

FALABELLA

INVESTOR  
DAY 2024

December 11, 2024

10:00 **Welcome and Safe Harbor**

Raimundo Monge, IRO

10:05 **Opening Remarks**

Enrique Ostalé, Chairman

10:10 **Falabella Group's Vision and Strategy**

Alejandro González, CEO

**Key Strategic Enablers**

Andrea Gonzalez, Chief Loyalty Officer  
Benoit de Grave Chief Strategy and Transformation Officer

**Financial Performance**

Juan Pablo Harrison - CFO

10:45 **Focused Discussions on Core Businesses**

**Sodimac** Alejandro Arze, CEO of Home Improvement

**Falabella Retail** Francisco Irarrazaval, CEO of Falabella Retail

11:15 **Coffee Break**

11:25 **Focused Discussions on Core Businesses (cont.)**

**Tottus** Renato Giarola, CEO of Tottus

**Mallplaza** Fernando de Peña, CEO of Mallplaza

**Digital Banking** Juan Manuel Matheu, CEO of Banco Falabella

12:00 **Key Takeaways**

Alejandro Gonzalez - CEO

12:05 **Q&A Session**

12:55 **Closing Remarks**

Alejandro Gonzalez - CEO

13:00 **Lunch with Falabella Group's Management Team**

These webcasts, presentations and transcripts contain "forward-looking statements," relating to, among other things, future operating and financial results, project performance, expenses, the impact of acquisitions and divestments, business strategy and any restructuring plans. These statements use words, and variations thereof, such as the future tense verbs generally, "plan", "intend", "expect", "anticipate", "estimate", "maintain", "project", "continue", "reduce" and "grow".

We caution you not to rely on these forward-looking statements as the basis for any investment or divestment decisions regarding securities issued by the Company.

These statements are based on assumptions and expectations of future events at the time they are made and, therefore, are subject to uncertainty.

If the underlying assumptions prove to be inaccurate, or known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections expressed in these forward-looking statements.

Uncertainties relate to, among other things, the

company's ability to successfully execute its planned projects and strategic plans, the possibility that expected benefits and opportunities may not materialize in the expected timeframe or at all, the impact of divestments, as well as risks related to the political and economic scenario; new regulations or more demanding regulatory changes; breach of rules and/or regulations; inability to attract and retain talent; cyber-attacks; failures or crashes of key systems; technological obsolescence; financial and market risks (exchange rate, inflation, interest rate, credit and liquidity); climate change causing natural disasters that affect operational continuity and/or increase costs in the value chain; inconsistency between ESG declarations and implementation; damage to infrastructure affecting physical security and operational continuity; conflicts with the community; accidents, illnesses or other events that impact the minimum number of people required to operate; failures in the supply chain and inventories; relationships with suppliers who fail to meet minimum standards; sale of products harmful to people's health or safety; inadequate

identification and response to the preferences of our current and prospective customers.

A more detailed list and description of these risks can be found in the Annual Report and in the notes to the financial statements of Falabella S.A., which are available online at the company's website (<https://investors.falabella.com>), as well as on the website of the Financial Market Commission ([www.cmfchile.cl](http://www.cmfchile.cl)).

The information contained in each of these presentations pertain to the dates and for the time periods indicated therein, and the company assumes no obligation to update any of the information contained in these materials.

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All numbers in this presentation are converted to US Dollars and rounded to millions.

# CEO

ALEJANDRO GONZÁLEZ

Focusing on Our Five Growth Engines  
to Strengthen Our Ecosystem

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# Connecting leading Global Brands, Retailers, Financial Services, and Shopping Centers in a virtuous business cycle



35 million clients

## Market position

 <b>#1</b> Home Improvement <sup>(1)</sup>	 <b>#1</b> Shopping Centers
 <b>#1</b> Omnichannel Multi-Specialist Retailer	 <b>#1</b> Loyalty Program <sup>(2)</sup>
 <b>#2</b> Supermarket <sup>(3)</sup>	 <b>#1</b> Credit Cards & Checking Accounts <sup>(4)</sup>

(1) In Chile, Peru, Colombia and Uruguay.  
 (2) In Chile.  
 (3) In Peru  
 (4) In Chile.

# Our strategy is driven by four key priorities that guide our efforts

**Enhance the value proposition** of our five core businesses to accelerate growth

Refocus our **digital strategy and ecosystem** development

Drive a more **effective organization**

**Prioritize investment decisions and capital allocation** to restore profitability

# Focus on our five growth engines:

enhancing their value proposition and improving the customer experience, while restoring profitability

## Omnichannel retail



## Shopping Centers



## Financial Services



## Strategic enablers



Loyalty Program



Home Delivery



Talent



Technology & Data

# While strengthening our ESG leadership in LatAm and securing long-term value<sup>(1)</sup>

## Climate action

↓20% emissions  
Scopes 1 and 2 (vs 2021)

73% of our energy  
Supply from renewable sources

## Circularity and waste

↓7% food loss and waste  
(vs 2021)

## Diversity, equity and inclusion

39.4%  
Women in top and middle management position

51.2%  
Women in total workforce

## Social impact

+130k  
Participants in training and/or commercial activities for entrepreneurs and sellers

+100k  
Boys and girls reached by educational initiatives

+33k  
People benefitted by infrastructure improvement projects

## Corporate governance

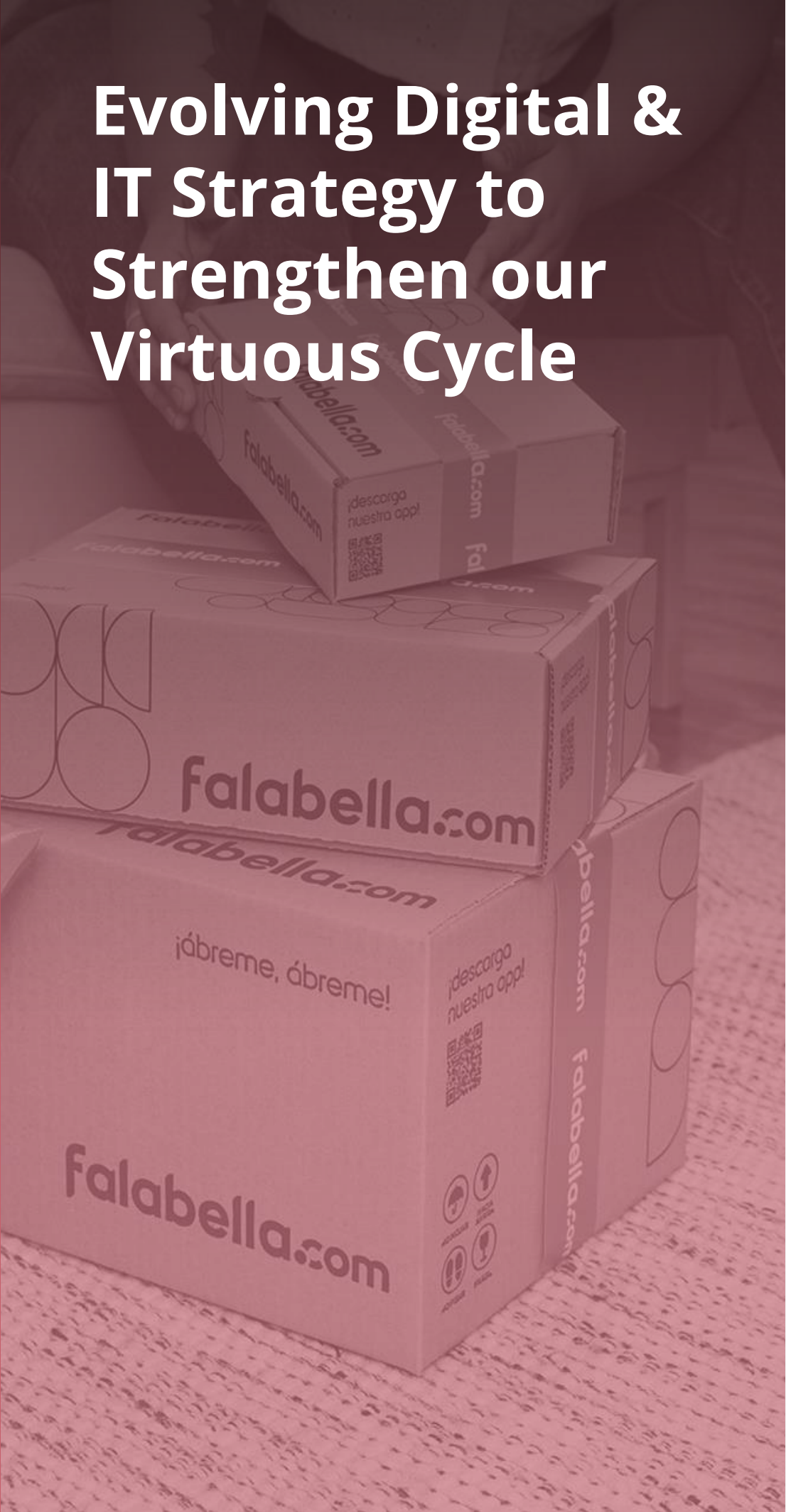
ESG risks integration  
Greenwashing, community conflicts and climate risks integrated into ERM policy and model

Human Rights  
due diligence processes in all our business units

(1) End of period figures as of 2023..



# Evolving Digital & IT Strategy to Strengthen our Virtuous Cycle



**Building digital capabilities**

2018

2022



**Leveraging digital capabilities to drive growth & profitability**

2023

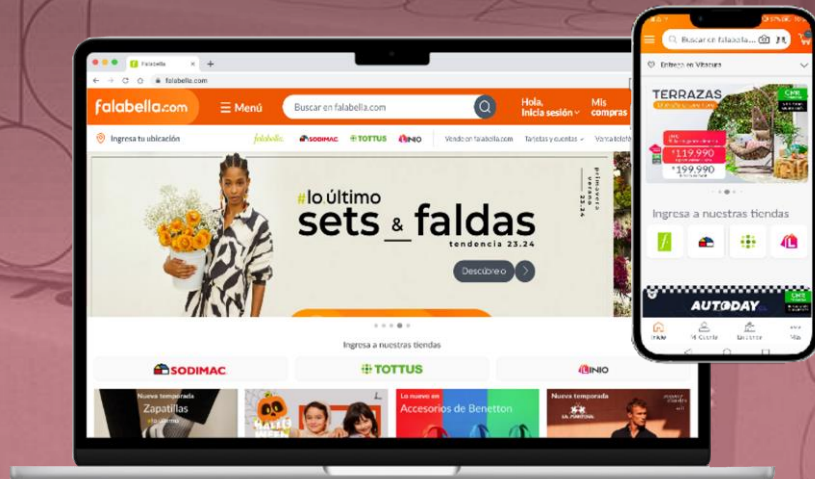
2024

# Strengthening Our Brands' and E-commerce Specialist Experience

## More Specialized Marketplace

Partnering with the Best Brands

**falabella.com**



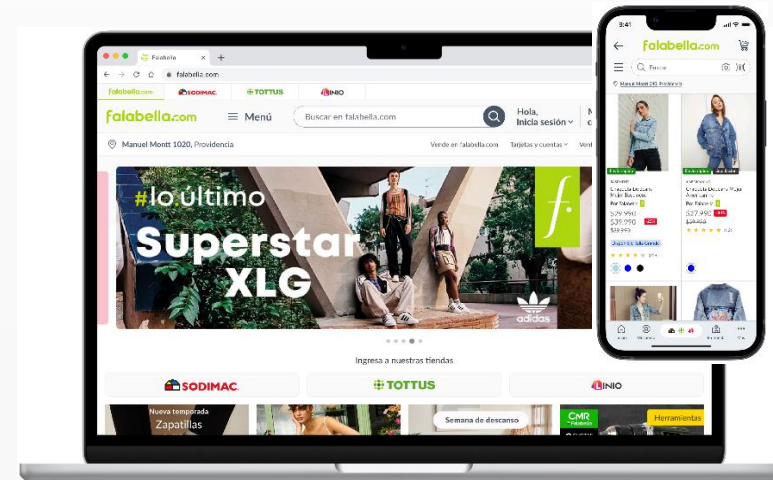
**falabella.**

**SODIMAC**

**TOTTUS**

Sellers

**falabella.com**



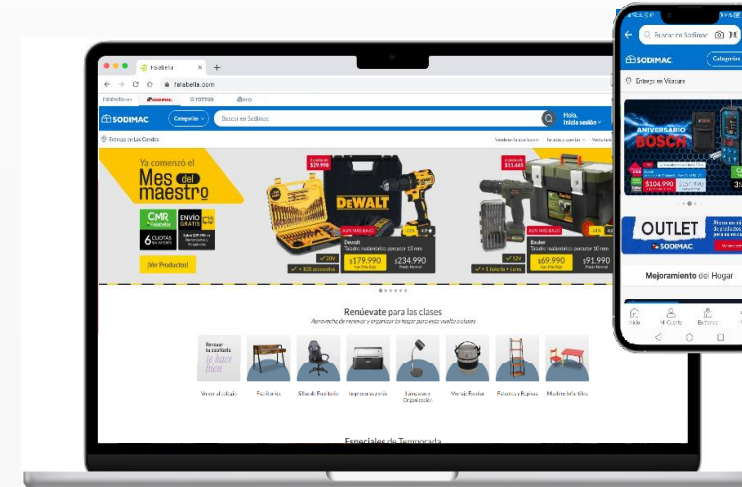
**falabella.**

**SODIMAC**

**TOTTUS**

Sellers

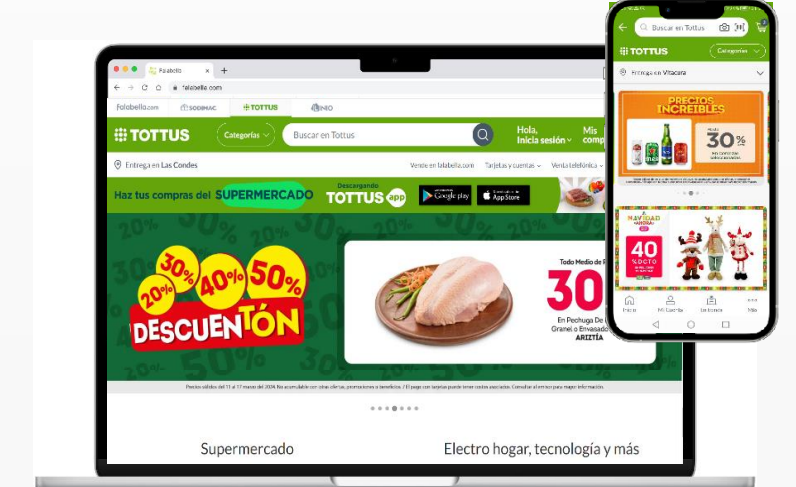
**SODIMAC**



**SODIMAC**

Sellers

**TOTTUS**



**TOTTUS**

## Cross-Functional Enabler



Product



Home Delivery



Customer Experience



Digital Marketing

# Reinforcing a Results-Driven and Empowered Organization with Simpler and More Focused Operations



Empowerment  
and Accountability



Business  
Results-Driven  
Incentive Model



Organizational  
Redesign to Simplify  
Operations

# Focused on Driving Profitability

through Disciplined Expense Control, Capital Allocation and Investment Processes



Efficient cash flow management and expense control



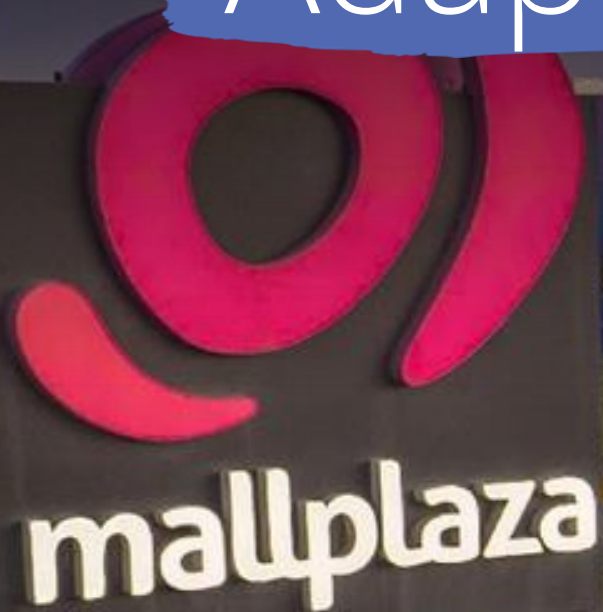
Portfolio investment optimization



Capital allocation aligned with strategic priorities

Lessons Learned

# Adapting Our Way of Working

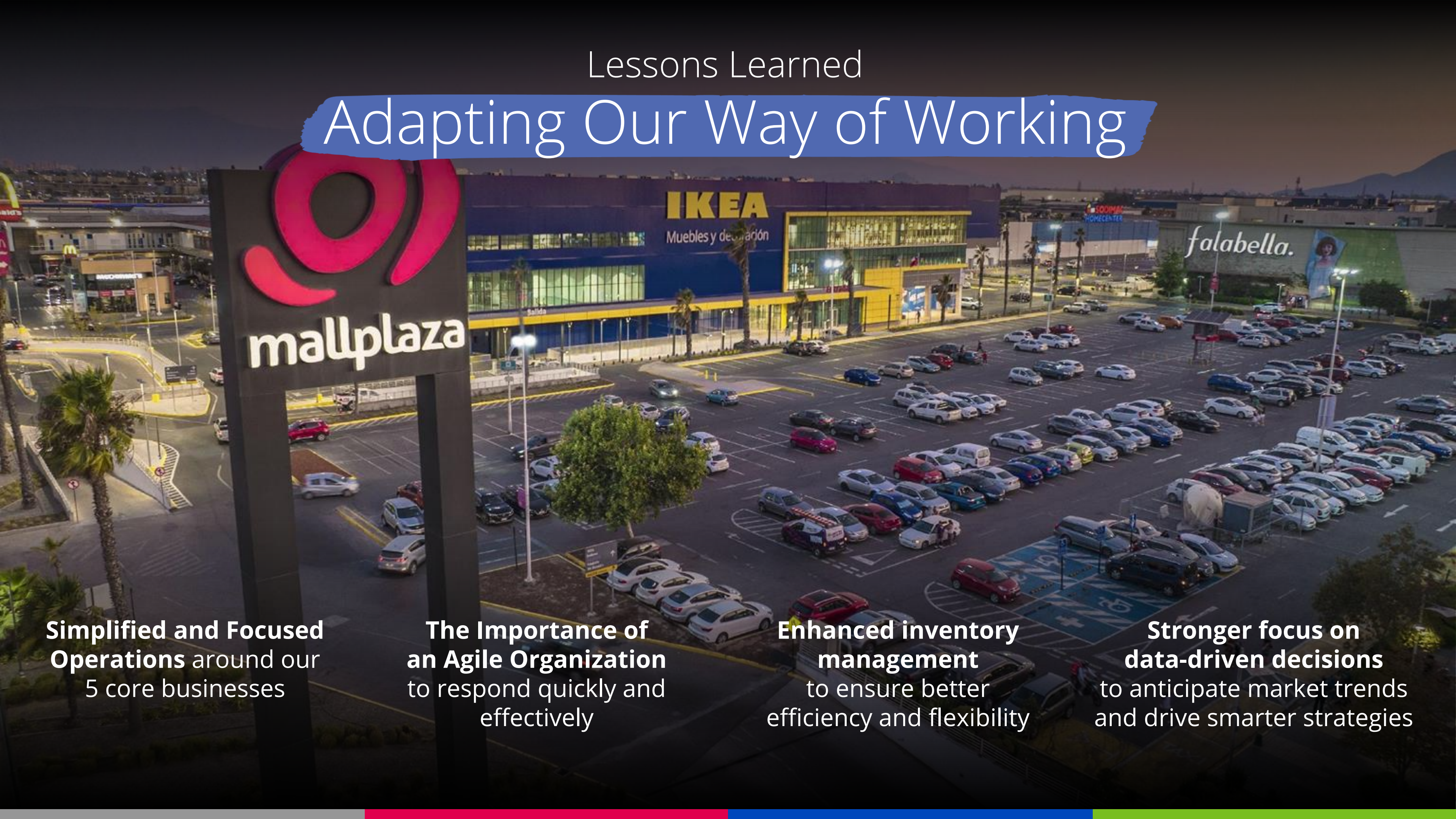


**Simplified and Focused Operations** around our 5 core businesses

**The Importance of an Agile Organization** to respond quickly and effectively

**Enhanced inventory management** to ensure better efficiency and flexibility

**Stronger focus on data-driven decisions** to anticipate market trends and drive smarter strategies



# We aim to capitalize and accelerate growth opportunities in our 5 core businesses



Strengthen our leadership in the region

 **Accelerate expansion** in Mexico

 **Restore profitability** in Chile



Strengthen omnichannel offering

 **Specialist offering with** the best brands

 **Accelerate 3P growth**



Enhance and Differentiate Our Value Proposition

 **Physical expansion** in Peru

 **Enhance value proposition** in Chile



Consolidate as the leading shopping mall operator in the region


 **Consolidate operation** in Peru

 **Brownfield growth + M&A in the Andean region**



Leading Digital Bank in the region

 **Grow Loan Book** in Chile and Mexico

 **Drive profitability** In Peru and Colombia

A woman with long dark hair, wearing a grey t-shirt, is smiling and leaning over a young child who is crawling on a dark wooden floor. The child is wearing a white short-sleeved shirt and blue denim overalls. The background shows a living room with a white sofa and a brown jacket draped over it.

Trends that are shaping  
**The future of our industry**

Customers increasingly value **seamless omnichannel options**

**The experience** will become inseparable from the **product**

Driving Value through **Loyalty Programs**

**Monetizing Core Capabilities** to Drive Growth

# LOYALTY



ANDREA GONZÁLEZ

**Falabella loyalty program:**  
our ecosystem's value creation catalyst

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# CMR Puntos is the preferred Loyalty Program in Chile

## VALUE PROPOSITION

- Varied Rewards
- Special Events
- Flexibility

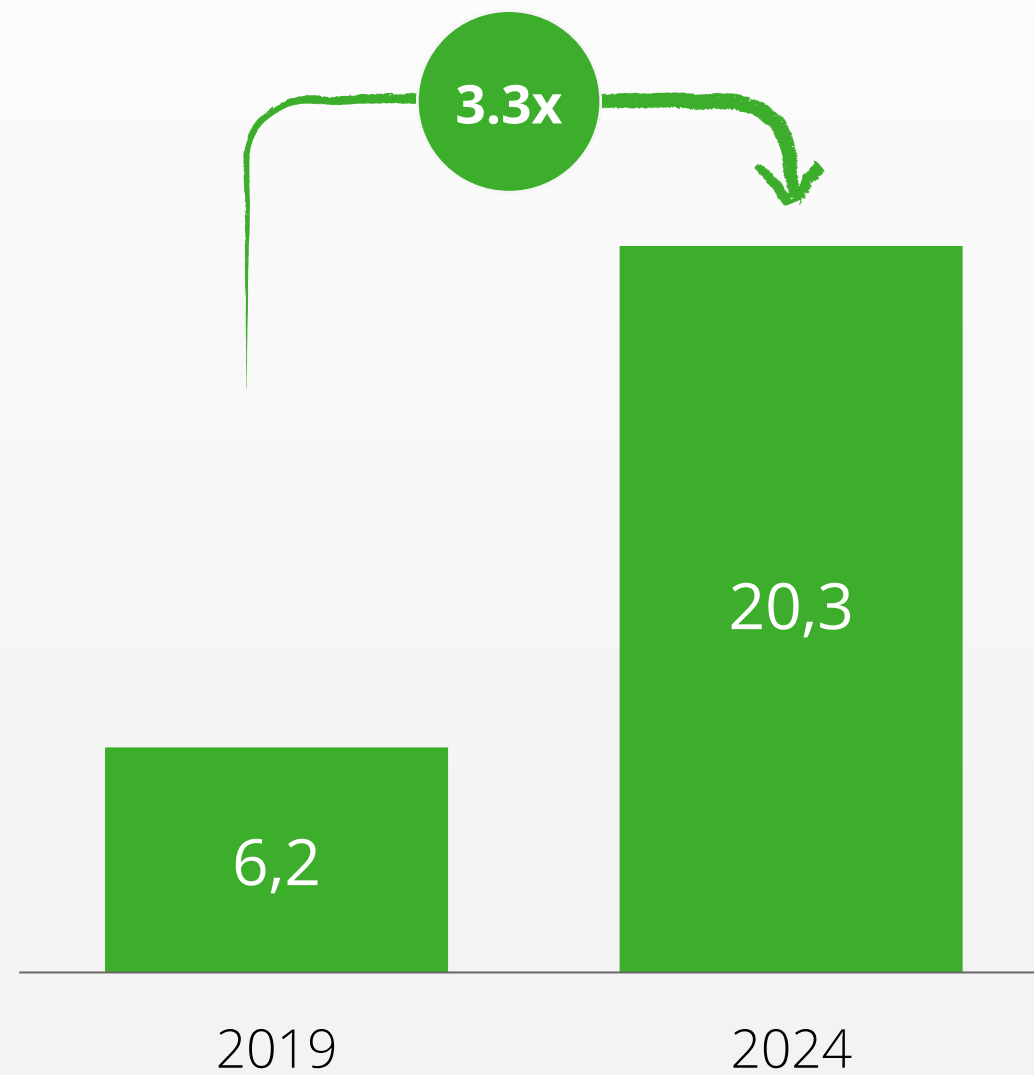
Leadership positions in our core markets



