



Year

20
22

Citi's GEMS Presentation

September 2022



Agenda



01 About Cencosud

02 Strategic Pillars

03 Quarterly Results

01

About Cencosud



Cencosud at a glance



Company Description

+55

Years of History

1,271

Retail Stores

3.3 million sqm

selling Area

+100 K

Employees¹

67

Shopping Centers

2.3 million sqm

GLA leased to Tenants

IPO 2004

US\$ 4.5 bn

Market Cap Cencosud²

Free Float: 45.0%

IPO 2019

US\$ 2.4 bn

Market Cap CencoShopp²

Free Float: 27.7%

**+5.5 million
sqm**

of land bank

¹ Full Time Equivalent Staff (FTE): Total Employees taken to Full Time.

² September 5, 2022 / Exchange Rate: 881,2 USD

One of the most diversified retailers in South America

Supermarkets

Jumbo, Santa Isabel, SPID, Disco, Vea, Wong, Metro, Prezmark, Mercantil, Gimbora, Perini, Bretas, GIGA ATACADO, THE FRESH MARKET

Home Improvement

easy, blaisten

Department Stores

paris, EUROFASHION

Shopping Centers

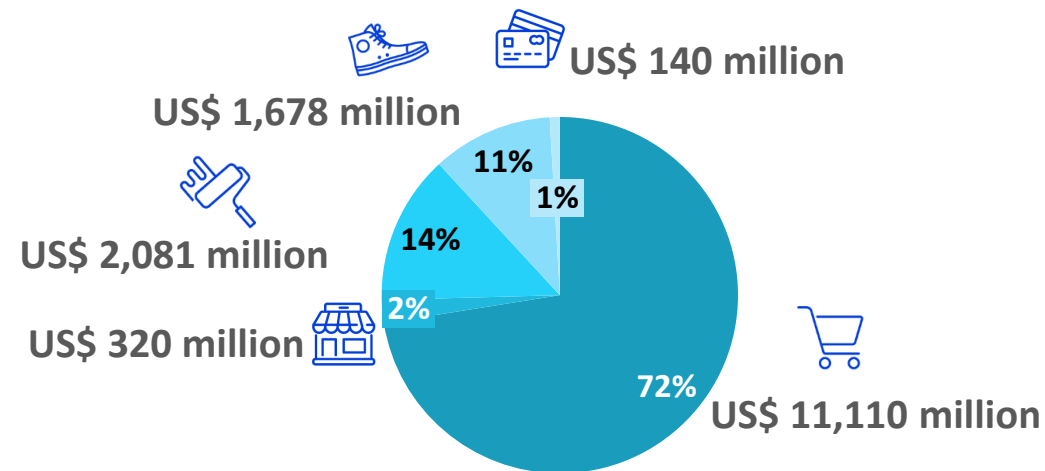
Shopping Centers

Financial Services

cencosud Scotiabank, Tarjeta cencosud, Tarjeta cencosud, Tarjeta cencosud VISA, Capital cencosud

Revenues LTM 2Q22

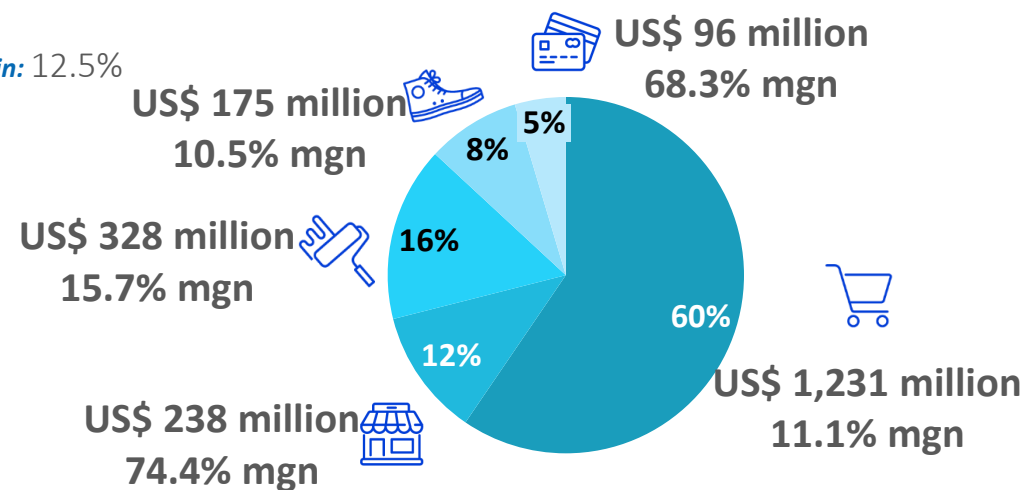
US\$15.3 bn



Adjusted EBITDA LTM 2Q22

US\$1.91 bn

Adjusted EBITDA Margin: 12.5%



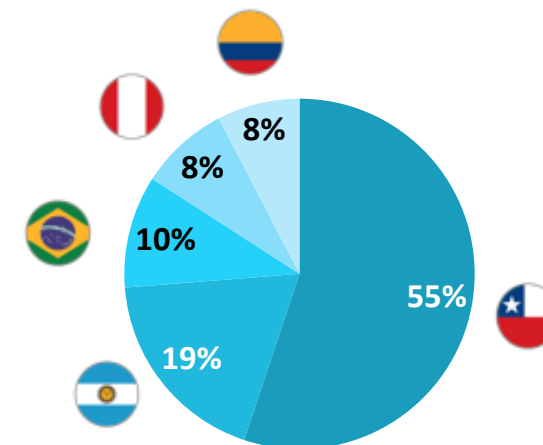
One of the most diversified retailers in South America



