

# GRUPO COMERCIAL CHEDRAUI

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**Third Quarter 2024**



# GRUPO COMERCIAL CHEDRAUI

# Grupo Comercial Chedraui at a glance (as of 2024):

## PRESENCE IN MEXICO



**541** STORES | **27** STATES

Openings in 2024:
84 Stores

**REAL ESTATE DIVISION**

**~4.9 million sq. ft. leasable area**

Chedraui cuesta menos
213 stores; 66,800 sq. ft.

Súper Chedraui cuesta menos
81 stores; 22,800 sq. ft.

Selecto Chedraui

Súper Che cuesta menos
7 stores; 11,200 sq. ft.

Selecto Súper Chedraui

Supercito Chedraui cuesta menos
204 stores; 2,200 sq. ft

Selecto SUPERCITO

Arteli
36 stores; 11,600 sq. ft

Smart&Final * Sin membresía

*JV of 17 Smart & Final stores in the northwest region*

Grupo Comercial Chedraui at a glance (as of 2024):

# PRESENCE IN THE U.S.

El Super • **69** STORES

Fiesta • **60** STORES

Smart&Final • **255** STORES




**384** STORES | **5** STATES

Openings in 2024:

6 Stores

Grupo Comercial Chedraui at a glance:

# PRESENCE IN THE U.S.




El Super

- Perishable department focus
- Targeted center-store assortment
- Primarily Hispanic customer base
- Established price leader
- Average sales floor: 26,300 sq. ft.




Fiesta

- Full center-store assortment
- International product offering
- Hispanic and diverse customer base
- Emerging price leader
- Average sales floor: 34,900 sq. ft.




Smart&Final

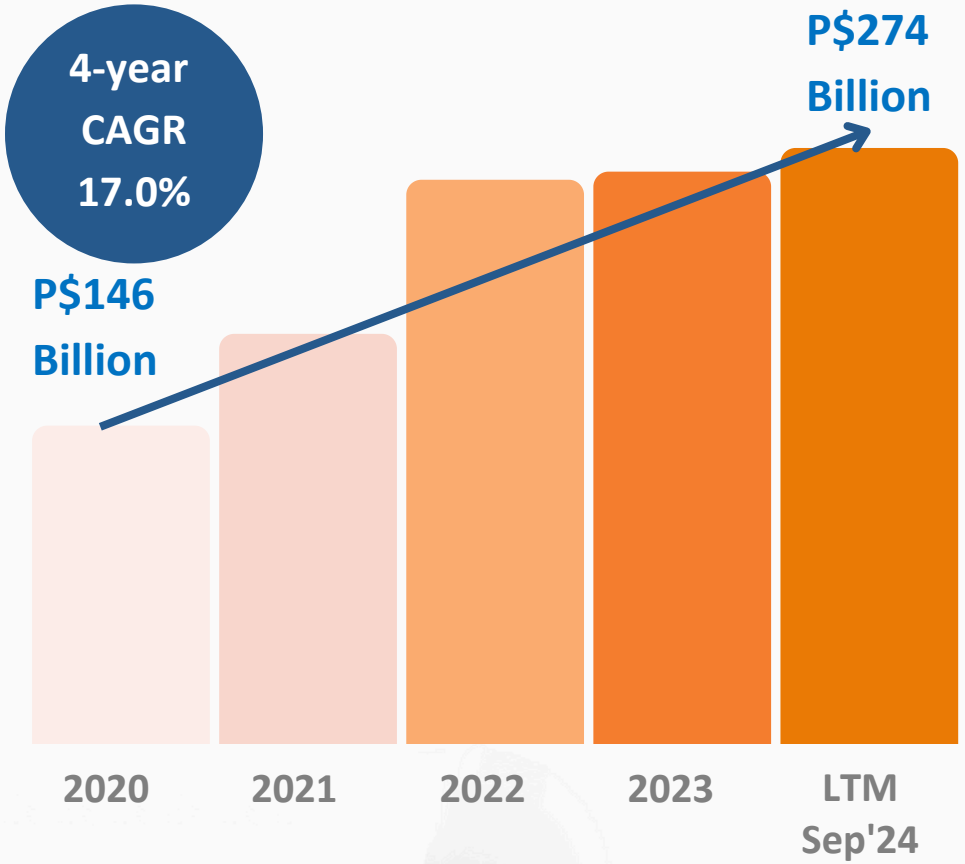
- Smaller, faster grocery warehouse store
- Over 3,000 club-sized products Suite of private label items Household and business customers
- Average sales floor: 20,400 sq. ft.