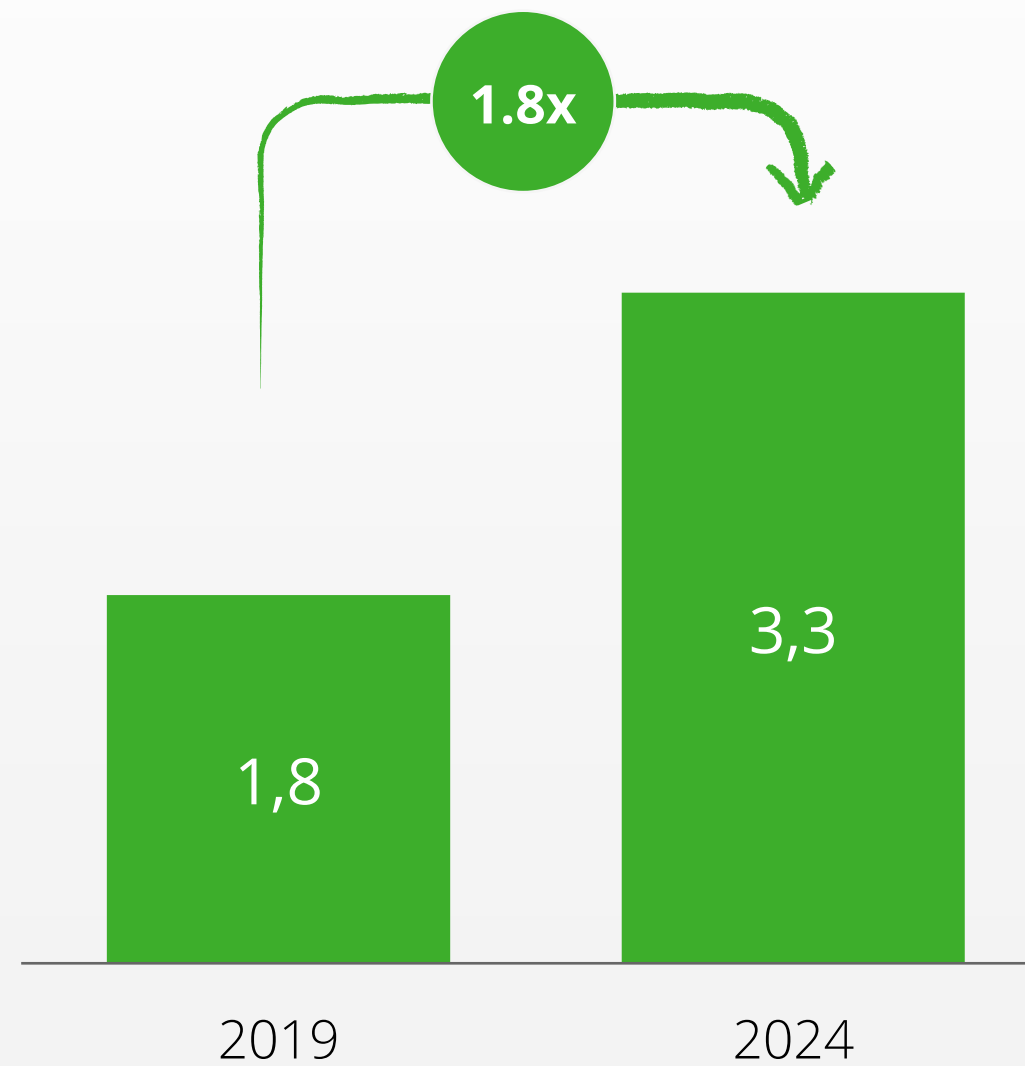
# CMR Puntos

is one of the largest and more dynamic loyalty programs in the Andean Region

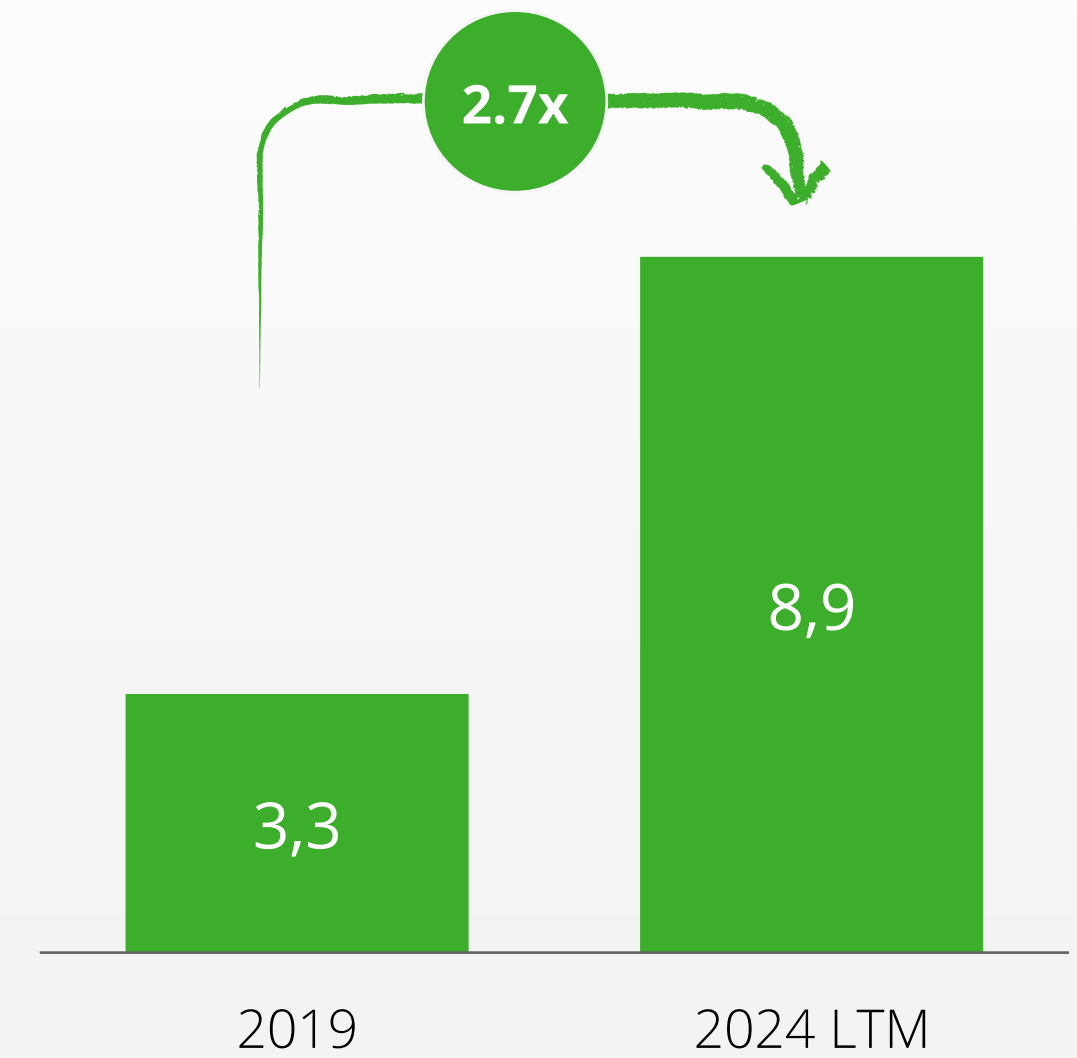
# of participants  
(# MM)



# of redeemers  
(# MM)

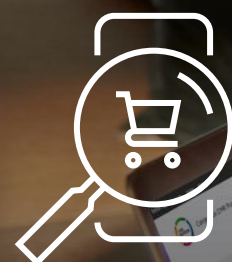


# of redemptions  
(# MM)



Participants: any customer who has accumulated points within the last 12 or 24 months, depending on their Loyalty category; Elite or Premium: 24 months, Fan 12 months.  
Redeemers: participating customer who has redeemed points within the last 12 or 24 months, depending on their Loyalty category; Elite or Premium: 24 months, Fan 12 months.  
LTM: Last Twelve Months.

The program plays a key role as an enabler of two **business objectives**:



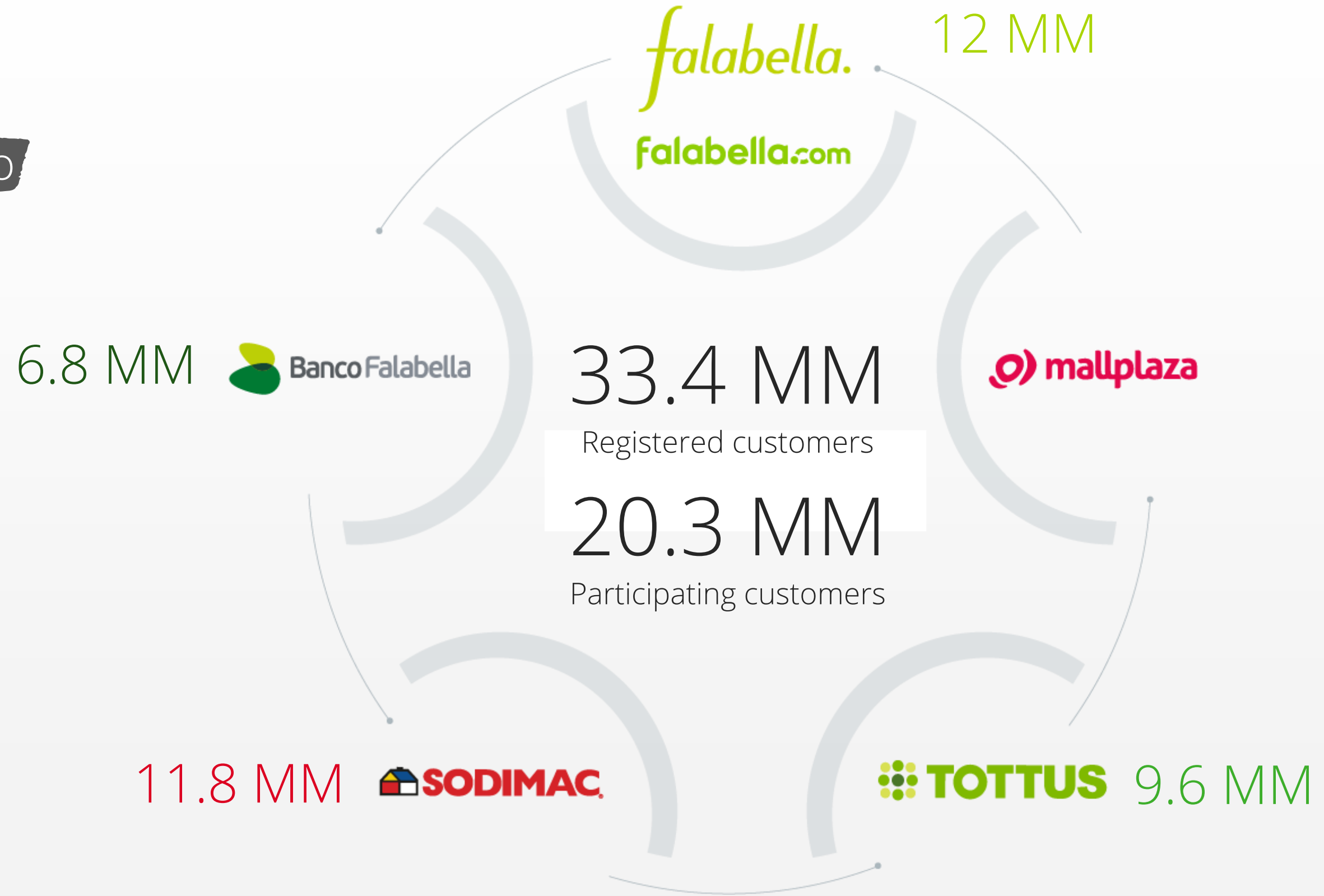
**Data Access  
(Opt-in)**



**Boost customer  
lifecycle**

# Enabling data sharing and expanding value creation within our ecosystem

## Loyalty Customer Portfolio Participating customers (MM)



# By multiple uses across the whole business cycle

## Customer Journey



## Business Objectives



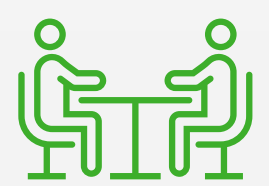
### Customer Acquisition

- Welcome Packs
- Strategic Onboarding



### Cross-selling

- Driving traffic to malls and stores
- Personalized offerings



### Retention

- Increase Frequency
- Reduce churn



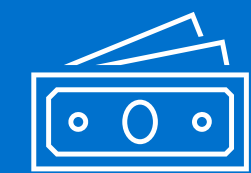
### Risk Assessment

- Pre qualified credit cards
- Fraud Prevention



### Marketing Savings

- E-mail marketing
- Custom audiences



### Monetization

- Custom audiences for 3<sup>rd</sup> parties pilots
- Media

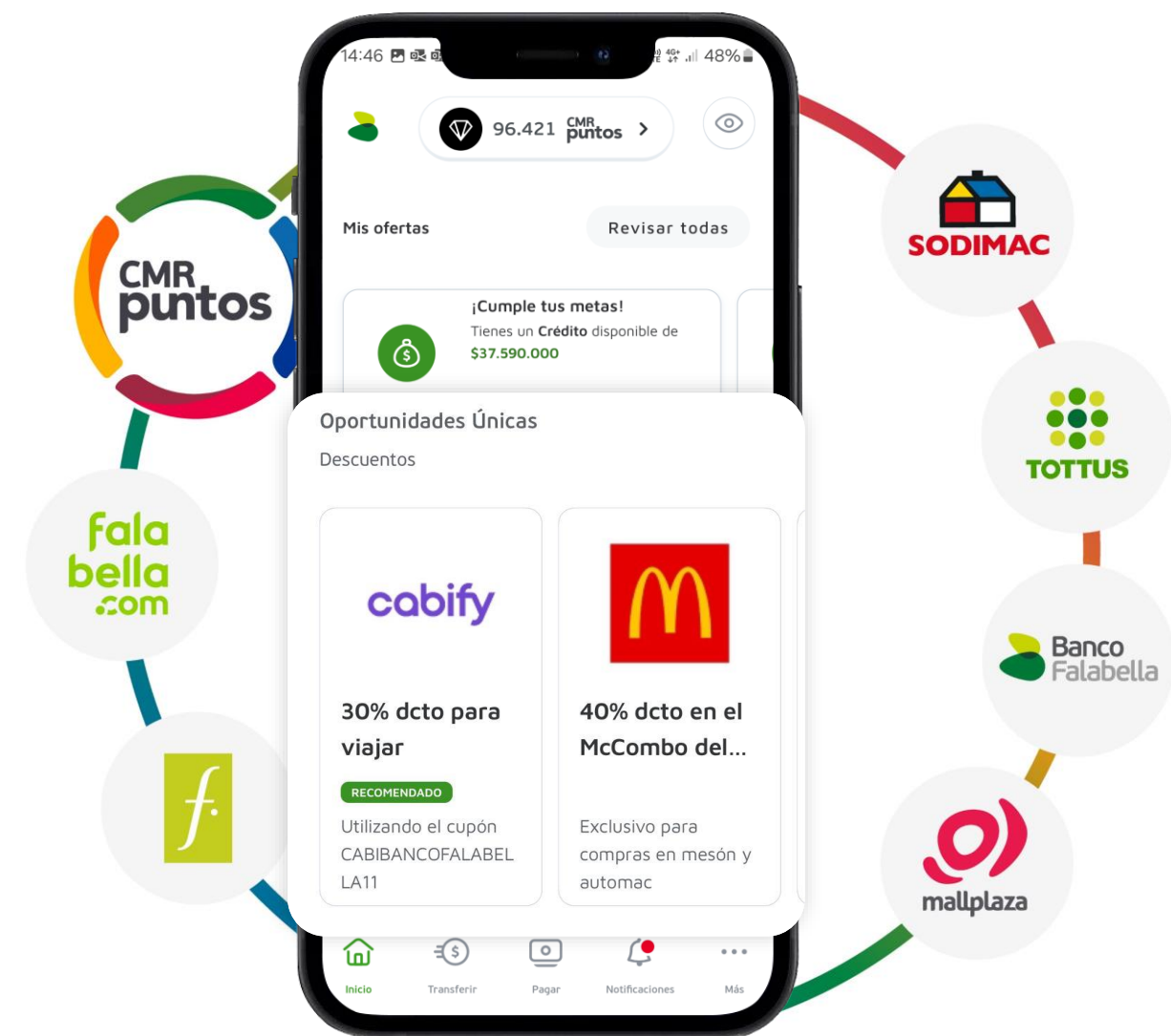
# And allowing for personalization on the bank's app

Personalized retail promotions in the Bank App with **newly launched functions**



**+30%**  
incremental sales<sup>(1)</sup>

**Third party promotions** in the app which we monetize



**2X**  
incremental sales<sup>(2)</sup>

(1) Based on preliminary results after launching the functionality for our entire customer portfolio. As of nov-24

(2) Comparing behavior of customers who see the personalized Retail promo in the carousel versus those who don't, we found that those who saw it spent twice as much as those who don't.

# The program generates stickiness



80% Loyalty Program spending converted to sales at Falabella retailers

Redemption revenue considers payment for redeemed products and the use of gift cards in each format. Redemptions of Points + \$ included in the format that corresponds to the share in the cart at the time of redemption.

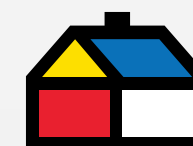
## Redemption Revenues

(Chile, % of total)

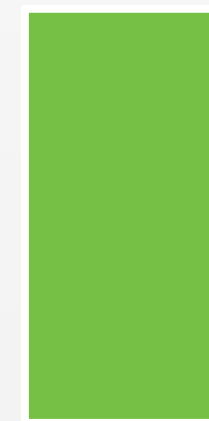
44%



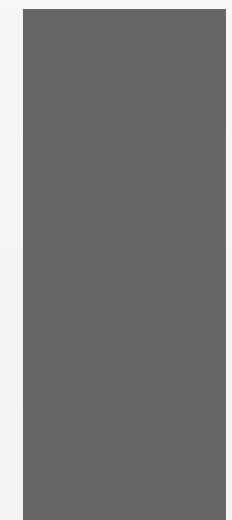
20%



16%



20%



Others

# ...and incremental value per customer

**Increase  
in spending**

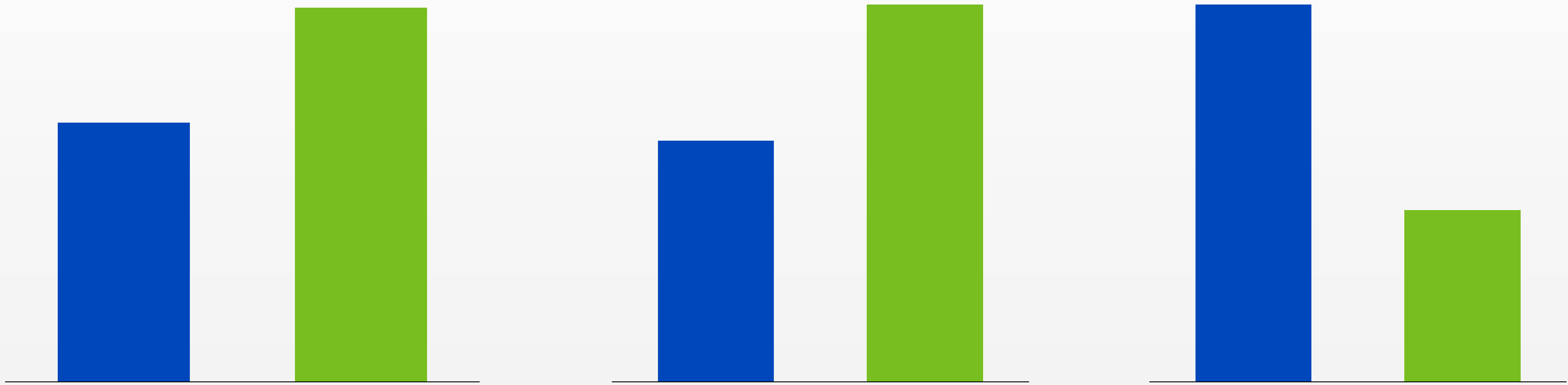
1.4x



**Increase in  
transactions**

1.5x

**Decrease  
In churn**

-55%



 Redeemer & Banco Falabella customer  
 Potential Redeemer

Churn: clients who did not purchase during a 6 month testing period - data as of Sep'24



# TECHNOLOGY & HOME DELIVERY

BENOIT DE GRAVE

Optimized transversal logistics and technology capabilities to strengthen and differentiate our ecosystem

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+ [falabella.com](https://falabella.com)

 SODIMAC

 TOTTUS

 mallplaza

 Banco Falabella

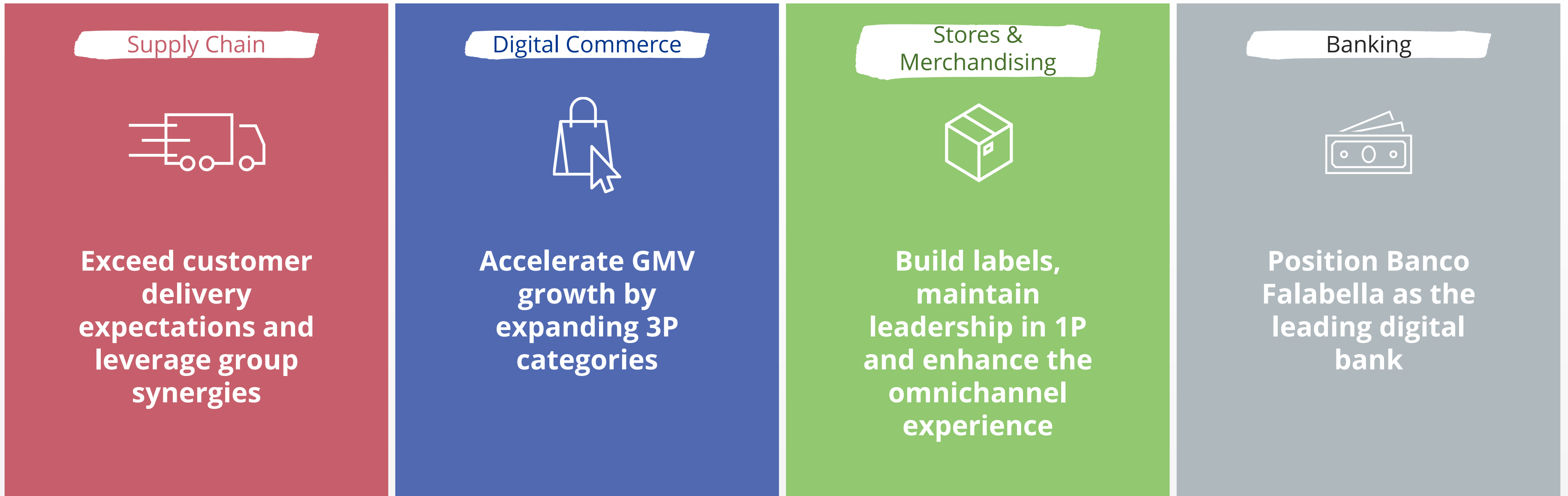
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# TECHNOLOGY

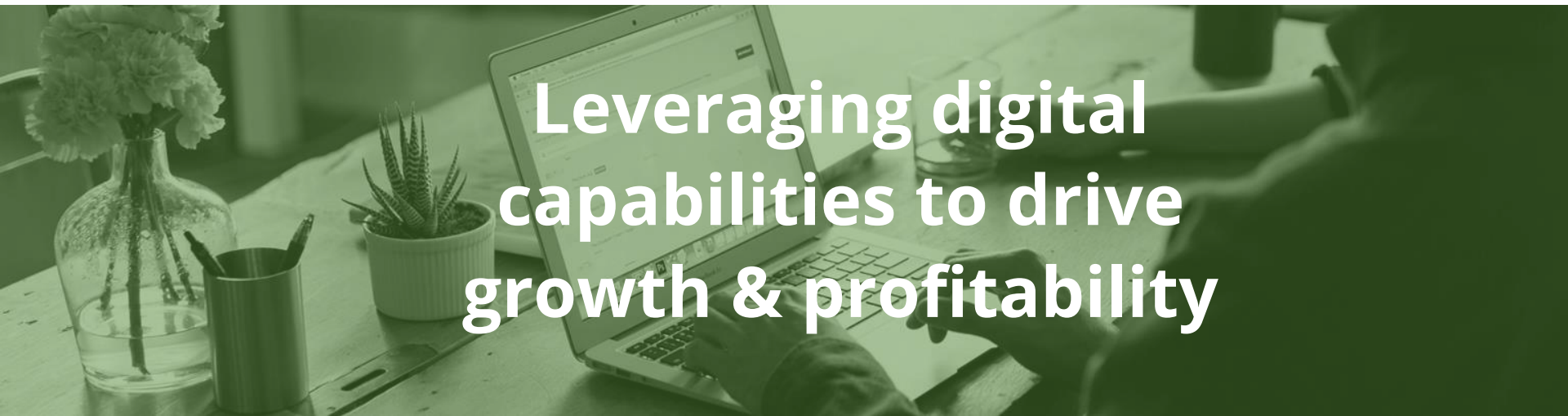
Allows us to deliver  
an enhanced experience  
while  
unlocking new revenue streams

We have successfully developed four highly scalable platforms, designed to adapt and grow seamlessly with evolving needs



4 technological enablers that complement and comprehensively strengthen our digital platforms:  
**Data, Security, Infrastructure & Development Engineering.**

# Evolving Digital & IT Strategy to Strengthen our Virtuous Cycle



2018 ————— 2022

2023 ————— 2024

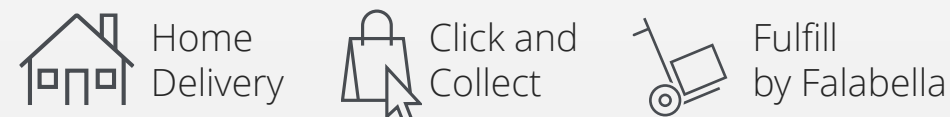
## 100% Digital Bank & CMR



Launch & growth of

## Marketplace / F.com

**falabella.com**



## Leveraging digital capabilities to drive growth & profitability

### Deployment with focus on **Customer Experience and scalability**

- > Relaunch of Tottus and Sodimac standalone sites
- > Acceleration of Third-Party Sales
- > Deployment of logistics managed network
- > Launch of instore functionalities
- > Retail Media & Value-Added Services
- > GenAI & Analytical Data Products

# HOME DELIVERY

Logistics is a

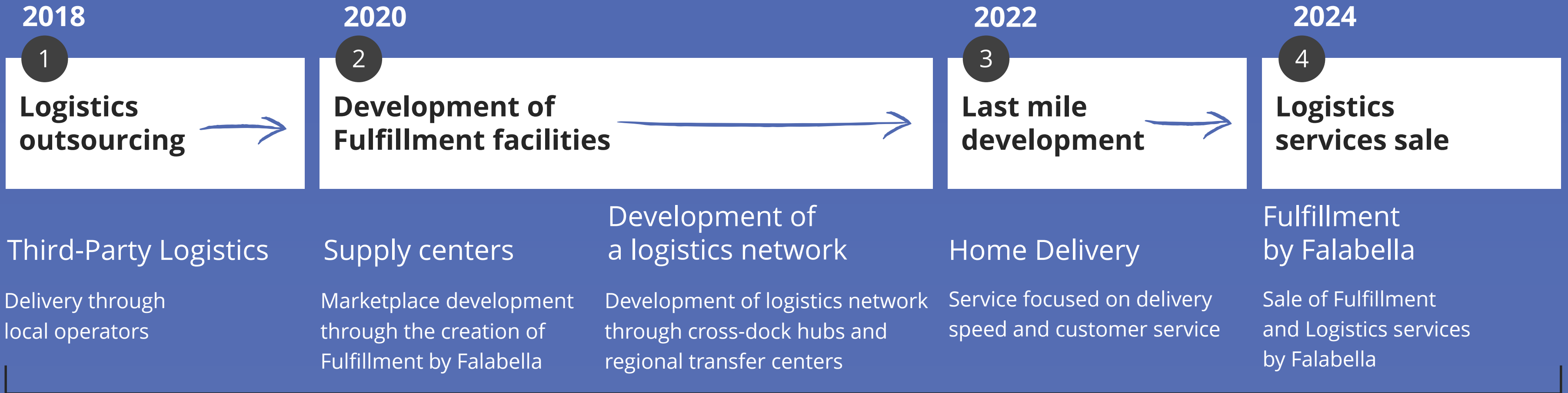
key driver of

e-commerce growth

and plays a fundamental  
role in customer loyalty

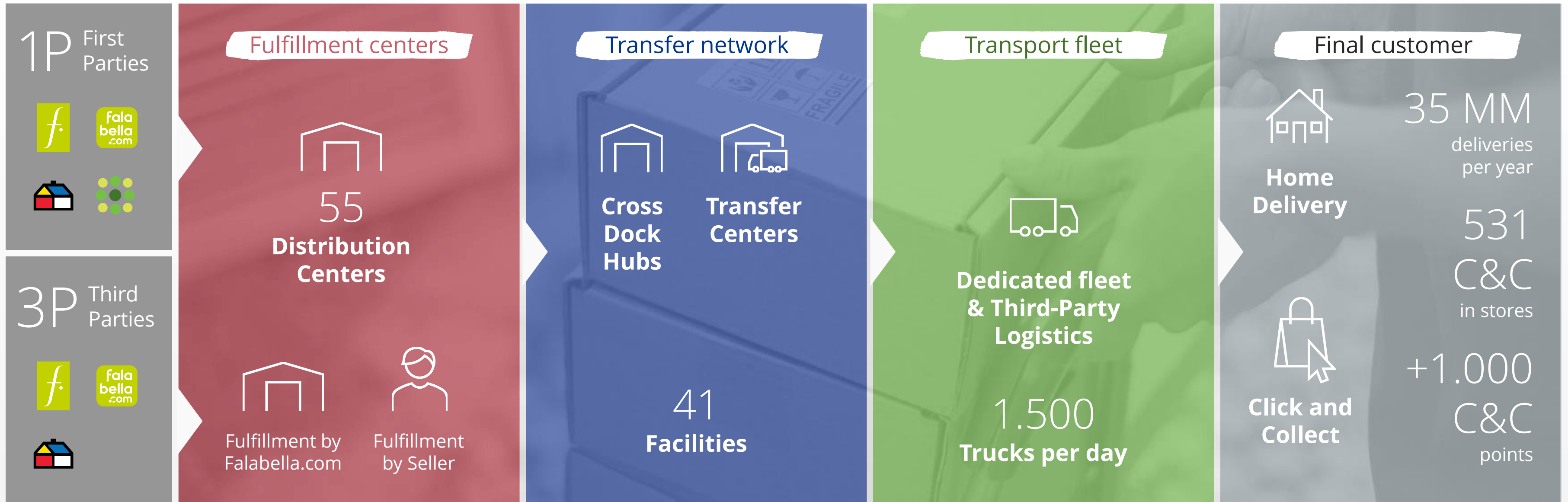


Logistics enhances customer experience and is crucial in their purchase decision, driving business growth



Our focus is on meeting our customers' expectations regarding service, speed and convenience

We develop our own logistics network by leveraging our facilities and capturing efficiencies in route densification, enabling us to **increase our delivery speed**



**Service**

Meet our customers' service and delivery expectations



**Speed**

Develop a logistics network that delivers our products to most of our customers in less than 48 hours



**Efficiency**

Support the scalable growth of our network by efficiently using our logistics network and identifying synergies between the volumes of our 1P and 3P sellers

Falabella leverages its stores and logistics capabilities to offer

competitive delivery options for 1P and 3P

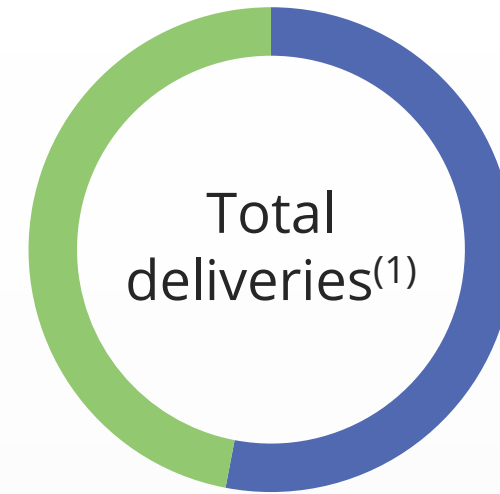
Falabella delivery options →



Home Delivery



47%



53%



Click and Collect



Nearby stores georeferentiation

Same day

24H / 48H

Pick a date

Next-day pick-up at external locations

Same day pick-up alternatives

Next-day pick-up at colaboratives points

Next day pick-up alternatives

(1) Information as of 3Q24 for Chile, Peru and Colombia, includes C&C and Home Delivery, does not include packages delivered by Sellers or food.



