EARNINGS RELEASE

3RD QUARTER 2023

November 13, 2023

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

SMU's revenue for the first nine months of 2023 (9M23) amounted to CLP 2,123,536 million, an increase of 3.1% with respect to CLP 2,060,327 million for the first nine months of 2022 (9M22). With respect to the third quarter of 2023 (3Q23), revenue totaled CLP 714,703 million, 1.2% lower than CLP 723,462 million for the third quarter of 2022 (3Q22)

Revenue performance for the quarter was consistent with industry trends, where sales growth was lower, reflecting economic conditions and the higher income elasticity the consumers have shown, buying fewer quantities and substituting for cheaper products. In this sense, during 2023, although the Company's average ticket has been lower, it is worth noting that the number of customers has increased in every format, and customers are visiting the stores more often. Therefore, once the consumption levels start recovering, the Company is well positioned to capture higher sales.

In addition, the 2022 comparison base is very challenging, due to the high levels of demand for basic products during the period. Revenue in Chile grew by 13.9% in 3Q22 with respect to the same period of the previous year, and the Cash & Carry segment recorded an increase of 32.3%

Gross profit for the first nine months of 2023 reached CLP 650,483 million, an increase of 7.8% with respect to 9M22. In 3Q23, gross profit totaled CLP 218,996 million, an increase of 3.7% with respect to 3Q22. Gross margin reached 30.6% in 9M23, an expansion of 130 basis points (bps) with respect to the 29.3% recorded in 9M22, reflecting improvements in commercial efficiency. Likewise, gross margin for 3Q23 reached 30.6%, compared to 29.2% for 3Q22, an increase of 140 bps.

Operating expenses[1] increased by 11.4% in 9M23 (8.3% in 3Q23), driven by higher accumulated annual inflation (11.2%) and the higher minimum wage (15.6% average).

SMU reached an **EBITDA**[2] of CLP 192,770 million in 9M23, similar to CLP 192,552 million reported in 9M22. EBITDA margin reached 9.1% in 9M23, 20 bps lower than 9.3% recorded in 9M22. In the third quarter of 2023, EBITDA amounted to CLP 65,492 million (EBITDA margin of 9.2%), 5.7% lower than CLP 69,420 million in 3Q23 (EBITDA margin of 9.6%), as a result of lower revenue and the consequent lower operating leverage.

SMU's **non-operating results** improved by CLP 7,182 million in 9M23 with respect to 9M22, despite two non-recurring effects: the sale of OK Market in 9M22 (gain of CLP 18,034 million), and the organizational restructuring plan that took place in August 2023 (loss of CLP 8,225 million). Excluding these effects, the improvement in the non-operating results would be CLP 33,441 million, primarily explained by lower inflation in 2023. Similarly, in the third quarter, the improvement in the non-operating result was CLP 6,054 million, and excluding the non-recurring effect, it would be CLP 14,279 million.

Excluding the two non-recurring effects mentioned above, income before taxes improved by CLP 26,160 million (58.4%) in 9M23 with respect to 9M22, and CLP 8,180 million (45.4%) in 3Q23 vs. 3Q22.

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

Net income for the first nine months of 2023 totaled CLP 51,232 million, a decrease of CLP 49,604 million (49.2%) with respect to the CLP 100,836 million reported for the first nine months of 2022. The variation is primarily explained by lower income tax expenses in 9M22, associated with higher inflation, which affected deferred taxes (negative variation of CLP 48,970 million).

With respect to the Company's financial position, in August 2023, the credit rating agencies **ICR and Feller-Rate upgraded SMU's credit rating** from A+ (positive outlook) to AA- (stable outlook). Additionally, in September 2023, the Company successfully placed bonds for a total amount of UF 1.5 million, at an annual interest rate of 4.44%, representing a spread of 179 basis points over benchmark. Demand for the transaction was nearly double the placement amount.

The Company's **cash generation** is also worth highlighting. Cash from operating activities increased CLP 19,348 million during the first nine months of 2023, which, in addition to the opening cash balance, enabled the Company to finance CAPEX of CLP 67,051 million and net debt amortization of CLP 14,518 million, ending the third quarter with CLP 115,469 million in cash and cash equivalents and maintaining a significant cash surplus.

Management Commentary

With respect to the release of earnings for the first nine months and third quarter of 2023, SMU's CEO, Marcelo Gálvez, stated, "During the third quarter of this year, we continued to feel the effects of the complex macroeconomic scenario, as we had seen in the previous quarters, affecting consumption and customer behavior. Consumers are tending to buy smaller quantities and substituting their product choices in favor of lower-cost options, which has led to a lower average ticket. However, we think it's worth highlighting the fact that the number of customers has increased across formats, and in addition, customers are visiting the stores more frequently, which leaves us well positioned for the future."

Mr. Gálvez went on to say, "Revenue for the first nine months of the year grew 3.1%, with a slight decrease in the third quarter, which is consistent with industry trends, where sales growth was slower between July and September. In SMU's case, it's also important to keep in mind that we have a very challenging comparison base from 2022, given the high levels of demand for basic goods we saw last year."

"EBITDA for the first nine months of 2023 was similar to the same period of last year, and despite the challenging economic conditions, we managed to maintain an EBITDA margin over 9%. With respect to net income, as we saw in the first half of the year, the 2023 figures can't be compared to the 2022 figures, due to non-recurring impacts that affect non-operating results. However, pre-tax income excluding the one-offs improved 58.4% in the first nine months of 2023 and 45.4% in the third quarter."

"During the quarter we had good news regarding our financial position: both Feller-Rate and ICR upgraded our credit rating to AA- in August, and in September we placed a bond for UF 1,500,000, enabling us to flatten out our debt maturity profile for the coming years. In addition, our operating cash generation for the first nine months of this year was CLP 19 billion higher than in the same period of last year."

"With respect to our strategic plan for 2023-2025, this year we have opened five Unimarc stores, one Alvi, and one MaxiAhorro store, as well as converting a Mayorista 10 store into Super10. We are also making excellent progress on the first group of Montserrat stores: the fitting out process for the first six stores should be ready in December."