5 Countries of Retail Operations
Leadership position in retail industry in the region
 Commercial Office in Shanghai

Revenues LTM 2Q22

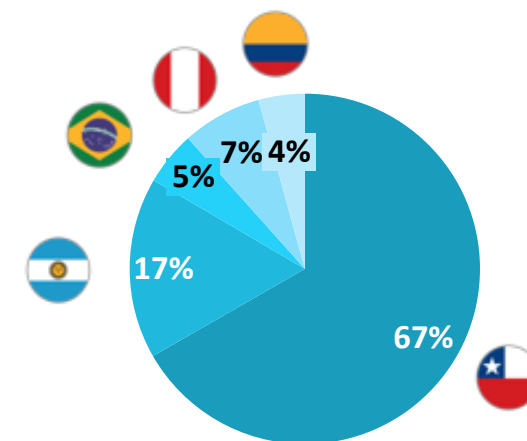
US\$15.3 bn



Adjusted EBITDA LTM 2Q22

US\$1.91 bn

Adjusted EBITDA Margin: 12.5%



Differentiation Strategy



Unmatched Customer Service

- 6 brands above 75% in CSI
- 76% of employees received training in service and quality
- Mandatory annual training in ethics



Largest Assortment in Latam

- Up to 60,000 SKU



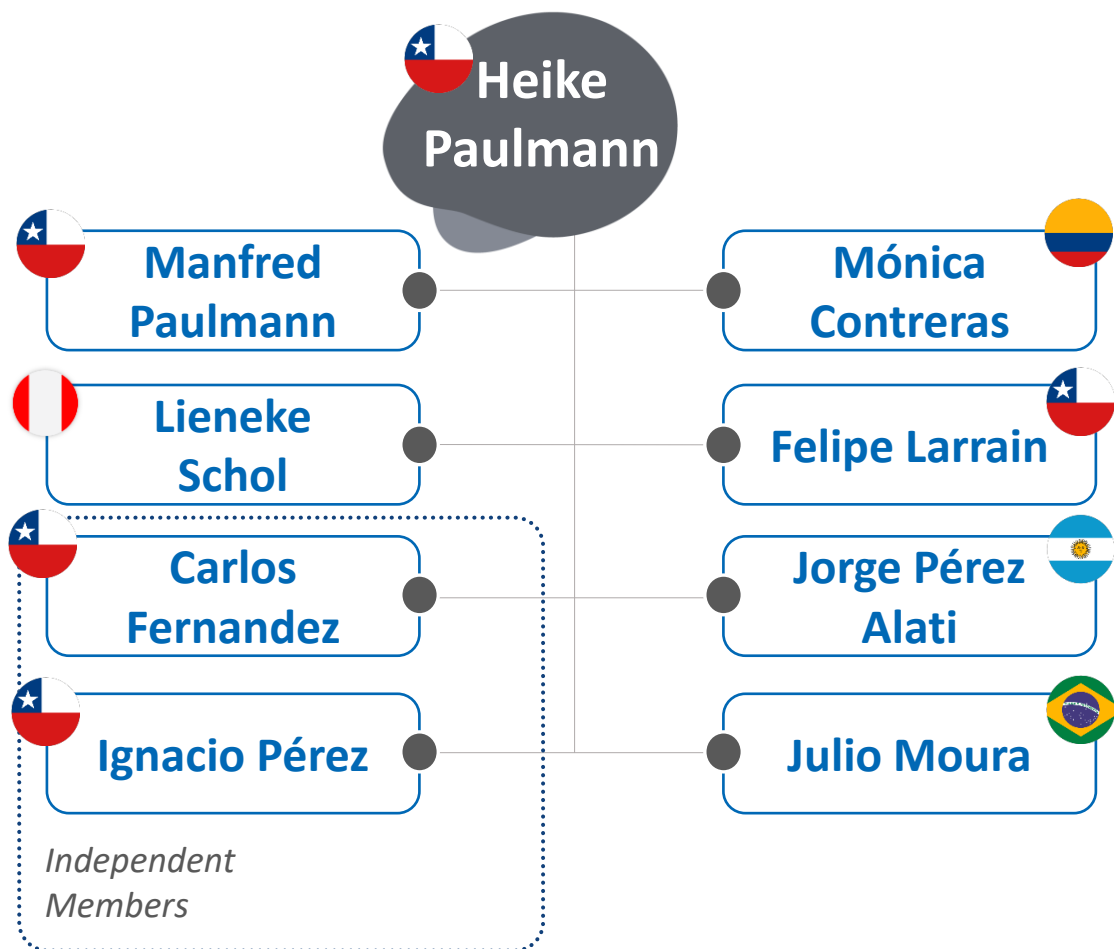
Best Quality Available

- Quality-seals
- Double warranty - return 2x value if quality is not satisfactory

- We aspire to improve the quality of life of our customers with a differentiated value proposition
- Focusing on the quality of our products and excellent service, strengthening sustainable development and business profitability
- Diverse and inclusive culture focused on people, being active agents in the communities to promote the balance between growth, care for the environment and social well-being | 7

Experience and diverse Board of Directors

Board of Directors



- Board elected as of April 22nd, 2022
- Two members of the Controlling Family
- Well recognize and diverse Board, with participation above the average of women in Chile¹ and represented by all the nationalities where Cencosud operates

¹ Average in Chile 14% in 2021 versus 33% of Cencosud according to DF Newspaper.

