4th Quarter 2022

EARNINGS RELEASE

SMU S.A.

MARCH 13, 2022

Note Regarding Presentation and Comparison of Information

Sale of OK Market

On October 8, 2020, SMU signed a binding agreement for the sale of its OK Market convenience stores to FEMSA Comercio S.A. de C.V., which operates OXXO convenience stores in Chile. On November 26, 2021, the Chilean antitrust authority (*Fiscalía Nacional Económica* or "FNE") approved the Transaction, subject to remedies proposed by the parties. On February 28, 2022, the sale was completed. Therefore, and in accordance with the provisions of IFRS 5, in SMU's Consolidated Financial Statements as of December 31, 2022, the OK Market business is presented as available for sale.

Consequently, in the Company's statements of comprehensive income, the amounts corresponding to the OK Market business from 2021 and the first two months of 2022 are presented under a single line, "Profit (loss) from discontinued operations".

The statements of cash flows for the full year 2021 are not comparable to the figures for the full year 2022. The statements of cash flows for 2021 include cash flows corresponding to OK Market, whereas in 2022, such cash flows are not included.

Additionally, as of December 31, 2022 and 2021, OK Market's assets are consolidated in a single line of SMU's statements of financial position, under "Non-current assets or asset groups classified as held-for-sale", and its liabilities are consolidated in a single line under "Non-current liabilities or liability groups classified as held-for-sale".

Consolidation of Financial Services Companies

On December 20, 2022, SMU increased its ownership interest in the company Inversiones RF S.A, controlling shareholder of the companies Unicard S.A, Administradora de Tecnologías y Servicios Unicard Ltda. and Unimarc Corredores de Seguros Ltda., thereby acquiring control over Inversiones RF by being the main shareholder. Consequently, beginning on such date, the aforementioned companies are consolidated on a line-by-line basis in SMU's financial statements.

These companies are associated with the operation of the Unipay credit card, a payment method that is available for customers of Unimarc, Alvi, Mayorista 10 and Super10, complementing their value proposition and promotional activity, offering a convenient payment option, and helping to build customer loyalty.

In SMU's income statement for the year ended December 31, 2022, the revenue, costs and expenses of these companies for the dates between December 20 and 31, 2022, are consolidated on a line-by-line basis. Likewise, the statement of cash flow also includes cash movements for that same period. In the statement of financial position, all assets and liabilities are consolidated on a line-by-line basis as of December 31, 2022, while on December 31, 2021, these companies were consolidated in a single line under "Share of Profit (Loss) of Associates" in the income statement, and under "Investments Accounted for Using the Equity Method" in the statements of financial position.

Executive Summary: SMU S.A.'s Consolidated Results

During 2022, SMU had a **strong financial and operating performance**, continuing to show sustained growth and reporting **significant improvements in its EBITDA, EBITDA margin and net income**, both in the year and the fourth quarter; **gaining market share;** and **strengthening its financial position**, as reflected in the Company's **credit rating upgrades**. Moreover, the Company successfully implemented its strategic plan for the 2020-2022 period and announced its new roadmap for 2023-2025.

SMU's **revenue** for the full year 2022 **increased 14.3%** with respect to full year 2021, totaling CLP 2,826,614 million. This growth was driven by an **increase of 13.2% in same-store sales**, as well as by sales at new stores that have opened over the past year as part of the Company's omnichannel growth strategy. In the fourth quarter of 2022 (4Q22), revenue increased 10.1% with respect to the fourth quarter of 2021 (4Q21), totaling CLP 765,986 million, with same-store sales growth of 8.4%. During the year, **customers responded favorably to SMU's multiformat strategy,** as evidenced by the **strong sales growth for the Alvi, Mayorista 10, and Super10 formats, which reached 26.7% for the full year and 23.4% for the fourth quarter.**

The Company's **gross profit grew 15.9%** in 2022, totaling CLP 835,295 million. As a percentage of revenue, **gross margin amounted to 29.6%**, higher than the 29.2% reported for 2021 by 40 basis points (pbs). With respect to the fourth quarter, gross profit grew 18.1%, amounting to CLP 232,005 million. Gross margin for 4Q22 reached 30.3%, an increase of 210 bps with respect to 28.2% for 4Q21, reflecting improved commercial efficiency.

Operating expenses[1] increased 15.0% in 2022 and 17.1% in 4Q22, primarily due to inflation adjustments and the higher minimum wage. Measured as a percentage of revenue, operating expenses reached 20.1% in 2022 (similar to 20.0% in 2021) and 20.7% in 4Q22 (130 bps higher than 4Q21).

EBITDA[2] **for 2022 increased 18.0%,** totaling CLP 266,332 million, and **EBITDA margin reached 9.4%,** an increase of 30 bps with respect to 2021. In the fourth quarter, EBITDA amounted to CLP 72,780 million, an increase of 20.2% with respect to 2021, and EBITDA margin of 9.6% (expansion of 80 bps vs. 4Q21).

Operating income for 2022 grew 19.7%, to CLP 174,764 million, and in the fourth quarter it improved 20.0%, totaling CLP 49,321 million.

Non-operating results for 2022 amounted to a loss of CLP -86,213 million, an improvement of CLP 3,271 million with respect to 2021. The Company's non-operating loss for 4Q22 amounted to CLP -23,586 million, an improvement of CLP 1,828 million vs. 4Q21. The main impacts were inflation and non-recurring effects in the line Other Gains (Losses), including the gain on the sale of OK Market in February 2022.

Net income increased 74.4% (CLP 56,353 million) for 2022 with respect to 2021, totaling CLP 132,059

[1] Operating expenses = distribution costs + administrative expenses – depreciation - amortization
[2] EBITDA = Gross profit – distribution costs – administrative expenses + depreciation + amortization

million, mostly explained by the growth of CLP 40,553 in EBITDA. Also, the sale of Ok Market generated a non-recurring gain of approximately CLP 20 billion in the year. Excluding this effect, the increase in net income would have been 48%. With respect to the fourth quarter, net income increased 7.7%, amounting CLP 31,223 million in 4Q22, also explained mostly by the improved operating income.

With respect to SMU's **financial position**, one of the year's highlights was the decision, in September and October 2022, respectively, by SMU's local rating agencies ICR and Feller-Rate to **upgrade the Company's credit rating** from A (positive outlook) to A+ (stable outlook). The basis for the upgrades was the strengthening in recent years of both SMU's business profile and its financial profile, reflecting the implementation of the Company's strategic plan.

During the fourth quarter, the positive trend in the Company's **financial indicators** continued: interest coverage was 6.0 times as of December 31, 2022, compared to 4.9 times as of December 2021. Net financial liabilities to EBITDA was 3.44 times as of December 2022, compared to 3.86 times in December 2021. When these ratios are adjusted to correct for the impact of store rental contracts on EBITDA and financial liabilities, interest coverage grew to 17.5 times in December 2022 (9.5 times in December 2021), and net financial debt to EBITDA was 2.26 times in December 2022 (2.66 times in December 2021).

The Company's cash generation is also worth highlighting. Cash from operating activities increased CLP 30,741 million in 2022, enabling the Company to increase capex by CLP 10,168 million and reduce financial debt by CLP 17,626 million, ending the year with an increase of CLP 10,737 million in cash and cash equivalents.

Management Commentary

With respect to the release of earnings for the fourth quarter and full year 2022, SMU's CEO, Marcelo Gálvez, stated, "During 2022, we focused our efforts on offering competitive, low-cost solutions to our customers, helping them to save in the face of difficult economic conditions. Our multiformat strategy, along with our broad geographic coverage, provide us with a platform to best serve Chilean families."

Mr. Gálvez went on to say, "Our formats Alvi, Mayorista 10 and Super 10 played a very important role throughout the year, with low-cost value propositions that were highly valued by customers, achieving revenue growth of 26.7%. We also highlight Unimarc's promotional strategy, where *The Path to Savings* and other campaigns offered customers new ways to save. Finally, by expanding our private label portfolio, we were able to further help our customers optimize their budgets, providing them with high quality products at very attractive prices. Consequently, we saw a significant recovery in the number of customers and their frequency of purchases."