"Regarding customer experience, at the end of October we relaunched our loyalty programs for Unimarc, Mayorista 10, and Supero10 under the names Club Unimarc and Club 10, focusing on delivering immediate benefits. We've also added new partnerships that allow us to offer discounts on airfare, restaurants, and other attractive products and services, as a way to continue providing benefits that make life easier for our customers."

"With respect to efficiency and productivity, the Company has continued to make progress with the implementation of its efficient operating model, as well as incorporating new technological tools and automatization of processes, which has allowed us to improve productivity levels, mitigating the increases in labor costs."

"In terms of the committed and sustainable organization pillar of our plan, we are pleased to share our results for the 2023 S&P Corporate Sustainability Assessment, where our score improved from 56 to 61[3], reflecting our progress in ESG management," concluded Mr. Gálvez.

[3] Scale of 0 to 100; as of October 27, 2023.

Highlights

New Store Openings

During the third quarter of 2023, SMU opened two new Unimarc stores (in the Los Lagos and Santiago Metropolitan Regions of Chile) and one Alvi store (in the Santiago Metropolitan Region), adding to the three Unimarc stores and one Maxiahorro store that were opened in the first half of 2023. SMU continues to make progress on its strategic plan for 2023-2025.

Series AP Bond Placement

On September 14, 2023, the Company placed the Series AP bonds in the local Chilean market (ticker BCSMU-AP), for a total amount of UF 1.5 million, at an annual interest rate of 4.44%, representing a spread of 179 basis points over benchmark and a demand for the transaction for nearly double the placement amount. The annual coupon rate was 4.5%, and a maturity date of September 1, 2033. charged to the bond line that is registered with the Securities Registry of the CMF under number 964 ("Series AP Bonds"). The Company intends to use the total amount of the net proceeds from the placement to refinance existing financial liabilities.

Credit Rating Upgrade

On August 31, 2023, the credit rating agencies ICR and Feller-Rate upgraded SMU's credit rating from A+ (positive outlook) to AA- (stable outlook). The "AA-" category is assigned to debt instruments with a very high capacity to pay principal and interest in accordance with the agreed upon terms and conditions . Both credit rating agencies highlighted the sustained financial and operating strengthening among the reasons for the upgrade.

Interim Dividend Payment

On September 7, 2023, the Company distributed to shareholders an interim dividend in the amount of CLP 2.44451 per share. This interim dividend corresponds to 75% of net income for the second quarter of 2023. The total amount was CLP 14,088,213,958.

Conference Call

SMU will host a conference call and webcast for investors on Wednesday, November 15, 2023 at 10:00 am ET/ 12:00 pm Santiago to discuss its third quarter 2023 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 SMU's website, in the Investors section, under Financial Information: https://www.smu.cl/en/inversionistas.html

1. Analysis of Income Statement

SMU's consolidated results for the periods of three and nine months ended September 30, 2023 and 2022 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)	3Q23	3Q22	△%	9M23	9M22	△%
Revenue	714,703	723,462	-1.2%	2,123,536	2,060,327	3.1%
Cost of Sales	(495,707)	(512,295)	-3.2%	(1,473,053)	(1,457,038)	1.1%
Gross Profit	**218,996**	**211,167**	**3.7%**	**650,483**	**603,290**	**7.8%**
Gross Margin (%)	***30.6%***	***29.2%***		***30.6%***	***29.3%***	
Distribution Costs	(10,272)	(9,794)	4.9%	(30,744)	(28,453)	8.1%
Contribution Margin	**208,723**	**201,373**	**3.7%**	**619,739**	**574,837**	**7.8%**
Contribution Margin (%)	***29.2%***	***27.8%***		***29.2%***	***27.9%***	
Administrative Expenses (Excluding Depreciation)	(143,231)	(131,953)	8.5%	(426,969)	(382,284)	11.7%
EBITDA	**65,492**	**69,420**	**-5.7%**	**192,770**	**192,552**	**0.1%**
EBITDA Margin (%)	***9.2%***	***9.6%***		***9.1%***	***9.3%***	
Depreciation and Amortization	(25,793)	(23,622)	9.2%	(74,608)	(67,109)	11.2%
Operating Income	**39,699**	**45,799**	**-13.3%**	**118,163**	**125,444**	**(5.8%)**
Other Gains (Losses)	(8,588)	164	n.a.	(8,401)	16,854	n.a.
Financial Income	1,508	3,267	-53.8%	7,086	8,398	(15.6%)
Financial Expenses	(13,165)	(13,621)	-3.3%	(39,675)	(39,400)	0.7%
Share of Profit (Loss) of Associates	(2)	(322)	-99.5%	43	(374)	n.a.
Foreign Exchange Differences	(157)	(210)	-25.3%	(531)	(300)	76.8%
Income (Loss) on Indexed Assets and Liabilities	(1,320)	(17,058)	-92.3%	(13,965)	(47,804)	(70.8%)
Non-operating Income	**(21,723)**	**(27,778)**	**-21.8%**	**(55,444)**	**(62,626)**	**(11.5%)**
Net Income (Loss) Before Taxes	**17,976**	**18,021**	**-0.2%**	**62,719**	**62,817**	**(0.2%)**
Income Tax Expense	(7,039)	11,324	n.a.	(11,487)	37,484	n.a.
Net Income (Loss) from Continued Operations	**10,937**	**29,344**	**-62.7%**	**51,232**	**100,301**	**(48.9%)**
Net Income (Loss) from Discontinued Operations	**0**	**0**	**n.a.**	**0**	**535**	**n.a.**
Net Income (Loss) of the Period	**10,937**	**29,344**	**-62.7%**	**51,232**	**100,836**	**(49.2%)**
Net income attributable to owners of the Parent	11,236	29,344	-61.7%	52,231	100,836	(48.2%)
Net income attributable to non-controlling interests	(299)	0	n.a.	(999)	0	n.a
Net Income (Loss) of the Period	**10,937**	**29,344**	**-62.7%**	**51,232**	**100,836**	**(49.2%)**

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

1.1. Results of Operations

1.1.1. Revenue

Revenue for the first nine months of 2023 amounted to CLP 2,123,536 million, an increase of 3.1% with respect to CLP 2,060,327 million for the first nine months of 2022. With respect to 3Q23, revenue totaled CLP 714,703 million, 1.2% lower than the CLP 723,462 million recorded in the third quarter of 2022.