Delivery speed and service levels have improved in the region, and we are now

**accelerating with 3P sellers**



**+84%**

orders delivered with Falabella managed network<sup>(1)</sup>



**+71%**

of our customers receive their orders in less than 48 hours<sup>(1)</sup>



**+61%**

of our customers with delivery in the capital get their orders in less than 24 hours<sup>(1)</sup>



**+95%**

customer service level<sup>(2)</sup>



**-34%**

in average last-mile cost<sup>(3)</sup>

(1) Information as of 3Q24 for Chile, Peru and Colombia, includes C&C and Home Delivery, does not include packages delivered by Sellers or food; (2) OTD 3Q24, does not include packages delivered by Sellers or food; (3) Average last-mile cost for portable capital from Jan- Sept 2024

# CFO

JUAN PABLO HARRISON

Improved Margins and Financial  
Strength Lay the Foundation for  
Sustainable Growth

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mallplaza

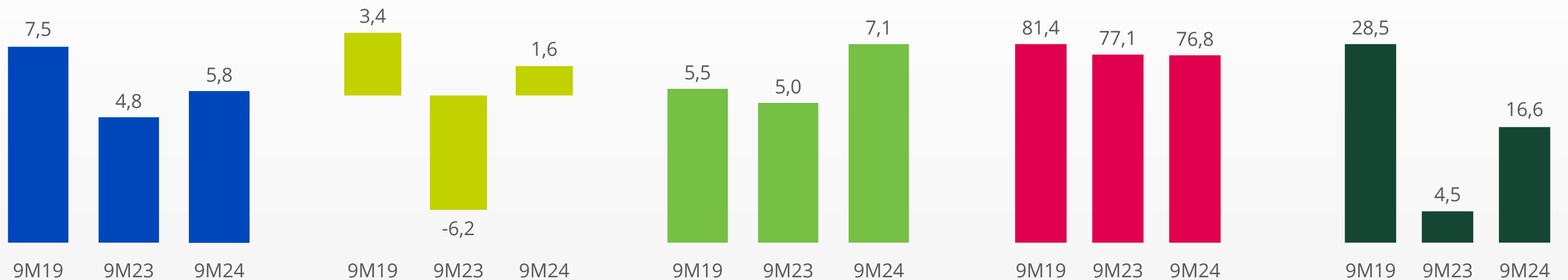
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# Our strategy has allowed to enhanced profitability across our five core engines

## EBITDA Margin (%)



## Revenue Share<sup>(2)</sup> (%)

31%

27%

20%

4%

16%

(1) Figures for Falabella Retail include the operation of the Marketplace since 2023 and excludes the operation of Argentina in 2019.

# Restoring profitability and financial strength

## Improving operational efficiency

Inventory reduction

Marketing expense optimization

Logistics cost management enhancement

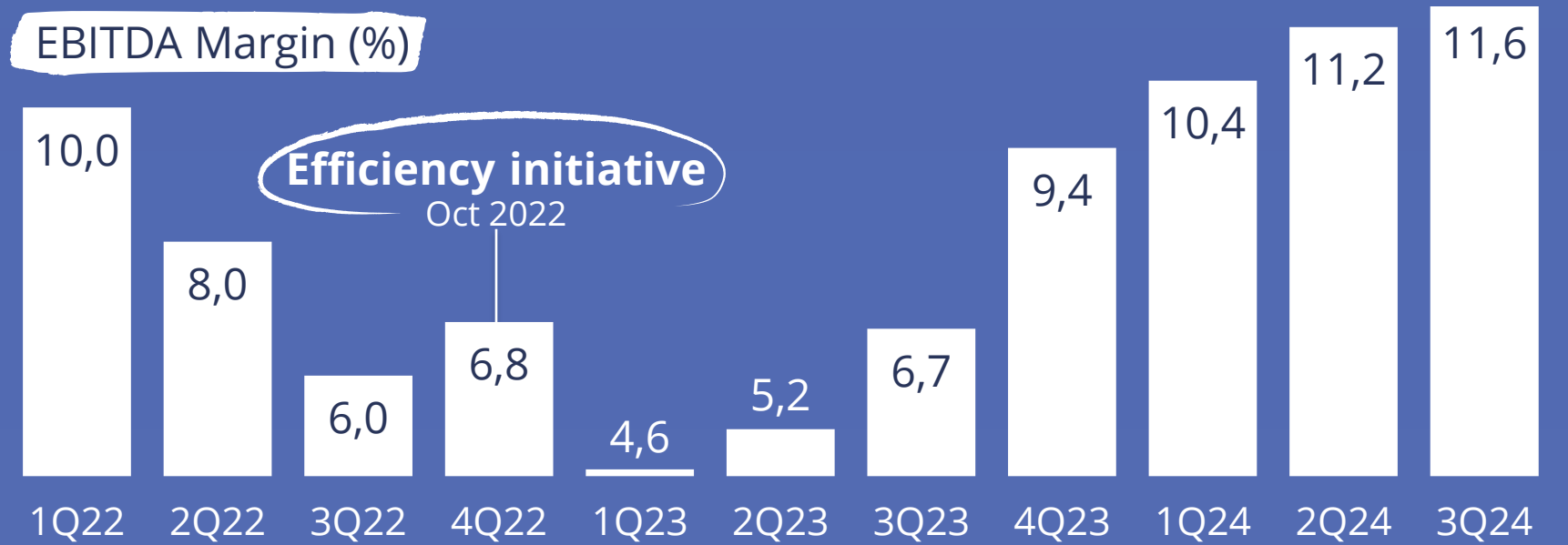
Corporate efficiencies

## Consolidating financial strength

Deepening operational efficiency wins and restoring profitability across our businesses

Selective CAPEX only in 2024

Monetizing non-core assets: ~US \$700 MM achieved to date



(1) EBITDA LTM = Gross margin - distribution costs - administrative expenses - expenses by function + depreciation.  
 Net financial debt = current financial liabilities + non-current financial liabilities - hedging assets - cash and cash equivalents

We remain committed to **maximizing value** for our shareholders

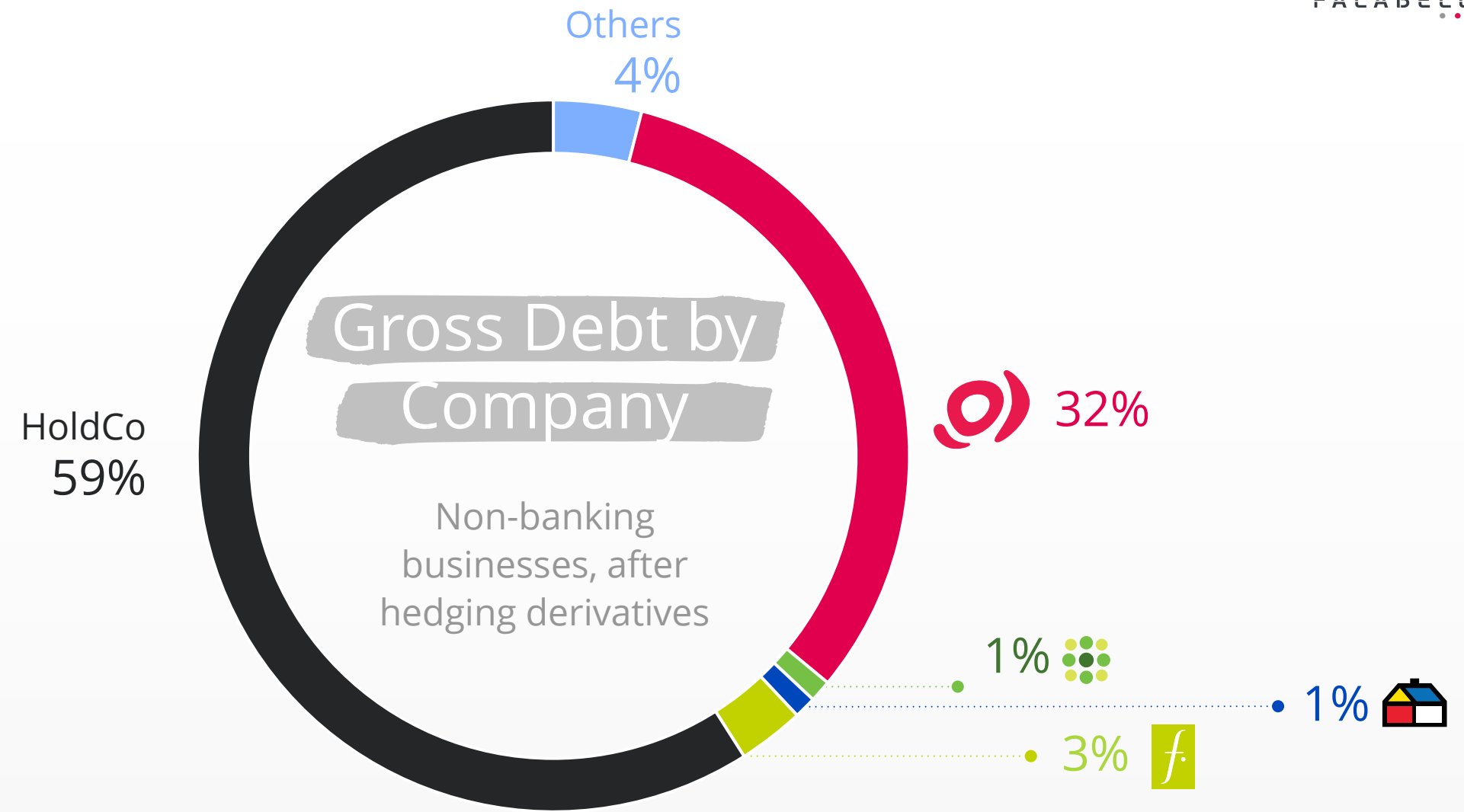
**Strengthen financial position** to capture opportunities across our 5 growth engines

**Focus** investment and capital allocation to ensure sustainable growth

**Continue enhancing profitability**

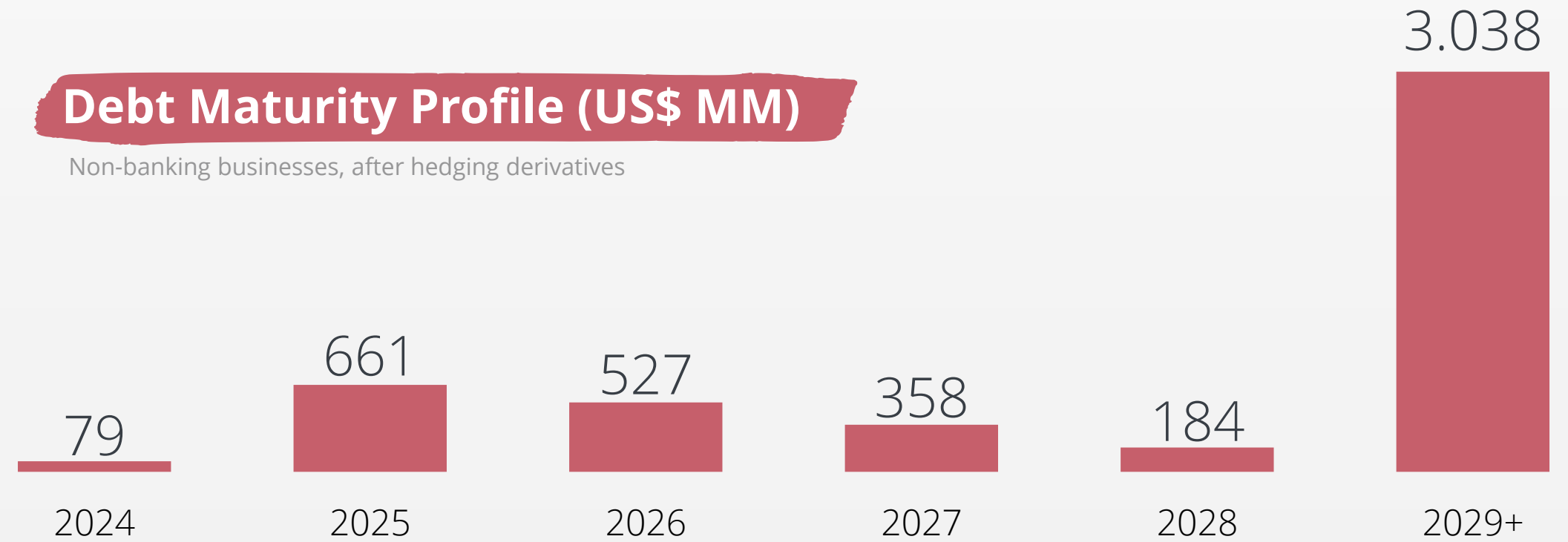
# Debt profile and allocation optimized to support our business needs

**Strategic Business Investment:**  
 Prioritize growth through our  
**5 growth engines**



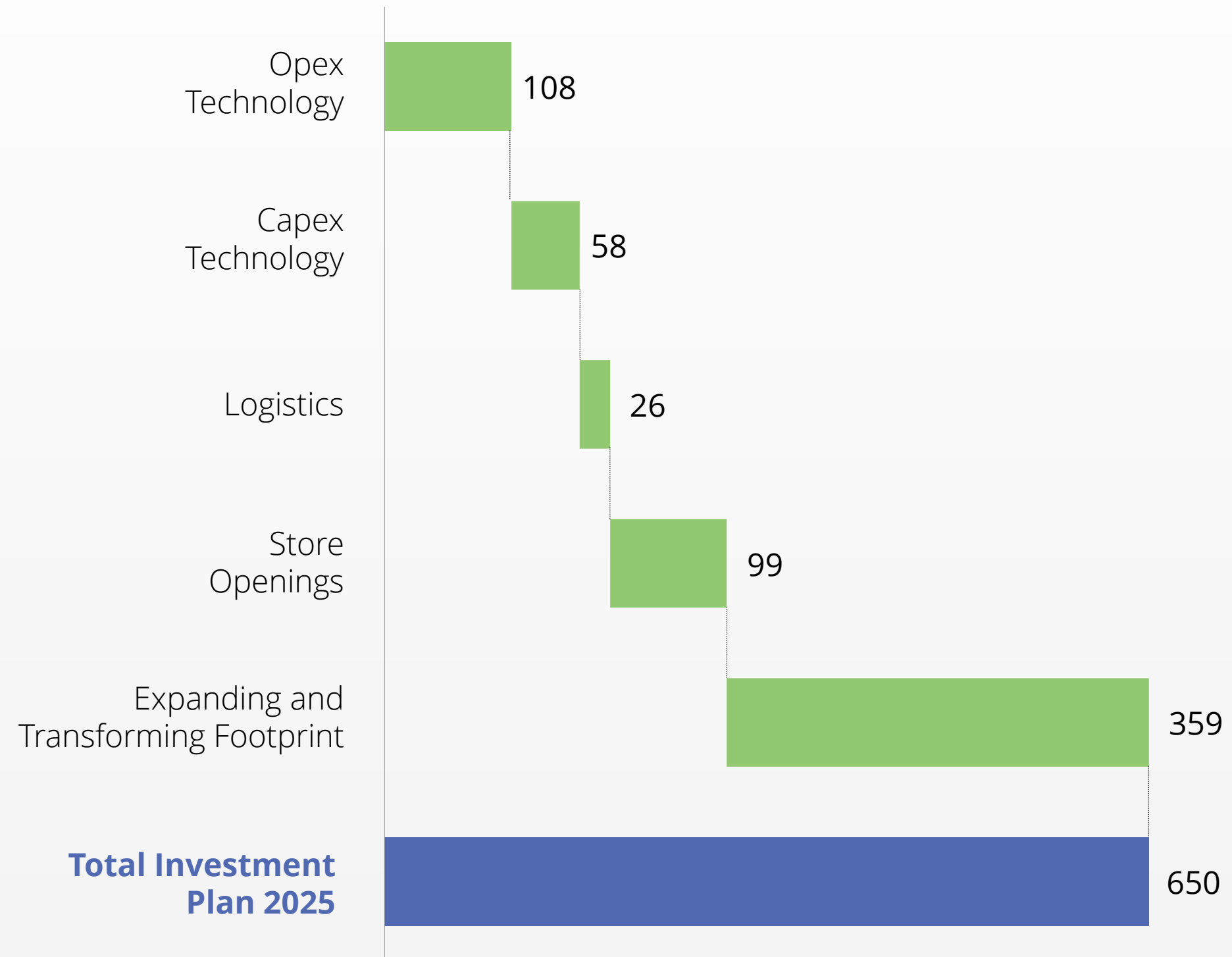
## Debt Maturity Profile (US\$ MM)

Non-banking businesses, after hedging derivatives



Our 2025 Investment Plan<sup>(1)</sup> strategy is designed to drive sustainable growth with a strong focus on **enhancing our omnichannel customer experience**

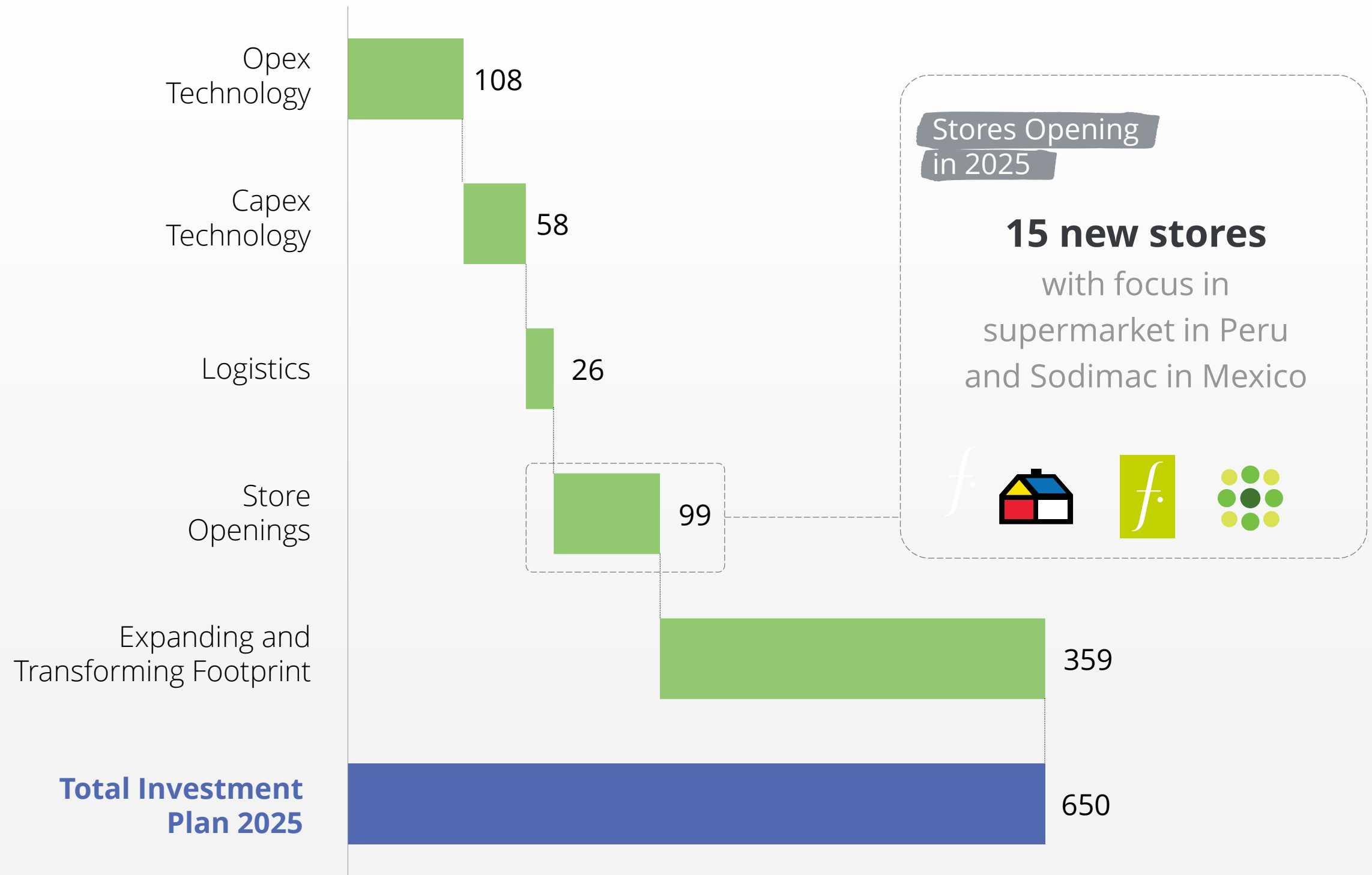
Investment Plan 2025 (US\$ MM)



(1) Includes operations that Falabella does not consolidate.

Our 2025 Investment Plan<sup>(1)</sup> strategy is designed to drive sustainable growth with a strong focus on **enhancing our omnichannel customer experience**

Investment Plan 2025 (US\$ MM)

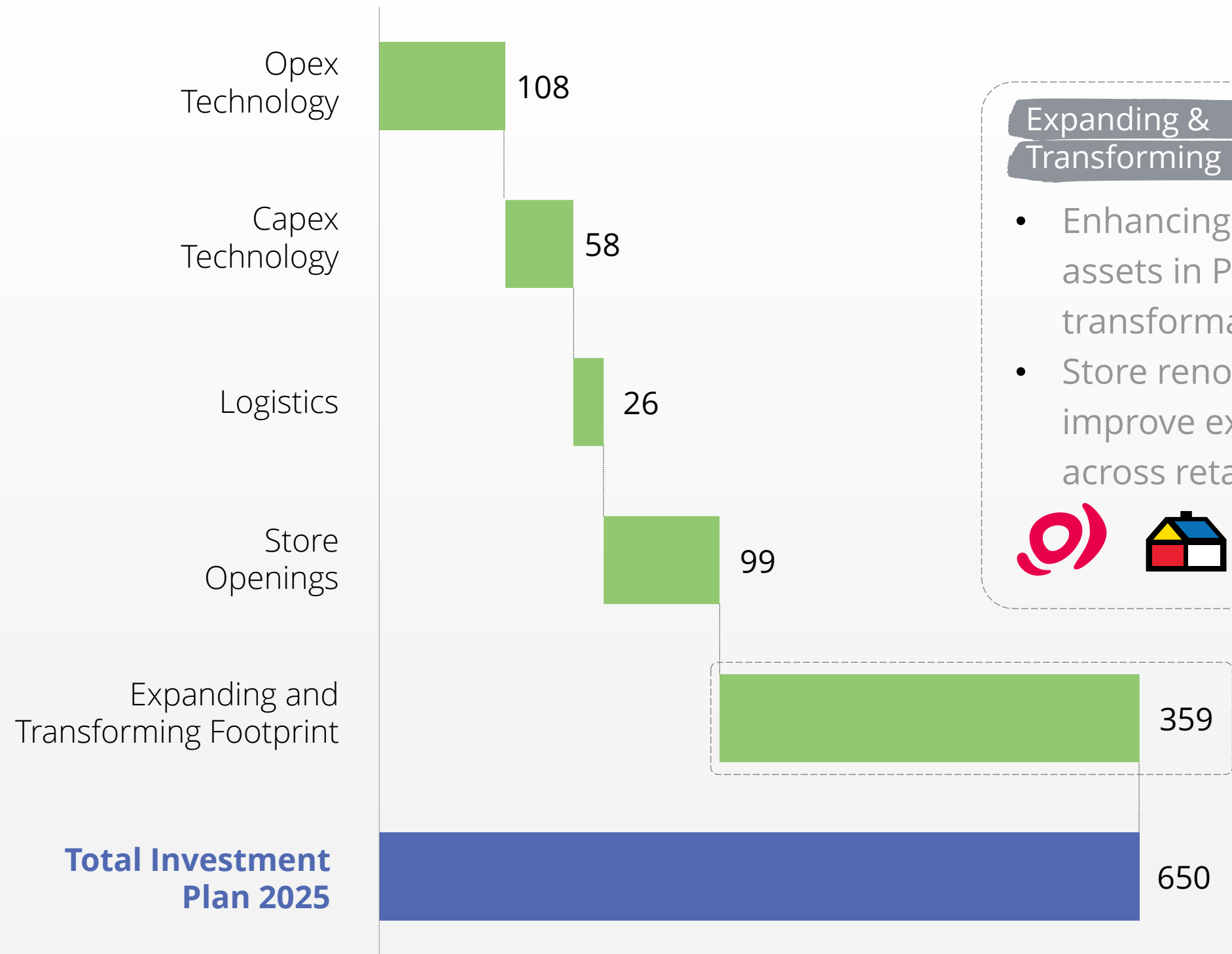


(1) Includes operations that Falabella does not consolidate.



Our 2025 Investment Plan<sup>(1)</sup> strategy is designed to drive sustainable growth with a strong focus on **enhancing our omnichannel customer experience**

Investment Plan 2025 (US\$ MM)



**Expanding & Transforming Footprint**

- Enhancing Mallplaza assets in Peru and transformation in Chile
- Store renovations to improve experience across retailers

(1) Includes operations that Falabella does not consolidate.

We expect to **continue driving profitability** on the different BUs

**EBITDA margin**

**10.6%**

LTM Sep-24

+

**~200-300 bps**



**12.5% - 13.5%**

By end of 2026

**Revenue:**

Mid-to high single digit growth

**Highlights:**

Recovery of Home Improvement

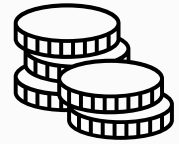
Improvement in e-commerce

Expansion in financial services

**SG&A:**

Flat in real terms

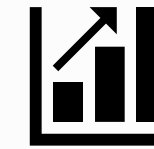
# Key takeaways



Funds to cover Jan-25 international bond already in balance



Expected breakeven in e-commerce by YE 2026



Recovering historical investment levels and well positioned to reach profitability targets

Recovering growth, profitability and investment to achieve a balanced and successful physical-digital future

# HOME IMPROVEMENT



ALEJANDRO ARZE

Market Leadership Through an Enhanced Value Proposition




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 SODIMAC

 TOTTUS

 mallplaza

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# Market leaders in our core countries

with more than 260 stores 🏠



<p><b>+US\$ 5.7 B</b> in revenues<sup>(1)</sup></p>		<p><b>#1 in Market Share<sup>(2)</sup></b> in Chile, Uruguay, Peru and Colombia</p>
<p><b>+20 MM</b> Customers</p>	<p><b>7</b> Countries</p>	



(1) LTM figures as of September 2024 includes Colombia and Mexico, operations that we do not consolidate.  
 (2) Market share: Internal estimation.