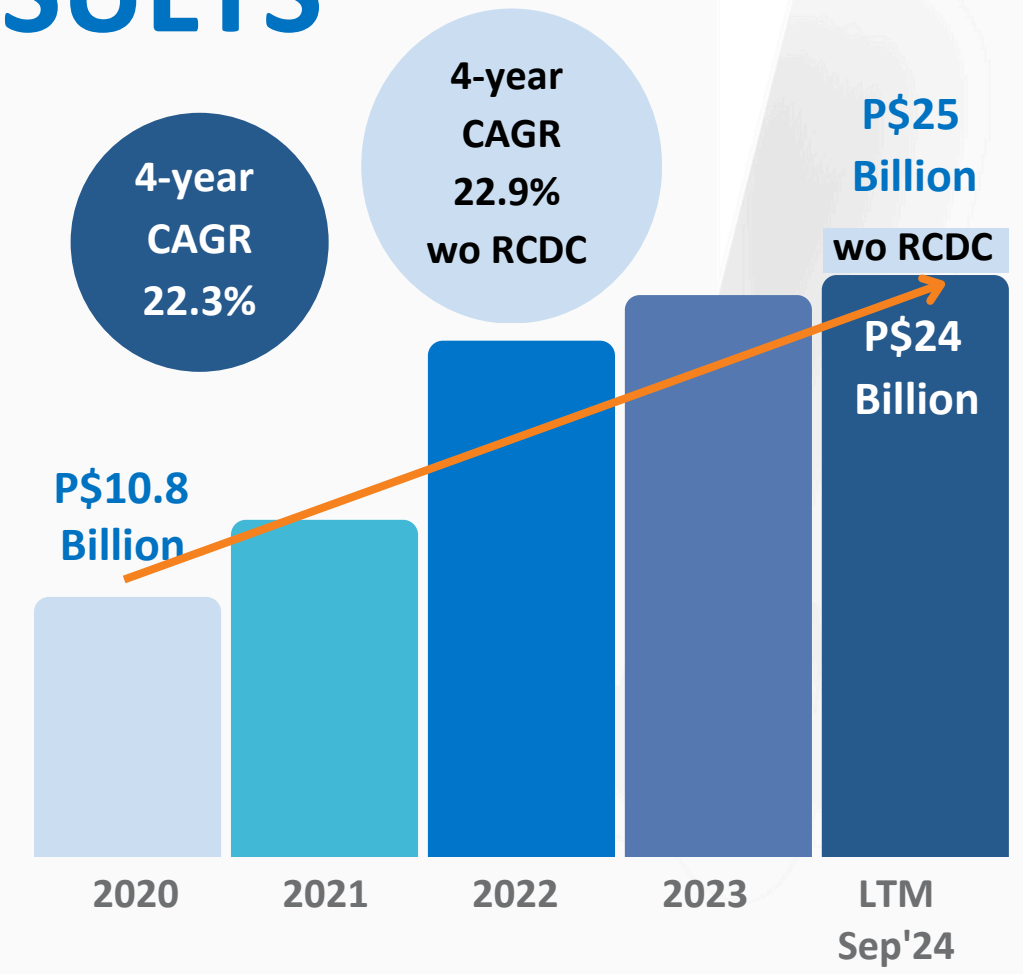


# CONSISTENT LONG-TERM

# RESULTS

# OUR LAST FIVE-YEAR RESULTS



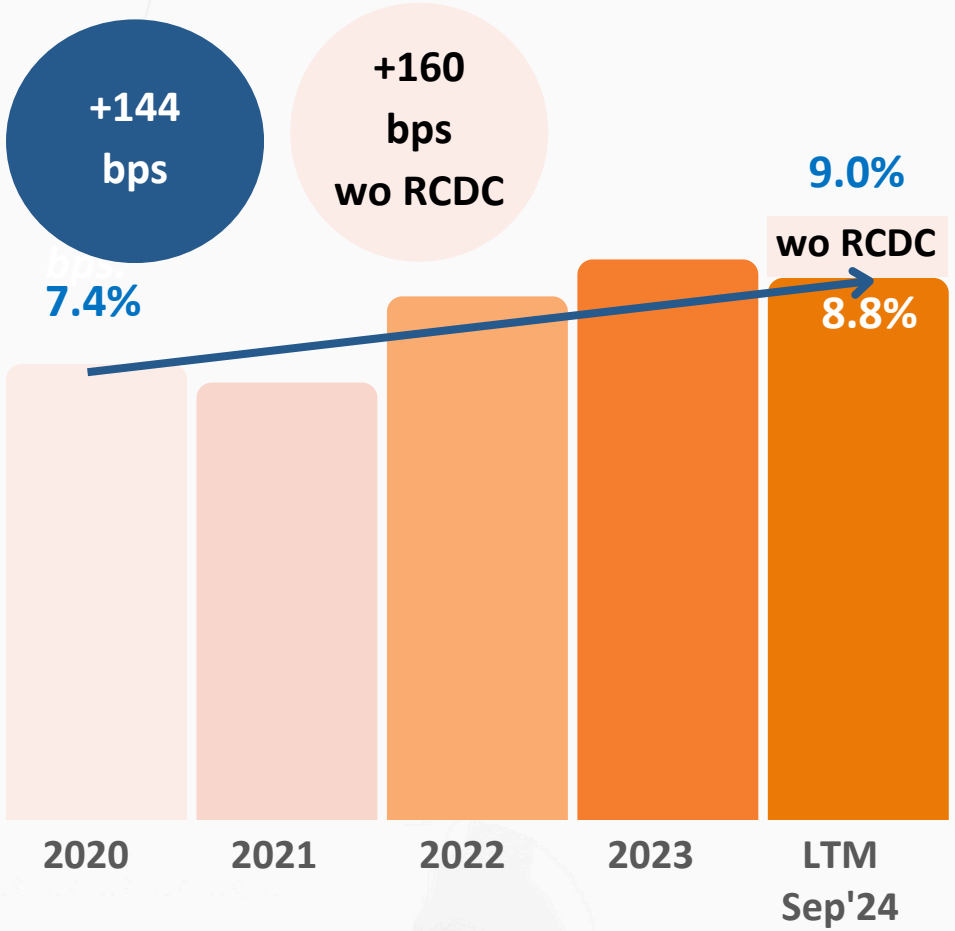