Table 2: Revenue (CLP Bn)

REVENUE (CLP BN)	3Q23	3Q22	△%	9M23	9M22	△%
UNIMARC	477	479	*-0.6%*	1,419	1,387	*2.3%*
CASH & CARRY	219	227	*-3.4%*	649	626	*3.7%*
OTHERS(*)	4.2	1.8	*137.9%*	12.5	5.1	*144.9%*
FOOD RETAIL CHILE	700	708	*-1.1%*	2,080	2,018	*3.1%*
FOOD RETAIL PERU	14.8	15.6	*-4.8%*	43.4	42.5	*2.0%*
CONSOLIDATED	715	723	*-1.2%*	2,124	2,060	*3.1%*

(*) "Others" includes all revenue other than that generated by the Company's operating formats presented in the table. Additionally, in 9M23 and 3Q23, it includes revenue from the financial services business. See Note Regarding Presentation and Comparison of Information, page 23.

Food Retail Chile revenue increased 3.1% in 9M23 with respect to 9M22 and decreased 1.1% in 3Q23 with respect to 3Q22. By format, revenue for Unimarc – the traditional supermarket – grew 2.3% in the first nine months of 2023 over 9M22 and decreased 0.6% in 3Q23 with respect to 3Q22. For the cash & carry segment, which includes the low-cost formats Alvi, Mayorista 10, and Super 10, revenue grew 3.7% over 9M22, and decreased 3.4% with respect to 3Q22.

Revenue performance for the quarter was consistent with industry trends, where sales growth was lower, reflecting economic conditions and the higher income elasticity the consumers have shown, buying fewer quantities and substituting for cheaper products. In this sense, during 2023, although the Company's average ticket has been lower, it is worth noting that the number of customers has increased in every format, and customers are visiting the stores more often. Therefore, once the consumption levels start recovering, the Company is well positioned to capture higher sales.

In addition, the 2022 comparison base is very challenging, due to the high levels of demand for basic products during the period. Revenue in Chile grew by 13.9% in 3Q22 with respect to the same period of the previous year, and the Cash & Carry segment recorded an increase of 32.3%

Online sales, through both SMU's own platforms and through strategic partnerships with last milers, accounted for 2.9% of revenue at stores with online operations in 3Q23[4]. Growth in recent quarters reflects the higher penetration of Unimarc.cl, with an increased number of transactions, due to attractive promotions and operating improvements, including the micro-fulfillment center, which helps to ensure more complete and accurate orders.

[4] Considers Unimarc format.

Revenue for Food Retail Peru increased 4.9% in 9M23 with respect to 9M22, measured in local currency (+2.0% measured in Chilean pesos). For 3Q23, revenue decreased by 1.4% (-4.8% measured in Chilean pesos), reflecting the complex economic scenario that affects consumption. However, the new stores that have been opened as part of the Company's organic growth plan are performing better than expected.

Table 3: Same-Store Sales Growth (%)

SSS (△%)	3Q23	3Q22	9M23	9M22
UNIMARC	-2.2%	10.7%	2.4%	11.3%
CASH & CARRY	-3.0%	26.9%	7.5%	24.6%
FOOD RETAIL CHILE	-2.5%	15.2%	3.9%	15.0%
FOOD RETAIL PERU	-5.0%	3.5%	1.2%	-0.6%
CONSOLIDATED	-2.6%	15.4%	3.8%	15.0%

Same-store sales (SSS) grew 1.6% in the first nine months of 2023, and decreased by 2.6% in the third quarter, consistent with the trend in revenue and reflecting the high comparison base in 2022, when consumption levels were higher. By format, the cash & carry segment grew by 3.7% in 9M23 and decreased by 3.0% in 3Q23, whereas Unimarc reported an increase of 0.8% in 9M23 and a decrease of 2.2% in 3Q23. For Food Retail Peru, SSS (measured in soles) decreased by 0.9% in 9M23, and 5.0% in 3Q23. However, it is worth mentioning that the MaxiAhorro stores that have opened in the north of the country, which is the geographic focus area for future growth, had an increase of 9.8% in SSS for the third quarter.

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

SALES PER SQM (CLP Thousands/sqm)	3Q23	3Q22	△%	9M23	9M22	△%
FOOD RETAIL CHILE	484.0	499.5	-3.1%	481.3	475.9	1.1%
FOOD RETAIL PERU	245.7	267.7	-8.2%	241.0	247.6	-2.7%
CONSOLIDATED	474.3	490.2	-3.2%	471.6	467.0	1.0%

(*) Sales per square meter for Food Retail Peru and Consolidated for 3Q22 and 9M22 have been modified with respect to the figures that were originally published in order to correct a calculation error.

Sales per square meter reached CLP 471,618 for 9M23, 1.0% higher than 9M22, and CLP 474,344 for 3Q23, a 3.2% decrease with respect to 3Q22. Food Retail Chile grew 1.1% in 9M23 and decreased in 3.1% in 3Q22, while Food Retail Peru (measured in Chilean pesos) saw a decrease of 2.7% in 9M23, and 8.2% in 3Q23. The variation in sales per square meter, in both Chile and Peru, reflects the performance in revenue, and the higher sales area, due to the opening of new stores during the period that have not yet reached maturity in terms of sales.

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

NUMBER OF STORES	3Q23	3Q22	SALES AREA (THOUSANDS OF SQM)	3Q23	3Q22
UNIMARC	289	284	UNIMARC	353	347
CASH & CARRY	95	95	CASH & CARRY	124	123
FOOD RETAIL CHILE	384	379	FOOD RETAIL CHILE	476	470
FOOD RETAIL PERU	30	28	FOOD RETAIL PERU	20	19
CONSOLIDATED	414	407	CONSOLIDATED	496	489

Table 6: Store Openings and Closures

OPENINGS AND CLOSURES	3Q22		4Q22		1Q23		2Q23		3Q23	
	OPEN.	CLOS.	OPEN.	CLOS.	OPEN.	CLOS.	OPEN.	CLOS.	OPEN.	CLOS.
UNIMARC	3	0	1	0	1	0	2	1	2	0
CASH & CARRY	0	0	0	0	0	0	0	1	1	0
FOOD RETAIL CHILE	3	0	1	0	1	0	2	2	3	0
FOOD RETAIL PERU	1	0	1	0	0	0	1	0	0	0

As of September 30, 2023, SMU's operations included 384 stores in Chile, distributed from Arica to Punta Arenas, five more than the 379 stores at the end of 3Q22, and a total of 476,134 square meters. In Peru, the Company had 30 stores, an increase of two stores compared to the 28 stores in 3Q22, with 20,037 square meters, for a **total of 414 stores and 496,170 square meters** between the two countries.