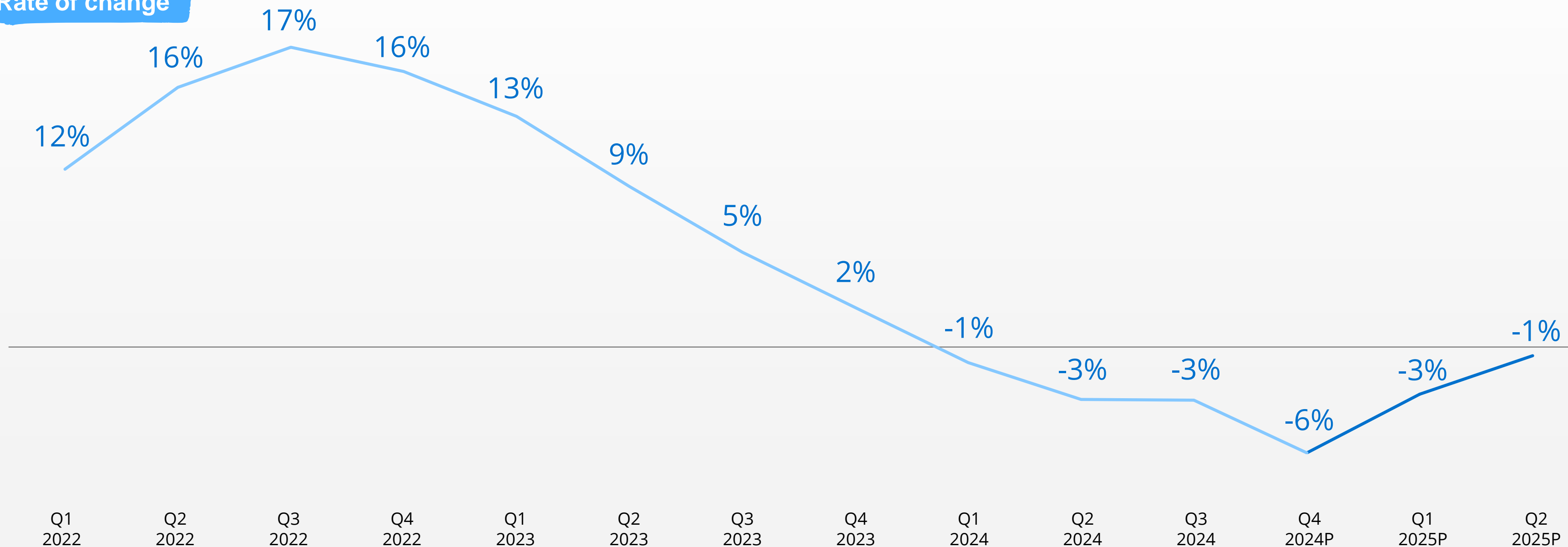
# Global slowdown in the construction industry



Leading Indicator of Remodeling Activity <sup>(1)</sup>

US\$B

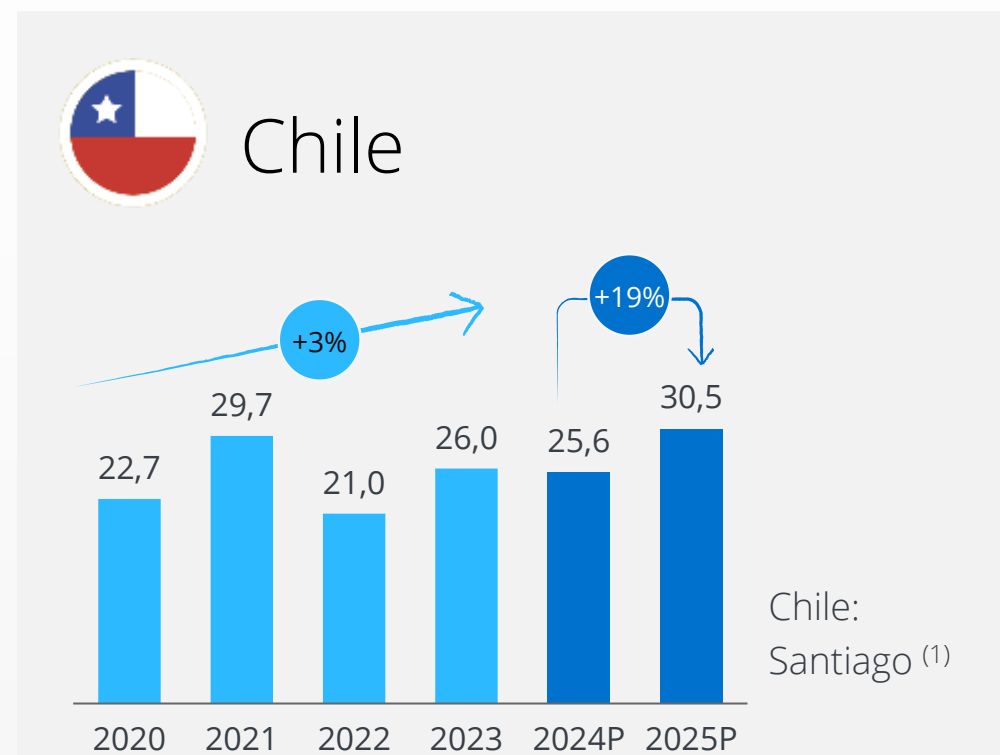
Rate of change



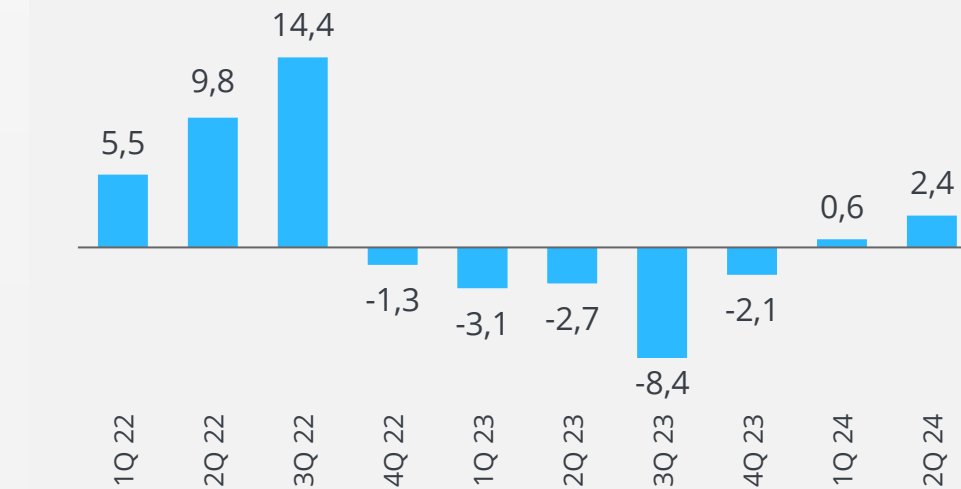
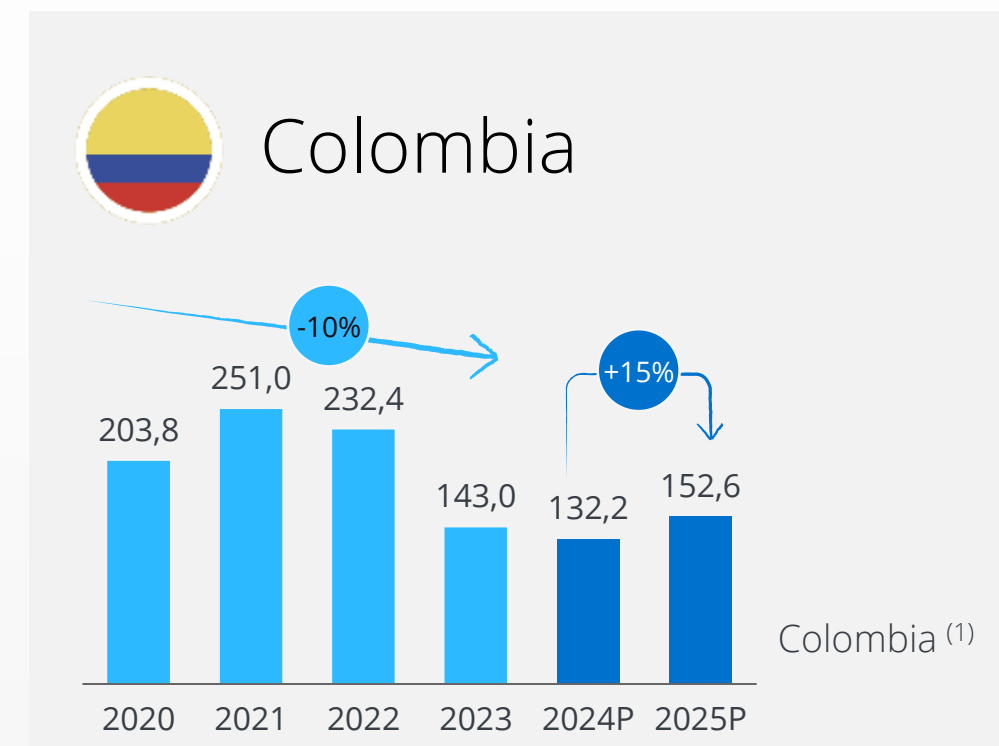
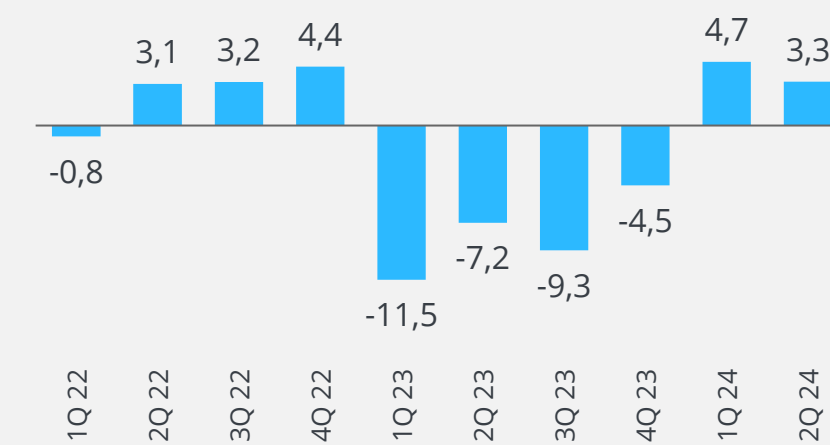
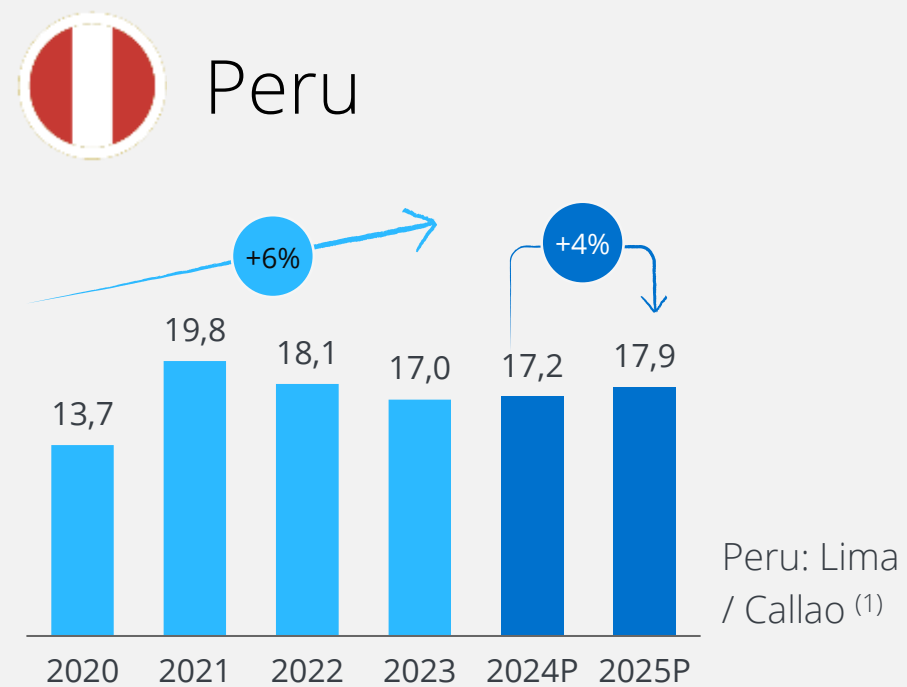
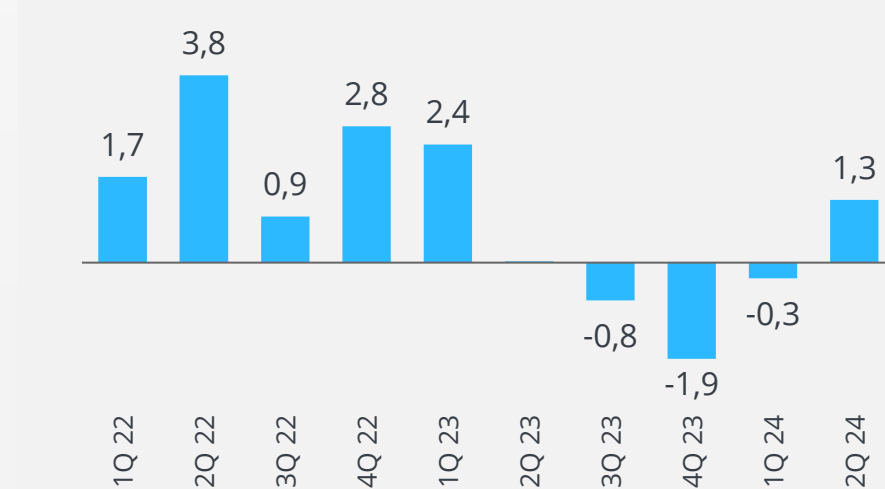
(1): LIRA (USA)

# Expected future recovery of the construction market

Sale of new homes (K)



Construction GDP (2) (YoY variation)



(1) Source: Central Bank of Chile, SAE (Peru) and CAMACOL (Colombia).

(2) Source: CChC (Chile), Central Bank of Peru and DANE (Colombia). GDP YoY variation in real terms.

Winning strategy for our three client segments:

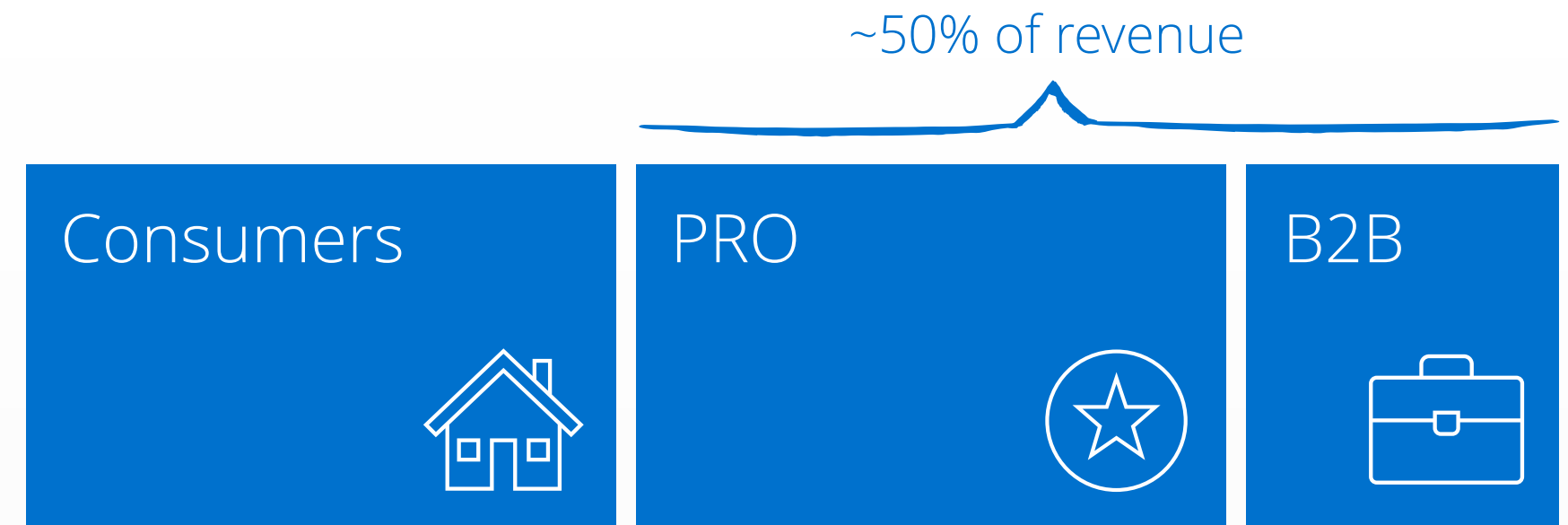
# Consumers, PRO and B2B



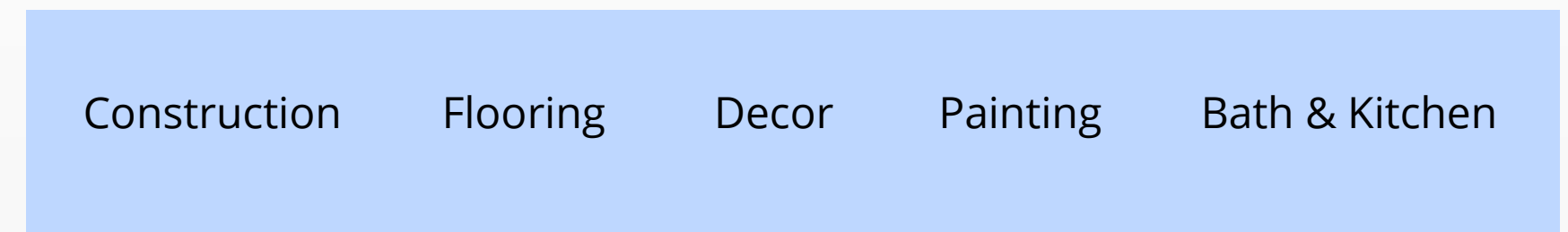
## VALUE PROPOSITION

“Offering all products and services at the best price and in the quantities our customers need, all in one place with a seamless omnichannel experience.”

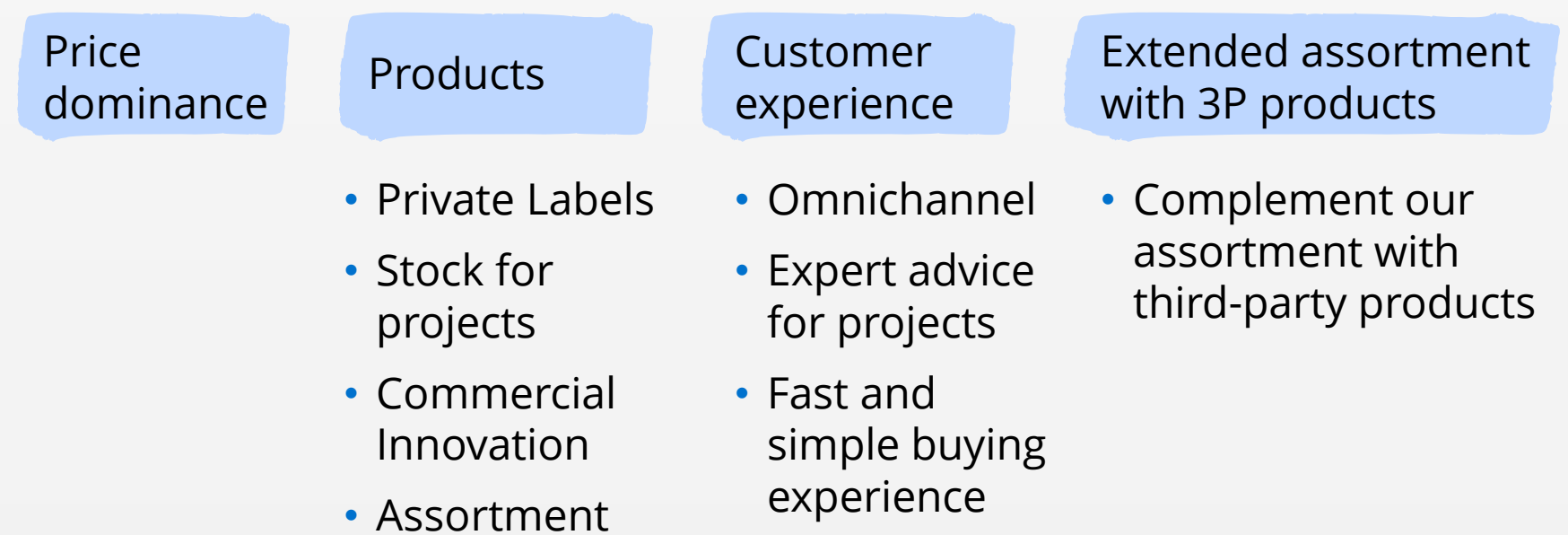
### Clients



### Categories



### Key attributes





Our strategy has resulted in  
**strong brand awareness**  
**and recognition**  
by our customers



**Brand awareness**



**Top of mind awareness**

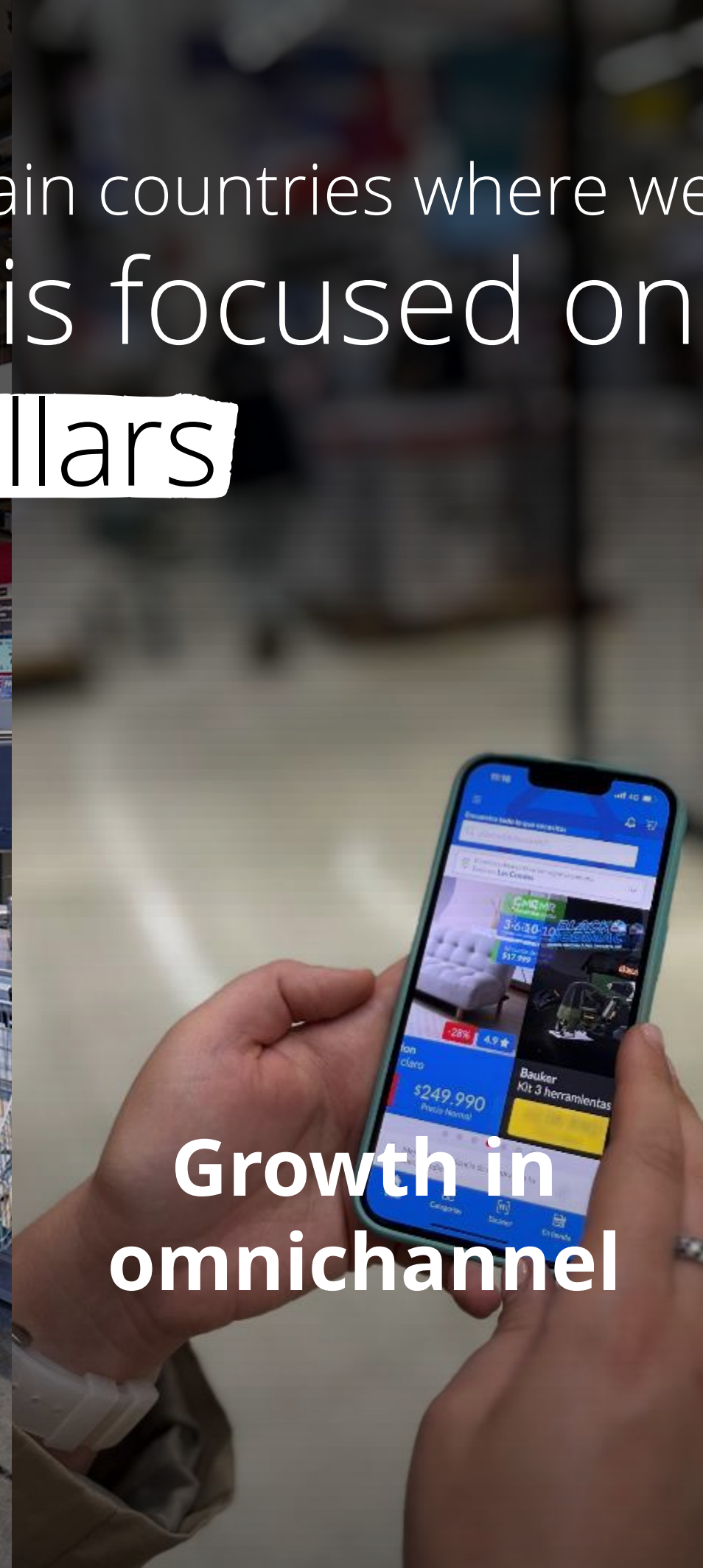
To lead the HI market in the main countries where we operate,  
our strategy is focused on  
**4 pillars**



**Focus on  
PRO Clients**



**Private  
Labels**



**Growth in  
omnichannel**



**Product and  
experience  
innovation**

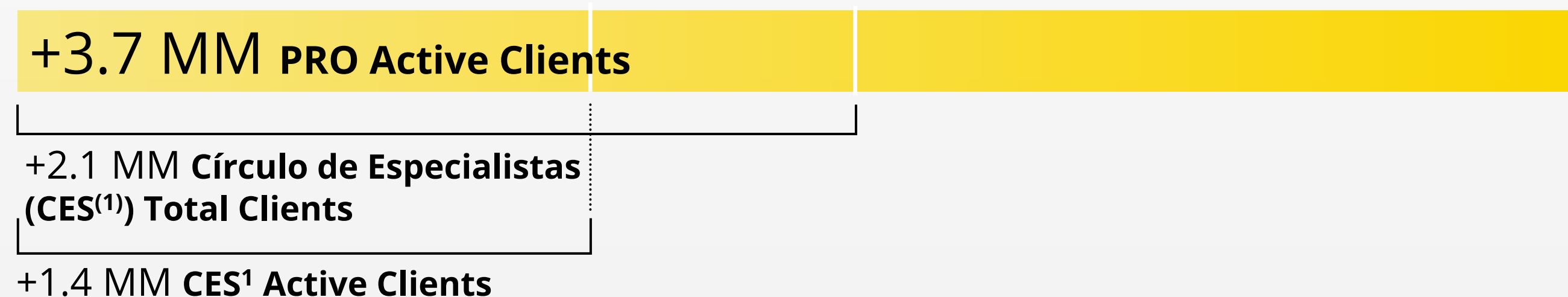


# Focus on PRO Clients

Sodimac is a **trusted ally** of our PRO customers, helping them execute more and better jobs, helping them grow

<p><b>PRODUCT</b> Everything they need in bulk quantity</p>	<p><b>PRICE</b> Lowest price guaranteed</p>	<p><b>RELATIONSHIP</b> Best advisory service in the market</p>	<p><b>SPEED</b> Ensuring a fast purchase experience</p>	<p><b>FINANCING</b> Helping them to finance their projects</p>
---	---	--	---	--

**Building PRO loyalty** through personalized services, a superior omnichannel experience and a targeted loyalty program to increase purchase frequency.



Data LTM September 2024. Círculo de Especialistas  
 (1) CES: Loyalty Program focused on PRO clients.  
 Active clients: customers who bought in the period.