Seasoned Management Team

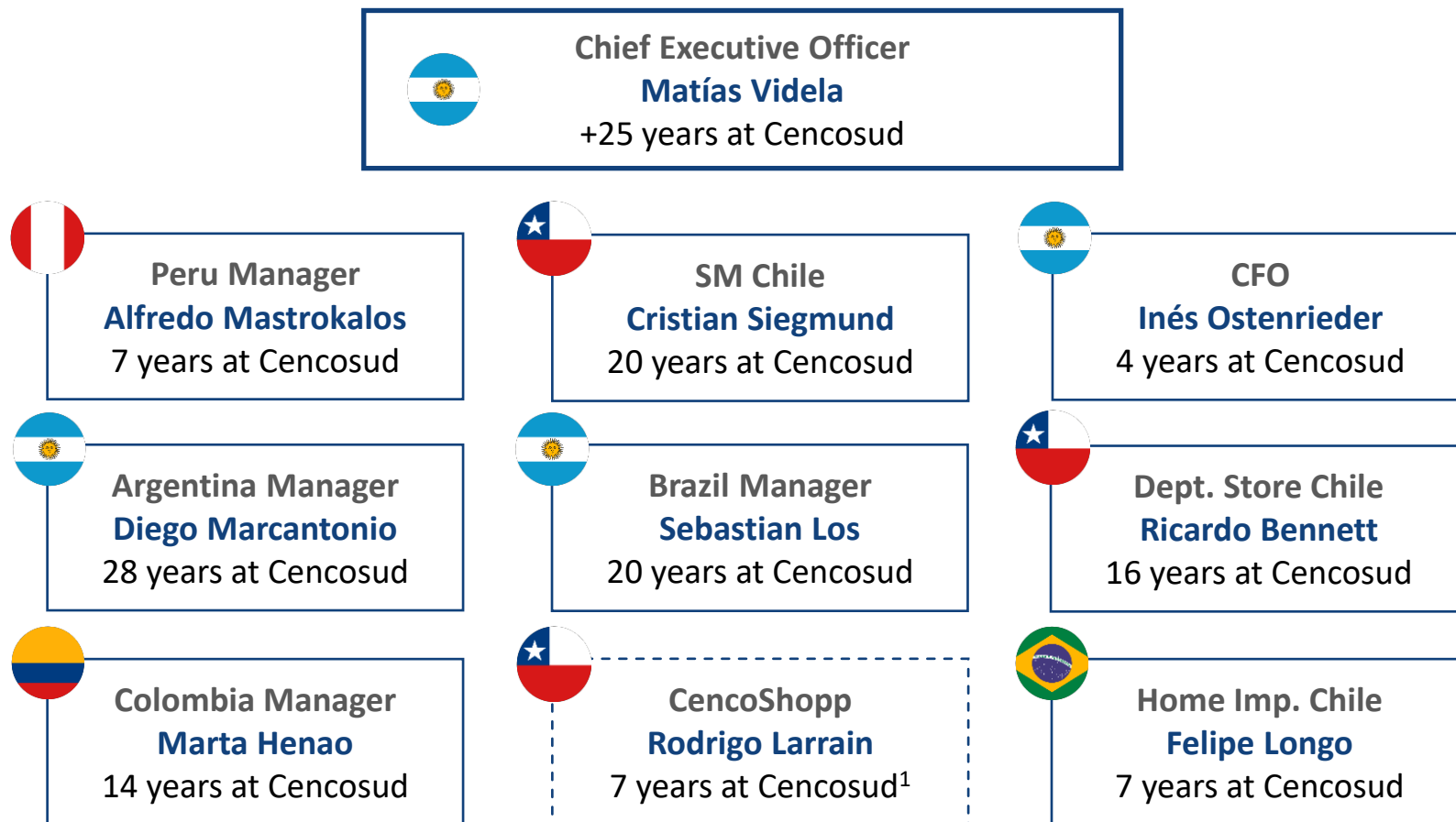


Organizational structure by country with the goal of:

- Generating synergies between business units;
- Streamline decision making; and
- Benefit from local knowledge



Experienced C-level Team



Flags stands for the citizenship of the C-level executives.

¹ 6 years at Cencosud until 2018 and reincorporate in 2021 as CEO of Cencosud Shopping (subsidiary of Cencosud).

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Cencosud's Strategic Pillars

01

**FINANTIAL
STRENGTHENING**

02

**ORGANIC
EXPANSION AND
M&A
OPPORTUNITIES**

03

**INNOVATIONS AND
NEW TRENDS**



Financial Strengthening



Lower level of indebtedness due to self-financing capacity based on cash generation.



Achieved a **'BBB' rating, for the first time** in its history.

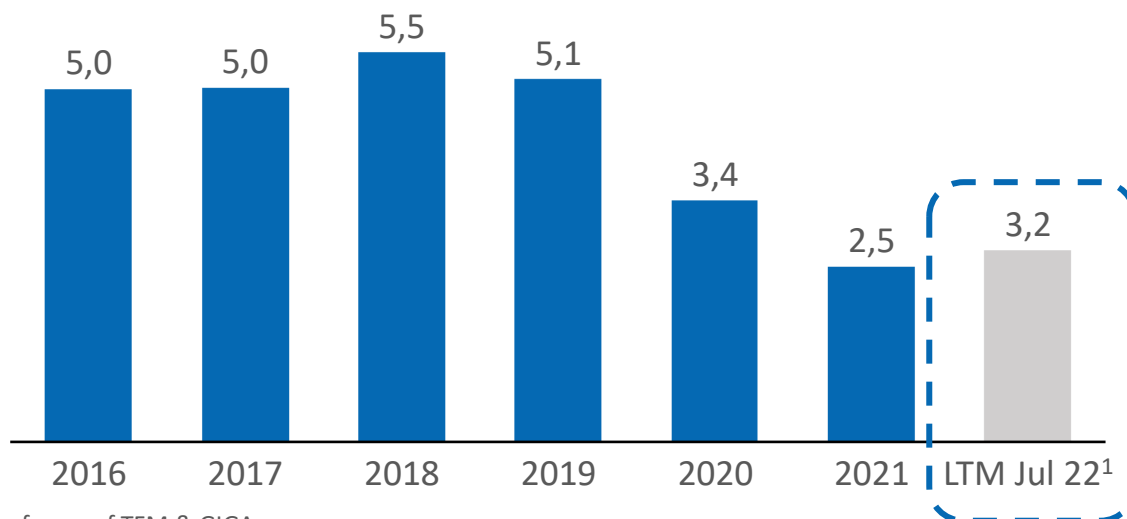


Cash position of **USD 1,193 million** as of June 2022.