"By focusing on the needs of the different customer segments we serve, through the initiatives mentioned above, we were able to achieve revenue growth that outperformed the industry. Our increase of 14.3% over 2021 was the result of both same-store sales growth of 13.2% and new store openings during the year."

"We ended the year with EBITDA of CLP 266 billion, growing 18.0% with respect to 2021, and achieving an EBITDA margin of 9.4%. We also had strong performance in the fourth quarter, with EBITDA growth of 20.2% and an expansion of 80 bps in the EBITDA margin, which reached 9.6%. This solid operating performance translated to an increase of 74% in net income for the year, and even if we exclude the impact of the sale of OK Market, the increase would have been 48% compared to 2021."

Mr. Gálvez continued, "In addition to the Company's strong financial performance in 2022, I would like to highlight the progress we made in our sustainability initiatives. The consistent improvements we have made in our economic, environmental, and social performance are evidenced in the results of independent evaluations, such as S&P's Corporate Sustainability Assessment, where our score improved by nine percentage points in 2022."

"The year's accomplishments included significant progress in our environmental initiatives, certifying our energy management system under ISO 50001 and reducing food waste through donations of over 660 tons of food to over 250 non-profit organizations. We also became the first food retailer with a gender equality management system that is certified under Chilean Standard 3262, continuing to show our commitment to diversity and inclusion. Furthermore, at the beginning of this month, we received the Equality & Conciliation Certificate from Chile's National Women and Gender Equity Service. Another highlight of the year, relating to our commitment to the development of small businesses, was the addition of new to our *100% Nuestro* program, bringing us to a total of over 200 small, regional suppliers who have the opportunity to sell their products in our stores located throughout the country."

"All of these initiatives were part of the Committed and Sustainable Organization pillar of our strategic plan for 2020-2022. Some of the year's achievements in other pillars of the plan include the opening of nine new stores, the launch of the Super10 soft discount format, and the addition of new online sales channels, within the Omnichannel Growth pillar. In the Customer Experience pillar, we expanded our private label offering, launching new products and specialty brands that have been highly valued by our customers, and in the Efficiency and Productivity pillar, we have incorporated new technological tools that help optimize our operations, among other projects."

"The successful implementation of this plan is reflected in our results. Following the three-year period, we have more than tripled our net income for 2019, and our return on equity has exceeded our goal of reaching double digits in the period, increasing from 4.8% in 2019 to 16.7% in 2022. The strengthening of our financial position has led to credit rating upgrades in both 2021 and 2022, reaching A+, in recognition of lower levels of indebtedness and improved cash generation."

"Consequently, we are well positioned to take on the challenges of our new roadmap, with the strategic plan for 2023-2025 that we launched in November, through which we aim to achieve 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. The new plan maintains the focus on Omnichannel Growth, Customer Experience, Efficiency and Productivity, and Committed and Sustainable Organization, and includes a capex plan of CLP 265 billion. With the tremendous team we have behind each initiative, and the execution capacity that we have developed, I am confident that the new plan will be a success."

Highlights

Launch of Strategic Plan for 2023-2025

On November 30, 2022, the Company announced its strategic plan for the 2023-2025 period, describing the main initiatives, as well as the key operating and financial goals associated with the plan, including capex of CLP 265 billion. Just like the 2020-2022 strategic plan, which concluded in December, SMU's new roadmap is based on four pillars: Omnichannel Growth; Customer Experience; Efficiency and Productivity; and Sustainable and Committed Organization. For more information about the plan and its targets, please see:
https://www.smu.cl/wp-content/files_mf/1669983752Plan2325Launch_eng.pdf.

Conference Call

SMU will host a conference call and webcast for investors on Wednesday, March 15, 2023 at 10:00 am ET/ 11:00 am Santiago to discuss its fourth quarter 2022 results.

To join using your laptop, please click https://mm.closir.com/slides?id=479040

To join using your phone, please dial in using the access numbers provided below, with the following **Participant Password: 479040**

USA: +1 718 866 4614
Chile: +56 228 401 484
Peru: +51 1706 0950
Brazil: +55 612 017 1549
Mexico: +52 55 1168 9973
UK: +44 203 984 9844

After the call, a recording will be made available at:
https://www.smu.cl/en/inversionistas/informacion-financiera/

Analysis of Financial Statements

SMU's consolidated results for the periods of three and twelve months ended December 31, 2022 and 2021 are presented in the table below. All figures are expressed in Chilean pesos (CLP) and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Table 1: Consolidated Income Statement

(CLP Million)	4Q22	4Q21	△%	2022	2021	△%
Revenue	765,986	695,611	10.1%	2,826,314	2,472,378	14.3%
Cost of Sales	(533,981)	(499,128)	7.0%	(1,991,019)	(1,751,647)	13.7%
Gross Profit	**232,005**	**196,483**	**18.1%**	**835,295**	**720,731**	**15.9%**
Gross Margin (%)	*30.3%*	*28.2%*		*29.6%*	*29.2%*	
Distribution Costs	(10,459)	(8,778)	19.1%	(38,912)	(31,431)	23.8%
Contribution Margin	**221,547**	**187,705**	**18.0%**	**796,383**	**689,300**	**15.5%**
Contribution Margin (%)	*28.9%*	*27.0%*		*28.2%*	*27.9%*	
Administrative Expenses (Excluding Depreciation)	(147,766)	(126,299)	17.0%	(530,051)	(463,520)	14.4%
EBITDA	**73,780**	**61,406**	**20.2%**	**266,332**	**225,780**	**18.0%**
EBITDA Margin (%)	*9.6%*	*8.8%*		*9.4%*	*9.1%*	
Depreciation and Amortization	(24,459)	(20,301)	20.5%	(91,568)	(79,829)	14.7%
Operating Income	**49,321**	**41,106**	**20.0%**	**174,764**	**145,951**	**19.7%**
Other Gains (Losses)	(1,428)	(1,242)	n.a.	15,426	(14,717)	n.a.
Financial Income	3,202	697	359.5%	11,600	1,642	606.6%
Financial Expenses	(13,684)	(12,098)	13.1%	(53,084)	(47,889)	10.8%
Share of Profit (Loss) of Associates	(180)	72	n.a.	(554)	75	n.a.
Foreign Exchange Differences	115	157	(26.3%)	(185)	143	n.a.
Income (Loss) for Indexed Assets and Liabilities	(11,611)	(13,000)	(10.7%)	(59,416)	(28,738)	106.8%
Non-operating Income	**(23,586)**	**(25,415)**	**(7.2%)**	**(86,213)**	**(89,484)**	**(3.7%)**
Net Income (Loss) Before Taxes	**25,734**	**15,691**	**64.0%**	**88,552**	**56,466**	**n.a.**
Income Tax Expense	5,489	10,648	(48.4%)	42,973	13,399	220.7%
Net Income (Loss) from Continued Operations	**31,223**	**26,339**	**18.5%**	**131,524**	**69,865**	**88.3%**
Net Income (Loss) from Discontinued Operations	**0**	**2,643**	**(100.0%)**	**535**	**5,841**	**(90.8%)**
Net Income (Loss) of the Period	**31,223**	**28,982**	**7.7%**	**132,059**	**75,707**	**74.4%**
Net Income attributable to owners of the Parent	31,251	28,982	7.8%	132,088	75,707	74.5%
Net Income attributable to non-controlling interests	(28)	0	n.a.	(28)	0	n.a.
Net Income (Loss) of the Period	**31,223**	**28,982**	**7.7%**	**132,059**	**75,707**	**74.4%**

*n.a. = not applicable. Indicates a comparison in percentage terms between a positive number in one period and a negative number in another period.

1. Analysis of Income Statement

1.1. Results of Operations

1.1.1. Revenue

Revenue for the year 2022 amounted to CLP 2,826,314 million, an increase of 14.3% with respect to CLP 2,472,378 million for 2021. With respect to the fourth quarter of 2022, revenue totaled CLP 765,986 million, 10.1% higher than the CLP 695,611 million recorded in the fourth quarter of 2021.