# Focus on PRO Clients

## PRO App customization

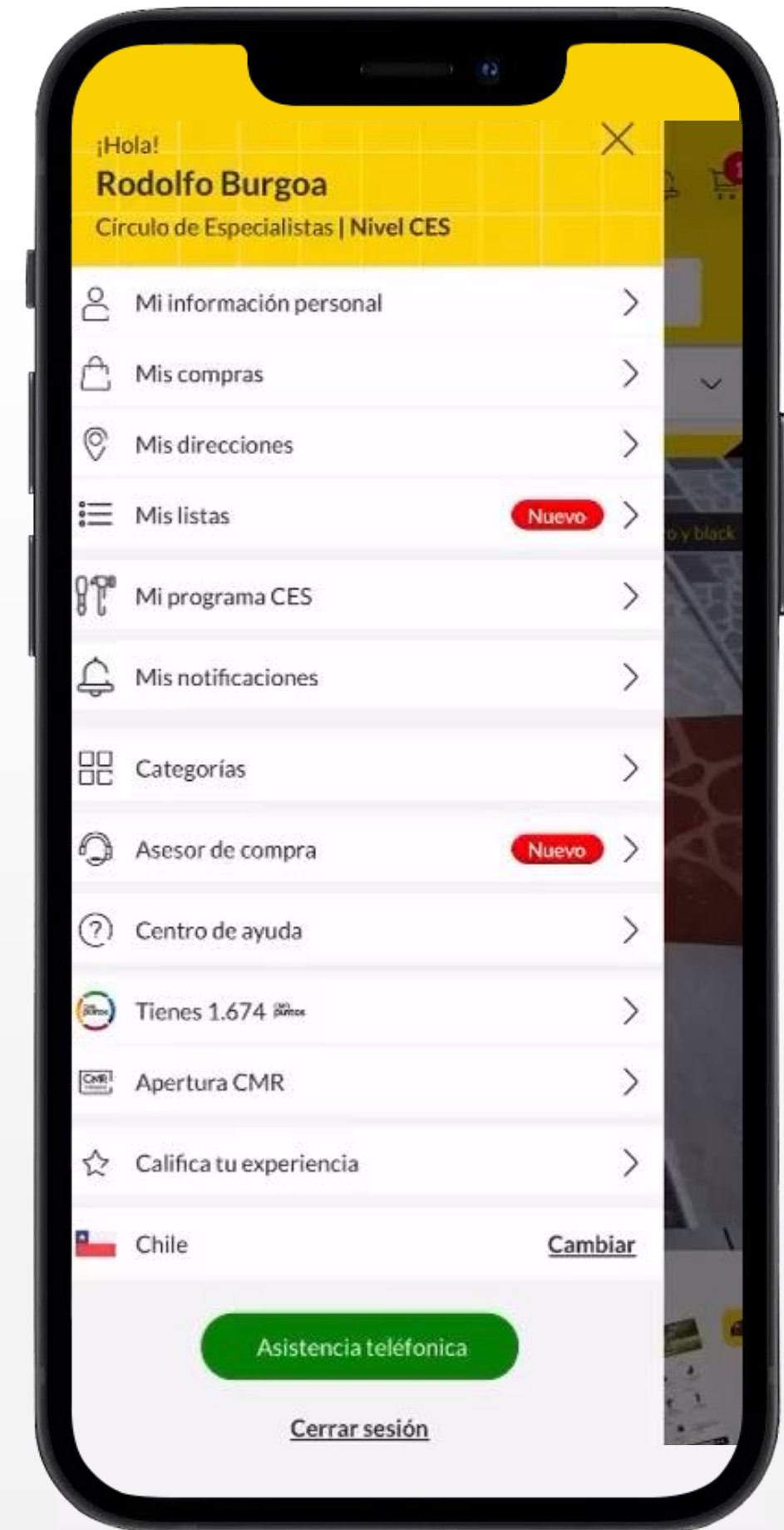
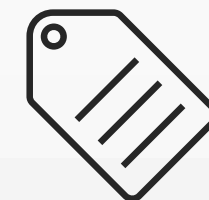
Customized Home page with PRO products



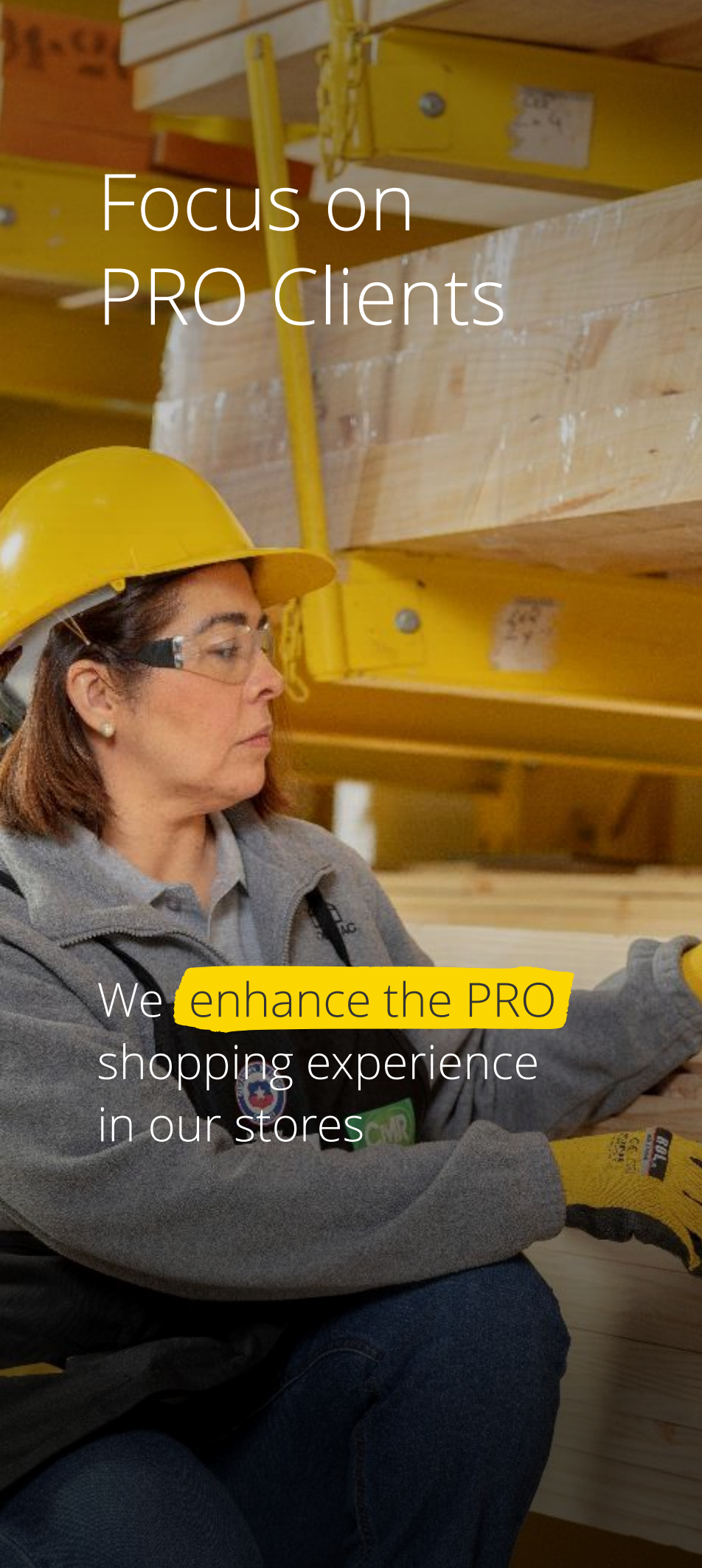
CES details



Customized discounts through de navigation flow, adapted to browsing behavior

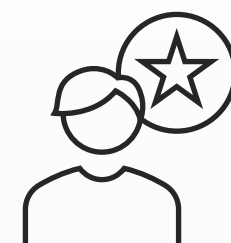


We enhance the PRO shopping experience with greater personalization in our app

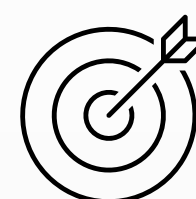


# Focus on PRO Clients

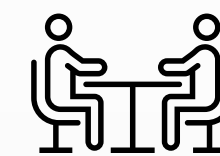
## Personalized PRO in store service



Personalized service to our best CES clients



All the services used by the PRO in one place



Product collection area, co-work space and especial benefits

We enhance the PRO shopping experience in our stores



+95  
Stores provide this service at a regional level

# Private Label

## Private label strategy

- Market differentiation** 

Maintain an exclusive portfolio of products and brands in all our channels
- Business profitability** 

Maintain profitability by Improving commercial conditions with suppliers
- Product authority** 

Development of products that meet the specific needs of our consumers
- Supplier negotiation** 

Investment in brand development, making spending more efficient through direct sourcing

## Private label categories

Best



Better



Good



OPP



Private labels



A growing, profitable business driving differentiation and exclusive customer value

(1) LTM figures as of September 2024.

We aim to become a **Specialist Superstore** in home improvement e-commerce by leveraging:

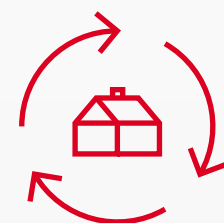
Growth in omnichannel

We defined five strategic pillars to become regional market leaders by improving the omnichannel experience for our customers



# Growth in omnichannel

We relaunched Sodimac.com to position ourselves as the **Home Improvement leaders** in LatAm



**Strengthen** the brand



**Improve** our value proposition through a more specialized HI website



**Research** Online effect on purchases offline



Chile + Peru

**+404 K**  
SKUs listed<sup>(1)</sup>

**69%**  
of listed-SKUs are 3P<sup>(1)</sup>

**+19%**  
Visits (Web + App)<sup>(2)</sup>

**+30%**  
GMV<sup>(2)</sup>

**+84%**  
Growth of Monthly Active Users<sup>(2)</sup>

(1) (1) YTD October 2024  
(2) (2) September v/s June



Product & experience innovation

+ PROYECTOS

# Strengthening in-store exhibition to improve customer experience

~50%<sup>(1)</sup>  
Revenue growth vs non transformed stores

Transformations from Maestro to Sodimac in Peru



(1) Revenue growth Maestro Plaza Norte & Maestro Chiclayo vs other Maestro stores in the region 3Q24 vs 3Q23.

Product & experience innovation

+ PROYECTOS

# Adapting our footprint to the local markets

Compact format



 Plaza Central  
Mexico City

Opening  
July 2022

M2  
+4,000

 Interlomas  
Mexico State

Opening  
July 2023

M2  
+5,000

 Sincelejo  
Sincelejo

Opening  
September 2023

M2  
+3,000

# Well positioned to capture growth in main markets

Revenue US\$ MM  
(LTM sep-24)

%  
CES/PRO<sup>(1)</sup>

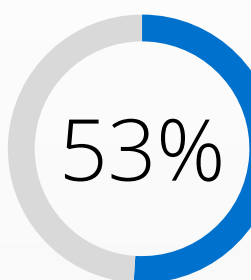
## Chile

Maintain leadership position

Strategy by categories to recover growth and margins

Expense control without affecting CX

2,631



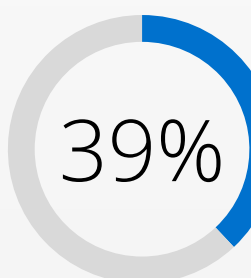
## Colombia

Expand footprint to new cities

Operational efficiency without compromising customer experience

Improve B2B value proposition: ecommerce, enhanced assortment

1,496



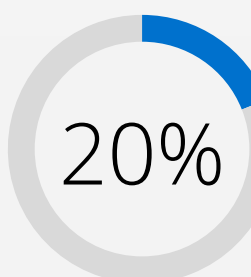
## Peru

Continue Maestro store transformation (already converted 4 stores)

Enhance CX throughout the customer's journey, improving our NPS

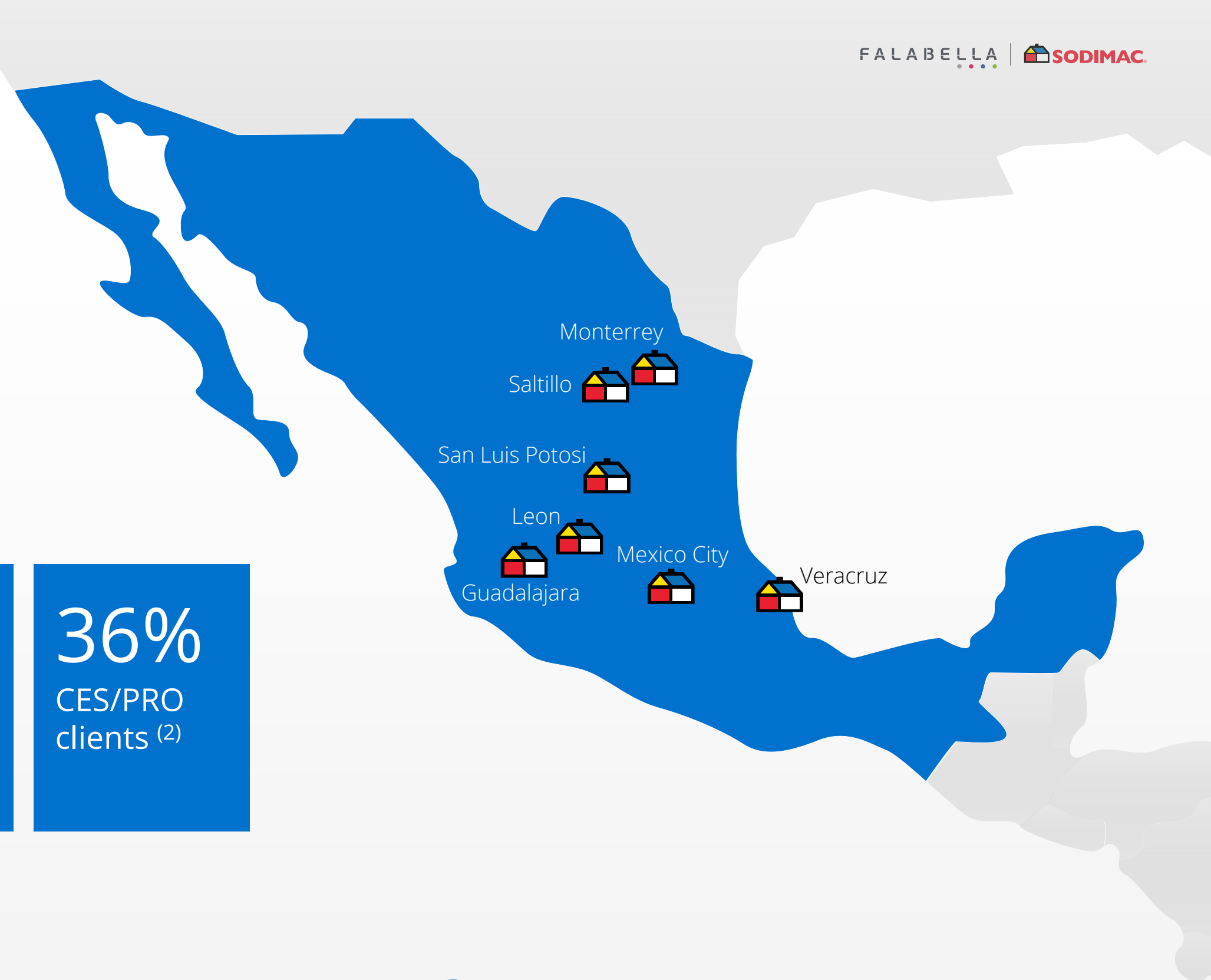
Innovate via showrooms

835



(1) Círculo de Especialistas (CES): Loyalty Program focused on PRO clients. CES/PRO ratio shows % clients of PRO segment who are part of CES.

# Mexico: highest growth potential for Sodimac



Optimized and standardized store layouts, for a better CX and improved profitability



Enhanced PRO loyalty program, improving purchase frequency in this segment



Looking for benefits of scale with new stores in relevant cities within delivery coverage area to continue strengthening our brand

(1) LTM figures as of September 2024.

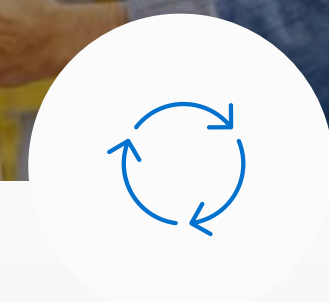
(2) Círculo de Especialistas (CES): Loyalty Program focused on PRO clients. CES/PRO ratio shows % clients of PRO segment who are part of CES.

# Key takeaways

Market leaders despite global slowdown in the construction industry.



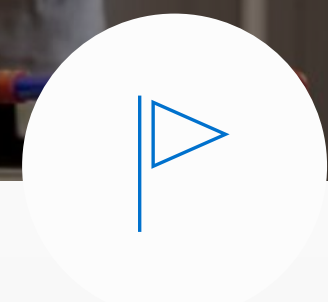
**Keep developing the PRO value proposition** in order to increase that segment's loyalty



Improve our extended assortment to **become an omnichannel Home Improvement Superstore**



We are prepared to resume **growth and increase profitability in our main countries**



**Expand our footprint in Mexico**

# FALABELLA RETAIL



FRANCISCO IRARRÁZAVAL

Becoming an Omnichannel Multi-Specialist for our core categories, in partnership with top-quality brands




FALABELLA

 + falabella.com

 SODIMAC

 TOTTUS

 mallplaza

 BancoFalabella

INVESTOR  
DAY 2024

# We lead the retail industry in the three countries we operate

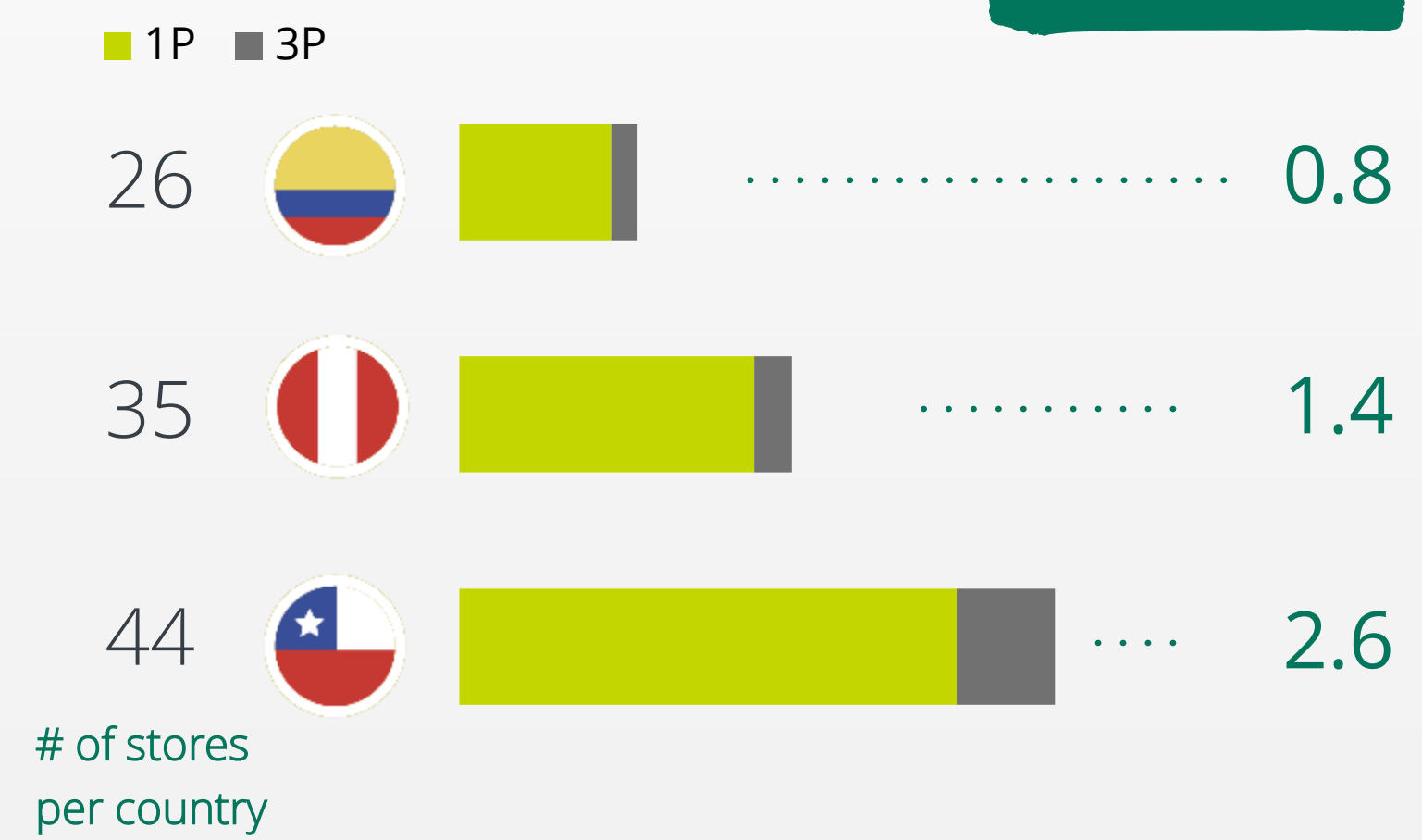
Falabella Stores  
105

Best Brand Stores  
74

Falabella.com  
CO, CL, PE



#1 Market Share	#1 Kantar Brand Index
+19 MM Active clients	85 MM Total transactions
11 MM #Loyalty Program Clients	692 K Store sqm <sup>(2)</sup>



(1) LTM approximated figures as of September 2024  
 (2) Stores sqm includes Best Brand stores..

E-commerce has been our focus and growth driver, transforming us into the **regional leader**

**6.6MM**

Active Users on the App

**\$1.9 B**

Total Sales <sup>(1)</sup>

**40%**

Online GMV / Total GMV LTM

**1.6 B**

Visits LTM

**>60%**

Under 48-Hour Delivery / Total Deliveries

**>50%**

Click & Collect

**+15%**

3P Growth LTM

(1) LTM approximated figures as of September 2024.



Shift towards a **Curated Marketplace**, supported by our **long-term relationships** with **Best Brands** and providing them omnichannel services

**+75%**

Best Brands 3P  
Growth LTM



Advertising services

**1.6%**

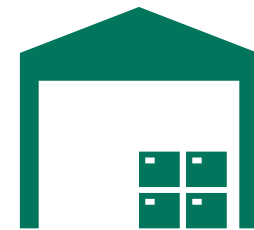
%NMV 3P LTM



Stand alone websites

**5**

Stand Alone websites



Fulfillment services

**>20%**

%NMV FBF/3P LTM



Home Delivery services

**>80%**

Delivery by Falabella Network

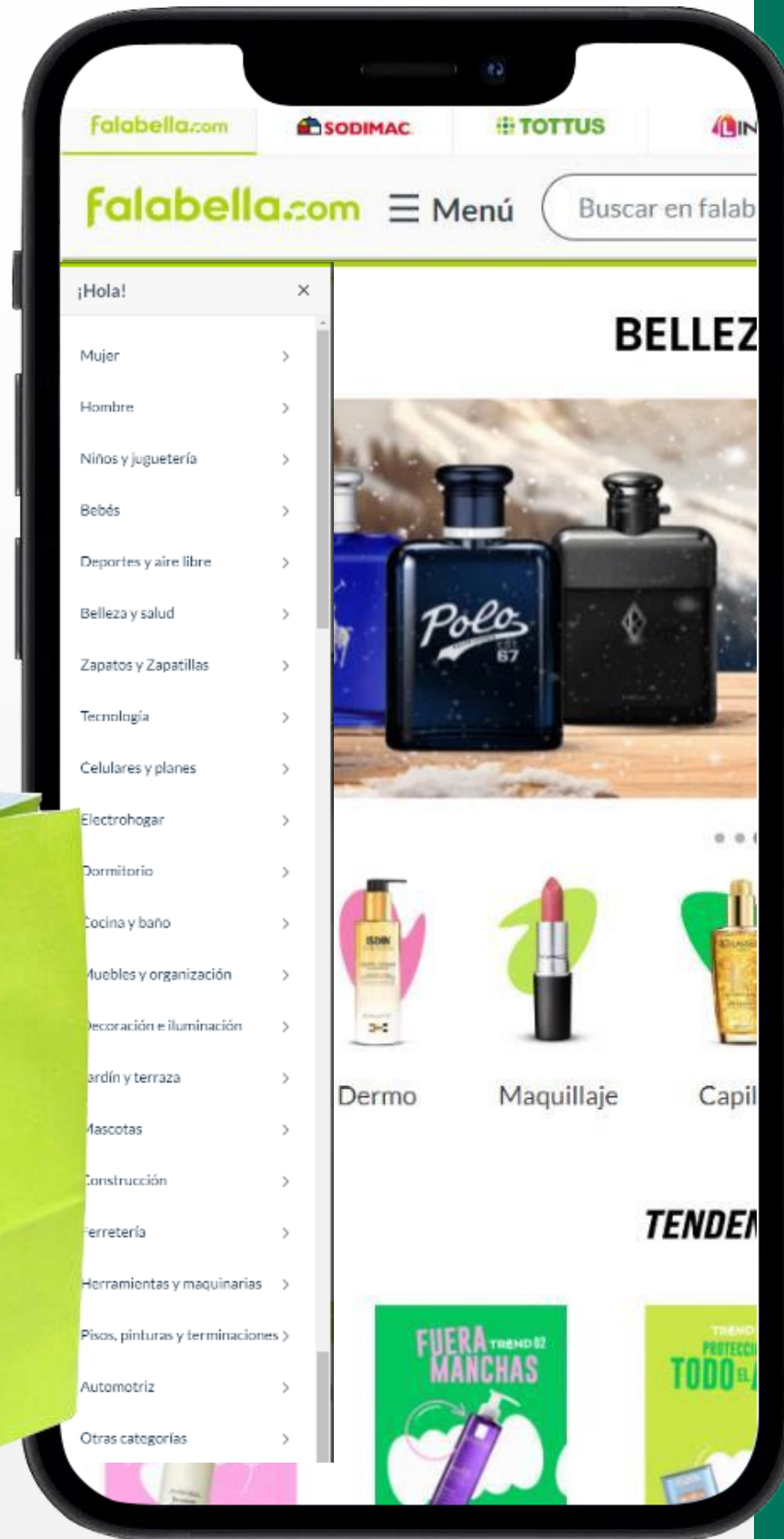


Benefits program

**60%**

Five stars Sellers orders delivery

Our strategy is to leverage the power of our brand to differentiate in our specialty categories



From a **Generalist** Store and Marketplace



**Apparel**



**Beauty**



**Footwear**



**Home Decor**



**Technology**

To an  
**Omnichannel  
Multi-Specialist**  
Hub for top brands

90% of Sales

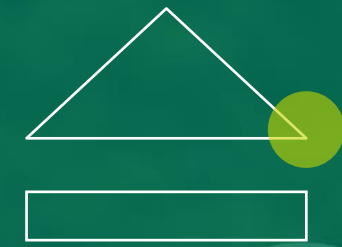
# Apparel

Differentiation:  
80% of what we sell,  
can only be bought  
through Falabella  
Channels.



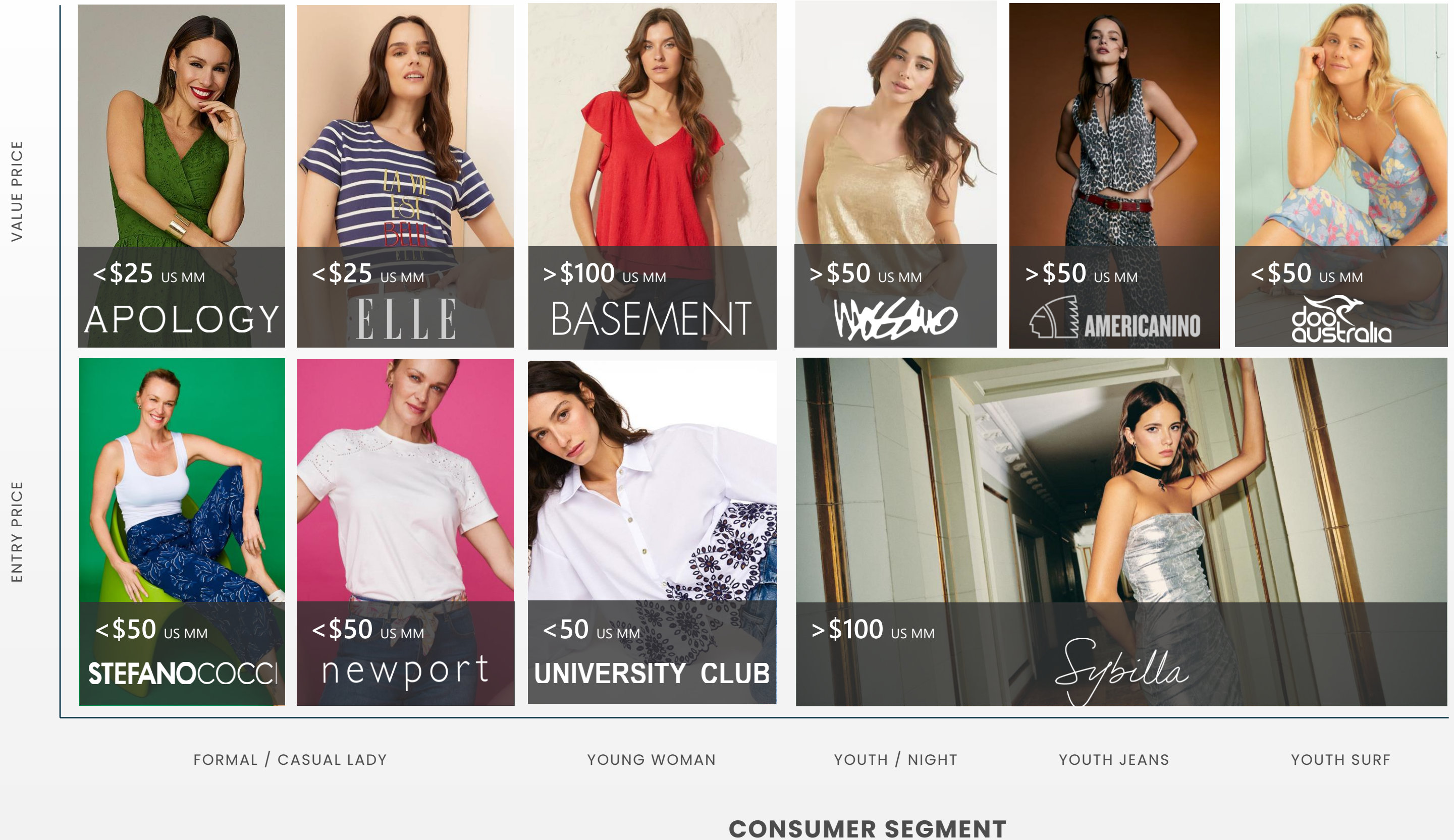
\*LTM approximated figures as of September 2024.