Fitch Ratings raised Cencosud's rating to 'BBB' from 'BBB-'

FitchRatings **BBB** (Stable Outlook)
MOODY'S **Baa3** (Positive Outlook)

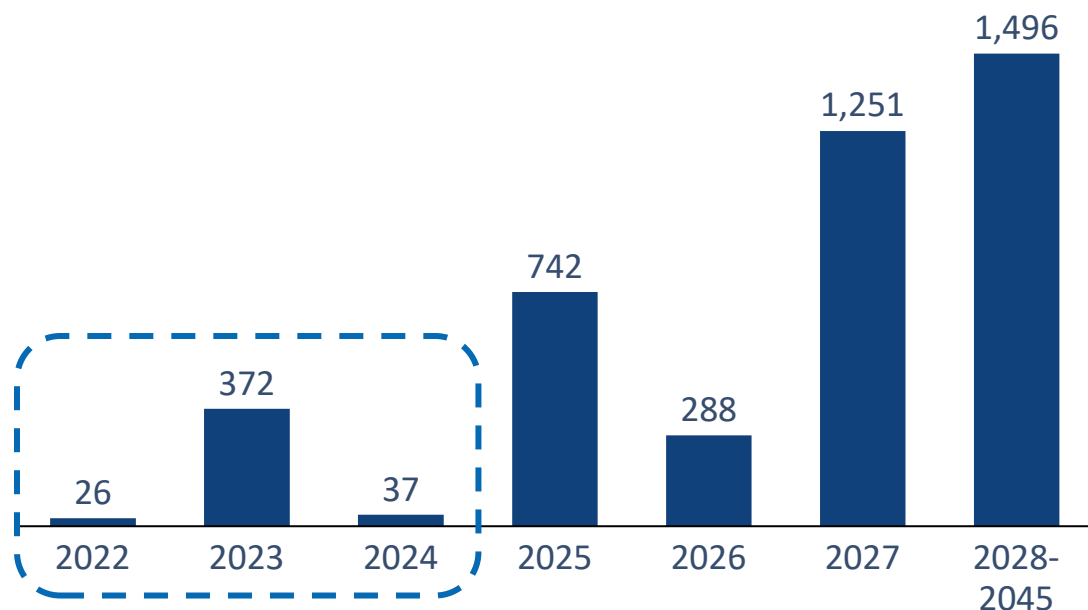
Gross Leverage



¹EBITDA proforma of TFM & GIGA.

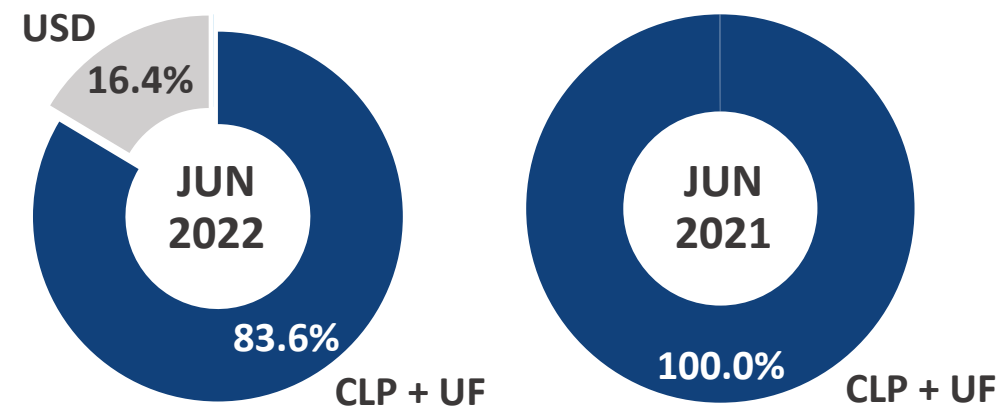
Financial Strengthening

Amortization schedule (USD million)¹



Average of **US\$ 145 million** in amortizations until 2025, maintaining a **comfortable payment schedule**.

Debt by currency (after CCS)



The Company maintains **57.5%** of its **debt denominated in dollars**.



After hedging derivatives, the exposure in USD reached 16.4%, remaining within the Company's policy – **debt in USD hedged around 80%**.



As of June 2022, Cencosud's subsidiaries had no debt.

¹Amortization as of July 31, 2022.

Financial Strengthening



Short Term Goals

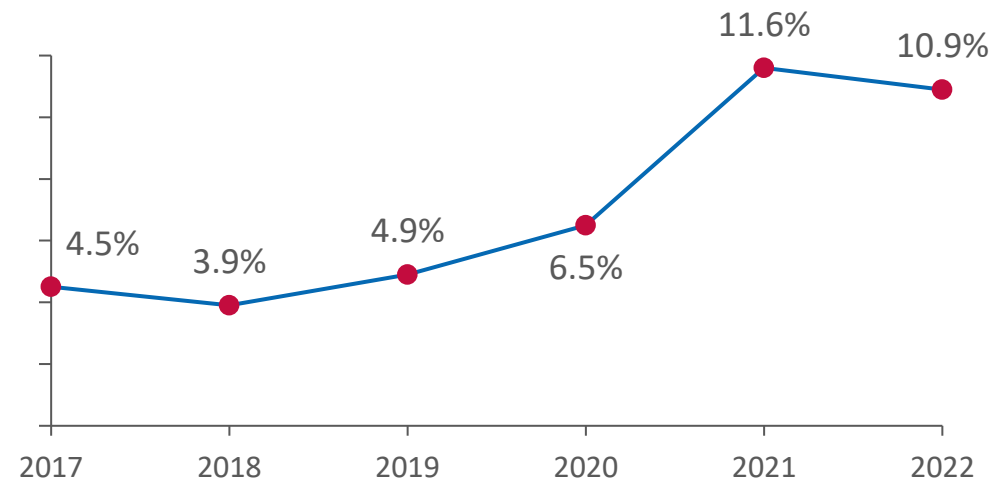
- Supply chain: merger of non-food logistics in Chile and Argentina
- GLA Optimization
- Digitization of processes
- Robotization of Dark Stores and Pick-up in Stores



To Improve ROIC

- Format changes from Supermarket to Cash&Carry – Perú and Brazil
- Optimization of the Supermarket business by adding Home Improvement stores –Colombia and Argentina
- Developing the SPID format throughout the region

ROIC Cencosud



Cencosud's Strategic Pillars



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Organic Expansion and M&A Opportunities

Guidance 2022

- To open 37+ stores by 2022
- Refurnishing plan for 100% of stores (until 2023), estimating to achieve 67% of compliance by 2022
- Investments in technology
- One new Shopping Mall in Peru, expansion of 2 Malls in Colombia and to commercialize 40,000 sqm of GLA in Chile already built

Organic Expansion as of June 2022

6M22	YTD Capex	
	Stores	Sqm
Open	23	12,818
Close ¹	8	8,190
Transformation	7	15,562
Remodelings	35	N.A.