Table 2: Revenue (CLP MMM)

REVENUE (CLP BN)	4Q22	4Q21	△%	2022	2021	△%
UNIMARC	512	489	*4.7%*	1,900	1,733	*9.6%*
CASH & CARRY	231	187	*23.4%*	856	676	*26.7%*
OTHERS(*)	4.2	3.3	*27.2%*	9.0	13.7	*-34.3%*
FOOD RETAIL CHILE	747	680	*9.9%*	2,765	2,422	*14.1%*
FOOD RETAIL PERU	18.7	15.8	*18.7%*	61.2	50.0	*22.4%*
CONSOLIDATED	766	696	*10.1%*	2,826	2,472	*14.3%*

(*) "Others" includes all revenue other than that generated by the Company's operating formats presented in the table, as well as revenue from Telemercados and the Los Dominicos dark store in 2021 and the financial services business in 2022. See Note Regarding Presentation and Comparison of Information, page 2.

Food Retail Chile revenue increased 14.1% in 2022 with respect to 2021, and 9.9% in 4Q22 with respect to 4Q21. It should be noted that, according to the National Statistics Institute of Chile, the Chilean food retail industry grew 8.2% in 2022 vs. 2021 and 4.9% in 4Q22 vs. 4Q21. SMU's higher revenue growth means that the Company has gained market share.

The recovery in customer traffic that has taken place in recent periods continued during the fourth quarter in all formats, whereas the average ticket also continued to gradually decrease, but to a lesser extent than the increase in transactions and remaining well above historical levels.

By format, revenue for Unimarc—the traditional supermarket—grew 9.6% in 2022 and 4.7% in 4Q22, driven by same-stores sales growth. Revenue for the cash & carry segment grew 26.7% in 2022 and 23.4% in 4Q22, driven by all three banners: Mayorista 10, Super10, and Alvi. The strong performance of these stores shows that they offer attractive value propositions that satisfy the needs of the different segments of customers they serve, as a consequence of SMU's multiformat strategy.

Online sales, through both SMU's own platforms and through strategic partnerships with last milers—who operate at Unimarc and Mayorista 10 stores—account for approximately 2.2% of revenue at the stores where they operate, reflecting growth in Unimarc.cl.

As part of its hybrid strategy, during 2022, SMU strengthened its online offering, through both its own platforms and strategic partnerships. With respect to the Company's own platforms, the geographic coverage of Unimarc.cl expanded, reaching all 16 regions of Chile; the Company launched Alvi.cl and the App Alvi Compras, enabling Alvi's B2B customers to supply their business through online shopping; and the Company began operating the first micro-fulfillment center in Latin America, with the goal of optimizing Unimarc.cl's operations and improving the customer experience, through more complete and exact orders. The Company also announced a new partnership with the marketplace Mercado Libre, adding a new sales channel for SMU.

In Food Retail Peru, revenue (measured in Chilean pesos) grew 22.4% in 2022 (+18.7% in 4Q22), and in local currency, the increase was 5.5% in 2022 (4.4% in 4Q22), driven by the contribution of new Maxiahorro stores opened in the last year, which are the focus of future growth in SMU Peru.

Table 3: Same-Store Sales Growth (%)

SSS (△%)	2022	4T22	2021	4T21
UNIMARC	*9.1%*	*3.6%*	*10.1%*	*13.2%*
CASH & CARRY	*23.5%*	*20.9%*	*8.9%*	*14.9%*
FOOD RETAIL CHILE	*13.1%*	*8.3%*	*9.5%*	*13.7%*
FOOD RETAIL PERU	*-1.1%*	*-2.4%*	*0.8%*	*8.4%*
CONSOLIDATED	*13.2%*	*8.4%*	*9.0%*	*13.5%*

Same-store sales (SSS) grew 13.2% in 2022 and 8.4% in the fourth quarter, with performance by format in line with revenue growth: Unimarc increased 9.1% in 2022 (+3.6% in 4Q22), whereas the cash & carry formats grew 23.5% in 2022 (+20.9% in 4Q22). As mentioned above, the strong sales performance reflects the attractive value propositions offered by each format, satisfying customer needs and driving a recovery in the number of transactions.

Food Retail Peru—which accounts for 2% of SMU's revenue—recorded a decrease in SSS (measured in Soles) of 1.1% in 2022 and 2.4% in 4Q22, reflecting the high comparison base from 4Q21 and greater competition from the traditional trade. However, new stores opened in the north of Peru during the last year, which are not included in SSS calculations, have outperformed projections for their first year of operations.

Table 4: Sales per Square Meter (Thous. CLP/M2)

SALES PER SQM (CLP Thousands/sqm)	4Q22	4Q21	△%	2022	2021	△%
FOOD RETAIL CHILE	522.7	484.5	*7.9%*	487.7	463.1	*5.3%*
FOOD RETAIL PERU	319.4	284.2	*12.4%*	274.7	249.3	*10.2%*
CONSOLIDATED	515.1	476.8	*8.0%*	479.7	455.0	*5.4%*

Sales per square meter reached CLP 479,730 for the full year 2022, 5.4% higher than 2021. Food Retail Chile grew 5.3%, whereas Food Retail Peru (measured in Chilean pesos) saw growth of 10.2%, in line with revenue performance. With respect to the fourth quarter, sales per square meter totaled CLP 515,083, an increase of 8.0% with respect to 4Q21.

Table 5: Number of Stores and Sales Area (Thous. Square Meters)

NUMBER OF STORES	4Q22	4Q21
UNIMARC	285	283
CASH & CARRY	95	96
FOOD RETAIL CHILE	380	379
FOOD RETAIL PERU	29	26
CONSOLIDATED	409	405

SALES AREA (THOUSANDS OF SQM)	4Q22	4Q21
UNIMARC	348	347
CASH & CARRY	122	124
FOOD RETAIL CHILE	470	470
FOOD RETAIL PERU	20	18
CONSOLIDATED	490	487

Table 6: Store Openings and Closures

OPENINGS AND CLOSURES	4Q21		1Q22		2Q22		3Q22		4Q22	
	OPEN.	CLOS.	OPEN.	CLOS.	OPEN.	CLOS.	OPEN.	CLOS.	OPEN.	CLOS.
UNIMARC	1	1	1	3	0	0	3	0	1	0
CASH & CARRY	1	0	0	0	0	1	0	0	0	0
FOOD RETAIL CHILE	2	1	1	3	0	1	3	0	1	0
FOOD RETAIL PERU	1	0	1	0	0	0	1	0	1	0

As of December 31, 2022, SMU's operations included 380 stores in Chile, distributed from Arica to Punta Arenas—similar to the 379 stores in operation at the end of 4Q21—and a total of 469,959 square meters. In Peru, the Company had 29 stores, with 19,734 square meters, for a **total of 409 stores and 489,693 square meters** between the two countries.

During the full year 2022, the Company opened five Unimarc stores, in four different regions of Chile, and three Maxiahorro stores, in Piura. In addition, the Company reopened an Alvi store that had been closed since January 2020, due to the acts of vandalism during the social unrest in Chile beginning on October 18, 2019. During the period, three Unimarc stores and one Alvi store that had not operated since the fourth quarter of 2019 (January 2020 in the case of Alvi), also due to the social unrest, were removed from the total number of stores.

1.1.2. Distribution Costs and Administrative Expenses

Operating expenses (distribution costs plus administrative expenses, excluding depreciation and amortization) totaled CLP 568,962 million for the full year 2022, an increase of 15.0% with respect to CLP 494,951 million for 2021. As a percentage of revenue, operating expenses amounted to 20.1% in 2022, similar to 20.0% in 2021. With respect to the fourth quarter of 2022, operating expenses totaled CLP 158,225 million (20.7% of revenue), an increase of 17.1% with respect to CLP 135,077 million (19.4% of revenue) for 4Q21.