# Apparel



Convenience  
& Fashion  
Private Label  
and Licenses(1P)

## Women brand segmentation example



\*LTM approximated figures as of September 2024.

# Beauty

Our strategy is focused on **strengthening exclusive brands** with emphasis on global brands, that differentiate us through exclusive launches



\*LTM approximated figures as of September 2024.

# Beauty

Traffic & Fashion  
Local and Global Brands (1P+3P)

The 3P has a role as a trends laboratory

**+35%**  
of digital sales are 3P

**+80**  
trendy brands

**Current International 3P Brands** provide access to an unlimited portfolio, innovative and trending brands



The Ordinary.



WOW



K18  
BIOMIMETIC HAIRSCIENCE

LAURA MERCIER  
PARIS | NEW YORK

MAKEUP BY MARIO

Charlotte Tilbury

COLOURPOP

PETER THOMAS ROTH  
CLINICAL SKIN CARE

LANEIGE

KYLIESKIN  
KYLIE JENNER

rhode

Milk  
MAKEUP

MIELLE

r.e.m. beauty

FENTY BEAUTY  
BY RIHANNA

HUDA BEAUTY



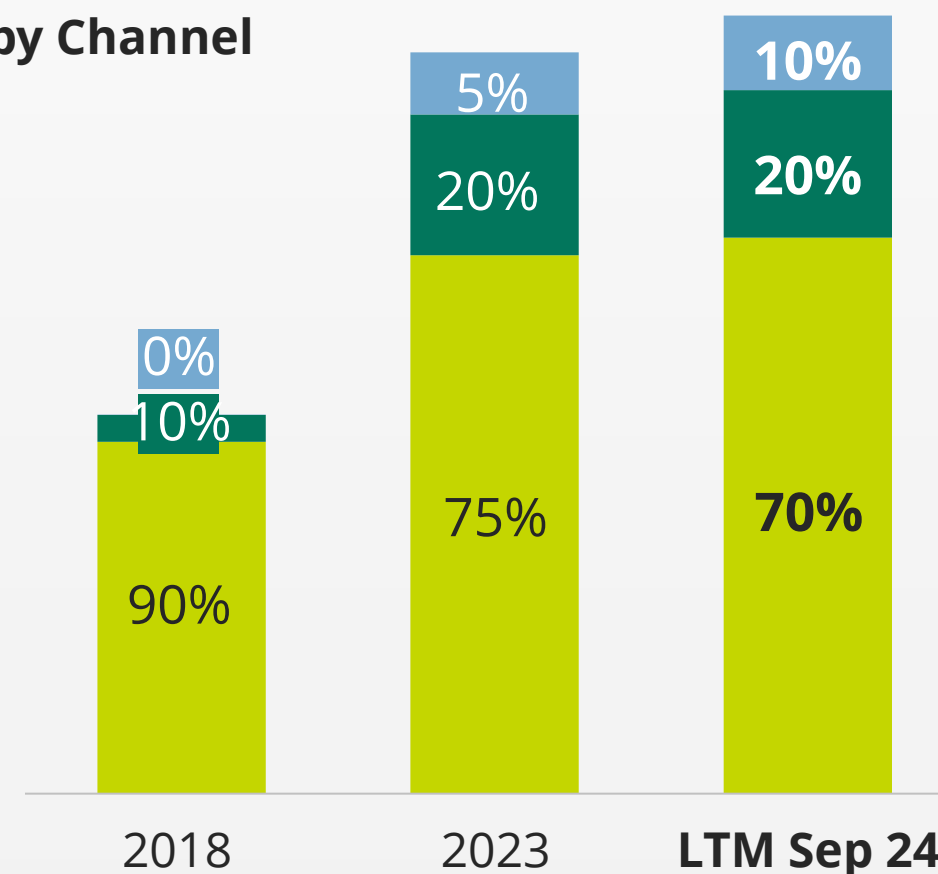
DRUNK ELEPHANT

JLO BEAUTY

ISLE OF PARADISE  
VEGAN FRIENDLY & CRUELTY FREE

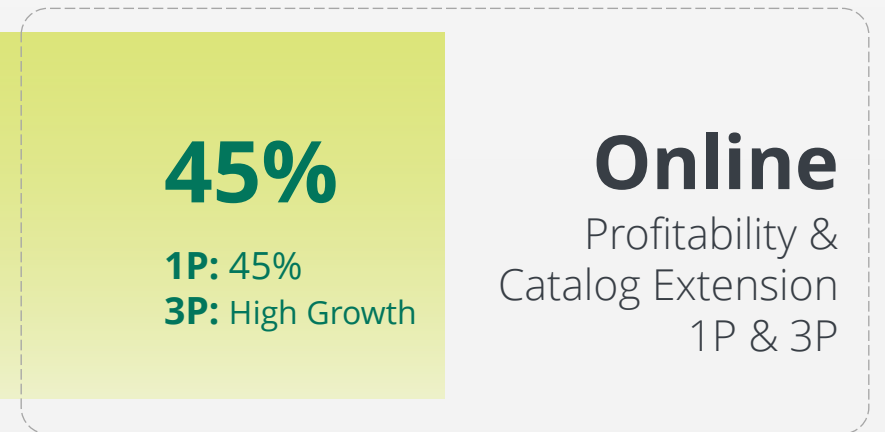
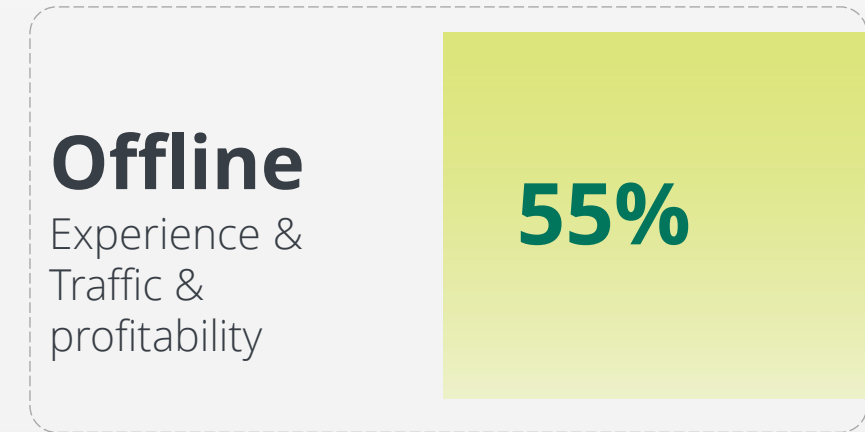
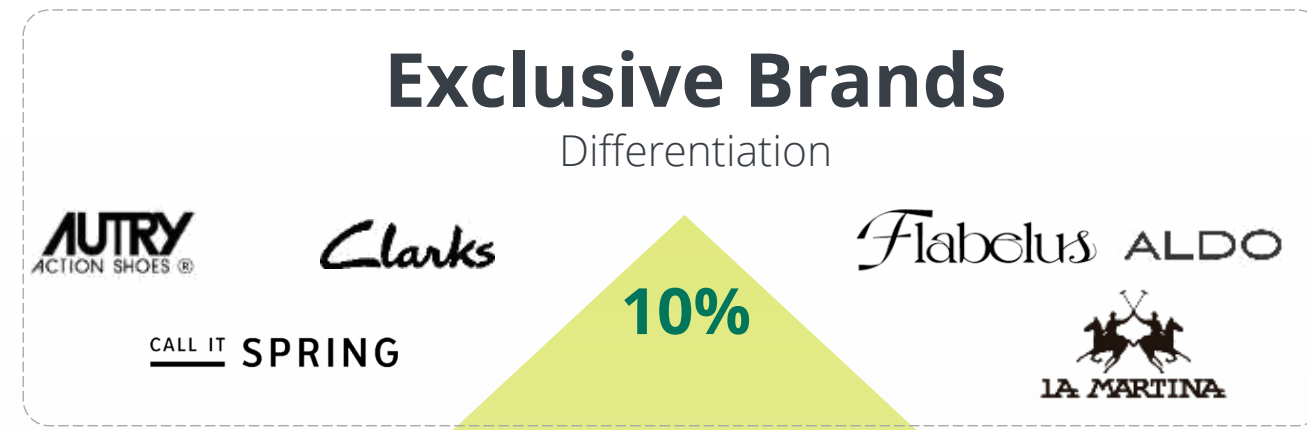
SOL  
JANEIRO

Sales by Channel



\*LTM approximated figures as of September 2024.

# Footwear



Strong market share in footwear, supported by the best brands with a **crucial role for the physical store**

\*LTM approximated figures as of September 2024.

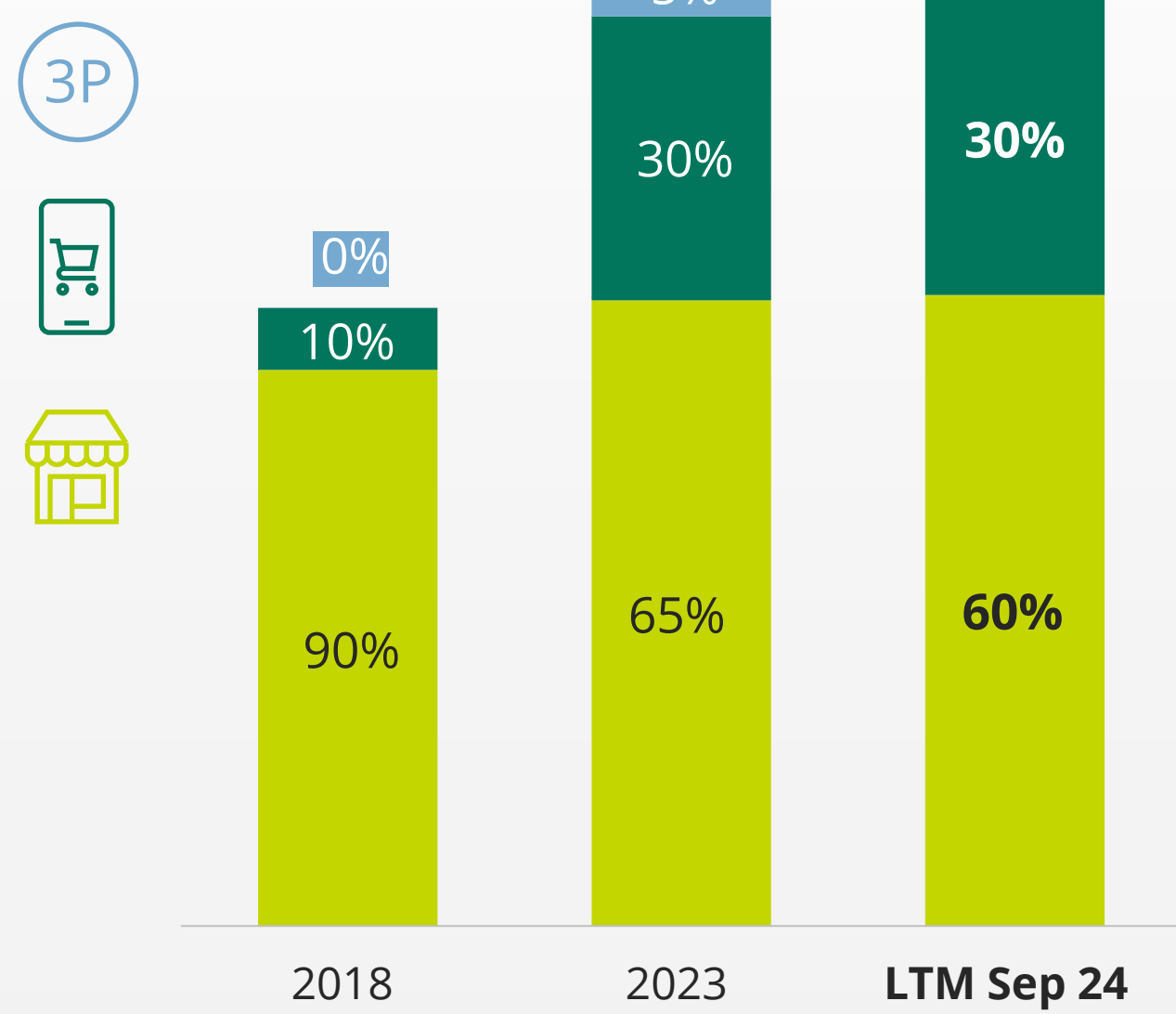


# Footwear

Traffic & Fashion & Profitability  
Local and Global Brands (1P+3P)

We are **expanding online footwear sales** in close collaboration with top brand partners, while enhancing our catalog with 3P offerings

Sales by Channel



## 3P Current Best Brands



\*LTM approximated figures as of September 2024.

# Home Decor

In Home Decor, we have developed our own brands and **transitioned to an online model**



\*LTM approximated figures as of September 2024.

# Home Decor



Convenience  
& Profitability  
Private Label  
and Licenses(1P)

Crafting an inspiring and convenient value proposition for mass formats, mainly driven by our Private Labels



BASEMENT  
HOME

mica

benetton

CASA CANTABRIA  
HERENCIA ÚNICA

RECCO

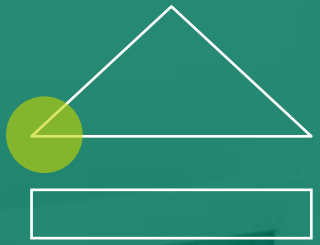
Würden

Minimal product differentiation, with competition primarily driven by price, making the **customer experience a key challenge**




\*LTM approximated figures as of September 2024.

# Technology




Traffic & Fashion  
Local and Global Brands (1P+3P)

A differentiated strategy for **each product category**




**Core Products**  
Low-differentiation and high-cost products where we must **ensure convenience.**

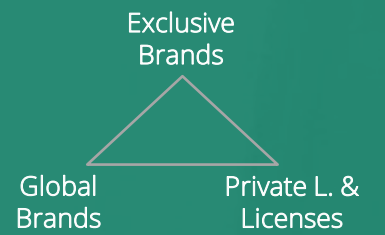
**Peripheral or Complementary**  
Accessories for core and emerging products, with growth focused on 3P in online. **Key to profitability.**



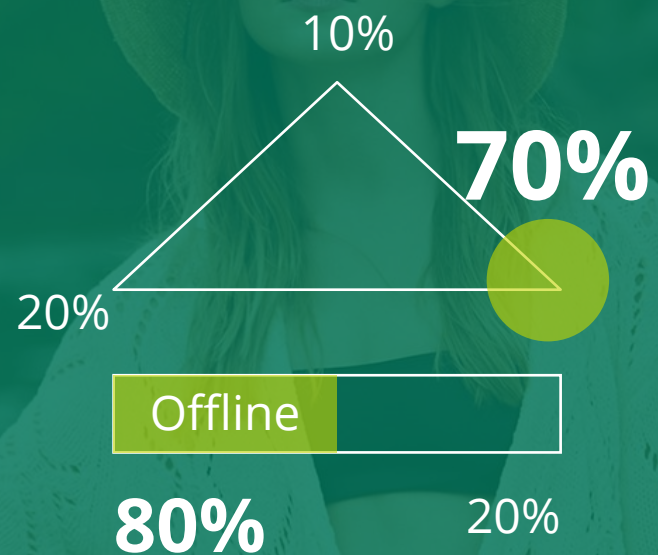
**Emerging Technologies**  
Products that have become trendy and that we must have to **showcase #LoÚltimo.**



# Specific strategy per product category and channel

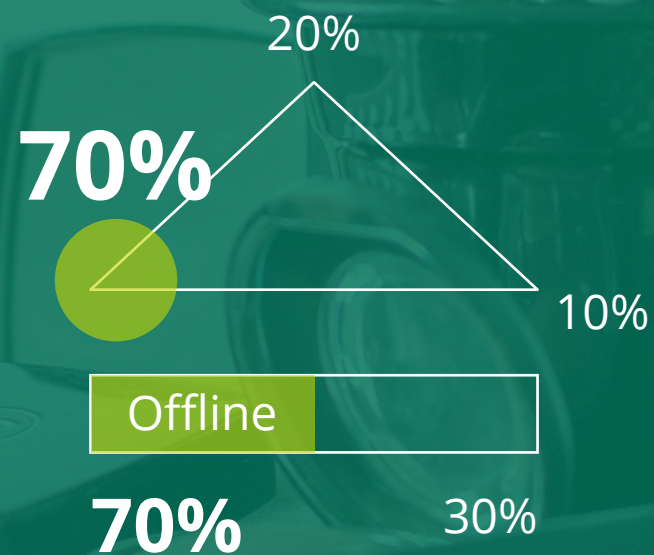


## Apparel



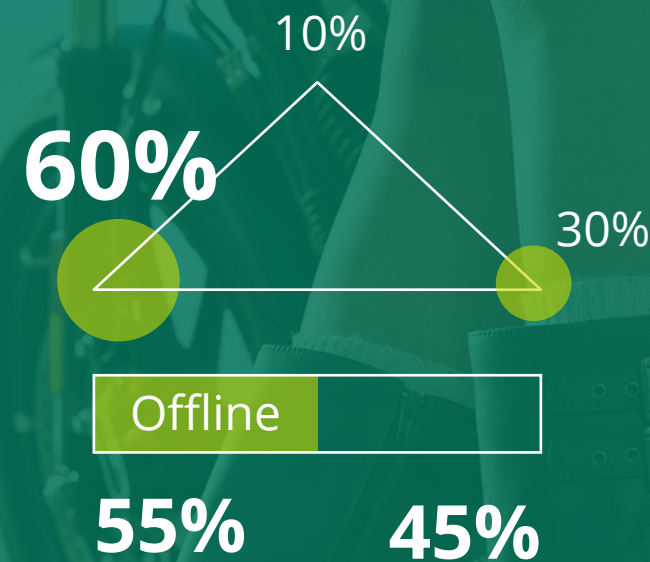
Differentiate through **private and exclusive** brands that bring higher margins and traffic.

## Beauty



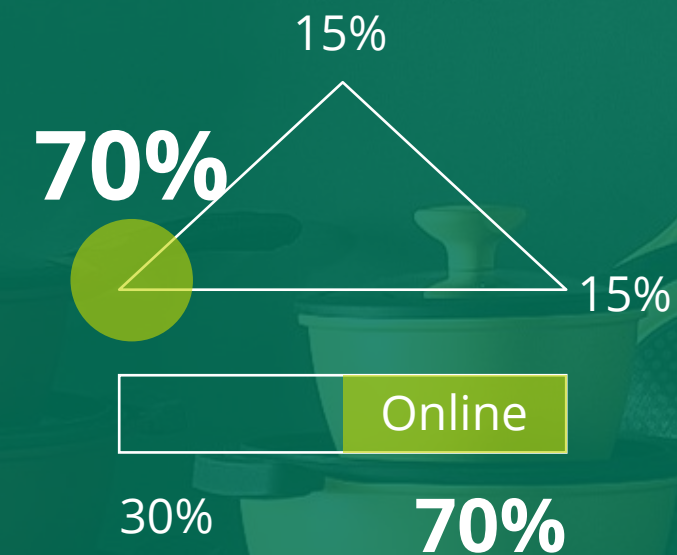
Strengthen exclusive brands and focus on **customer experience.**

## Footwear



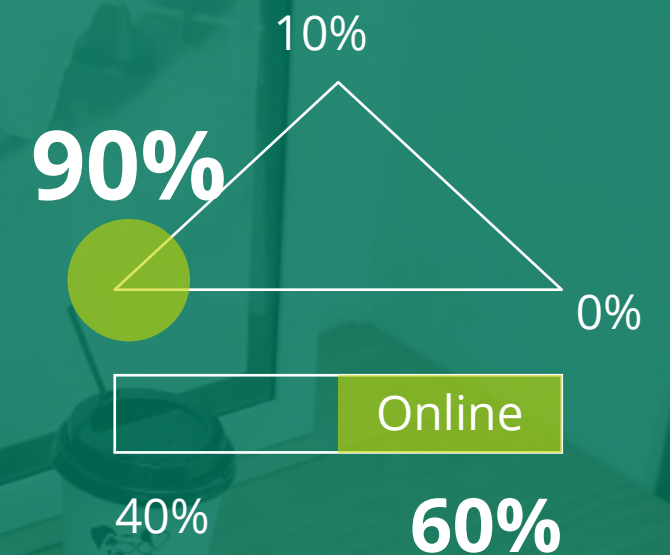
**Expand our online catalog with 3P offerings** while enhancing the physical store **experience.**

## Home Decor



Continue developing our private label offering and **boost 3P online growth.**

## Technology



Offer competitive **central products**, showcase **#LoÚltimo** in **trends**, and provide a full **accessories** catalog to enhance results.

# Key takeaways



Focus on **Omnichannel e-commerce (1p + 3P)** to drive future growth



Leverage our relationship with **top brands** to grow online and offer hard-to-replicate **omnichannel services**



Build on **high-quality brand attributes** to grow **own products in specific niches** and across channels

Become an **Omnichannel Multi Specialist** for our core categories, in partnership with top brands, whose interests are aligned with ours

# TOTTUS



RENATO GIAROLA

Refocusing Our Strategy to Better  
Serve Our Customers

FALABELLA



+ falabella.com

SODIMAC

TOTTUS

mallplaza

Banco Falabella

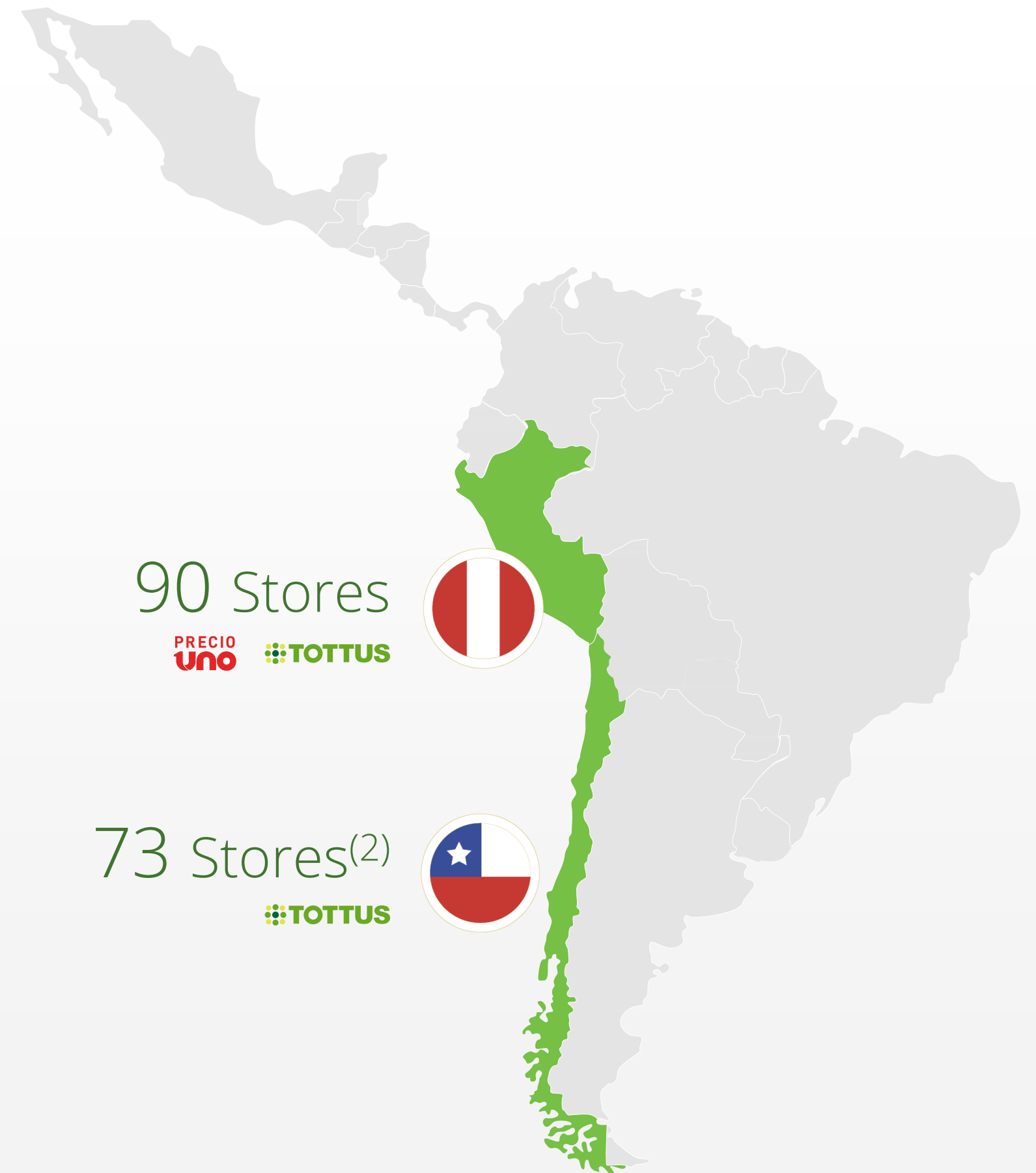
INVESTOR

DAY 2024



More than  
**15 million customers**  
 in our supermarket reflect the  
 strength of our business

<b>#2</b> in Market Share <sup>(1)</sup> in Peru and 4th in Chile	<b>+US\$ 2.6 B</b> in revenue LTM sep-24	<b>7.1%</b> LTM EBITDA Margin <b>2pp</b> (YoY growth)
	Revenue +7% in Chile +8% in Peru (3Q24 vs 3Q23 growth) <sup>(3)</sup>	



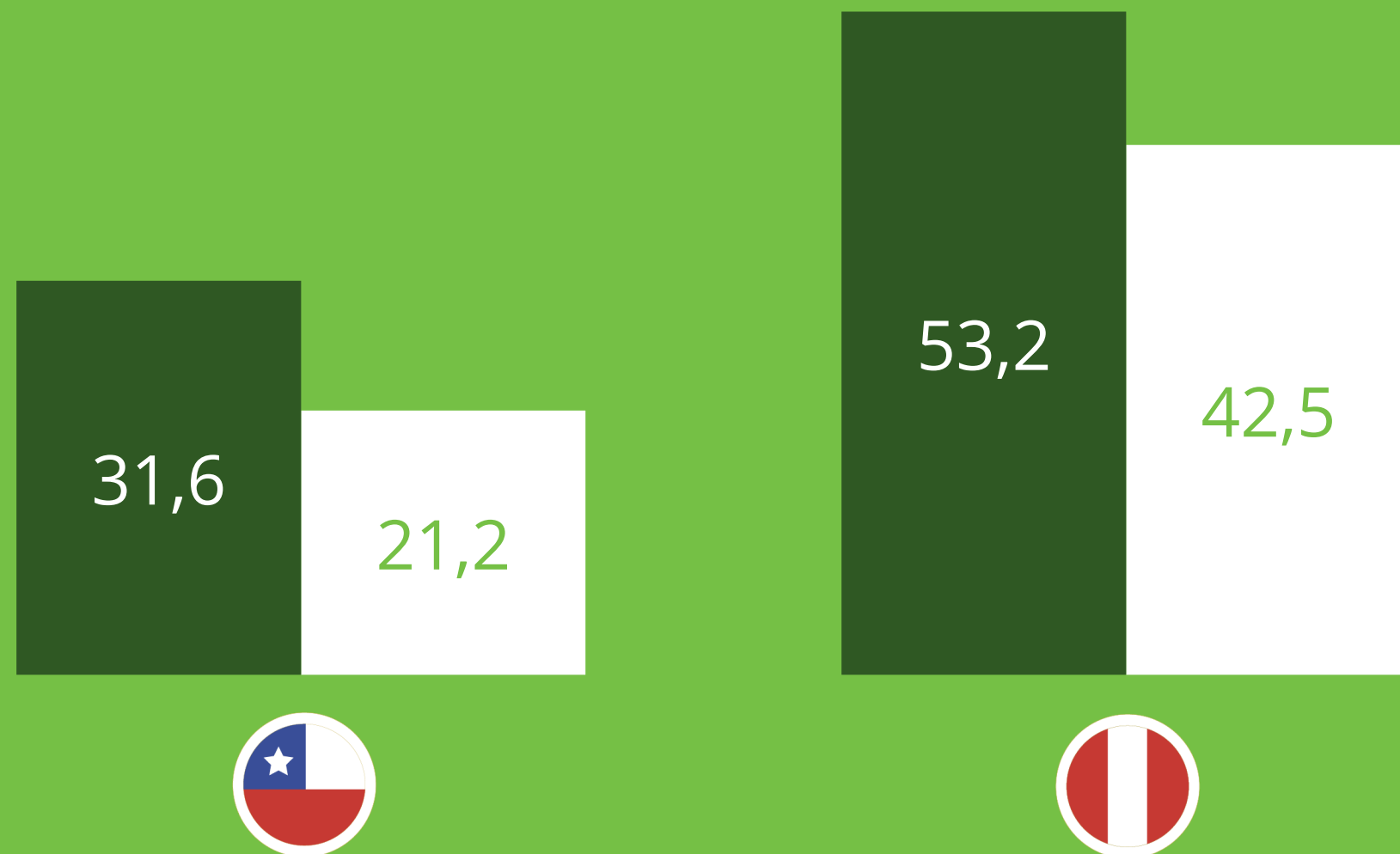
(1) Market share: Nielsen  
 (2) Considering the new stores opening in December 2024 (Punta Hermosa in Peru, and Quillayes in Chile)  
 (3) Local currency