¹ Considers 7 definitive closures, 1 temporary closure due to remodeling.

Premium acquisitions drive growth

The Fresh Market, US

Transaction

- Acquisition of 67% funded with own cash on hand and 12-month bank debt (US\$300 million)
- Estimated to add ~US\$600 million to Cencosud's bank liabilities, in addition to the new lease liabilities
- The Company's gross leverage would increase to ~3x
- Consolidation date: July 5th, 2022

The Fresh Market's Fit with Cencosud

- Premium supermarket with a focus on high-quality fresh products and a differentiated shopping experience
- 160 stores in 22 states and more than 10,000 employees
- Commercial synergies – through access to suppliers and better agreements- and operational synergies, such as loyalty programs, marketing, advanced analytics, technology and e-commerce processes

¹ Source: <https://www.newsweek.com/rankings/americas-best-customer-service-2023>

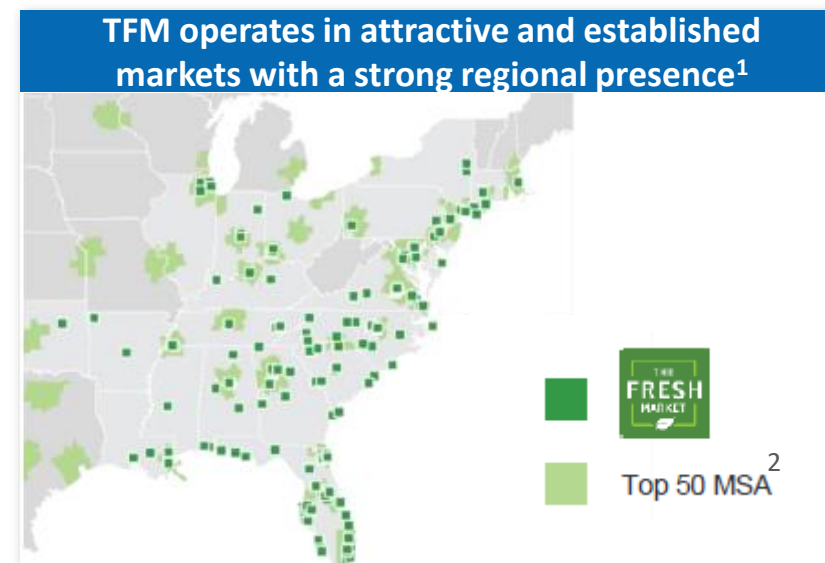


#4 Best Customer Service Supermarkets in USA¹.

The Fresh Market

Overview

- The Fresh Market is a premium specialty retailer with a reputation for high-quality fresh products, curated meal offerings and an enhanced, differentiated shopping experience.



160
Stores

~\$1.9bn / 12mm
FY21 Sales / AUV

~21,000
Average Square Footage per Store

22.3 / 4.0%
2020A / 2021A SSS%

(3.0) / 7.9%
2020A / 2021A Transactions

\$196mm / 10.2%
FY21 Adjusted EBITDA / Margin

¹ Based on Census data of top MSAs.

² Market Secondary Area

The Fresh Market

Attractive Synergy Potential

Financial Synergies

- Improved capital structure and financial flexibility
- Significant reduction in cash interest
- Increase in Free Cash Flow adequate to self-fund The Fresh Market growth strategy

Operational Synergies

- Revenue synergies through cross selling of best products and development of private label
- Access to new suppliers and purchasing cost improvements
- Technology and best practices transfer including merchandising, loyalty program, ecommerce and know-how in fresh, organic, and prepared food

Capitalization			
In mm USD	FY 2021	Pro-forma	Rate
Super Senior Secured Notes	133	-	L + 8.50%
Senior Secured notes	800	-	9.75%
Term Loan A	-	597	S + 1.75%
Total Debt outstanding	933	597	
Gross Leverage	4,8x	3,0x ⁽¹⁾	
Cash interest	92	24 ⁽²⁾	

¹ Pro-forma using FY 2021 EBITDA

² Annualized interest at closing

Cencosud's opportunity to **increase sales** for about USD265 million and to generate an **incremental EBITDA** of USD50 million per year ⁽³⁾

³ Figures as of May 2022

The Fresh Market

Significant Whitespace Opportunity

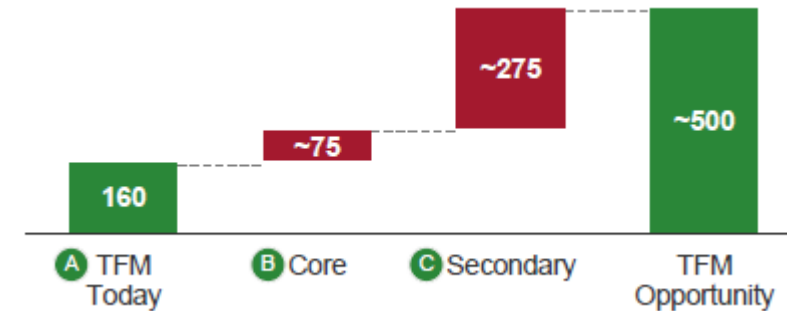
- We believe we have meaningful visibility into ~75 low-risk, near-term store opportunities within our core markets, which represents a \$900mm+ revenue opportunity or 50% increase in our store base.
- Broader opportunity for incremental ~275 stores in our secondary markets