Distribution costs for full year 2022 totaled CLP 38,912 million, an increase of 23.8% with respect to 2021. Distribution costs as a percentage of revenue amounted to 1.4% in 2022 and 1.3% in 2021. In 4Q22, distribution costs amounted to CLP 10,459 million (1.4% of revenue), an increase of 19.1% with respect to CLP 8,778 million (1.3% of revenue) in 4Q21. The increase in distribution costs is explained by the higher cost of oil, as well as the high levels of inflation—variables that affect the algorithm used to determine transportation cost.

Administrative expenses (excluding depreciation and amortization) totaled CLP 530,051 million (18.8% of revenue) in 2022, an increase of 14.4% with respect to CLP 463,520 million (18.7% of revenue) in 2021. Similarly, in the fourth quarter, administrative expenses increased 17.0%, to CLP 147,766 million (19.3% of revenue), compared to CLP 126,299 million (18.2% of revenue) in 4Q21.

The main variations during the full year 2022 are described below:

a. Increase of CLP 27,722 million (+11.8% YoY) in personnel expenses, primarily due to the higher average minimum wage (11,1%), inflation adjustments (+9.7%) and openings and re-openings of stores in 2022, partially offset by a lower average headcount.

a. Increase of CLP 14,979 million (+17.2% YoY) in services, primarily explained by higher rates on security services, cleaning services and utilities, associated with inflation and higher minimum wage, as well as higher expenses related to sales growth in Unimarc.cl

b. Increase of CLP 5,541 million (+29.6% YoY) in credit card commissions, due to the increase in the use of electronic forms of payment, higher rates charged under the new four-party model, and higher sales.

c. Increase of CLP 4,116 million (+31.2% YoY) in external services, primarily due to consulting services on strategic projects.

d. Increase of CLP 3,742 million (+21,4% YoY) in IT services, primarily due to the implementation of strategic initiatives, including new modules of SAP and improvements to e-commerce platforms, as well as increases associated with the value of the UF and the dollar.

e. Increase of CLP 2,125 million (+8.3% YoY) in lease expenses, primarily due to inflation, new store openings, and higher variable payments associated with higher sales.

f. Increase of CLP 1,461 million (+10.8%) in advertising expenses.

The main increases during the fourth quarter are described below:

a. Increase of CLP 12,037 million (+18.8% YoY) in personnel expenses, primarily due to the higher average minimum wage and inflation adjustments, as well as new store openings and expenses from employee performance incentives.

b. Increase of CLP 3,219 million (+14.2% YoY) in services, primarily due to higher rates on utilities, cleaning services, and security services, associated with inflation and higher minimum wage (as these are the main elements of the cost of these services).

c. Increase of CLP 2,108 million (+60.2% YoY) in external services, primarily due to consulting services on strategic projects.

d. Increase of CLP 1,400 million (+24.6%) in credit card commissions, due to the increase in the use of electronic forms of payment, higher rates charged under the new four-party model, and higher sales.

Table 7: Average Headcount

AVERAGE HEADCOUNT	4Q22	4Q21	△%	2022	2021	△%
STORES CHILE	21,278	22,299	*-4.6%*	21,802	22,540	*-3.3%*
HEADQUARTERS CHILE	2,160	2,020	*7.0%*	2,078	2,017	*3.0%*
FOOD RETAIL CHILE	23,439	24,318	*-3.6%*	23,881	24,557	*-2.8%*
STORES PERU	557	529	*5.2%*	538	489	*10.0%*
HEADQUARTERS PERU	163	165	*-1.2%*	162	158	*2.8%*
FOOD RETAIL PERU	720	694	*3.6%*	700	647	*8.2%*
CONSOLIDATED	24,158	25,013	*-3.4%*	24,580	25,204	*-2.5%*

1.1.3. Gross Margin, Contribution Margin, and EBITDA

Gross profit for the full year 2022 totaled CLP 835,295 million, an increase of 15.9% with respect to CLP 720,731 million for 2021. With respect to the fourth quarter, gross profit amounted to CLP 232,005 million, an increase of 18.1% with respect to CLP 196,483 million for 4Q21. In percentage terms, gross margin amounted to 29.6% in 2022, 40 bps higher than 2021 (29.2%). With respect to the fourth quarter, gross margin reached 30,3%, 210 bps higher than 4Q21 (28,2%), reflecting the improved commercial efficiency.

Contribution margin totaled CLP 796,383 million (28.2% of revenue) in 2022, an increase of 15.5% compared to CLP 689,300 million (27.9% of revenue) for 2021. Contribution margin for 4Q22 totaled CLP 221,547 million (28.9% of revenue), an increase of 18.0% compared to CLP 187,705 million (27.0% of revenue) for 4Q21.

EBITDA for 2022 totaled CLP 266,332 million, an increase of 18.0% with respect to CLP 225,780 million in 2021. EBITDA margin for 2022 amounted to 9.4%, an expansion of 30 bps compared to 9.1% for 2021. With respect to 4Q22, EBITDA amounted CLP 73,780 million, an increase of 20.2% with respect to CLP 61,406 million in 4Q21. EBITDA margin for 4Q22 expanded 80 pbs to 9.6%, compared to 8.8% for 4Q21, reflecting the increase of 210 bps in the gross margin, partially offset by the increase of 130 bps in the opex margin.

EBITDA adjusted for store rental expenses (EBITDA including all rental expenses, including those not included in administrative expenses under IFRS 16) for 2022 totaled CLP 188,296 million, an increase of 20.0% with respect to CLP 156,858 million in 2021. EBITDA adjusted for store rental expenses for 4Q22 totaled CLP 52,817 million, an increase of 19.7% with respect to CLP 44,109 million in 4Q21.

1.2 Non-operating Income[3] and Income Tax Expense

The consolidated **non-operating loss** for SMU totaled CLP -86,213 million in 2022, a difference of CLP 3,271 million with respect to CLP -89,484 million in 2021. The main variations were:

a. **Losses on inflation-indexed assets and liabilities**: negative variation of CLP 30,678 million, due to higher inflation with respect to 2021.
b. **Other gains (losses)**: positive variation of CLP 30,143 million, primarily due to two non-recurring effects: (i) Gain of CLP 18,034 million in 2022 from the sale of OK Market, which was completed on February 28; and (ii) Loss of CLP 13,142 million in 2021 due to the plan implemented by the Company in February 2021 to optimize its organizational structure, as a result of the operating efficiency initiatives that have been implemented as part of the strategic plan, including the incorporation of technological tools and redesigning in-store processes. This plan started to generate savings in March 2021.
a. **Financial income**: positive variation of CLP 9,958 million, as higher levels of cash during the period led to an increase in time deposits, and interest rates were higher.
b. **Financial expenses**: negative variation of CLP 5,196 million, primarily due to the increase in the UF (higher inflation), affecting financial costs associated with UF-denominated liabilities.

With respect to the fourth quarter of 2022, the non-operating loss amounted to CLP -23,586 million, a positive variation of CLP 1,828 million with respect to CLP -25,415 million for 4Q21, primarily explained by:

a. **Financial income**: positive variation of CLP 2,505 million, as higher levels of cash during the period led to an increase in time deposits, and interest rates were higher.
b. **Financial expenses**: negative variation of CLP 1,586 million, primarily due to the increase in the UF (higher inflation), affecting financial costs associated with UF-denominated liabilities.
c. **Losses on inflation-indexed assets and liabilities**: positive variation of CLP 1,388 million, due to lower inflation with respect to 4Q21.

The **income tax benefit** for 2022 amounted to CLP 42,973 million, a difference of CLP 29,574 million with respect to CLP 13,399 million for 2021, due to higher inflation adjustments to the tax loss carryforward. Meanwhile, in the fourth quarter of 2022, the income tax benefit reached CLP 5,489 million, a negative difference of CLP 5,159 million with respect to CLP 10.648 million recorded in 4Q21. The difference is explained mostly by the higher pre-tax income, increasing the tax expenses, along with lower inflation, reducing inflation adjustments to the tax loss carryforward.

[3] Non-operating income = Financial income and financial expenses + Share in profit (loss) of associates + foreign currency translation differences + income (expense) from inflation adjusted units + other gains (losses)

1.3 Results of Discontinued Operations: OK Market

The results of the OK Market business are presented consolidated in one line, “Net income from discontinued operations” (see Note Regarding Presentation and Comparison of Information, page 2).