During the first nine months of 2023, the Company opened five Unimarc stores: two in the Los Lagos Region, two in the Santiago Metropolitan Region, and one in the O'Higgins Region. In addition, a new Alvi store was opened in the municipality of Peñalolén (Santiago Metropolitan Region), as the Company continued to move forward with the store opening plan for the year. Also, a new MaxiAhorro store was opened in Peru, and a Mayorista 10 store was converted to Super 10 in the Santiago Metropolitan Region. There were also two store closures during the period: an Unimarc store that will be rebuilt as part of a real state project in the same location, and a Mayorista 10 store that was damaged by a fire.

1.1.2. Distribution Costs and Administrative Expenses

Operating expenses (distribution costs plus administrative expenses, excluding depreciation and amortization) totaled CLP 457,713 million for the first nine months of 2023, an increase of 11.4% with respect to CLP 410,737 million for 9M22. As a percentage of revenue, operating expenses amounted to 21.6% in the first nine months of 2023, an increase of 170 bps compared to 19.9% in the first nine months of 2022. With respect to the third quarter of 2023, operating expenses totaled CLP 153,504 million (21.5% of revenue), an increase of 8.3% with respect to CLP 141,747 million (19.6% of revenue) for 3Q22.

Distribution costs for the first nine months of 2023 reached CLP 30,744 million, an increase of 8.1% with respect to CLP 28,453 million for 9M22. Distribution costs as a percentage of revenue amounted to 1.4% in 9M23 and 9M22. With respect to 3Q23, distribution costs totaled CLP 10,272 million (1.4% of revenue), an increase of 4.9% compared to CLP 9,794 million (1.4% of revenue) in 3Q22. 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 426,969 million (20.1% of revenue) in the first nine months of 2023, an increase of 11.7% with respect to the CLP 382,284 million (18.6% of revenue) reported in 9M22. With respect to the third quarter of 2023, administrative expenses amounted to CLP 143,231 million (20.0% of revenue), an increase of 8.5% compared to CLP 131,953 million (18.2% of revenue) for 3Q22.

The main variations during the first nine months of 2023 are described below:

a. Increase of CLP 24,098 million (+13.0% YoY) in personnel expenses, primarily due to the higher average minimum wage (15.6%), and inflation adjustments (+11.2%), partially offset by a lower average headcount.

b. Increase of CLP 6,362 million (+8.4% YoY) in services, primarily explained by higher rates on electricity, security services, and cleaning services, associated with inflation and higher minimum wage.

c. Increase of CLP 3,749 million (+32.1% YoY) in external services, primarily due to implementation of strategic projects.

a. Increase of CLP 3,676 million (+34.3% YoY) in advertising expenses, due to increased promotional activity.

b. Increase of CLP 3,314 million (+19.3% YoY) in credit card commissions, due to the increase in the use of electronic forms of payment, higher rates charged under the four-party model, and higher sales.

c. Increase of CLP 2,306 million (+14.6% YoY) in IT services, primarily due to the implementation of new technological tools and the impact of inflation.

d. Increase of CLP 1,748 million (16.7% YoY) in insurance, due to the increase in policy costs.

The main variations during the third quarter of 2023 are described below:

a. Increase of CLP 3,899 million (+6.0% YoY) in personnel expenses, primarily due to the higher minimum wage and inflation adjustments.

b. Increase of CLP 2,524 million (+10.0% YoY) in services, primarily explained by higher rates on electricity, security services, and cleaning services, associated with inflation and higher minimum wage.

c. Increase of CLP 1,755 million (+47.4% YoY) in advertising expenses, due to the increase in promotional activity.

d. Increase of CLP 1,252 million (+27.4% YoY) in external services, primarily due to the implementation of strategic projects.

e. Increase of CLP 795 million (+12.2% YoY) in credit card commissions, due to the increase in the use of electronic forms of payment.

Table 7: Average Headcount

AVERAGE HEADCOUNT	3Q23	3Q22	△%	9M23	9M22	△%
STORES CHILE	20,729	21,371	*-3.0%*	21,101	21,977	*-4.0%*
HEADQUARTERS CHILE	2,165	2,097	*3.2%*	2,193	2,051	*6.9%*
FOOD RETAIL CHILE	22,893	23,467	*-2.4%*	23,294	24,028	*-3.1%*
STORES PERU	550	548	*0.4%*	552	531	*3.9%*
HEADQUARTERS PERU	172	166	*3.2%*	167	162	*3.1%*
FOOD RETAIL PERU	722	714	*1.0%*	719	693	*3.7%*
TOTAL	23,615	24,182	*-2.3%*	24,013	24,721	*-2.9%*

1.1.3. Gross Margin, Contribution Margin, and EBITDA

Gross profit for the first nine months of 2023 totaled CLP 650,483 million, an increase of 7.8% with respect to CLP 603,290 million generated the first nine months of 2022. With respect to the third quarter, gross profit amounted to CLP 218,996 million, an increase of 3.7% compared to CLP 211,167 million in 3Q23. In percentage terms, gross margin amounted to 30.6% in 9M23, an expansion of 130 bps over the 29.3% of 9M22, reflecting the improved commercial efficiency. Gross margin for 3Q23 reached 30.6%, an increase of 140 bps compared to the 29.2% reported for 3Q22.

