

Falabella will continue with measures to return to investment grade as quick as possible.

- *After Fitch Ratings downgraded the company's rating to BB+, Falabella reaffirmed its commitment to continue the financial strengthening plan to return to pre-pandemic debt levels and increase profitability.*

November 20, 2023.- Falabella's commitment is to strengthen the company's financial situation as quick as possible, aiming to return to Investment Grade after Fitch Ratings downgraded its rating to BB+.

Falabella has taken necessary measures to maintain a strong liquidity position, allowing it to face all its financial commitments with confidence. Furthermore, the company does not have significant debt maturities next year and currently holds a strong cash position. The agency's decision is based on the deterioration of the net financial debt/EBITDA ratio, a result of current pressures impacting the indicator. Falabella has reinforced its commitment to improving this ratio.

Alejandro González, Falabella's CFO, stated, "As we communicated in the results presentation, we are taking all the measures to strengthen our financial position, where the investment grade is an integral part, considering Falabella's future growth. We will continue with our plan, which includes the monetization of real estate assets between US\$800 to US\$1,000 million, among other actions. Additionally, the focus on operations, coupled with a normalization of the macro environment, will allow us to increase profitability and continue enhancing our relationship with customers, strengthening the value proposition of our business ecosystem".

About Falabella

With 35 million customers and over 130 years of history, Falabella is the leading physical-digital ecosystem in Latin America. It operates through platforms for payments, financial and logistical services, e-commerce, and a marketplace, supported by a wide network of stores and shopping centers. Present in 7 countries and employing 90,000 people in 9 countries, Falabella's ecosystem includes brands such as Falabella, Sodimac, Tottus, Banco Falabella, Falabella.com, Mallplaza, and the Ikea franchise. The ecosystem works towards the purpose of "making life simpler and more enjoyable."

Currently, Falabella is the only Chilean retailer present in all four Dow Jones Sustainability Indexes: World, Emerging Markets, MILA, and Chile. The company is recognized for its work in five prioritized areas: Climate Action, Circular Economy and Waste, Diversity and Inclusion, Social Impact, and Corporate Governance.