Net income from discontinued operations amounted to CLP 535 million in 2022, a decrease of 90.8% compared to CLP 5,841 million in 2021, reflecting the fact that OK Market ceased to belong to the SMU Group on February 28, 2022, so 2022 results only reflect two months of operations, whereas 2021 results include the full year.

1.4 Net Income

SMU reported **net income** of CLP 132,059 million for 2022, an increase of CLP 56,353 (74.4%) compared to CLP 75,707 million for 2021, primarily explained by the improvement of CLP 40,553 million in EBITDA. Also, the sale of OK Market created a non-recurring gain of about CLP 20 billion in 2022. Excluding this effect, the increase in net income would have been 48%. With respect to the fourth quarter, net income increased 7.7%, reaching CLP 31,223 million in 4Q22, also explained p because of the improved operating income.

2. Analysis of Statement of Financial Position

Table 8: Statement of Financial Position as of December 31, 2022 and December 31, 2021

(CLP Million)	December 2022	December 2021	△$	△%
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	124,531	113,794	10,737	9.4%
Other Current Financial Assets	6,734	8	6,726	81,062.0%
Other Current Non-Financial Assets	35,737	28,496	7,241	25.4%
Trade Accounts Receivable and Other Receivables, Net	81,633	93,719	(12,086)	(12.9%)
Accounts Receivable from Related Companies	401	16,004	(15,602)	(97.5%)
Inventories	245,353	231,874	13,479	5.8%
Current Tax Assets	2,844	2,698	147	5.4%
Non-Current Assets Classified as Held for Sale	-	41,666	(41,666)	(100.0%)
Total Current Assets	**497,235**	**528,259**	**(31,024)**	**(5.9%)**
NON-CURRENT ASSETS				
Other Non-Current Financial Assets	396	1,713	(1,317)	(76.9%)
Other Non-Current Non-Financial Assets	3,921	2,270	1,652	72.8%
Non-Current Accounts Receivable	41,358	2,351	39,007	1,659.3%
Investments Accounted for Using the Equity Method	3,253	13,750	(10,498)	(76.3%)
Intangible Assets Other Than Goodwill	67,473	61,514	5,960	9.7%
Goodwill	472,939	472,573	366	0.1%
Property, Plant, and equipment, net	762,790	713,965	48,825	6.8%
Deferred tax assets	479,271	424,088	55,183	13.0%
Total Non-Current Assets	**1,831,402**	**1,692,224**	**139,178**	**8.2%**
TOTAL ASSETS	**2,328,637**	**2,220,482**	**108,154**	**4.9%**
LIABILITIES				
CURRENT LIABILITIES				
Other Current Financial Libialities	164,346	146,700	17,646	12.0%
Trade and Other Current Payables	446,798	423,762	23,036	5.4%
Accounts Payable to Related Companies	1,017	918	99	10.8%
Other Current Provisions	3,033	2,193	841	38.3%
Current Tax Liabilities	257	139	118	85.3%
Current Provisions for Employee Benefits	26,223	34,647	(8,424)	(24.3%)
Other Current Non-Financial Liabilities	10,765	7,378	3,387	45.9%
Non-Current Liabilities Classified as Held for Sale	-	10,877.1	(10,877)	(100.0%)
Total Current Liabilities	**652,438**	**626,612**	**25,826**	**4.1%**
NON-CURRENT LIABILITIES				
Other Non-Current Financial Liabilities	876,600	838,520	38,080	4.5%
Non-Current Payables	0	1	(1)	(100.0%)
Deferred Tax Liabilities	0	74	(74)	(100.0%)
Non-Current Provisions for Employee Benefits	12,267	2,514	9,753	387.9%
Other Non-Current Non-Financial Liabilities	-	-	-	-
Total Non-Current Liabilities	**888,868**	**841,109**	**47,758**	**5.7%**
TOTAL LIABILITIES	**1,541,305**	**1,467,721**	**73,584**	**5.0%**
EQUITY				
Issued Capital	523,742	523,742	-	0.0%
Reacquired Own Equity	(833)	0	(833)	-
Retained Earnings	114,582	79,858	34,724	43.5%
Other Reserves	145,428	149,161	(3,733)	(2.5%)
Equity Attributable to the Owners of the Parent Company	782,919	752,761	30,158	4.0%
Non-Controlling Interest	4,412	-	4,412	-
Total Equity	**787,331**	**752,761**	**34,570**	**4.6%**
TOTAL LIABILITIES AND EQUITY	**2,328,637**	**2,220,482**	**108,154**	**4.9%**

2.1. Assets

As of December 31, 2022, SMU's **total assets** increased by CLP 108,154 million (4.9%) with respect to December 31, 2021, totaling CLP 2,328,637 million.

Current assets as of December 31, 2022 decreased CLP 31,024 million (5.9%) with respect to December 31, 2021, totaling CLP 497,235 million. The primary variations during the period were:

a. A decrease of CLP 41,666 million in non-current assets or asset groups classified as held-for-sale, due to the completion of the sale of OK Market during the first quarter (see Note on Presentation and Comparison of Information, page 2).
b. A decrease of CLP 15,602 million in accounts receivable from related companies, due to elimination adjustments resulting from the consolidation of the financial services companies (see Note on Presentation and Comparison of Information, page 2).
c. An increase of CLP 13,479 million in inventory, primarily due to higher merchandise costs related to the increase in supplier costs.
d. A decrease of CLP 12,086 million in current trade accounts receivable and other accounts receivable primarily due to the transfer from current to non-current of the account receivable related to the payment of insurance for business interruption and physical damages arising from the acts of vandalism that took place beginning on October 18, 2019, in the amount of CLP 39,610 million. This change is due to the expected timing of payment, associated with the arbitration proceeding to be carried out between SMU and the insurance companies. However, the Company maintains its estimate of a high probability of recovery the amounts claimed, based on the insurance adjuster's verification of both the coverage and the amounts, as well as the opinion of the external legal counsel, who are experts in this subject matter. This effect was partially offset by (i) An increase in accounts receivable from Transbank, related to the payment cut-off dates at the end of each year, and (ii) the increase due to the adding of the financial services net portfolio, due to the consolidation of these companies.
e. increase of CLP 10,737 million in cash and cash equivalents, due to the variations described in section 3. Analysis of Statement of Cash Flows.
f. Increase of CLP 7,241 million in other current non-financial assets, primarily due to higher VAT fiscal credit, as well as the increase in pre-paid insurance, related to policy renewals.
g. Increase of CLP 6,726 million in other current financial assets, which is mostly explained by greater investments in time deposits.

Non-current assets as of December 31, 2022 increased CLP 139,178 million (8.2%) with respect to December 31, 2021, totaling CLP 1,831,402 million. The primary variations during the period were:

a. Increase of CLP 55,183 million in deferred tax assets, primarily due to the increase in tax loss carryforwards, due to inflation adjustments and the impact of the sale of OK Market.
b. Increase of CLP 48,825 million in property, plant, and equipment, primarily due to additions during the period (CLP 137,680 million), partially offset by depreciation (CLP 81,962 million) and sales, disposals, and derecognition (CLP 5,137 million).
c. Increase of CLP 39,007 million in non-current accounts receivable, primarily due to the transfer from current to non-current of the account receivable related to the payment of insurance for business interruption and physical damages arising from the acts of vandalism that took place

beginning on October 18, 2019, in the amount of CLP 39,610 million. This change is due to the expected timing of payment, associated with the arbitration proceeding to be carried out between SMU and the insurance companies. However, the Company maintains its estimate of a high probability of recovery the amounts claimed, based on the insurance adjuster's verification of both the coverage and the amounts, as well as the opinion of the external legal counsel, who are experts in this subject matter.

d. Decrease of CLP 10,498 million in investments accounted for using the equity method, due to the consolidation of the financial services companies, leaving only Unired as an associate company in this account (CLP 3,235 million).

e. Increase of CLP 5,960 million in intangible assets other than goodwill, primarily due to additions during the period (CLP 10,622 million) and the consolidation of the financial services companies (CLP 2,124 million), partially offset by amortization (CLP 9,606 million).