Contribution margin for the first nine months of 2023 totaled CLP 619,739 million (29.2% of revenue), an increase of 7.8% with respect to CLP 574,837 million (27.9% of revenue) for 9M22. With respect to the third quarter of 2023, contribution margin amounted to CLP 208,723 million (29.2% of revenue), an increase of 3.7% with respect to CLP 201,373 million (27.8% of revenue) totaled in 3Q22,

EBITDA for the first nine months of 2023 totaled CLP 192,770 million, similar to CLP 192,552 million in the first nine months of 2022. EBITDA margin reached 9.1% in 9M23, 20 bps lower than the 9.3% reported for 9M22. With respect to the third quarter of 2023, EBITDA amounted to CLP 65,492 million (EBITDA margin 9.2%), a decrease of 5.7% compared to CLP 69,420 million (EBITDA margin 9.6%) for 3Q22.

EBITDA adjusted for store rental expenses (EBITDA including all rental expenses, including those not included in administrative expenses under IFRS 16) for the first nine months of 2023 totaled CLP 128,602 million, 5.1% lower than CLP 135,479 million reported in 9M22, due to higher rental payments, related to inflation. EBITDA adjusted for store rental expenses for the third quarter of 2023 totaled CLP 43,950 million (CLP 49,271 million in 3Q22).

Operating Income for the first nine months of 2023 totaled CLP 118,163 million, a 5.8% decrease compared to CLP 125,444 million reported in 9M22, due to an increase of 11.2% in depreciation and amortization, reflecting the Company's higher investment levels in recent years as part of its strategic plans. Operating income for 3Q23 reached CLP 39,699 million (CLP 45,799 million 3Q22), with an increase of 9.2% in depreciation and amortization.

1.2 Non-operating Income[5] and Income Tax Expense

The consolidated **non-operating loss** for SMU totaled CLP -55,444 million in the first nine months of 2023, an improvement of CLP 7,182 million with respect to CLP -62,626 million reported in 9M22.

The comparison is affected negatively by two non-recurring effects registered on other gains (losses), for a total impact of CLP 26,259 million:

i. The sale of OK Market in 9M22 (CLP 18,034 million gain)
ii. The organizational restructuring plan that took place in August 2023 (CLP 8,225 million loss), due to the implementation of strategic initiatives increased productivity, mitigating higher levels of operating expenses and generating savings beginning in September 2023.

Excluding these effects, the non-operating loss improved by CLP 33,441 million, primarily explained by a CLP 33,839 improvement in losses on indexed assets and liabilities, due to lower inflation in 2023 compared to 2022.

For the third quarter of 2023, the non-operating loss totaled CLP -21,723 million, an improvement of CLP 6,054 million, with respect to CLP -27,778 million in 3Q23. Excluding the non-recurring effect of the organizational restructuring plan mentioned above (CLP 8,225 million loss), the improvement was CLP 14,279 million, primarily explained by the CLP 15,737 million improvement in losses on indexed assets and liabilities

The **income tax expense** for the first nine months of 2023 amounted to CLP -11,487 million, a negative variation of CLP -48,970 million with respect to the income tax benefit of CLP 37,484 million recorded in 9M22. The income tax expense for 3Q23 totaled CLP -7,039 million, a decrease of CLP 18,363 million compared to the benefit of CLP 11,324 million for 3Q22. In both periods, the difference is explained mostly by the lower inflation adjustments to the tax loss carryforward and other tax items, due to lower inflation in 2023 vs. 2022, and by the higher pre-tax income (excluding the effect of the sale of OK Market in 9M22).

1.3 Results of Discontinued Operations: OK Market

On February 28, 2022, the convenience business OK Market was sold, and consequently, the results of this business are presented consolidated in a single line, “Net income from discontinued operations”, in the financial statements of SMU as of September 30, 2023 (see Note Regarding Presentation and Comparison of Information, page 23). SMU’s results in 9M22 include two months where OK Market operated as part of the SMU Group, generating CLP 535 million of net income, whereas in 9M23, 3Q22 and 3Q23, this business was no longer part of the Company’s operations.

[5] 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)

1.4 Net Income

Net income for the first nine months of 2023 amounted to CLP 51,232 million, a decrease of CLP 49,604 million (49.2%) compared to CLP 100,836 million reported for the first nine months of 2022. The variation is mostly explained by higher inflation in 2022 with respect to 2023, affecting the income tax expense (negative variation CLP 48,970 million), as explained above.

The comparison between 9M23 and 9M22 is also affected by two non-recurring effects mentioned above: the sale of OK Market in 2022 and the organizational restructuring plan in 2023. These effects generated a negative variation of CLP 26,259 million in income before taxes. Excluding these non-recurring effects, income before taxes increased by CLP 26,160 million (58.4%) in 9M23 with respect to 9M22.

Net income for the third quarter of 2023 reached CLP 10,937 million, a decrease of CLP 18,408 million (62.7%) with respect to CLP 29,344 million reported in 3Q22. This difference, just like for the first nine months of 2023, is primarily explained by the negative variation in income tax expenses (difference of CLP 18,363 million vs. 3Q22). Excluding the non-recuring effect of the organizational restructuring plan, income before taxes improved by CLP 8,180 million (45.4%).

2. Analysis of Statement of Financial Position

Table 8: Statement of Financial Position as of September 30, 2023 and December 31, 2022