# Tottus a stable, resilient business with Frequent Customer Engagement

## Business with Stable Essential Demand<sup>(1)</sup>

Household Spending on food & non-alcoholic beverages (%)

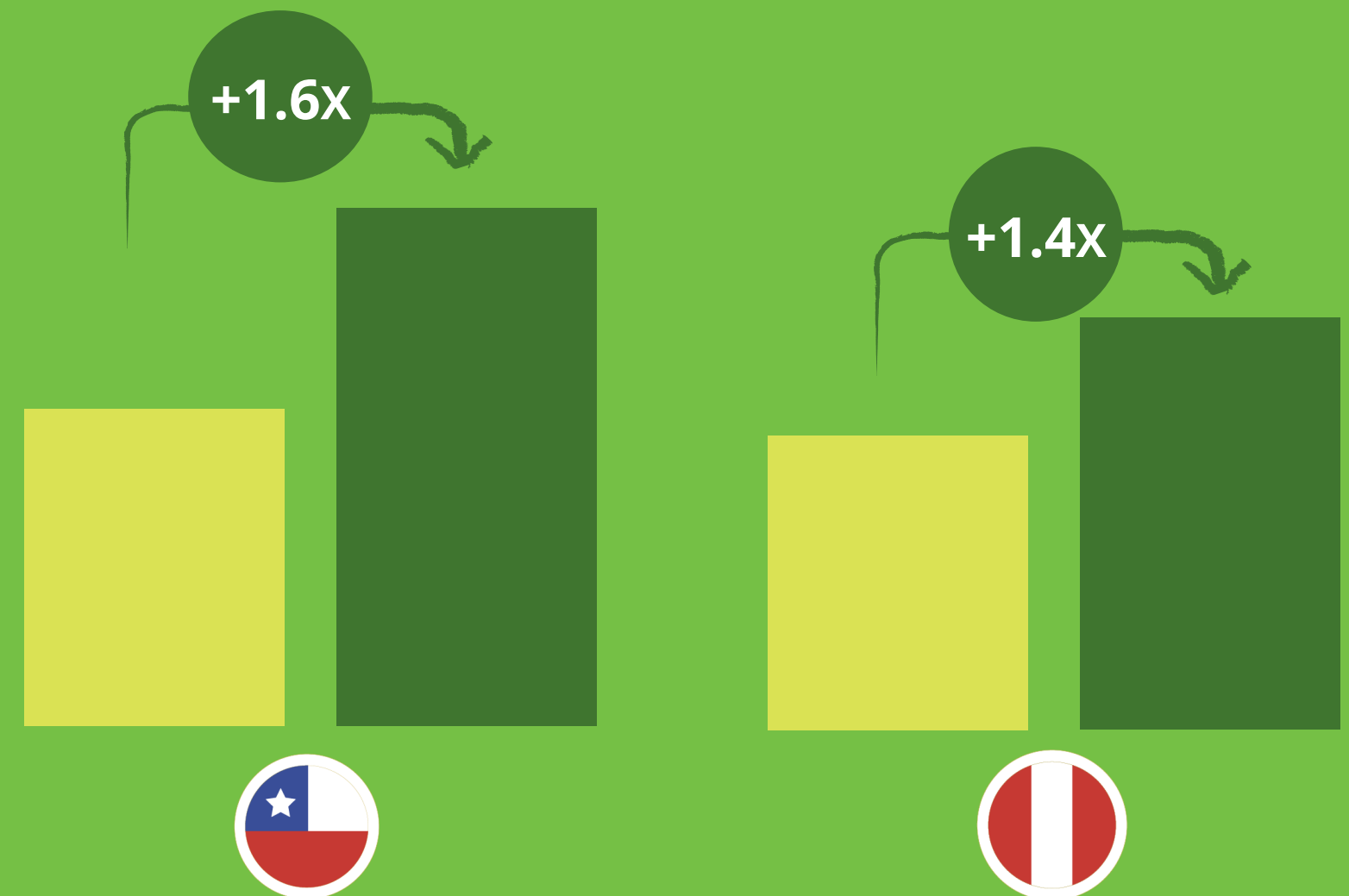
- Average
- Top Quintile



## Supermarkets Lead in Customer Frequency<sup>(2)</sup>

Purchases per client/year (#) <sup>(1)</sup>

- TOTTUS
- *falabella.*



(1) Source: Household spending (INEI, Kantar). 2023 data for Chile and 2022 for Peru  
 (2) LTM figures as of September 2024.

# The new Tottus

A better client price/experience equation

Our strategy  
is built on three pillars

Improved  
experience with low-  
priced perception

Customer  
engagement through  
differentiation

Operational  
excellence

Position Tottus as the go-to choice for competitive pricing

Unmatched value through consistently attractive prices and compelling promotions

Best price for value products

## We are developing better and more structured models



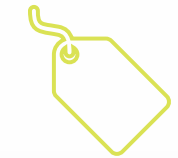
### Structured Negotiations

That enables a strategic approach to enhancing margins and drive efficiency.



### More aggressive pricing model

That drives margin optimization through enhanced pricing strategies.



### Dynamic promotional model

That boosts campaign effectiveness and supports sales growth.

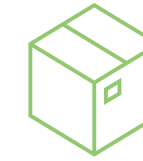


Differentiate through stronger branding, leveraging our ecosystem

Outstanding client experience to set the brand apart and build customer loyalty

Optimized assortment of products and leveraging our Falabella's loyalty program

## What we expect from differentiation?



### Strengthening perishables offering

to drive customer experience through quality, price, and reliability.



**Reviewing our portfolio** to align with our strategy and customer needs.



**Leverage our corporate loyalty program** to continue to offer special benefits to our clients.



In 2024, we launched **Quality Private Label Labs** to enhance development, testing, and **foster a culture of innovation.**



# Driving Profitability While Strengthening Our Omnichannel Strategy with Physical Growth

## Enhanced in-store layout to optimize the shopping

- Higher relevance of food categories
- Improved perishable counters (with personalized services)
- New pastry and bread counter offering freshly-baked products
- Optimized assortment, with new exclusive brands and an elevated private label

+15pp

Of perishables participation in new Punta Hermosa store in Peru

+5pp

NPS in Chile and Peru

## Examples of Improvement in Customer Experience



Strengthen the brand through a seamless omnichannel experience and faster delivery

Relaunch of our specialist website with a complete assortment of **food & non-food items in digital channels**



Leverage unique features such as a seamless e-commerce platform

Leverage digital marketing and monetization to increase revenues

Faster delivery

**90**  
minutes

minutes for food and smaller items



**24-48**  
hours

for non-food large items



Driving efficiency and elevating customer experience

Achieve superior efficiency and reliability through streamlined processes, cost-effective operations, consistent delivery

Customer-focused approach that enhances overall shopping experiences



## Physical expansion

with a focus on our discounter format "Precio Uno" (Peru).

**PRECIO UNO**

## Continuing to Enhance Profitability

Simplifying our operation

Ensuring low operating costs

Strengthening our commercial strategy and client offering.





# Opportunity to grow in Peru through our discounter brand

**Fast growing demand**, particularly in the peripheral area of Lima and other provinces.

**Emphasis on the lower price** with private label and first price brands

**Focus on volume**, high turnover and contribution

**Efficiency in stores**, better logistics and less costs

**~30% sales**

penetration of private label

**~10% lower prices**

compared to supermarkets

**5 new stores in 2025**

(32 stores to date)

The image shows the exterior of a Precio Uno store. A large red sign above the entrance displays the brand name "PRECIO UNO" in white, bold, sans-serif capital letters. Below the sign, there are three directional signs: "SALIDA" with a left-pointing arrow, "BIENVENIDOS PRECIO UNO" with the brand logo, and "INGRESO" with an upward-pointing arrow. The store's facade is a light-colored brick or concrete. A motorcycle is parked in the foreground near the entrance. A white car is partially visible on the left side of the frame. The sky is overcast.

PRECIO  
UNO

SALIDA

BIENVENIDOS  
PRECIO  
UNO

INGRESO ↑

CAMPEONA  
EN PRECIOS BAJOS

# Key takeaways



**Introducing a New Private Label Brand Architecture** to enhance customer loyalty and elevate our market presence (2Q25)



**Transforming In-Store Experiences**, implementing layout changes and strengthening food categories to drive engagement during 2025



**Expanding Our Footprint (+6 stores in 2025)** to reach more communities and grow our customer base



**Driving Operational Excellence** by continuously refining internal processes to boost efficiency and maximize productivity

# MALL PLAZA

FERNANDO DE PEÑA

Becoming the largest mall operator in South America with a compelling value proposition

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TOTTUS

mallplaza

Banco Falabella

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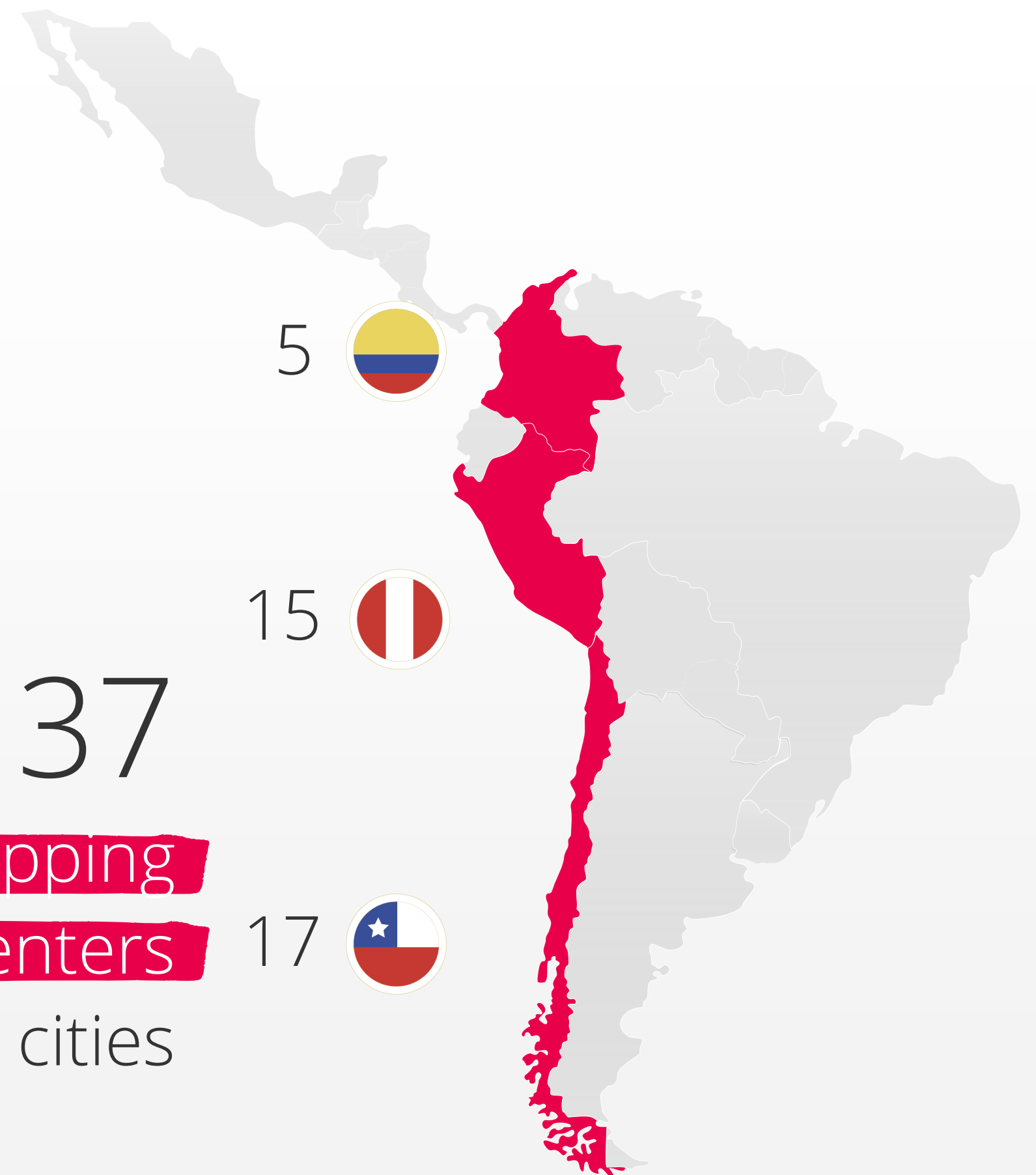
DAY 2024

# The largest operator in the region

with a unique portfolio of top tier assets and top of mind brands and stores

<b>2.3 MM</b> sqm of GLA	<b>3.7 B</b> US\$ Market Cap	<b>10 Tier A Assets</b> +60% of company's EBITDA
<b>343 MM</b> visitors per year	<b>47%</b> GLA focused on experiences & convenience	<b>GATEWAY</b> in the Andean region for global brands and investors
<b>+4,900</b> stores		

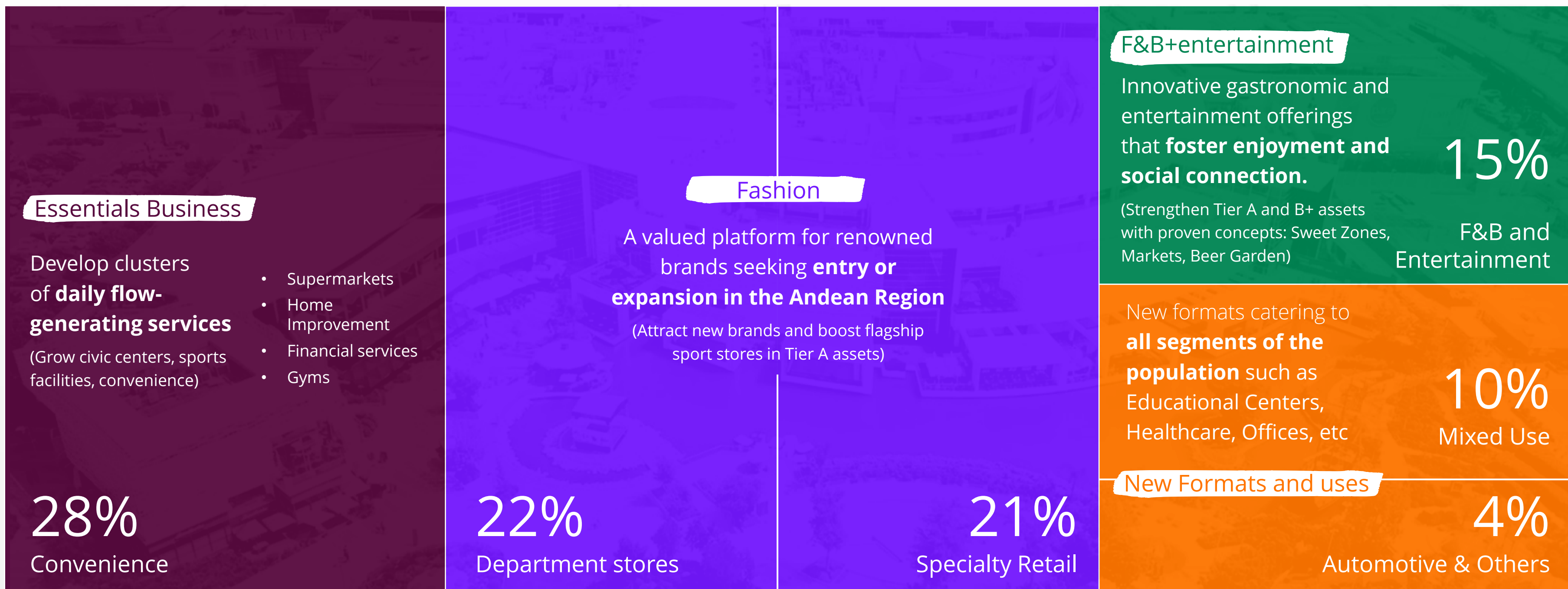
**37**  
shopping centers  
in 23 cities





# A strategically balanced retail mix delivers an exceptional visitor experience ensuring traffic and frequency

% GLA



# Expand our digital value proposition to generate new revenue streams in an integrated phygital space

## Omnichannel services



### Generate digital visitor flow to our urban centers

+730 K packages delivered through our 19 Click&Collect LTM, as of September 2024

### Increase sales of our tenants

Generating more than US\$ 91 MM in GMV LTM, as of September 2024

### Generate data and better understanding customer habits

+ 560 K contactable clients and 332 stores using *Followup* tools to measure conversion, heat maps and footfall as of September 2024

### Become an omnichannel differentiator in the Shopping Center industry

1<sup>st</sup> place Most Innovative Companies Chile 2024 in Shopping center categories and 3<sup>rd</sup> place in Chile ranking (277 companies) in Omnichannel

Index 2024

## New revenue streams



### On and off-site marketing media services to monetize customer touchpoints

408% growth as of September 2024 YTD vs 2023

### Frictionless smart parking

25% penetration of digital parking in Chile as of September 2024

# Brownfield

Tangible growth avenues with relevant projects already under execution

## Benefits

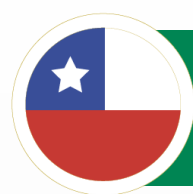
Faster, low risk execution

Cost attractive

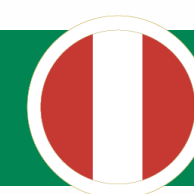
Drives market share of current urban centers

Available landbank for future developments

GLA in the next 5 years:



+125K m<sup>2</sup>



+100K m<sup>2</sup>

Mallplaza Vespucio Case in Chile:

1990 ——— 8x growth in brownfield in 34 years ——— 2024



24k m<sup>2</sup>

Leadership position in the southeast part of Santiago

**+2 million visitors per month**

190k m<sup>2</sup>\*

Diversified offer of fashion, F&B, entertainment, services, automobile sales and mixed use spaces (Health, Education and Offices)

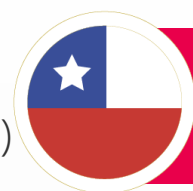


# M&A

Tangible growth avenues with relevant projects already under execution



Future market opportunities<sup>(1)</sup>



31% MS



21% MS



4% MS

Acquisition success stories:

2020: Mallplaza NQS

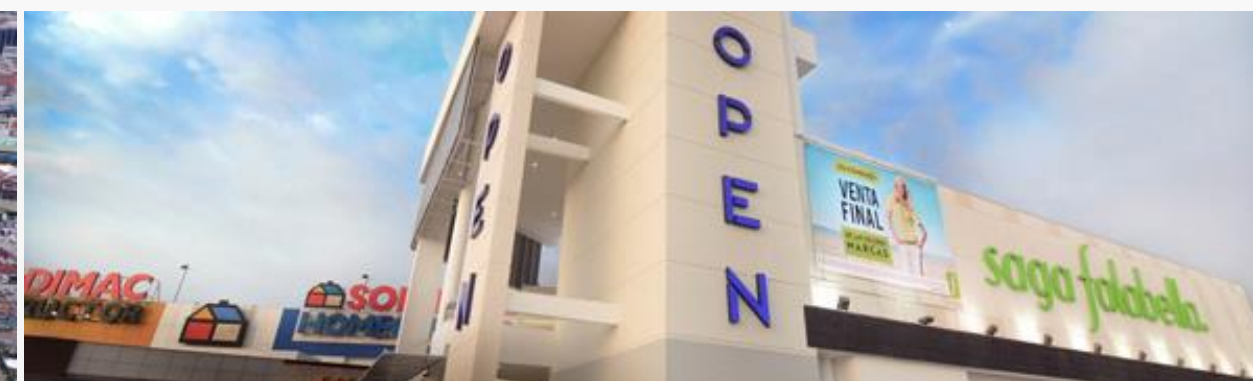


Complete renewal of the commercial offer

**3x increase in footfall**

**137% increase in sales**

2024: Falabella Peru



Acquisitions:

**66.6% Mallplaza Peru**

**100% of Open Plaza Peru**

(1) MS: Market Share.

# BANCO FALABELLA



JUAN MANUEL MATHEU

Paving the Way to Become the  
#1 Digital Bank in Our Markets

FALABELLA



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mallplaza

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DAY 2024

Our aspiration is to become the #1 digital bank in the countries where we operate

**23.5 B**  
US\$ credit / debit card purchases (LTM)

**6.5 B**  
US\$ loan portfolio

**76%**  
Active App Users

0.5 million



1.7 million



1.6 million



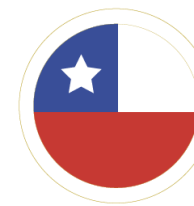
4.0 million



**7.8 million**  
active customers



# Our strategy has outperformed the market



## Credit Cards

(# '000; Aug-24)

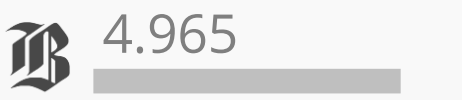
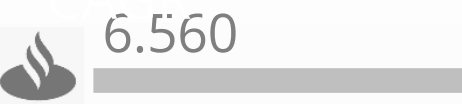
**1% CAGR**



## Credit Card Purchases

(\$MMM; Aug-24 YTD)

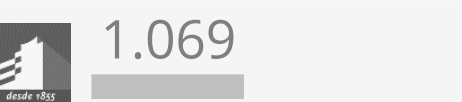
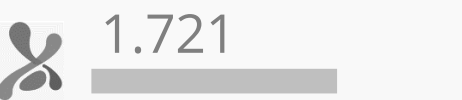
**+17% CAGR**



## Current Accounts

(# '000; Sep-24)

**+40% CAGR**



## Debit Card Purchases

(\$MMM; Sep 24 YTD)

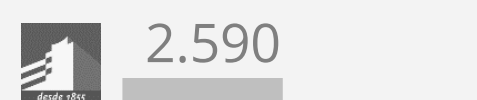
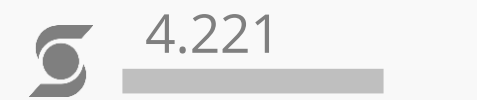
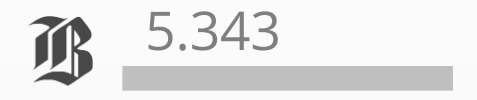
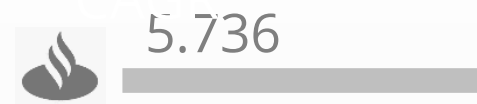
**+38% CAGR**



## Consumer Loans

(\$MMM; Sep-24)

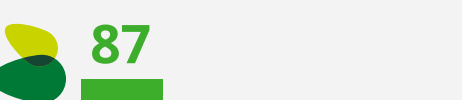
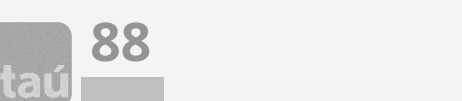
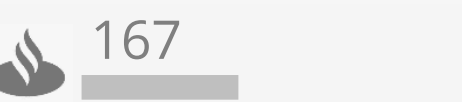
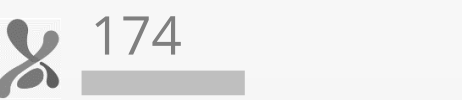
**0% CAGR**



## Branches

(#, Sep-24)

**-15% CAGR**



2024 v/s 2019

# Our strategy is suited to deliver profitable growth

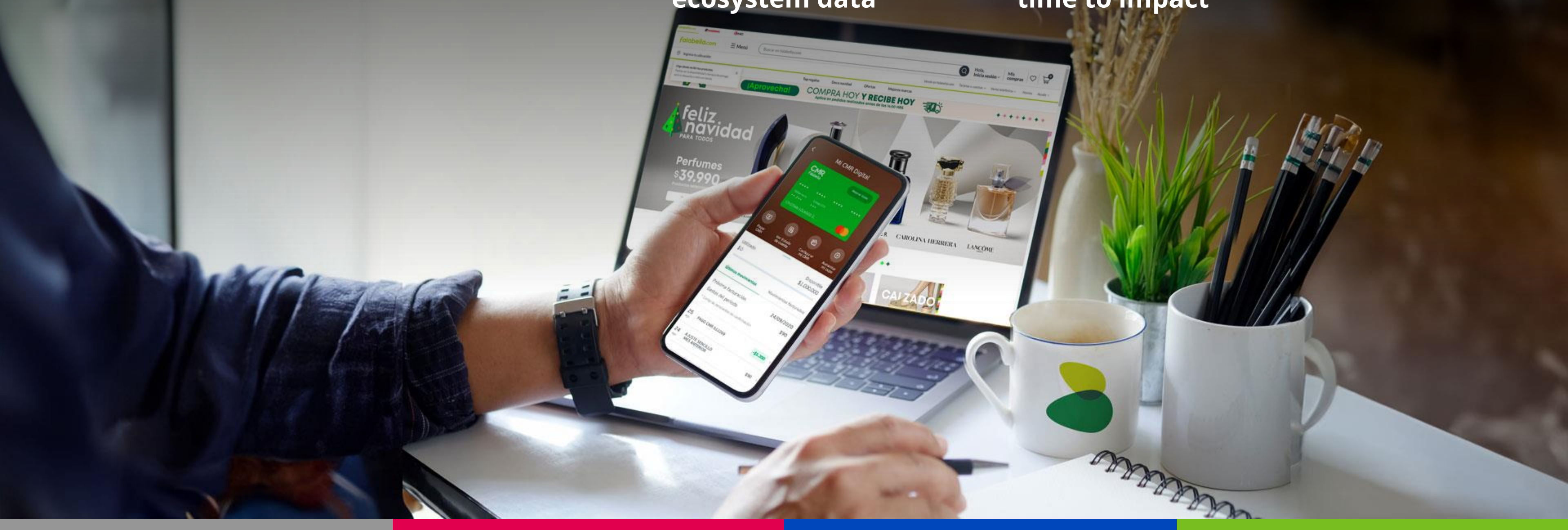
**A mobile-first experience** with a strong presence in our high-traffic retail stores

**Simple, intuitive products** enhanced by the best benefits

Accurate risk prediction and personalized offers **leveraging ecosystem data**

Decoupled modular and API oriented architecture combined with an agile organization to **shorten time to impact**