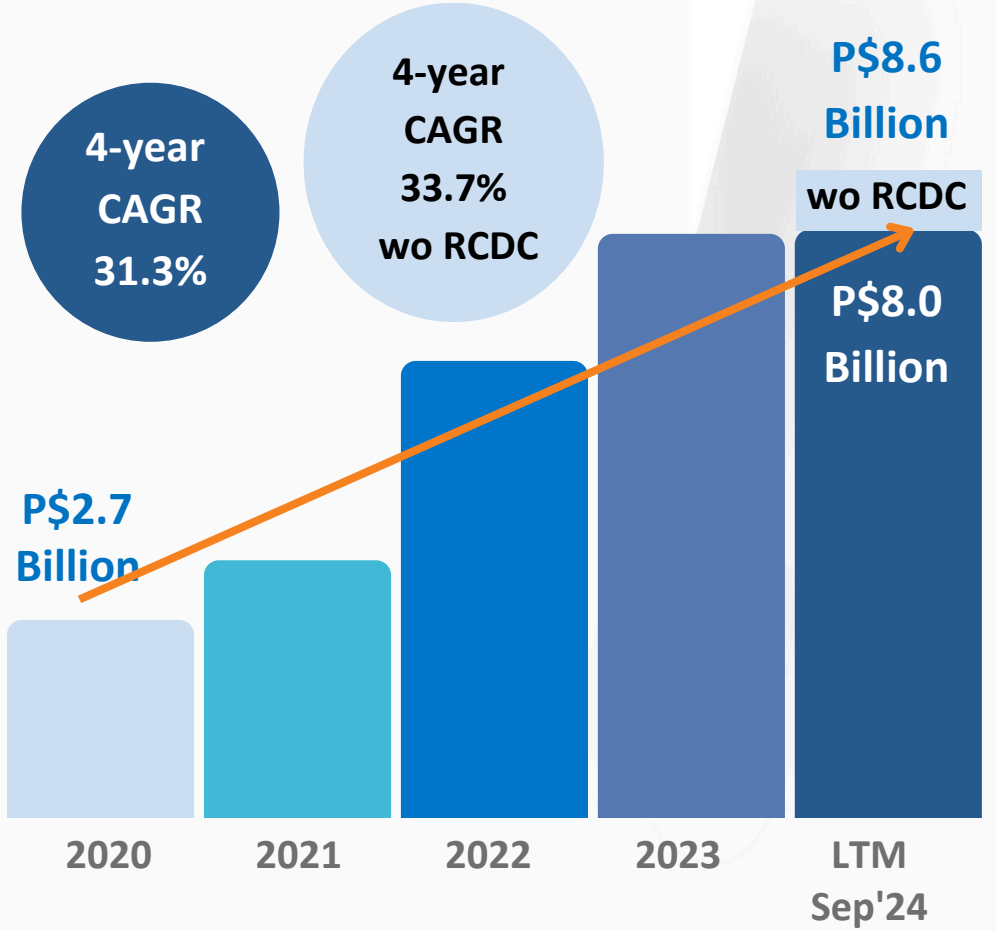

***Consolidated sales have benefited from strong SSS and sales floor growth***

***Operating leverage and efficiencies = Higher EBITDA***

**wo