(CLP Million)	September 2023	December 2022	△$	△%
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	115,469	124,531	(9,063)	(7.3%)
Other Current Financial Assets	3,625	6,734	(3,109)	(46.2%)
Other Current Non-Financial Assets	26,829	35,737	(8,908)	(24.9%)
Trade Accounts Receivable and Other Receivables, Net	64,003	81,633	(17,630)	(21.6%)
Accounts Receivable from Related Companies	378	401	(23)	(5.7%)
Inventories	221,961	245,353	(23,392)	(9.5%)
Current Tax Assets	3,161	2,844	316	11.1%
Total Current Assets	**435,427**	**497,235**	**(61,808)**	**(12.4%)**
NON-CURRENT ASSETS				
Other Non-Current Financial Assets	395	396	(1)	(0.3%)
Other Non-Current Non-Financial Assets	2,637	3,921	(1,284)	(32.7%)
Non-Current Accounts Receivable	41,069	41,358	(289)	(0.7%)
Investments Accounted for Using the Equity Method	3,221	3,253	(32)	(1.0%)
Intangible Assets Other Than Goodwill	65,766	67,473	(1,707)	(2.5%)
Goodwill	473,818	472,939	879	0.2%
Property, Plant, and equipment, net	801,001	762,790	38,211	5.0%
Deferred tax assets	468,077	479,271	(11,194)	(2.3%)
Total Non-Current Assets	**1,855,984**	**1,831,402**	**24,582**	**1.3%**
TOTAL ASSETS	**2,291,411**	**2,328,637**	**(37,226)**	**(1.6%)**
LIABILITIES				
CURRENT LIABILITIES				
Other Current Financial Libialities	166,779	164,346	2,433	1.5%
Trade and Other Current Payables	414,615	446,798	(32,183)	(7.2%)
Accounts Payable to Related Companies	966	1,017	(51)	(5.1%)
Other Current Provisions	3,409	3,033	376	12.4%
Current Tax Liabilities	1,236	257	979	381.1%
Current Provisions for Employee Benefits	37,183	26,223	10,961	41.8%
Other Current Non-Financial Liabilities	1,380	10,765	(9,385)	(87.2%)
Total Current Liabilities	**625,567**	**652,438**	**(26,870)**	**(4.1%)**
NON-CURRENT LIABILITIES				
Other Non-Current Financial Liabilities	879,402	876,600	2,802	0.3%
Non-Current Provisions for Employee Benefits	467	12,267	(11,800)	(96.2%)
Total Non-Current Liabilities	**879,869**	**888,868**	**(8,998)**	**(1.0%)**
TOTAL LIABILITIES	**1,505,437**	**1,541,305**	**(35,869)**	**(2.3%)**
EQUITY				
Issued Capital	523,742	523,742	-	0.0%
Reacquired Own Equity	(833)	(833)	-	0.0%
Retained Earnings	112,628	114,582	(1,954)	(1.7%)
Other Reserves	147,024	145,428	1,596	1.1%
Equity Attributable to the Owners of the Parent Company	782,561	782,919	(358)	(0.0%)
Non-Controlling Interest	3,413	4,412	- 999	(22.6%)
Total Equity	**785,974**	**787,331**	**(1,357)**	**(0.2%)**
TOTAL LIABILITIES AND EQUITY	**2,291,411**	**2,328,637**	**(37,226)**	**(1.6%)**

2.1. Assets

As of September 30, 2023, SMU's **total assets** decreased by CLP 37,226 million (1.6%) with respect to December 31, 2022, totaling CLP 2,291,411 million.

Current assets as of September 30, 2023 decreased by CLP 61,808 million (12.4%) with respect to December 31, 2022, totaling CLP 435,427 million. The primary variations during the period were:

a. Decrease of CLP 23,392 million in inventory, due to a decrease in merchandise.

b. Decrease of CLP 17,630 million in current trade accounts receivable and other accounts receivable, primarily due to the decrease in accounts receivable from Transbank, reflecting the seasonality of the business.

c. Decrease of CLP 9,063 million in cash and cash equivalents, primarily explained by the reasons described in section 3. Cash Flow Statements.

d. Decrease of CLP 8,908 million in other current non-financial assets, primarily due to lower VAT fiscal credit (CLP 7,840 million).,

e. Decrease of CLP 3,109 million in other current financial assets, due to lower time deposits at the end of the period.

Non-current assets as of September 30, 2023 increased by CLP 24,582 million (1.3%) with respect to December 31, 2022, totaling CLP 1,855,984 million. The primary variations during the period were:

a. Increase of CLP 38,211 million in property, plant, and equipment, primarily due to additions during the period (CLP 108,773 million), partially offset by depreciation for the period (CLP 69,421 million). The additions during the period include capex projects, such as fitting out new stores, purchases of land for future development, and new rental contracts, recognized as rights of use.

b. Decrease of CLP 11,194 million in deferred tax assets, primarily due to the decrease of CLP 22,570 million in tax loss carryforwards, partially offset by the decrease of CLP 11,376 million in deferred tax liabilities.

c. Decrease of CLP 1,707 million in intangible assets other than goodwill, primarily explained by amortization for the period (CLP 5,187 million), partially offset by additions during the period (CLP 3,489 million)

d. Decrease of CLP 1,284 million in other non-current non-financial assets, due to the transfer from non-current to current of pre-paid insurance, for the installments that cover the next 12 months.

2.2. Liabilities

As of September 30, 2023, the Company's **total liabilities** decreased by CLP 35,869 million (2.3%) with respect to December 31, 2022, totaling CLP 1,505,437 million.

Current liabilities as of September 30, 2023 decreased by CLP 26,870 million (4.1%) with respect to December 2022, totaling CLP 625,567 million.

The primary variations during the period are detailed as follows:

a. Decrease of CLP 32,200 million in current trade accounts payable and other payables, primarily due to the cut-off date for payments.
b. Increase of CLP 10,961 million in current provisions for employee benefits, primarily due to the increase of CLP 12,118 million in provisions for performance incentive bonuses, reflecting the transfer from non-current to current of the long-term incentive, as well as the addition of incentives for the current period, partially offset by the consumption of the provision for performance incentives for the 2022 period.
c. Decrease of CLP 9,385 million in other current non-financial liabilities, primarily due to a decrease in VAT fiscal debit (CLP 9,259 million).
d. Increase of CLP 2,433 in other current financial liabilities, explained by the transfer from non-current to current of upcoming maturities, as well as inflation adjustments, almost entirely offset for the payment of financial liabilities during the period. Between January and September, 2023, the Company paid CLP 112,547 million in maturities, including financial debt (banks and bonds) for 69,119 million, and liabilities for rights of use (with and without purchase option) for CLP 43,428 million.

As of September 30, 2023, **non-current liabilities** decreased by CLP 8,998 million (1.0%) with respect to December 2022, amounting to CLP 879,869 million. The primary variation during the period were a decrease of CLP 11,800 million in **non-current provisions for employee benefits**, primarily explained by the transfer from non-current to current of the long-term incentive; and an increase of CLP 2,802 million in **other non-current financial liabilities,** explained by (i) the placement of the Series AP bonds in September (UF 1.5 million); (ii) the addition of new lease contracts during the period; and (iii) the increase in the UF, partially offset by the transfer from non-current to current of upcoming maturities.