Significant Whitespace Opportunity



Potential to Triple Store Base

Number of stores



- Attractive demographics, growing MSAs, lower lease and labor costs, ample real estate availability
- What we believe is low-risk expansion, primarily focused on in-fill locations and surrounding metro areas within core markets
- Locations where TFM has strong brand awareness but limited penetration

Premium Acquisitions drive growth

GIGA Atacado, Brazil

Transaction

- Acquisition of 100% for a total of ~US\$100 million
- Consolidation date: July 1st, 2022

GIGA's Fit with Cencosud

- Cash&Carry format in the state of São Paulo
- 10 stores, 1 Distribution Center and more than 1,300 employees
- Incorporating GIGA, Cencosud reaches 30% of its sales in the Cash&Carry format, in Brazil



Cencosud's Long Term Goals



To Lead
Supermarket
business in the
Americas



To lead e-grocery
in Latam



Top3
Marketplace
Chile

To lead Supermarket business in the Americas

Strengthening in the Supermarket Market Share

Supermarket Market Share			
Country	2Q22	2Q21	Var (Bps)
Chile	32.7%	31.1%	+160 bps
Argentina	16.1%	16.0%	+12 bps
Brazil ¹	13.6%	13.6%	+4 bps
Peru	28.2%	27.4%	+72 bps
Colombia	8.5%	9.0%	-56 bps

Chile

Mainly Santa Isabel brand.

Argentina

Veja Supermarkets gain Market Share despite the closure of 6 stores during the semester.

Peru

Mainly driven by Metro reflecting the transformation of stores to the Cash&Carry format which generated better results.



¹ Only in the regions where Cencosud operates.

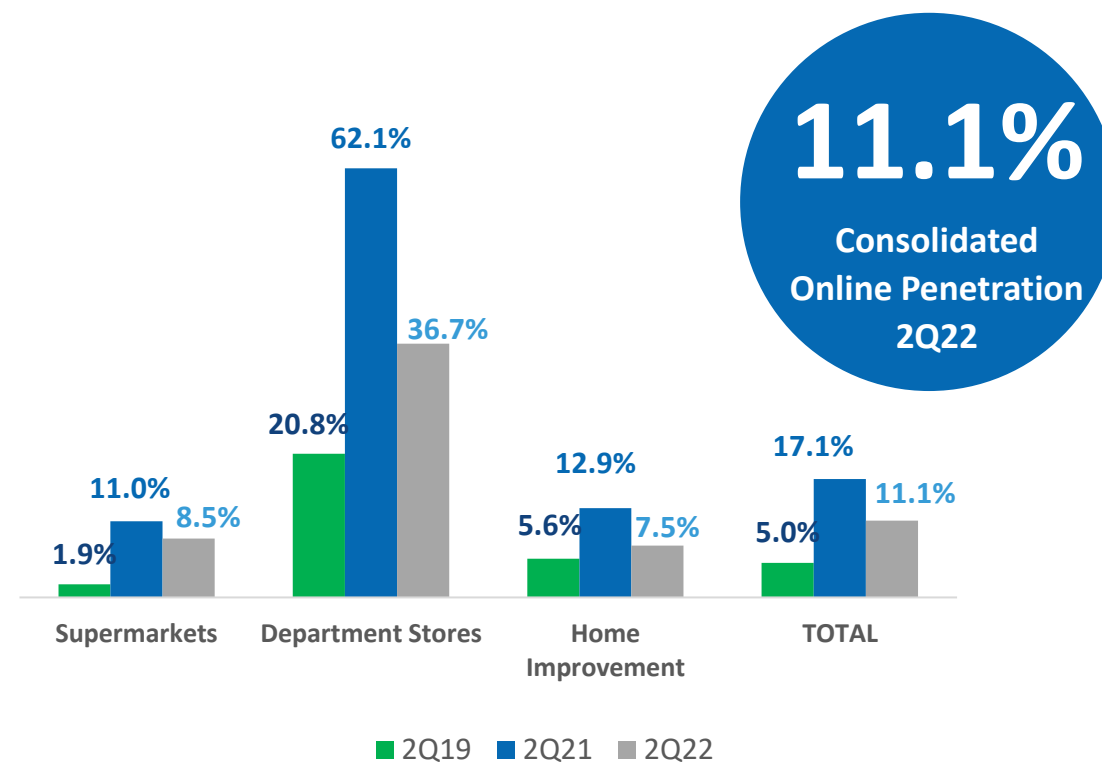
To lead e-grocery in Latam

Goals

- Apps in all our brands
- Consolidation of the Marketplace
- Expansion of logistics capacities and building new Dark Stores
- To deepen in CRM and Advanced Analytics
- New business channels

E-commerce Achievements

- Launch of the Paris App with **delivery within 24 hours and Same Day Delivery**
- New Santa Isabel App
- New Metro and Wong Apps in Peru
- New App Spid (Q-commerce)



Online Sales: US\$ 402 million

Online Tickets: 6 million

(2022)

TOP 3 Marketplace - Chile



+24%
Marketplace
(vs 1Q22)