RCDC: Excludes costs/opex related to the duplicity/transition operations of the new DC.**

# OUR LAST FIVE-YEAR RESULTS



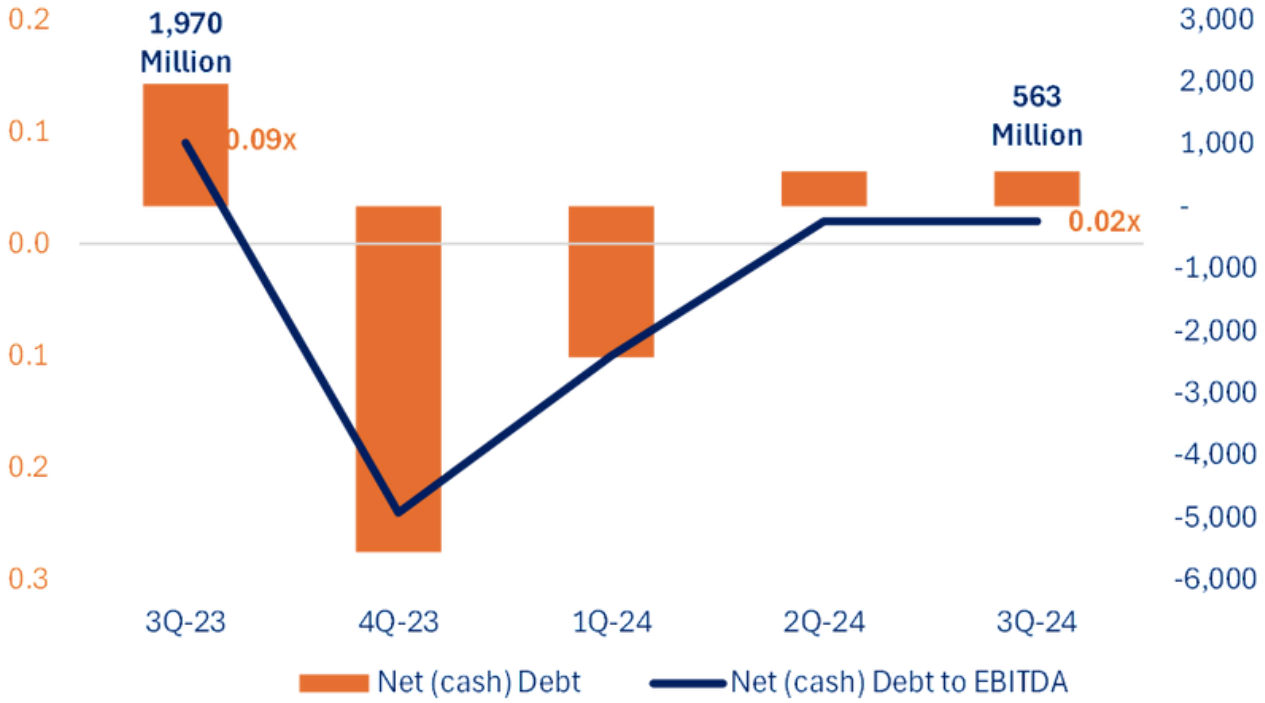