2.3. Shareholders' Equity

Shareholders' equity increased by CLP 1,357 million (0.2%), primarily explained by the increase of CLP 1,954 million in retained earnings: (i) CLP 51,232 million for the profit for the period, and (ii) increase of CLP 1,596 million in other reserves; partially offset by the payment of dividends for CLP 54,185 million.

3. Analysis of Statement of Cash Flows

Table 9: Statement of Cash Flows for the Nine Months Ended September 30, 2023 and 2022

(CLP Million)	Sept. 2023	Sept. 2022	△$
Net Cash Flows From (Used in) Operating Activities	205,045	185,697	19,348
Net Cash Flows From (Used in) Investing Activities	(62,718)	5,958	(68,675)
Net Cash Flows From (Used in) Financing Activities	(151,390)	(175,267)	23,877
Net Increase (Decrease) in Cash and Cash Equivalents Before Effect of Exchange Rates	**(9,063)**	**16,388**	**(25,451)**
Net Increase (Decrease) in Cash and Cash Equivalents	**(9,063)**	**16,388**	**(25,451)**
Cash and Cash Equivalents at Beginning of Period	124,531	113,794	10,737
Cash and Cash Equivalents at End of Period	**115,469**	**130,182**	**(14,713)**

During the first nine months of 2023, cash provided by **operating activities** totaled CLP 205,045 million, an increase of CLP 19,348 million compared to CLP 185,697 million for the first nine months of 2022. The higher generation of cash flow is explained by the increase in sale of goods and rendering of services (CLP 76,313 million), partially offset by the increase of payments to suppliers (CLP 30,989 million) and payments to employees (CLP 29,941 million). Other operating payments decreased by CLP 4,991 million, primarily related to lower VAT payments due to increased purchases of goods and services.

Cash used in **investing activities** for 9M23 totaled a net outflow of CLP -62,718 million, a difference of CLP -68,675 million compared to the net inflow of CLP 5,958 million for the first nine months of 2022. The difference is mainly due to the proceeds from the sale of OK Market in 9M22, which amounted to CLP 49,100 million, also a higher level of CAPEX in 2023. **CAPEX** includes purchases of property, plant and equipment and purchases of intangible assets, which amounted to CLP 67,051 million in 9M23 and CLP 36,224 million in 9M22.

Cash used in **financing activities** for 9M23 totaled a net outflow of CLP -151,390 million, a positive variation of CLP 23,877 million, mainly explained by (i) repayment of loans for CLP 69,119 million; (ii) payments of dividends for CLP 54,185 million; (iii) payment of financial leases for CLP 43,428 million; and (iv) interest payments for CLP 39,259 million; partially offset by proceeds from long-term loans for CLP 54,601 million, from the placement of the Series AP bonds. In the first nine months of 2022, cash from financing activities totaled a net outflow of CLP -175,267 million, explained by (i) payment of dividends for CLP 75,355 million; (ii) repayment of loans for CLP 55,492 million; (iii) payment of financial leases for CLP 38,376 million; and (iv) payment of interest for CLP 37,031 million; partially offset by proceeds from long-term loans for CLP 31,820 million, from the placement of the Series AO bonds.

4. Financial Indicators

Table 10: Financial Indicators

			Sep. 2023	Dec. 2022
LIQUIDITY				
Liquidity Ratio	times	*Current assets/current liabilities*	0.70	0.76
Acid Ratio	times	*(Current assets - inventories)/current liabilities*	0.34	0.39
LEVERAGE				
Total Liabilities / Total Assets	times	*Total liabilities / Total assets*	0.66	0.66
Total Liabilities / Equity	times	*Total liabilities / Equity*	1.92	1.96
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*	0.56	0.54
Current Liabilities / Total Liabilities	%	*Total current liabilities/Total liabilities*	41.55	42.33
Net Financial Liabilities / EBITDA	times	*(Other current financial liabilities + other non-current financial liabilities - cash and cash equivalents)/EBITDA for the last 12 months*	3.49	3.44
WORKING CAPITAL				
Days of Inventory	days	*Average inventory for the period / Daily cost of goods sold for the period*	42.83	43.14
Accounts Receivable Days	days	*Average current trade and other accounts receivable for the period / (Daily revenue for the period * 1.19)*	7.78	9.38
Accounts Payable Days	days	*Average current trade and other accounts payable for the period / (Daily cost of goods sold for the period * 1.19)*	66.34	66.14
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)*	6.19	6.42
Gross Margin (Last 12 months)	%		30.54	29.55
EBITDA (Last 12 months)	CLP MM		266,550	266,332
EBITDA Margin (Last 12 months)	%		9.22	9.42
PROFITABILITY (12 months)				
Return on Assets	%	*Net income last 12 months / Total assets*	3.60	5.67
Return on Assets (excluding goodwill)	%	*Net income last 12 months / (Total assets - goodwill)*	4.54	7.12
Return on Equity	%	*Net income last 12 months / Shareholders' Equity*	10.49	16.77
Return on Invested Capital (including goodwill)	%	*Operating income last 12 months / (Accounts receivable + inventories + intangible assets + goodwill + property, plant and equipment)*	10.30	10.72
Return on Invested Capital (excluding goodwill)	%	*Operating income last 12 months / (Accounts receivable + inventories + intangible assets + property, plant and equipment)*	14.53	15.10
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*	181,418	188,296
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)*	16.52	17.52
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*	2.41	2.26

With respect to **liquidity** indicators, the decrease from December 2022 to September 2023 is due to the fact that the decrease in current assets was greater than the decrease in current liabilities, for the reasons described in Section 2 of this document.

With respect to **indebtedness** indicators, there are no significant variations between September 2023 and December 2022.

With respect to **working capital** indicators, the main differences are in accounts receivable days, due to the decrease in current accounts receivable, for the reasons explained in section 2 of this document.

With respect to **efficiency** and **profitability** indicators, the lower profitability is due to the fact that net income for the 12 months ended September 30, 2023 does not include the non-recurring effect of the sale of OK Market, whereas this effect is included for the 12 months ended December 31, 2022.

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 September 30, 2023.