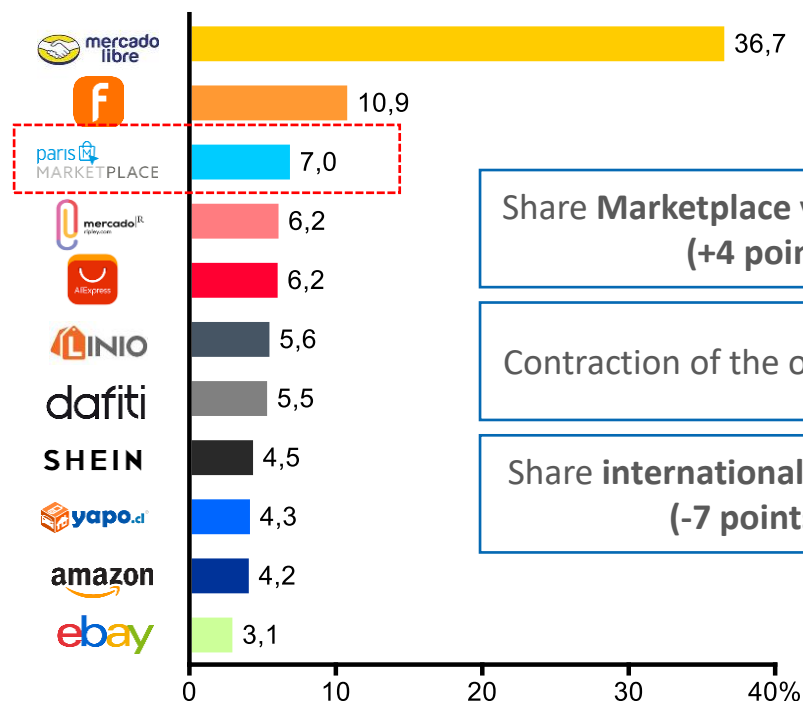
TOP 3 Marketplace

The Paris.cl Marketplace now **rank 3RD** in the Chilean market due to a 24% increase in sales¹.



Ranking Marketplace 2022

% from total GMV



Share Marketplace vs online sales: **25%**
(+4 points YoY)

Contraction of the online sector is 9.4%

Share **international sales** vs online: **9%**
(-7 points vs YoY)

¹ According to a report by Kawésqar Lab.

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Innovation and New Trends

Big Data Analytics

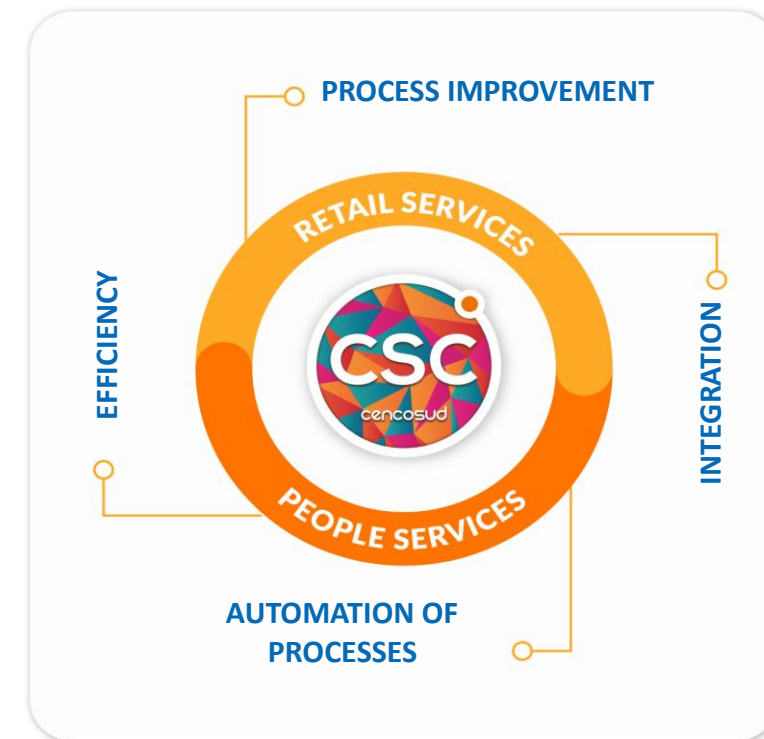
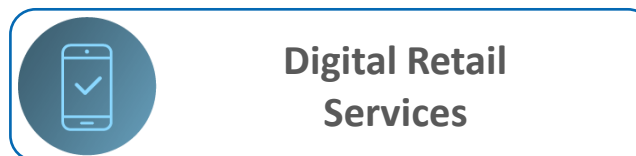
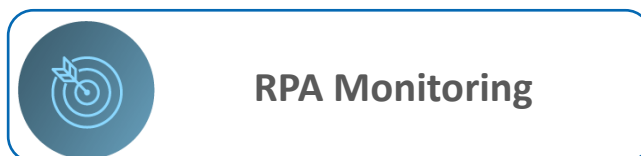
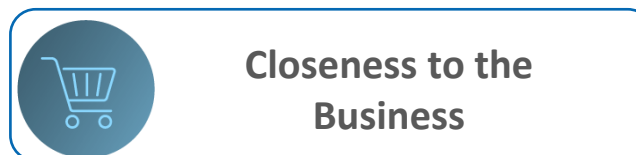
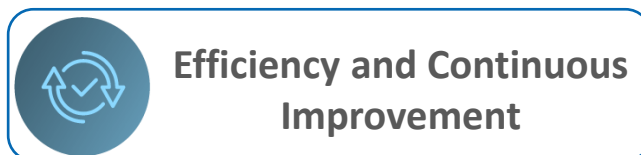
- Creation of the **Jumbo Prime Subscription model**:
 - ✓ As of today, reaches over 65,000 subscribers in Chile
 - ✓ Launched this quarter in Colombia
 - ✓ To be launch in Argentina and Peru during 2022.
- Initiatives that **improve the customer experience** based on personalized recommendations
- **Early prediction of inventory stock-outs** to improve the digital experience
- **Price Optimization Projects** for inventory management and promoting commercial divisions
- **Operational Efficiency Projects** based on advanced analytics algorithms, and
- **Cencosud Media**: allow us to maximize our advertising investment at the different Cencosud divisions across all countries of operations.