***Consolidated EBITDA margin went from 7.4% in 2020 to 8.8% in LTM Sep'24***

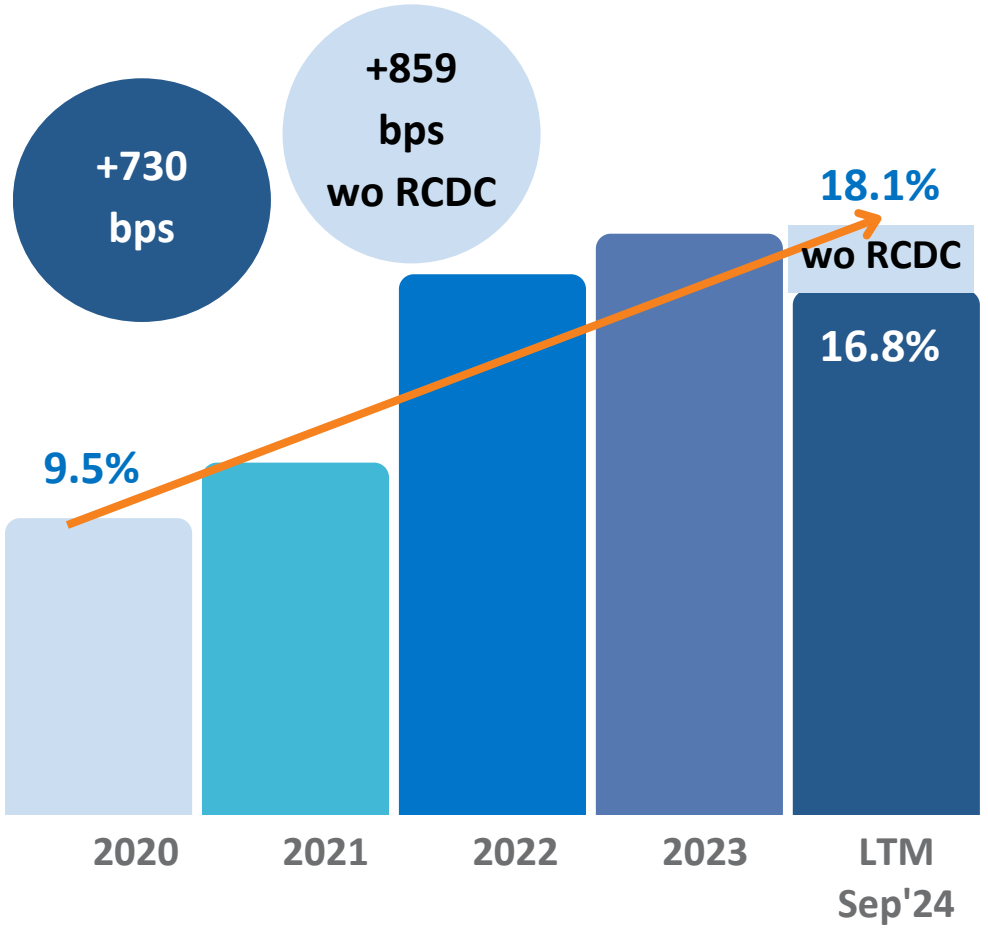
***Consolidated net income has kept a positive trend***

