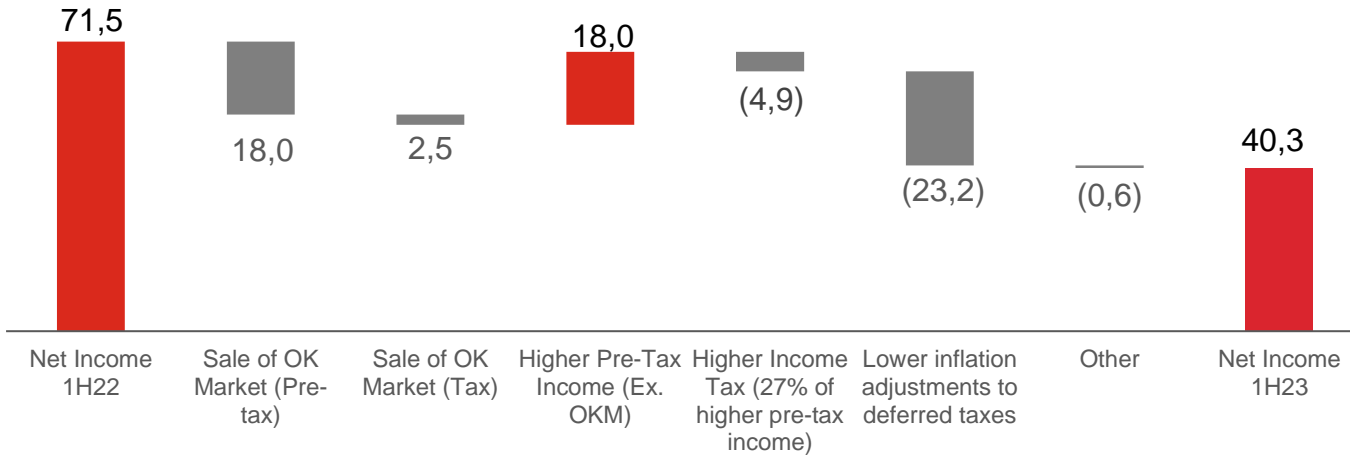
- EBITDA growth despite high comparison base in 2022
- EBITDA margin in line with 9% annual target
- 2Q EBITDA margin reflects seasonality of the business

Quarterly EBITDA Margin

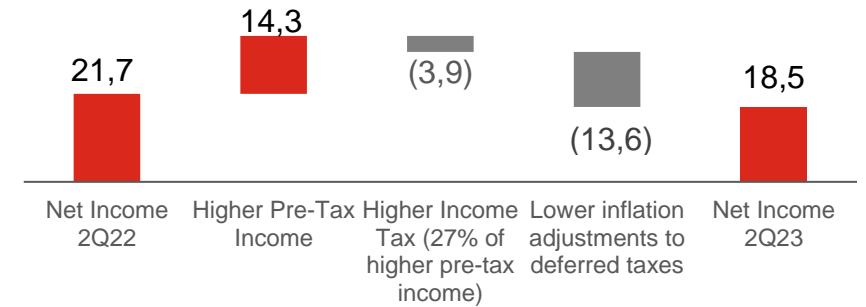


(1) EBITDA = Gross profit – administrative expenses – distribution costs + depreciation + amortization.

Net Income 1H23 vs. 1H22  
CLP Bn



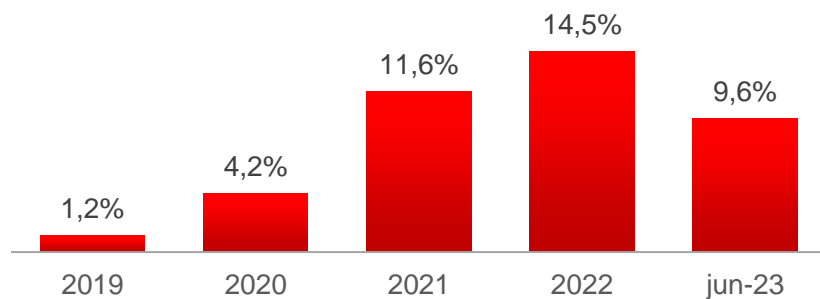
Net Income 2Q23 vs. 2Q22  
CLP Bn



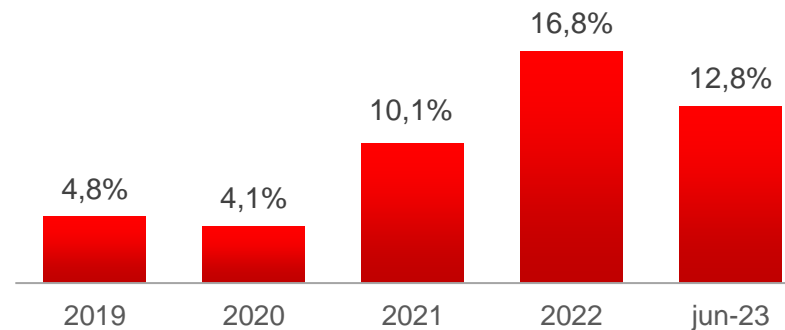
Year-over-year comparison affected by:

- Sale of OK Market in 1H22 (CLP 20.5 bn)
- Lower inflation adjustments to deferred taxes in 1H23 and 2Q23

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



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



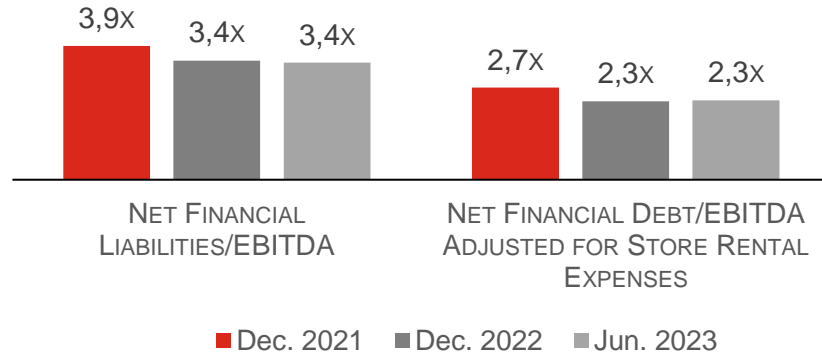
**SMU Share Price**



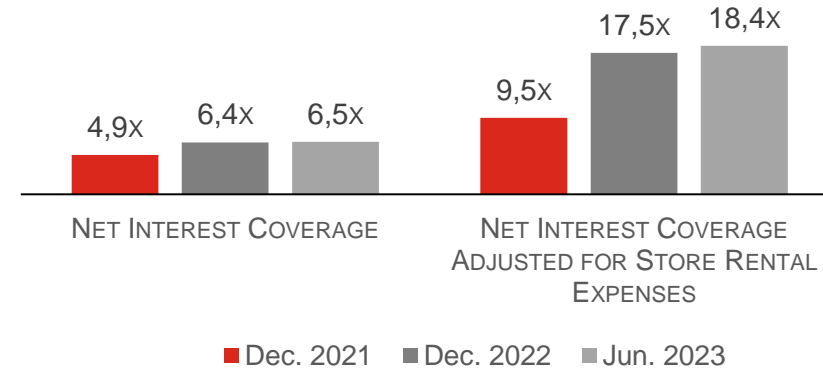
(1) Dividend Yield = Dividends paid during last twelve months / share price at period end.

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

**Net Financial Debt / EBITDA**



**Interest Coverage**



(1) Definitions:

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

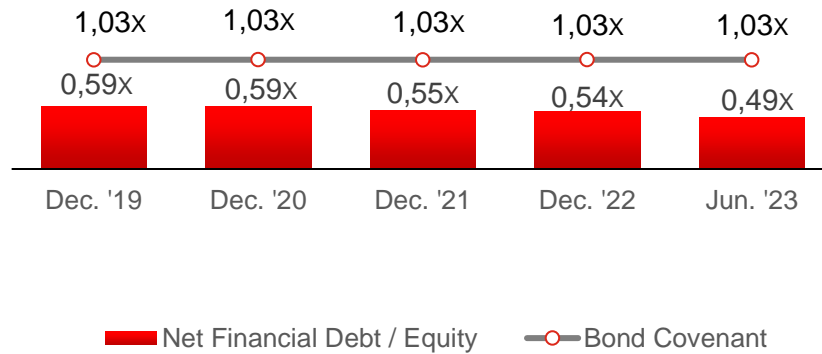
Net financial debt = other current and non-current financial liabilities – current and non-current obligations for rights of use - cash and cash equivalent

EBITDA adjusted for store rental expenses = EBITDA including store rental expenses not included in administrative expenses under IFRS

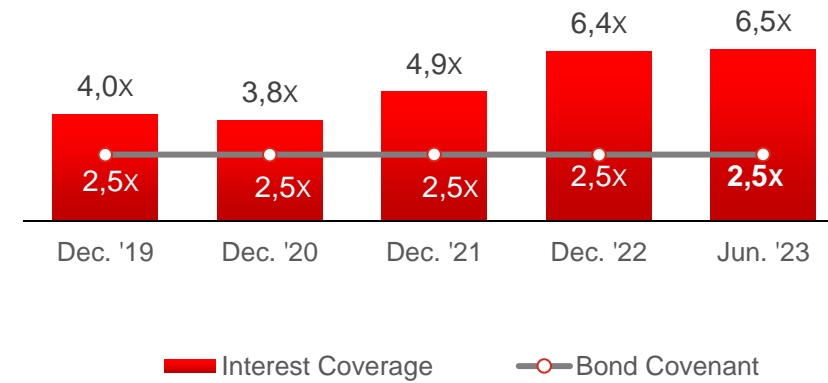
Net interest coverage = EBITDA for the last 12 months / (total financial expenses – total financial income)