6. Relevant Events During the Period

1. On March 27, 2023, the Company filed an essential fact, informing that that the Company's Board of Directors agreed the following:

   a) To call an Annual Ordinary Shareholders' Meeting to be held on April 20, 2023, 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:

      i. Approve annual report and financial statements for the 2022 period.
      ii. Approve the report of independent auditors.
      iii. Approve remunerations of Board of Directors and other corporate committees for the 2023 period. Inform Board of Directors expenses incurred during 2022 period.
      iv. Inform activities and expenses of Directors' Committee for the 2022 period and determine remunerations and budget for the 2023 period.
      v. Inform operations referred to under Title XVI of Law No. 18,046 (related-party operations).
      vi. Designate independent audit firm for the 2023 period.
      vii. Designate credit rating agencies for the 2023 period.
      viii. Dividend payment and distribution of net income for the 2022 period.
      ix. Designate newspaper in which legally required notifications will be published.
      x. Review any other matter that is of interest to shareholders and pertains to the Annual Ordinary Shareholders' Meeting.

   b) To submit for shareholder approval at such Annual Shareholders' Meeting a proposal for the payment of a final dividend in the amount of CLP 4.06695 per share, to be charged to net income for 2022, which is in addition to the interim dividends of CLP 6.47041 per share, CLP 2.82270 per share, and CLP 3.81874 per share, paid on June 6, September 6, and December 7, 2022, respectively, for a total amount of CLP 99,065,586,952 (75% of net income). The remaining balance to be paid amounts to CLP 23,438,669,409, or CLP 4.06695 per share. If approved, such dividend would be paid on April 28, 2023 to shareholders of record as of the fifth business day prior to such date.

2. On March 30, 2023, the rating agency ICR improved the outlook on SMU's credit rating from A+ (stable outlook) to A+ (positive outlook).

3. On April 20, 2023, 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 2022 period.
b) Approve the report of independent auditors.
c) Approve remunerations of Board of Directors and other corporate committees for the 2023 period. In addition, shareholders were informed of the Board of Directors expenses incurred during the 2022 period.
d) Approve remunerations of the Directors' Committee for the 2023 period and inform activities and expenses of such committee during 2022.
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 for the 2023 period.
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 4.06695 per share, to be charged to net income for 2022, which is in addition to the interim dividends of CLP 6.47041 per share, CLP 2.82270 per share, and CLP 3.81874 per share, paid on June 6, September 6, and December 7, 2022, respectively, for a total amount of CLP 99,065,586,952 (75% of net income). The remaining balance to be paid amounts to CLP 23,438,669,409, or CLP 4.06695 per share. Such dividend was paid beginning on April 28, 2023 to shareholders of record as of the fifth business day prior to such date.

4. On April 27, 2023, the rating agency Feller-Rate ICR improved the outlook on SMU's credit rating from A+ (stable outlook) to A+ (positive outlook).
5. On May 15, 2023, the Company filed an essential fact, informing that the Board of Directors had agreed to distribute to shareholders an interim dividend in the amount of CLP 16,658,142,643, equivalent to CLP 2.89043 per share. This interim dividend corresponds to 75% of net income for the first quarter of 2023. The payment of this dividend was started on June 5, 2023, to the shareholders of record on the fifth business day prior to such date.
6. On August 16, 2023, the Company filed an essential fact, informing that the board of Directors had agreed to distribute to shareholders an interim dividend in the amount of CLP 14,088,213,958, equivalent to CLP 2.44452 per share. This interim dividend corresponds to 75% of net income for the second quarter of 2023. The payment of this dividend was started on September 7, 2023, to the shareholders of record on the fifth business prior to such date.
7. On August 18, 2023, the Company reported the implementation of an organizational restructuring plan, which was carried out on August 16 and 17 and whose goal was to improve productivity while mitigating higher operating expenses and contributing to a better shopping experience for customers. This plan had a cost of approximately CLP 8,200 million, which is reflected in the financial statements of the third quarter of 2023.
8. On August 31, 2023, the credit rating agencies ICR and Feller-Rate, upgraded the Company's credit rating from A+ (positive outlook) to AA- (stable outlook).
9. On September 14, 2023, the Company filed an essential fact, informing the placement of dematerialized bearer bonds in the local Chilean market under Series AP (ticker BCSMU-AP), charged to the bond line that is registered with the Securities Registry of the CMF under number 964 ("Series AP Bonds"). The series was placed at an annual interest rate of 4.44%, with an annual coupon rate of 4.5%, and a maturity date of September 1, 2033. The placement of the Series AP Bonds was for a total amount of UF 1.5 million. The Company intends to use the total amount of the net proceeds from the placement to refinance existing financial liabilities.

7. Note Regarding Presentation and Comparison of Information

Sale of OK Market

On February 28, 2022, SMU completed the sale of its OK Market convenience stores to FEMSA Comercio S.A. de C.V., which operates OXXO convenience stores in Chile. In accordance with the provisions of IFRS 5, in SMU's Consolidated Financial Statements as of September 30, 2023, the OK Market business is presented as available for sale.

Consequently, in the Company's statements of comprehensive income, when comparing the two periods presented, in 9M22, the amounts corresponding to the OK Market business for the first two months of 2022 are presented under a single line, "Profit (loss) from discontinued operations", whereas in 9M23, 3Q22, and 3Q23, there is no profit or loss associated with this business.

The statements of cash flows and financial position do not reflect the OK Market business in either period.

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 financial statements as of September 30, 2023, in the income statement, the revenue, costs and expenses of these companies for the dates between January 1 and September 30, 2023, are consolidated on a line-by-line basis. However, for the three and nine months ended September 30, 2022, the results of these companies are consolidated in a single line under "Share of Profit (Loss) of Associates." Therefore, the two periods are not entirely comparable. The same is true of the statement of cash flow, which includes cash movements for these companies only in the 2023 period.

In the statement of financial position, however, the information is comparable, as the information is presented as of September 30, 2023 and December 31, 2022. As of both dates, all assets and liabilities are consolidated on a line-by-line basis.

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

This press release 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 press release 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 press release because of new information, future events or other factors.

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

Arturo Baeza: abaeza@smu.cl