**wo RCDC: Excludes costs/opex related to the duplicity/transition operations of the new DC.**

# OUR LAST FIVE-YEAR RESULTS




*Net Debt (Cash) to EBITDA*




*ROE increased 730 bps compared to 2020*

**wo RCDC: Excludes costs/opex related to the duplicity/transition operations of the new DC.**



# Appendix 01
# 3Q’24 Financial Results

# Key-Highligths for the 3Q’24

- Double digit growth for consolidated sales boosted by positive trends in all business
- Consolidated EBITDA Margin stands at 8.8% (w/o duplicate supply chain costs)
- Retail Mexico SSS for the 3Q’24 surpassed ANTAD’s for the 17th consecutive quarter
- EBITDA Margin in Mexico continues to improve
- Chedraui USA SSS in 3Q’24 posted an increase of 0.5% in dollar terms
- Net Debt to EBITDA Ratio improved to 0.02x
- CAPEX for 9M24 is 7,293 million & represents 3.6% of consolidated sales

# Rancho Cucamonga, California DC

## Main characteristics

- 1.4 million square feet of distribution capacity
- 5 existing DCs in Southern California will consolidate into RCDC and will source El Super and Smart & Final stores.
- CAPEX investment of $120 million, with nearly $80 million deployed through 3Q'24.
- Started operations in July 2024, all dry products are now delivered through RCDC
- One DC closed, the rest will migrate by the end of 2Q'25.
- RCDC has an additional growth capacity of 183,000 sqf





# 3Q’24 Financial Results by Business Segment

| Sales of Grupo Comercial Chedraui | | | | |
|---|---|---|---|---|
| Sales (MXN Million) | 3Q’23 | 3Q’24 | Var. % | Cons. Sales % |
| Retail Mexico | 29,768 | 32,083 | 7.8% | 44.7 |
| Retail United States | 34,189 | 39,422 | 15.3% | 54.8 |
| Real Estate Division | 337 | 381 | 13.1% | 0.5 |
| Consolidated | 64,294 | 71,886 | 11.8% | 100 |

# 3Q'24 Financial Results by Business Segment

## EBITDA of Grupo Comercial Chedraui

| EBITDA (MXN Million) | 3Q'23 | Sales % | 3Q'24 | Sales % | Var. % | Cons. EBITDA % |
|---|---|---|---|---|---|---|
| **Retail Mexico Retail** | 2,668 | 9.0% | 2,929 | 9.1% | 9.8% | 49.5 |
| **Retail United States** | 2,824 | 8.3% | 2,745 | 7.0% | -2.8% | 46.4 |
| Smart & Final | 1,525 | 8.0% | 1,193 | 5.7% | -21.8% | |
| El Super and Fiesta Mart | 1,299 | 8.6% | 1,552 | 8.3% | 19.5% | |
| **Real Estate Division** | 220 | 65.3% | 240 | 62.9% | 9.0% | 4.1 |
| **Consolidated** | **5,712** | 8.9% | **5,914** | 8.2% | **3.5%** | 100 |

# 3Q'24 Financial Results by Business Segment

## EBITDA of Grupo Comercial Chedraui wo RCDC

| EBITDA (MXN Million) | 3Q'23 | Sales % | 3Q'24 | Sales % | Var. % | Cons. EBITDA % |
|---|---|---|---|---|---|---|
| **Retail Mexico Retail** | 2,668 | 9.0% | 2,929 | 9.1% | 9.8% | 46.1 |
| **Retail United States** | 2,824 | 8.3% | 3,178 | 8.1% | 12.5% | 50.1 |
| Smart & Final | 1,525 | 8.0% | 1,530 | 7.3% | 0.3% | |
| El Super and Fiesta Mart | 1,299 | 8.6% | 1,648 | 8.9% | 26.9% | |
| **Real Estate Division** | 220 | 65.3% | 240 | 62.9% | 9.0% | 3.8 |
| **Consolidated** | **5,712** | 8.9% | **6,346** | 8.8% | **11.1%** | 100 |