Net interest coverage = EBITDA adjusted for store rental expenses/(total financial expenses – financial expenses for obligations for rights of use – total financial income)

**Bond Covenant: Net Financial Debt / Equity <sup>(2)</sup>**



**Bond Covenant: Interest Coverage <sup>(3)</sup>**

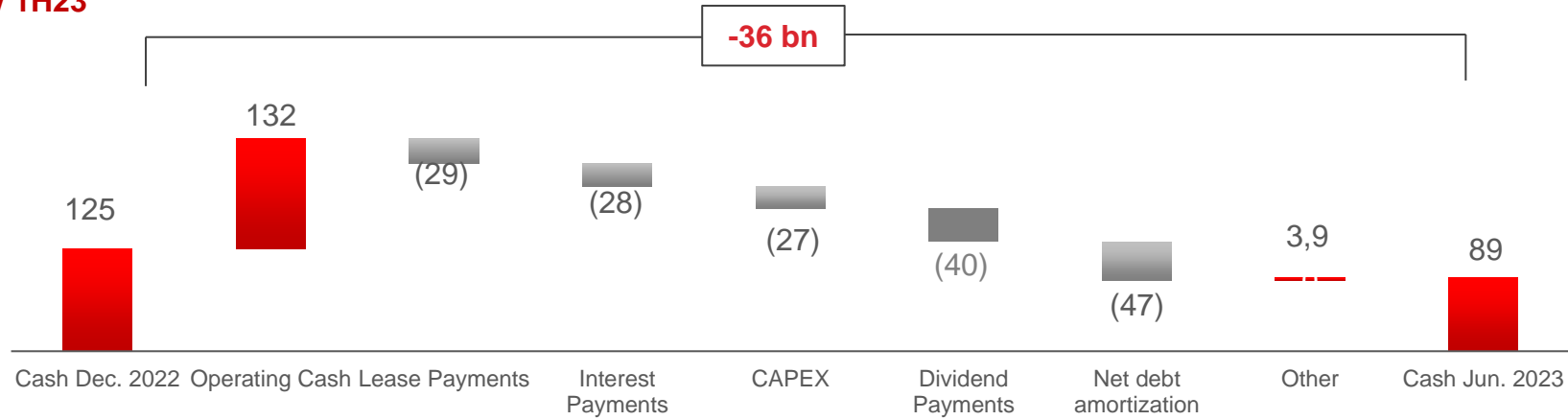


(1) Net financial debt = Total current and non-current financial liabilities minus total current and non-current obligations for rights of use minus cash and cash equivalents

(2) Interest coverage = EBITDA/net financial expenses

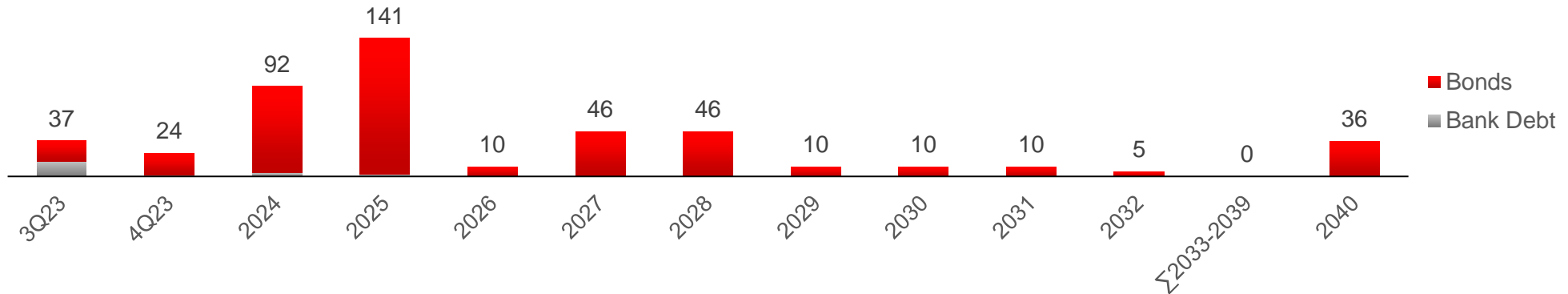


Cash Flow 1H23  
(CLP Bn)



- Ending cash balance of CLP 89 bn, CLP 36 below Dec. and well above minimum target (CLP 50 bn)
- Uses of cash in 1H23 includes amortization of CLP 47 bn in bonds and bank debt

Debt Maturity Profile as of June 30, 2023  
(Bonds and Bank Debt - CLP Bn)



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