2.2. Liabilities

As of December 31, 2022, the Company's **total liabilities** increased by CLP 73,584 million (5.0%) with respect to December 31, 2021, totaling CLP 1,541,305 million.

Current liabilities as of December 31, 2022 increased by CLP 25,826 million (4.1%) with respect to December 2021, totaling CLP 652,438 million.

The primary variations during the period are detailed as follows:

a. An increase of CLP 23,036 million in current trade accounts payable and other payables, primarily due to the cut-off date for payments.

b. An increase of CLP 17,646 million in other current financial liabilities, primarily due to:

   i. Obligations with the public: increase of CLP 28,591 million explained by (a) transfer from non-current to current of a portion of the Series B, T, and AL bonds (CLP 85,650 million), and (b) the variation of the UF (inflation) during the period and accrued interest, partially offset by payments of a portion of the Series B, T and AL bonds for CLP 62,809 million.

   ii. Obligations for rights of use: increase of CLP 7,400 million, explained by (a) new and modified leasing contracts, and (b) UF adjustments (inflation) partially offset by leasing payments made during the period.

   iii. Bank loans: decrease of CLP 18,665 million, due to (a) payments made during the period of CLP 13,000 million, and (b) transfer from current to non-current of CLP 6,000 million of debt that was refinanced to longer term.

c. Decrease of CLP 10,877 million in non-current liabilities or liability groups classified as held-for-sale, related to the completion of the sale of OK Market in the first quarter (see Note on Presentation and Comparison of Information, page 2).

d. Decrease of CLP 8,424 million in current provisions for employee benefits, primarily due to the decrease of CLP 10,172 million in the provision for benefits and bonuses as a result of the payment of bonuses during the period, partially offset by new bonus provisions. Also, the vacation provision grew CLP 1,607 million, reflecting the higher salaries, following inflation and minimum wage adjustments.

e. Increase of CLP 3,387 million in other current non-financial liabilities, primarily due to a decrease of CLP 3,194 million in VAT fiscal debit.

Non-current liabilities as of December 31, 2022 increased by CLP 47,758 million (5.7%) with respect to December 2021, amounting to CLP 888,868 million.

The primary variation during the period were:

a. Increase of CLP 38,080 million in other non-current financial liabilities, primarily due to:

    i. Obligations for rights of use: increase of CLP 28,536 million, explained by new and leasing contracts, and UF adjustments (inflation).

    ii. Bank loans: increase of CLP 6,000 million, due to transfer from current to non-current of CLP 6,000 million of debt that was refinanced to longer term

    iii. Obligations with the public: increase of CLP 1,381 million, due to the placement of the series AO bonds (UF 1 million) in March 2022, as well as the UF variation, partially offset by the transfer from non-current to current of a portion of the bonds of the series B, T, AL.

b. Increase of CLP 9,753 million in employee benefits, due to the provision of long-term performance incentives.

2.3. Shareholders' Equity

Shareholders' equity increased by CLP 34,570 million (4.6%), primarily explained by the increase of CLP 34,724 million in retained earnings, due to net income for the period (CLP 132,059 million), less dividends paid (CLP 97,364 million).

3. Analysis of Statement of Cash Flows

Table 9: Statement of Cash Flows for the Year Ended December 31, 2022 and 2021

(CLP Million)	December 2022	December 2021	△$
Net Cash Flows From (Used in) Operating Activities	270,586	239,846	30,741
Net Cash Flows From (Used in) Investing Activities	(11,881)	(47,196)	35,314
Net Cash Flows From (Used in) Financing Activities	(247,967)	(276,572)	28,605
Net Increase (Decrease) in Cash and Cash Equivalents Before Effect of Exchange Rates	**10,737**	**(83,922)**	**94,660**
Net Increase (Decrease) in Cash and Cash Equivalents	**10,737**	**(83,922)**	**94,660**
Cash and Cash Equivalents at Beginning of Period	113,794	197,716	(83,922)
Cash and Cash Equivalents at End of Period	**124,531**	**113,794**	**10,737**

During the full year 2022, cash provided by **operating activities** totaled CLP 270,586 million, an increase of CLP 30,741 million compared to CLP 239,845 million for 2021. During the period, cash receipts from the sale of goods and rendering of services increased by CLP 360,663 million, while payments to suppliers increased by CLP 301,890 million, payments to employees by CLP 11,433 million, and other operating payments by CLP 29,066 million (primarily related to VAT payments from higher sales). At the same time, interest received increased by CLP 10,036 million during the period.

Cash used in **investing activities** for 2022 totaled a net inflow of CLP -11,881 million, a difference of CLP 35,314 million compared to the net outflow of CLP -47,196 million for 2021. The main cash inflow in 2022 was from the sale of OK Market (CLP 49,100 million), whereas the main outflow of cash in investing activities is for **CAPEX**, which includes purchases of property, plant and equipment and purchases of intangible assets and amounted to CLP 56,876 million in 2022 and CLP 46,708 million in 2021.

Cash used in **financing activities** for 2022 totaled a net outflow of CLP -247,267 million, mainly explained by (i) payments of dividends for CLP 97,364 million; (ii) repayment of loans for CLP 78,401 million (Series B, T, and AL bonds and bank debt); (iii) payments of financial leases for CLP 51,760 million; and (iv) interest payments for CLP 51,429 million; partially offset by proceeds from long-term loans for CLP 31,820 million, from the placement of Series AO bonds. In 2021, cash used in financing activities totaled a net outflow of CLP -276,572 million, mainly explained by: (i) repayment of loans for CLP 120,600 million; (ii) dividend payments of CLP 57,413 million; (iii) payments of financial leases for CLP 48,598 million; and (iv) interest payments of CLP 49,961 million.

4. Financial Indicators

Table 10: Financial Indicators

			Dec. 2022	Dec. 2021
LIQUIDITY				
Liquidity Ratio	times	*Current assets/current liabilities*	0,76	0,84
Acid Ratio	times	*(Current assets - inventories)/current liabilities*	0,39	0,47
LEVERAGE				
Total Liabilities / Total Assets	times	*Total liabilities / Total assets*	0,66	0,66
Total Liabilities / Equity	times	*Total liabilities / Equity*	1,96	1,95
Net Financial Debt / Equity	times	*(Other current financial liabilities - current obligations for rights of use + other non-current financial liabilities - non-current obligations for rights of use - cash and cash equivalents)/Shareholders' equity*	0,54	0,55
Current Liabilities / Total Liabilities	%	*Total current liabilities/Total liabilities*	42,33	42,69
Net Financial Liabilities / EBITDA	times	*(Other current financial liabilities + other non-current financial liabilities - cash and cash equivalents)/EBITDA for the last 12 months*	3,44	3,86
WORKING CAPITAL				
Days of Inventory	days	*Average inventory for the period / Daily cost of goods sold for the period*	43,14	43,22
Accounts Receivable Days	days	*Average current trade and other accounts receivable for the period / (Daily revenue for the period * 1.19)*	9,38	11,33
Accounts Payable Days	days	*Average current trade and other accounts payable for the period / (Daily cost of goods sold for the period * 1.19)*	66,14	67,90
EFFICIENCY (12 months)				
Interest Coverage (Last 12 months)	times	*EBITDA for the last 12 months / (financial expenses for the last 12 months - financial income for the last 12 months)*	6,42	4,88
Gross Margin (Last 12 months)	%		29,55	29,15
EBITDA (Last 12 months)	CLP MM		266.332	225.780
EBITDA Margin (Last 12 months)	%		9,42	9,13
PROFITABILITY (12 months)				
Return on Assets	%	*Net income last 12 months / Total assets*	5,67	3,41
Return on Assets (excluding goodwill)	%	*Net income last 12 months / (Total assets - goodwill)*	7,12	4,33
Return on Equity	%	*Net income last 12 months / Shareholders' Equity*	16,77	10,06
Return on Invested Capital (including goodwill)	%	*Operating income last 12 months / (Accounts receivable + inventories + intangible assets + goodwill + property, plant and equipment)*	10,72	9,27
Return on Invested Capital (excluding goodwill)	%	*Operating income last 12 months / (Accounts receivable + inventories + intangible assets + property, plant and equipment)*	15,10	13,26
EBITDA Adjusted for Store Rental Expenses				
EBITDA Adjusted for Store Rental Expenses (Last 12 months)	CLP MM	*EBITDA including store rental expenses not included in administrative expenses under IFRS*	188.296	156.859
Interest Coverage Adjusted for Store Rental Expenses (Last 12 mmonths)	times	*EBITDA Adjusted for Store Rental Expenses for the last 12 months / (interest expense for the last 12 months -interest on liabilities for rights of use for the last 12 months - financial income for the last 12 months)*	17,52	9,48
Net Financial Debt/EBITDA Adjusted for Store Rental Expenses	times	*(Other current financial liabilities - current obligations for rights of use + other non-current financial liabilities - non-current obligations for rights of use - cash and cash equivalents)/EBITDA Adjusted for Store Rental Expenses for the last 12 months*	2,26	2,66