**wo RCDC: Excludes costs/opex related to the duplicity/transition operations of the new DC.**

# 3Q'24 Consolidated Financial Results

| MXN Million | 3Q'24 | 3Q'23 | Var. % | Var. % w/o DC duplicity |
|---|---|---|---|---|
| Consolidated Sales | 71,886 | 64,294 | 11.8 | 11.8 |
| COGS | 55,042 | 48,840 | 12.7 | 11.9 |
| Gross Profit | 16,844 | 15,454 | 9.0 | 11.6 |
| Sales | 23.4% | 24.0% | | 24.0% |
| Operating Expenses | 10,930 | 9,742 | 12.2 | 11.9 |
| Sales | 15.2% | 15.2% | | 15.2 |
| EBITDA | 5,914 | 5,712 | 3.5 | 11.1 |
| Sales | 8.2% | 8.9% | | 8.8% |

| MXN Million | 3Q'24 | 3Q'23 | Var. % | Var. % w/o DC duplicity |
|---|---|---|---|---|
| Operating Income | 3,607 | 3,880 | -7.0 | 8.1 |
| Financing Expenses | 1,458 | 1,118 | 30.4 | 5.8 |
| Results of Associated Companies | 12 | 31 | -61.8 | -61.8 |
| Income Before Taxes | 2,161 | 2,792 | -22.6 | 8.3 |
| Taxes | 705 | 857 | -17.7 | 12.2 |
| Effective Tax Rate | 32.6% | 30.7% | | 31.8% |
| Net Income | 1,456 | 1,935 | -24.8 | 6.6 |
| Sales | 2.0% | 3.0% | | 2.9% |

**wo RCDC: Excludes costs/opex related to the duplicity/transition operations of the new DC.**



# Appendix 02
# 2025 Guidance

# Sales and EBITDA Guidance for 2025

Expected Sales Growth in 2025

| | Same-Store Sales | Total Sales |
|---|---|---|
| Chedraui cuesta menos | 3.5% - 4.5% | 7.5% - 8.5% |
| CHEDRAUI USA | 2.0 - 3.0% | 3.0 - 4.0% |

Expected EBITDA Margin Performance in 2025

| | EBITDA Margin |
|---|---|
| **Consolidated** | **10 - 20 basis points (bps.)** |
| Chedraui cuesta menos | 0 - 10 bps |
| CHEDRAUI USA | 20 - 30 bps |
| Real Estate Division | Unchanged |

# 2025 Guidance for Other Metrics

- **CAPEX** is estimated to represent around **3.4% of consolidated sales** in 2025.
- The company's sales **floor expansion is projected at 3.2% YOY**. It is expected to hover around 4.3% in Mexico and 1.3% in the United States.
- A constant cash flow generation will lead the company to reach an estimated **Net Bank Debt/EBITDA ratio close to (0.3x)** by the end of 2025.
- The expansion plan in Mexico includes the opening of five **Chedraui** stores, five **Super Chedraui**, and one hundred and thirty **Supercitos**. In the United States, it considers the inauguration of three **El Super** stores, and one **Fiesta Mart** (total of **four new store** openings).



# Appendix 03
# Mexico & U.S. Store Images

Chedraui
cuesta menos










El Super


CARNICERIA
fresh meats


FRUTAS Y VERDURAS
fresh produce


Sale


Pepe's Kitchen


$1.97
$1.97


FRUTAS Y VERDURAS
fresh produce


PANADERIA Y TORTILLERIA
bakery and tortillas
Pan Dulce


3
CUBA
VENEZUELA
PERÚ
COLOMBIA


PESCADERIA
fresh seafood


$2.67
.99
.69¢
$3.97
$6.99


CARNICERIA
fresh meat

Smart&Final


Jim Smart
& Hildane Final
Smart&Final
SINCE 187
ganic Produce
Organic & Fresh
Sun Harvest
Our Brands. Our Promise.
DELIVERED FRESH
ProduceMart
LOCALLY GROWN
Farmers Market Fresh


Savings & Specials
FOR A SPOONFUL OR A ROOMFUL
VEGETABLE OIL


Pure Cane Sugar


Savings & Specials


SPIRITS
WINE
BLACK VELVET
ABSOLUT VODKA


QUALITY MEATS
Variety & Savings
Restaurant Quality Meats




# THANK YOU!