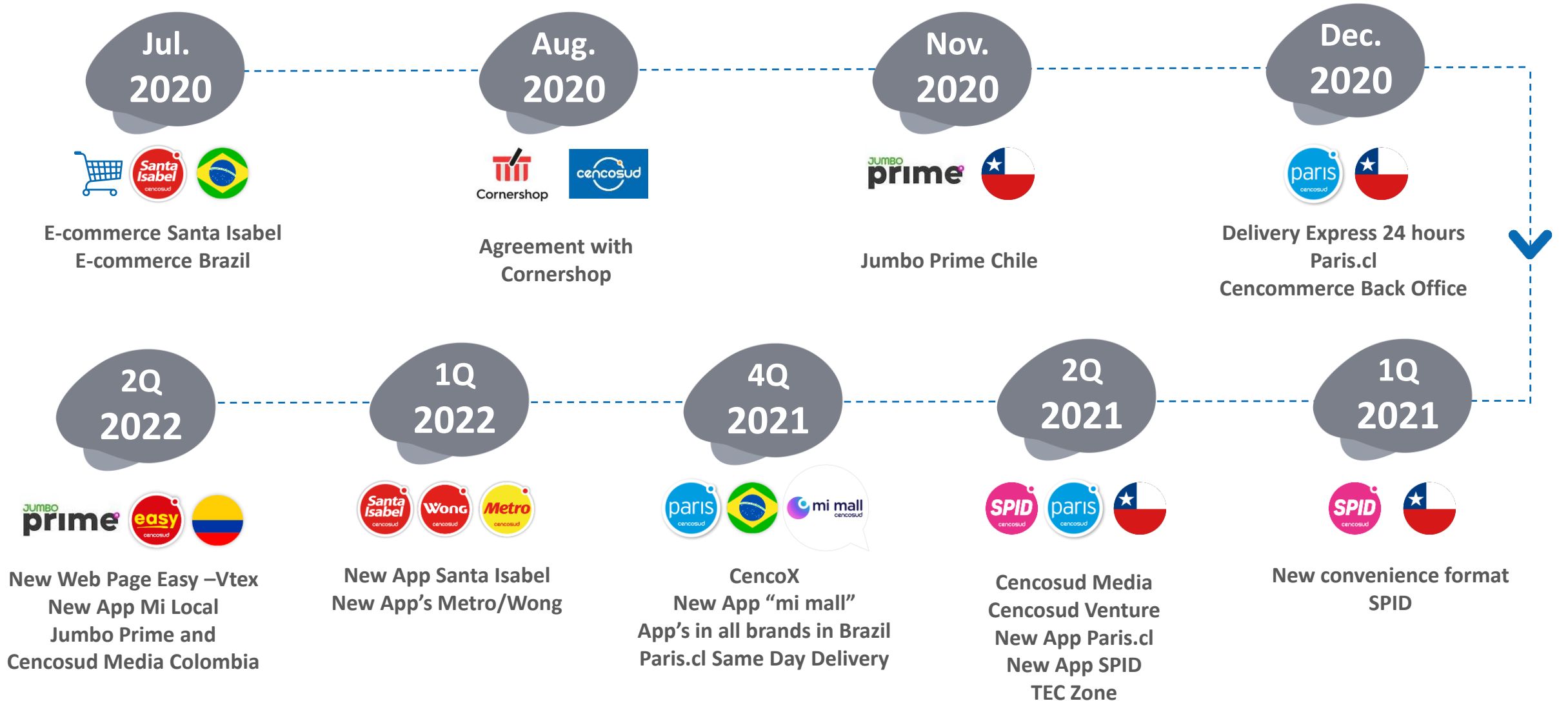
The impact of the Global Business Service

Global Business Service

- Automation of processes through RPA in all areas;
- Greater efficiency and productivity in all processes -extension of the work scope;
- Opportunity identification project;
- Migration of activities, strengthening and optimizing different dynamics and tasks;
- Savings estimation of US\$ 7.1 million per year.



Cencosud's Digital Ecosystem



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Quarterly Results



2Q22 Highlights by Country



CHILE

Market Share Gains

In Supermarkets, mainly Santa Isabel

Wholesales Growth

Easy grows above the market with revenue increasing more than 30%

TOP 3 Marketplace

Growing sequentially by 24%



ARGENTINA

Market Share Supermarkets

Vea Supermarket grows sales and share, despite the closure of six stores

Normalization Shopping Center

Business recovery both in terms of sales and occupancy

HI Profitability

Store optimization, focusing on Retail stores of around 3,500 sqm



BRAZIL

GIGA Acquisition

C&C format reaches ~30% of revenue with the incorporation of Giga

Cash&Carry

Focus on the format that already has 48 stores, as of July 2022

Online Channel

Development in tech improvements, back-office and efficiencies

2Q22 Highlights by Country



PERU

Cash&Carry

Sales increased 26% sequentially with higher profitability

Online Channel

Leader in e-grocery through a quality and differentiating service

Market Share Gain

Gained 70 bps share YoY mainly on Metro



COLOMBIA

Jumbo Prime

A differentiated offering complementing the online channel

Cencosud Media

Expanded to Colombia for more personal contact with customers

Robust E-Commerce

Online growth +40% (in CLP), above the rest of the region

2Q Healthy and Resilience Results



+22%
Revenues

As a consequence of the good performance in all countries of the region, highlighting the **gain in market share** of Supermarkets and the **recovery in Shopping Centers**.



Adj. EBITDA Mg of 10.1%

Remains at double digits due to **efficiency measures**, use of **advanced analytics** and **sqm profitability**.



11.1%
Online
Penetration

Double digit penetration driven by the development of improvements implemented for customers.

Adj. Net Profit: US\$ 65 million

Loss of CLP 21,723 million in revaluation of investment properties, in addition to a Non-Operating Results compressed by exchange rate variations and readjustment units

LTM Jun 2022 Historical Results



+22%
Revenues

As a consequence of the good performance in all countries of the region, highlighting the **gain in market share** of Supermarkets and the **recovery in Shopping Centers**.



Adj. EBITDA Mg of 11.4%

Double digits due to **efficiency measures**, use of **advanced analytics** and **sqm profitability**.



10.6%
Online
Penetration

Double digit penetration driven by the development of improvements implemented for customers.

Net Profit: US\$ 342 million

Explained by the good performance of the company in the first half of the year, partially offset by non-operating impacts and the loss in the revaluation of investment properties.