With respect to **liquidity** indicators, the difference between December 2021 and December 2022 is due to the fact that current assets decreased, whereas current liabilities increased, as explained in section 2 of this document.

With respect to **indebtedness** indicators, the improvement in the ratio of net financial liabilities to EBITDA is due to the higher EBITDA, as explained in section 1 of this document.

With respect to **working capital** indicators, the main difference is in accounts receivable days, due to the decrease in current accounts receivable, as explained in section 2 of this document.

With respect to **efficiency** and **profitability** indicators, the improvements are primarily explained by the increase in EBITDA, operating income, and net income for the last 12 months, as explained in section 1 of this document.

5. Risk Management

The main risks faced by SMU, as well as certain measures taken by the Company to mitigate such risks, are described in note 4 to SMU's consolidated financial statements as of December 31, 2022.

6. Relevant Events During the Period

1. On February 28, 2022, the Company filed an essential fact, informing:
    a) As informed in the essential fact filed on October 8, 2020, SMU's subsidiaries Supermercados Chile S.A. and Inversiones SMU SpA (together, the "Sellers"), which own 100% of the shares of OK Market S.A. ("OK Market"), today executed a binding agreement (herein, the "Agreement") with FEMSA Comercio, S.A. de C.V. (herein, "FEMSA" and together with the Sellers, the "Parties"), for the sale of 100% of OK Market's shares and the sale of the merchandise in OK Market's stores at the closing date (herein, the "Transaction").
    b) As informed in the abovementioned essential fact, the Transaction was subject to a series of conditions for its completion, including, among others, approval by anti-trust authorities, the negotiation of a share purchase agreement according to which shares shall be transferred, and completion of due diligence by FEMSA.
    c) On November 26, 2021, the Chilean antitrust authority (*Fiscalía Nacional Económica* or "FNE") approved the Transaction, subject to remedies proposed by the parties.
    d) The regulatory requirements that are necessary to complete the Transaction have been met, and the due diligence process has been satisfactorily completed by FEMSA. Therefore, I hereby inform you that today the sale of OK Market has been completed, through the execution of a share purchase agreement.
    e) The total price received by SMU as a result of the sale amounts to CLP 49,474,788,613. As stated in the essential fact filed on October 8, 2020, SMU's Board of Directors approved that the proceeds from this transaction will be used primarily towards the execution of the Company's strategic plan
    f) The Company estimates that the impact from the Transaction on first quarter 2022 net income will be approximately CLP 20 billion.

2. On March 15, 2022, the Company filed an essential fact, informing the placement of dematerialized bearer bonds in the local Chilean market under Series AO (ticker BCSMU-AO), charged to the bond line that is registered with the Securities Registry of the CMF under number 1.098 ("Series AO Bonds"). The series was placed at an annual interest rate of 6.25%, with an annual coupon rate of 6.3%, and a maturity date of March 1, 2027.
    The placement of the Series AO Bonds was for a total amount of UF 1 million. The Company intends to use the total amount of the net proceeds from the placement to refinance existing financial liabilities.

3. On March 28, 2022, the Company filed an essential fact, informing that that the Company's Board of Directors agreed the following:

    (1) To call an Annual Ordinary Shareholders' Meeting to be held on April 21, 2022, at 10:00 am, at Cerro El Plomo 5680 11th floor, Las Condes, Santiago, in order to inform the Company's shareholders of and/or to submit for the approval of the Company's shareholders the following matters:

    a. Approve annual report and financial statements for the 2021 period.
    b. Approve the report of independent auditors.
    c. Approve remunerations of Board of Directors and other corporate committees for the 2022 period. Inform Board of Directors expenses incurred during 2021 period.
    d. Inform activities and expenses of Directors' Committee for the 2021 period and determine remunerations and budget for the 2022 period.
    e. Inform operations referred to under Title XVI of Law No. 18,046 (related-party

operations).

f. Designate independent audit firm for the 2022 period.
g. Designate credit rating agencies for the 2022 period.
h. Dividend payment and distribution of net income for the 2021 period.
i. Designate newspaper in which legally required notifications will be published.
j. Review any other matter that is of interest to shareholders and pertains to the Annual Ordinary Shareholders' Meeting.

(2) To submit for shareholder approval at such Annual Shareholders' Meeting a proposal for the payment of a final dividend in the amount of CLP 3.76549 per share, which is in addition to the interim dividends of CLP 0.65525 per share, CLP 2.48282 per share, and CLP 2.93258 per share, paid on September 23, September 28, and December 22, 2021, respectively, for a total amount of CLP 56,779,874,116, or CLP 9.83614 per share. If approved, such dividend would be paid on April 29, 2022 to shareholders of record as of the fifth business day prior to such date.

(3) In addition, the Board of Directors agreed to call an Extraordinary Shareholders' Meeting, to be held immediately after the Annual Ordinary Shareholders' Meeting, in order to discuss and vote on the following matters:

a. Approval of a share repurchase program, in accordance with Articles 27A to 27C of the Corporations Act (Ley de Sociedades Anónimas) of Chile, as well as other applicable regulations.
b. Approval of the details of the share repurchase program, in particular: (a) the maximum amount or percentage to be acquired; (b) the purpose and duration of the share repurchase program, which may not exceed five years; (c) delegation to the Board of Directors of the responsibility for setting the purchase price for the respective shares; (d) authorization of the Board of Directors to directly acquire shares representing up to 1% of shares within any 12-month period, without the need to apply the pro rata procedure; (e) authorization of the Board of Directors to sell the shares acquired, through a preferential rights offering or without a preferential rights offering when the total amount of shares to be sold within any 12-month period does not exceed 1% of shares; and (f) any other relevant conditions.
c. In general, approval of any other agreements necessary to implement the share repurchase program and other related resolutions.

In light of public health concerns related to the COVID-19 pandemic, the Board of Directors also agreed to offer shareholders to the option to participate remotely. Further information about how to participate remotely in the meeting will be available soon on the Company's website.

4. On March 31, 2022, the rating agency ICR improved the outlook on SMU's credit rating from A (stable outlook) to A (positive outlook).

5. On April 21, 2022, the Company filed an essential fact, informing that shareholders at SMU's annual general shareholders' meeting approved the following:

a. Approve annual report and financial statements for the 2021 period.
b. Approve the report of independent auditors.
c. Approve remunerations of Board of Directors and other corporate committees for the 2022 period. In addition, shareholders were informed of Board of Directors expenses incurred during 2021 period.

d. Approve remunerations of the Directors' Committee for the 2022 period and inform activities and expenses of such committee during 2021.

e. Approve the report of operations referred to under Title XVI of Law No. 18,046 (related-party operations).

f. Designate KPMG Auditores Consultores Limitada as the independent audit firm; and designate Feller-Rate and ICR as local credit rating agencies.

g. Designate the El Pulso section of La Tercera as the newspaper in which legally required notifications will be published.

h. Distribute to shareholders a final dividend of CLP 3.76549 per share, which is in addition to the interim dividends of CLP 0.65525 per share, CLP 2.48282 per share, and CLP 2.93258 per share, paid on September 23, September 28, and December 22, 2021, respectively, for a total amount of CLP 56,779,874,116, or CLP 9.83614 per share (75% of net income). The balance of net income from 2021, CLP 18,926,776,778, will remain in the retained earnings account of shareholders' equity. Such dividend was paid beginning on April 29, 2022 to shareholders of record as of the fifth business day prior to such date.

i. Approve a dividend policy to distribute 75% of net income of each period.

The Company also held an Extraordinary Shareholders' Meeting, at which shareholders approved the following resolutions:

a. Approve a dividend policy to distribute 75% of net income of each period.

b. Approve a share repurchase program, in accordance with Articles 27A to 27C of the Corporations Act (*Ley de Sociedades Anónimas*) of Chile, as well as other applicable regulations.

c. Approve that the maximum amount of the share repurchase program will not exceed the Company's retained earnings. The Company may not hold shares in excess of 5% of total shares outstanding.

d. Approve that the duration of the share repurchase program will be five years beginning on today's date, and the objective of the program is for SMU to be able to purchase its own shares in order to obtain potential benefits for the Company and its shareholders.

e. Delegate to the Board of Directors the responsibility for setting the purchase price for the respective shares.

f. Authorize the Board of Directors to directly acquire shares representing up to 1% of shares within any 12-month period, without the need to apply the pro rata procedure.

g. Authorize the Board of Directors to sell the shares acquired, through a preferential rights offering or without a preferential rights offering when the total amount of shares to be sold within any 12-month period does not exceed 1% of shares.

h. Delegate to the Board of Directors any additional matters necessary to implement the share repurchase program and other related resolutions.

6. On April 29, 2021, the rating agency Feller-Rate ICR improved the outlook on SMU's credit rating from A (stable outlook) to A (positive outlook).
7. On May 16, 2022, the Company filed an essential fact, informing that the Board of Directors had agreed to distribute an interim dividend of CLP 37,350,939,015 (CLP 6.47041 per share), to be charged to retained earnings for 2022. This interim dividend is equivalent to 75% of net income for the first quarter of 2022 and was paid beginning on June 6, 2022 to shareholders of record on the fifth business day prior to such date.
8. On May 30, 2022, the Company filed an essential fact, informing that its Board of Directors agreed to begin the share buyback program that was approved at the Extraordinary Shareholders' Meeting held on April 21, 2022. The Board authorized the Company's Management to directly acquire up to 1% of SMU's shares, without the need to apply the pro rata procedure, during the six months starting today, at a market price it deems convenient. At the end of the six-month period, the Board will evaluate whether the buyback program should continue for a new period.
9. On September 8, 2022, the Company announced a partnership between Unimarc and the marketplace Mercado Libre to sell groceries, especially dry goods. This partnership allows SMU to continue strengthening its omnichannel growth strategy, diversifying its sales channels.
10. On July 15, 2022, the Company filed an essential fact, informing the following:

(1) As informed in the Essential Fact filed on July 27, 2021, SMU and Inmobiliaria Santander S.A. ("ISSA") executed, on such date, a binding Framework Contract for the lease of business locations where supermarkets from the Montserrat chain previously operated (the "Agreement").

(2) In such filing, the Company reported that the Transaction was subject to a series of conditions, including, among others, the approval of free competition authorities and the completion of a due diligence procedure by SMU, covering ISSA's commercial locations.

(3) The Transaction has been approved by the free competition authorities, and the due diligence procedure has been completed, and therefore, SMU and ISSA have executed lease contracts for 21 store locations (the "Lease Contracts").

(4) Should the terms and conditions defined in the Lease Contracts be met, ISSA will make the properties available to SMU, in order to begin construction on the stores the Company will operate. On such date, SMU or one of its subsidiaries will also execute a purchase agreement for the assets located inside of each store location.

(5) Finally, we hereby inform you that it is not currently possible to accurately estimate the impact that the Transaction will have on the Company's results. Approve annual report and financial statements for the 2021 period.

11. On August 1, 2022, SMU announced the launch of App Alvi Compras, the new online sales channel for the Alvi cash & carry format that allows the chain's B2B customers—including mom-and-pops and other small businesses—to order and receive products without having to leave their place of business, which means they can continue to serve their own customers and ensure product availability at the same time. Through this launch, SMU continues to develop its omnichannel strategy and adding a new online sales platform to its existing offering, which includes Unimarc.cl, Unimarc app, and partnerships with Mercado Libre and the last milers Rappi and Pedidos Ya.

12. On August 16, 2022, the Company filed an essential fact, informing that the Board of Directors had agreed to distribute an interim dividend of CLP 16,267,800,721 (CLP 2.82270 per share), to be charged to retained earnings for 2022. This interim dividend is equivalent to 75% of net income for the second quarter of 2022 and was paid beginning on September 6, 2022 to shareholders of record on the fifth business day prior to such date.

13. On September 26, 2022, the rating agency ICR upgraded the Company's local credit rating from A (positive outlook) to A+ (stable outlook).

14. On October 5, 2022, the rating agency Feller-Rate upgraded the Company's local credit rating from A (positive outlook) lo A+ (stable outlook). This upgrade follows the upgrade by the rating agency ICR on September 26, 2022, and consequently, SMU now has a credit rating of A+, with stable outlook, with both of its rating agencies.

15. On October 7, 2022, SMU S.A voluntarily committed to the management of five key sustainability criteria promoted by the World Business Council for Sustainable Development (WBCSD), which includes: carbon neutrality, biodiversity, human rights and due diligence; inclusion and diversity, and transparency and reporting.

16. On November 14, 2022, the Company filed an essential fact, informing the following:

    - The Board of Directors approved payment of an interim dividend of CLP 22,008,184,123 (CLP 3.81874 per share) to be charged to retained earnings for 2022. This interim dividend is equivalent to 75% of net income for the third quarter of 2022 and was paid beginning on December 7, 2022, to shareholders of record as of the fifth business day prior to such date.

    - The Board also agreed to extend the Company's share buyback program, which was approved by shareholders on April 21, 2022, by an additional 12 months beginning on November 30, 2022, keeping the same conditions of the program informed in the essential fact on May 30, 2022. At the end of the 12-month period, the Board will evaluate whether the buyback program should continue for a new period.

17. On November 23, 2022, SMU S.A launched its robotic micro-fulfillment center, the first of its kind in Latin America, in order to optimize order picking and delivery processes for Unimarc.cl through the use of robotic technology and artificial intelligence. This operation will help guarantee more complete and precise orders, thereby improving the customer shopping experience.

18. On November 30, 2022, the Company announced its strategic plan for the 2023-2025 period, describing the main initiatives, as well as the key operating and financial goals associated with the plan, including capex of CLP 265 billion. Just like the 2020-2022 strategic plan, which concluded in December, SMU's new roadmap is based on four pillars: Omnichannel Growth; Customer Experience; Efficiency and Productivity; and Sustainable and Committed Organization.

19. On December 20, 2022, SMU increased its ownership interest in the company Inversiones RF S.A, controlling shareholder of the companies Unicard S.A, Administradora de Tecnologías y Servicios Unicard Ltda. and Unimarc Corredores de Seguros Ltda., thereby acquiring control over Inversiones RF by being the main shareholder. Consequently, beginning on such date, the aforementioned companies are consolidated on a line-by-line basis in SMU's financial statements.

About SMU

SMU is a leading food retailer in Chile, satisfying the needs of its B2C and B2B customers with multiple formats (*Unimarc, Alvi, Mayorista 10* and *Super10*) and broad geographic coverage, with operations in all 16 regions of the country. SMU also has a growing presence in Peru, through the brands *Mayorsa* and *Maxiahorro*.

Caution Regarding Forward-Looking Statements

Contact Information

For investor inquiries, please contact:

Carolyn McKenzie: cmckenzie@smu.cl

Sofía Pérez: sperezs@smu.cl

For media inquiries, please contact:

Andrea Osorio: aosorioy@smu.cl
Sebastián De Ferrari: sdeferrari@smu.cl