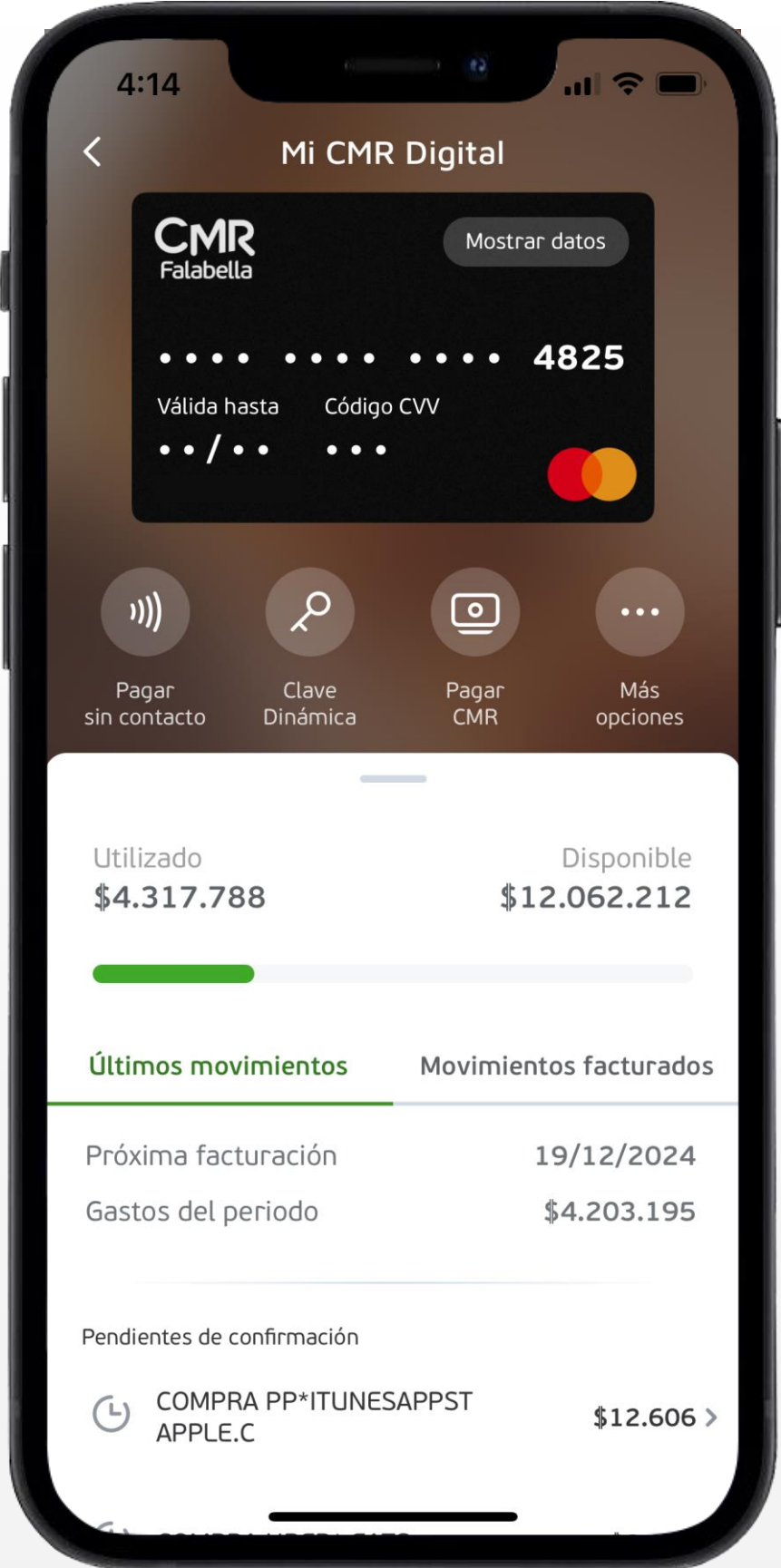
**Low spending discipline**



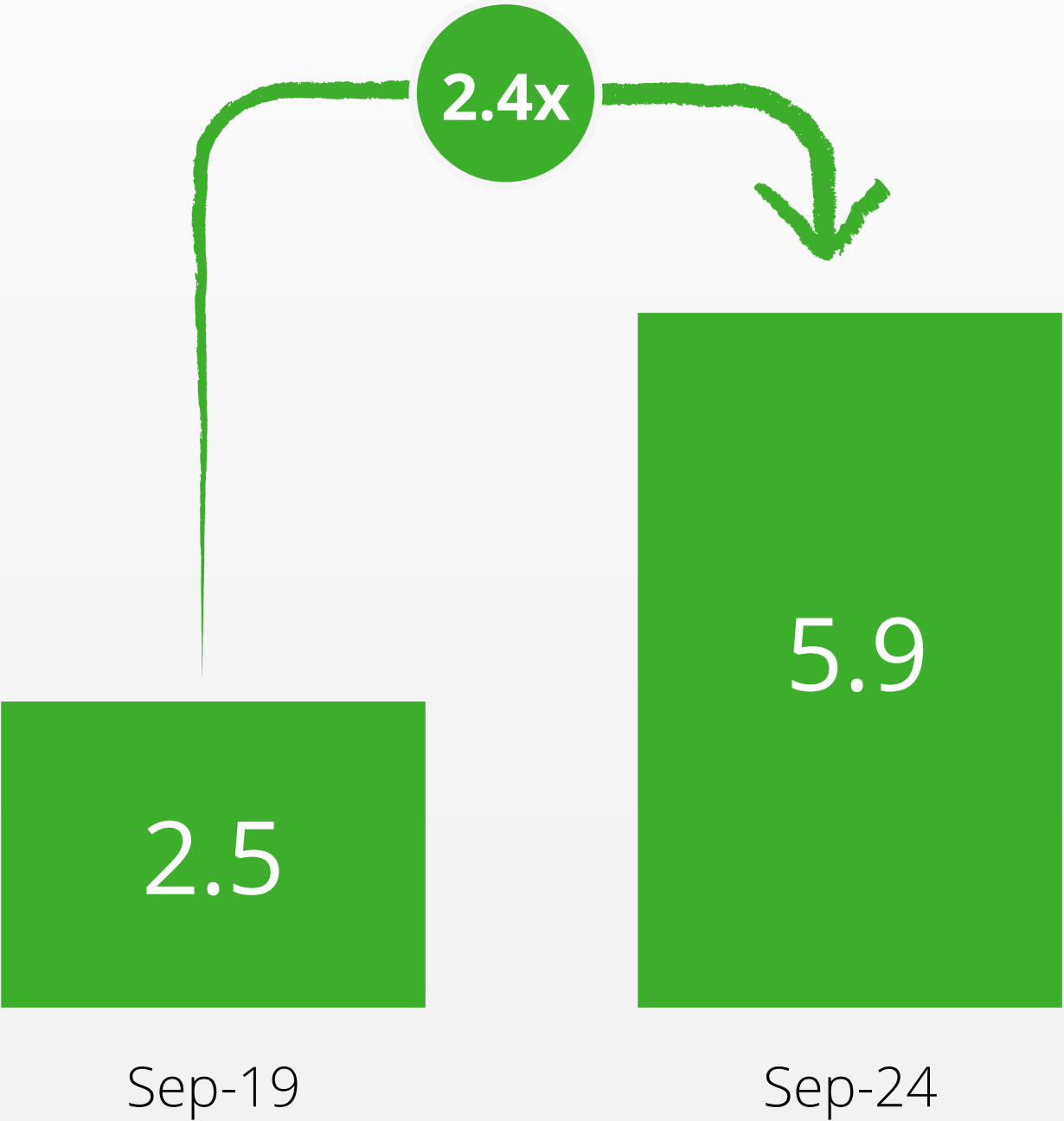
# Mobile-first digital client journey with intuitive UX

## Our app offers a wide range of features

- Instant credit card & account opening
- Immediate & simple transfers
- Loyalty point redemptions
- Personalized anti-fraud settings
- Frictionless cross-selling
- Debt payment alerts & refinancing **NEW**
- Contactless Payments (Apple Pay & Google Pay)



## Driving a significant increase in our App Active Users (million)



# Integrating AI into customer interactions

## Gen AI Bot

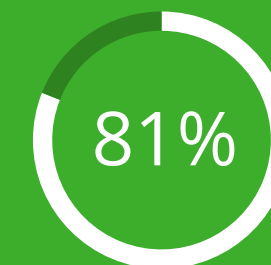
for transaction disputes that offer self-served interactions for 65% of the cases



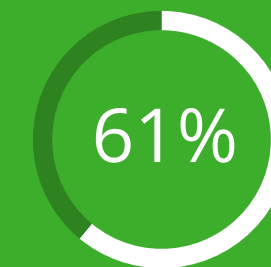
## Impact

**3K** AI Interactions in the first month

**+9.4 pp** More accuracy than agents



Resolution

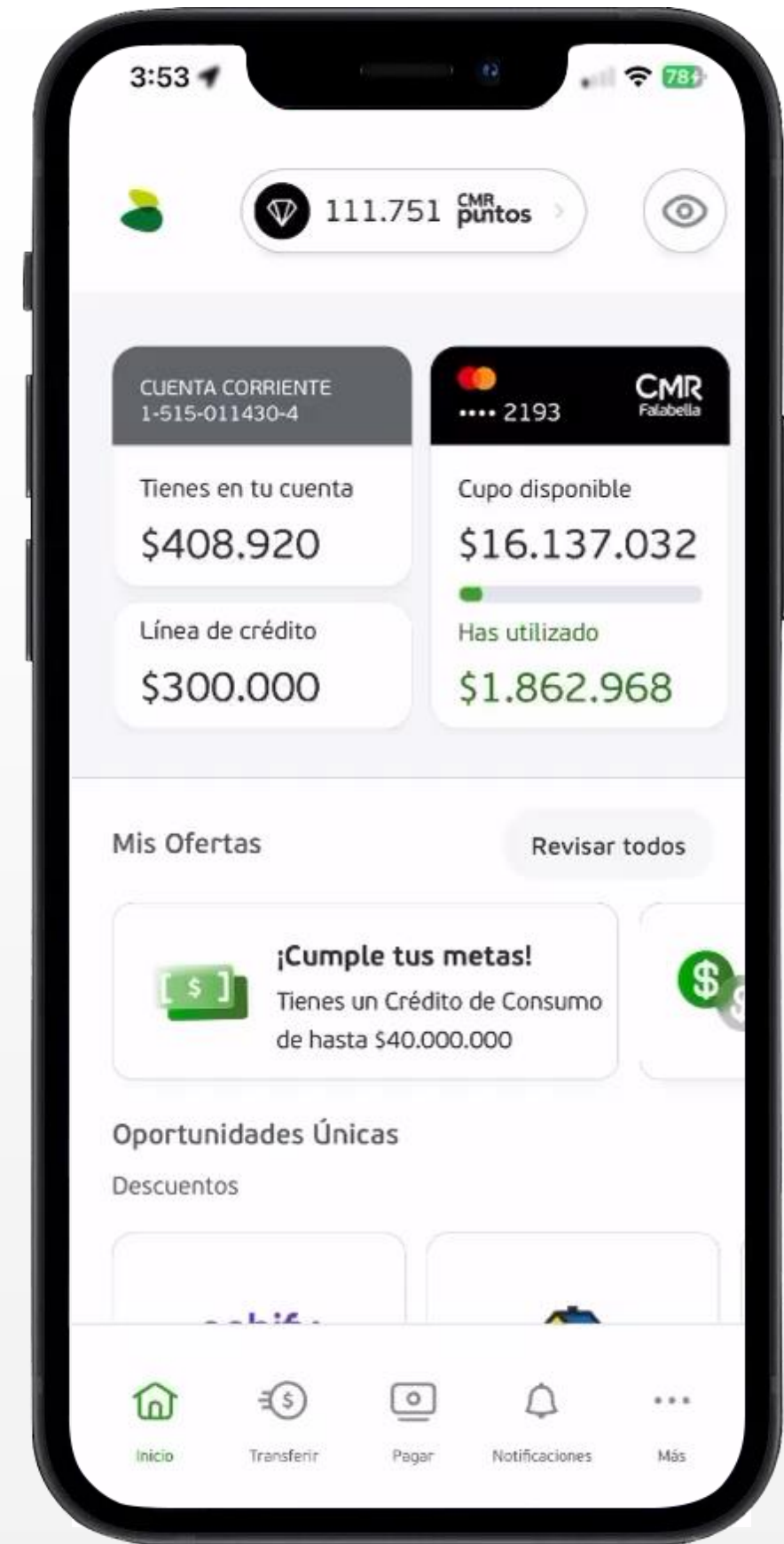


NPS Survey



FTE reduction

Our benefit-based value proposition drives primary usage across our payment methods

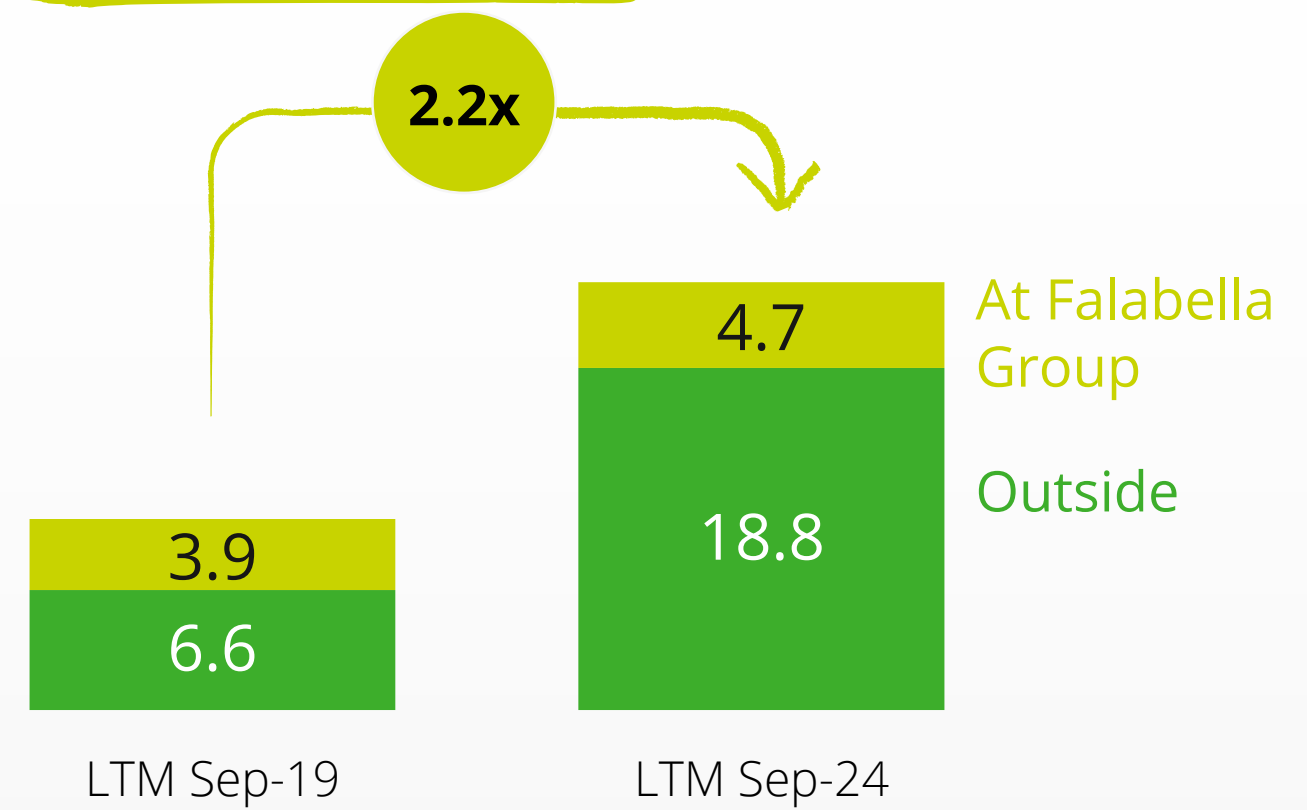


Promotions within Falabella ecosystem

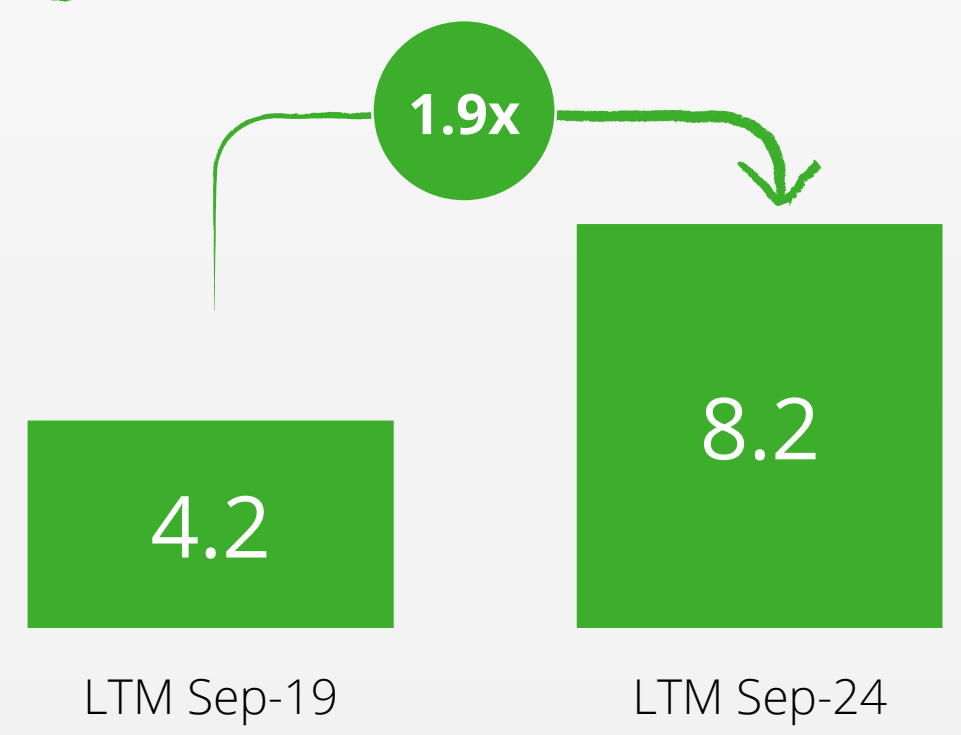
Promotions with business partners

Best loyalty program in the region

Card purchases (US\$ B)



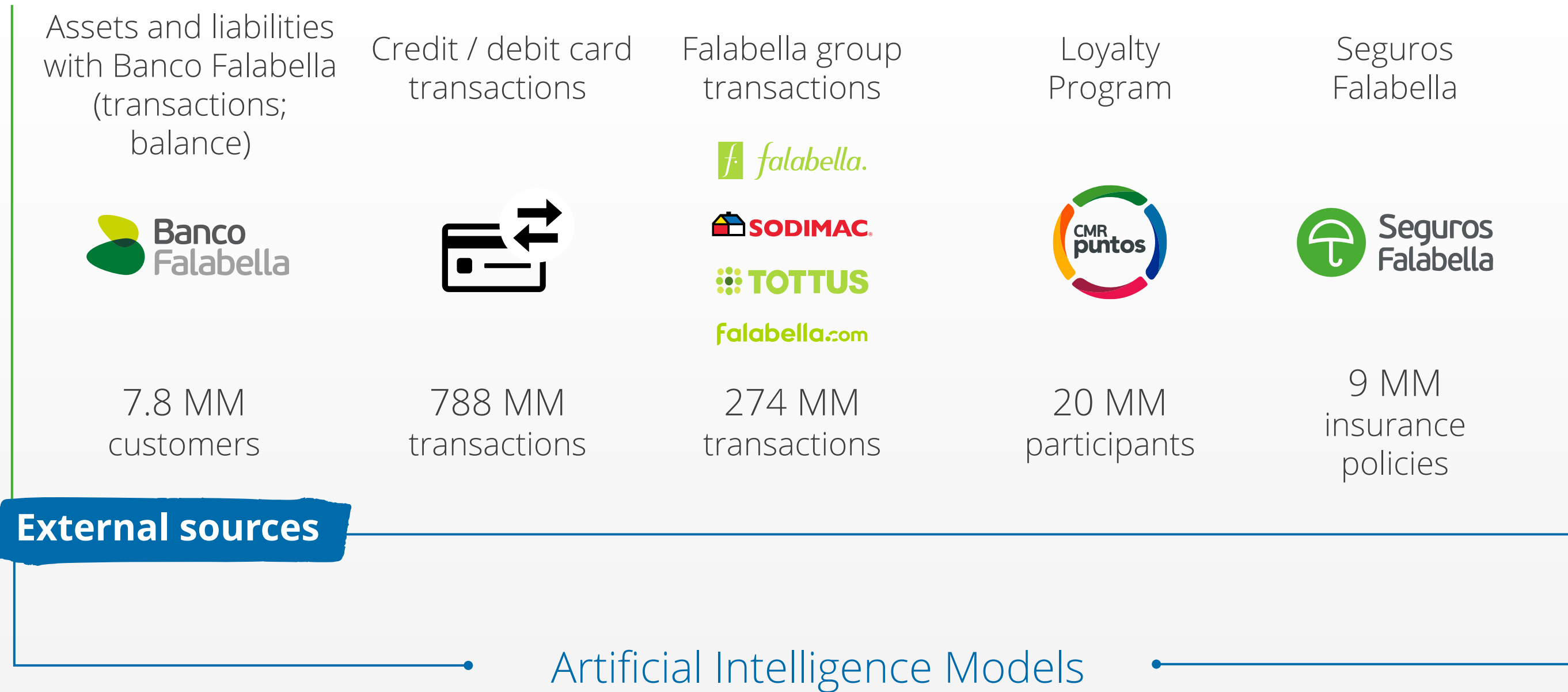
Monthly purchases by customer (#)





# Leveraging our ecosystem data...

## Ecosystem sources<sup>(1)</sup>



**Superior credit risk assessment**

**Solid fraud management**

**Low customer acquisition cost**

**Personalized offers**

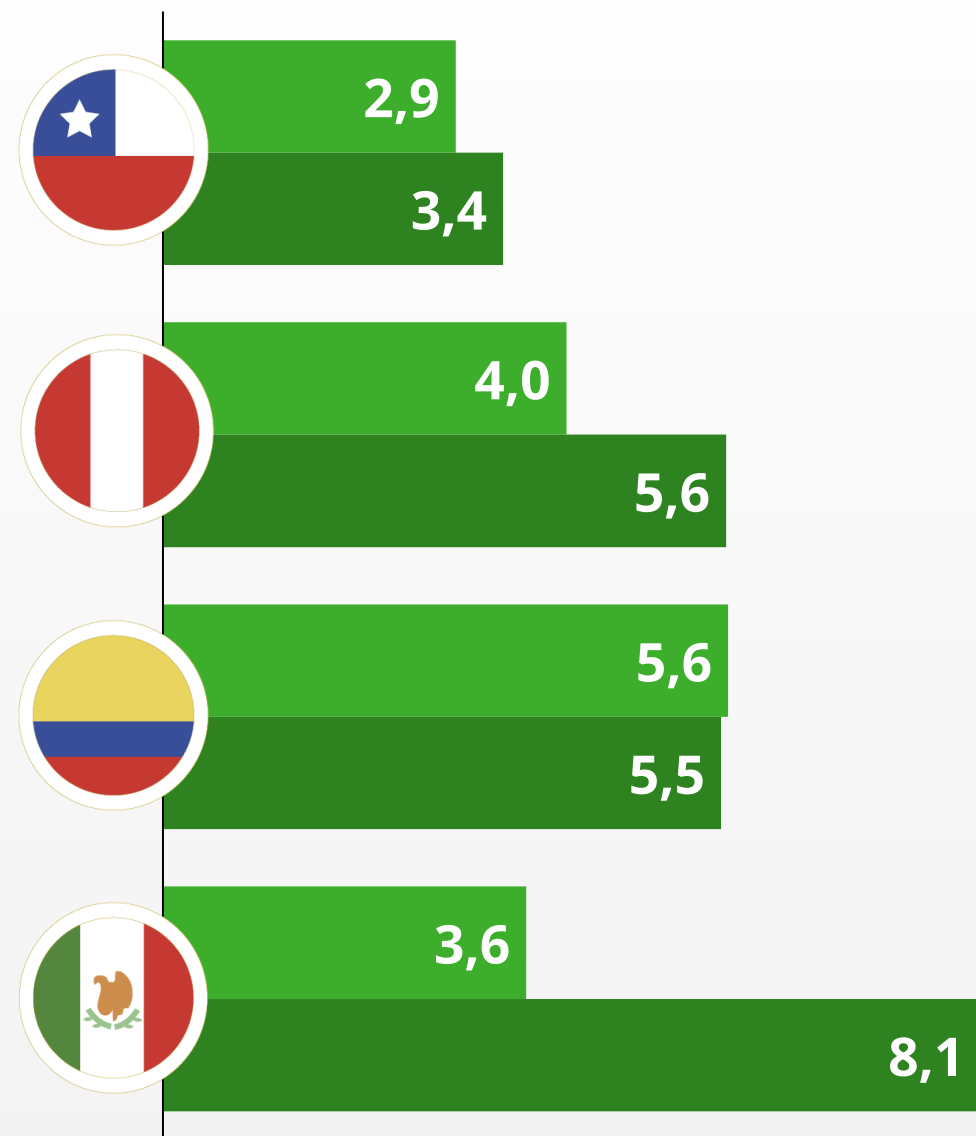
**+15,000** variables in our model

(1) Customers, participants and policies as of September 2024. Transactions LTM as of September 2024.

# ... to drive impact

## NPL

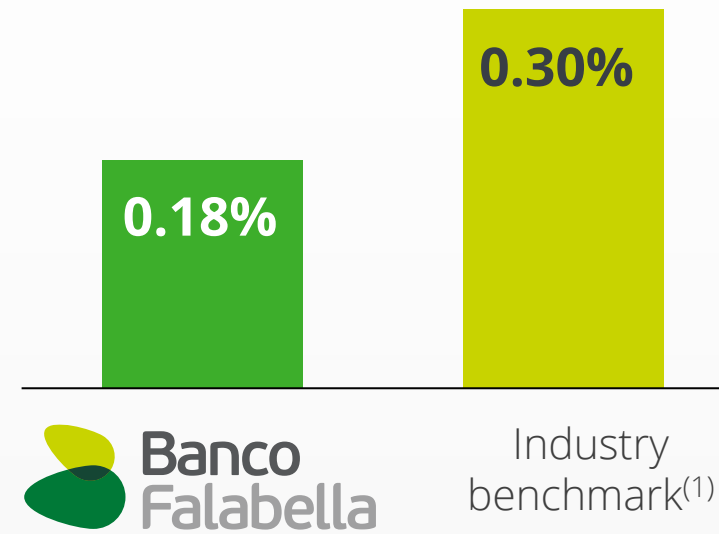
% loan book



Banco Falabella Peer Group<sup>(3)</sup>

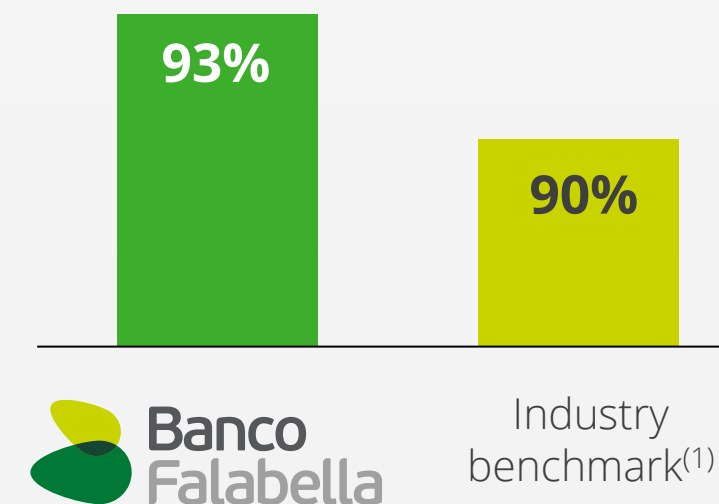
## PSP fraud

% total payment volume



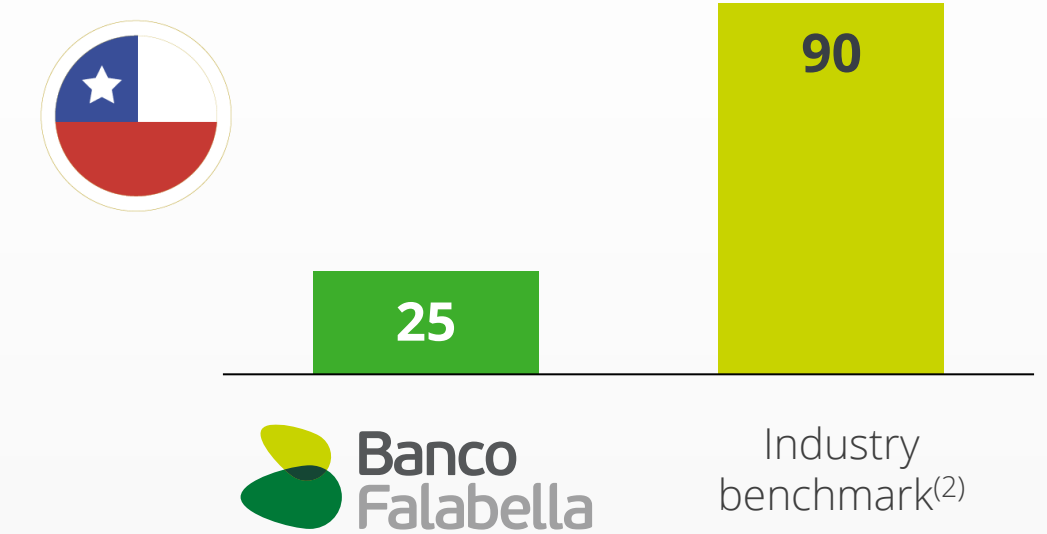
## PSP acceptance rate

% transactions



## Cost Per Acquisition

US\$ / new credit card active customer



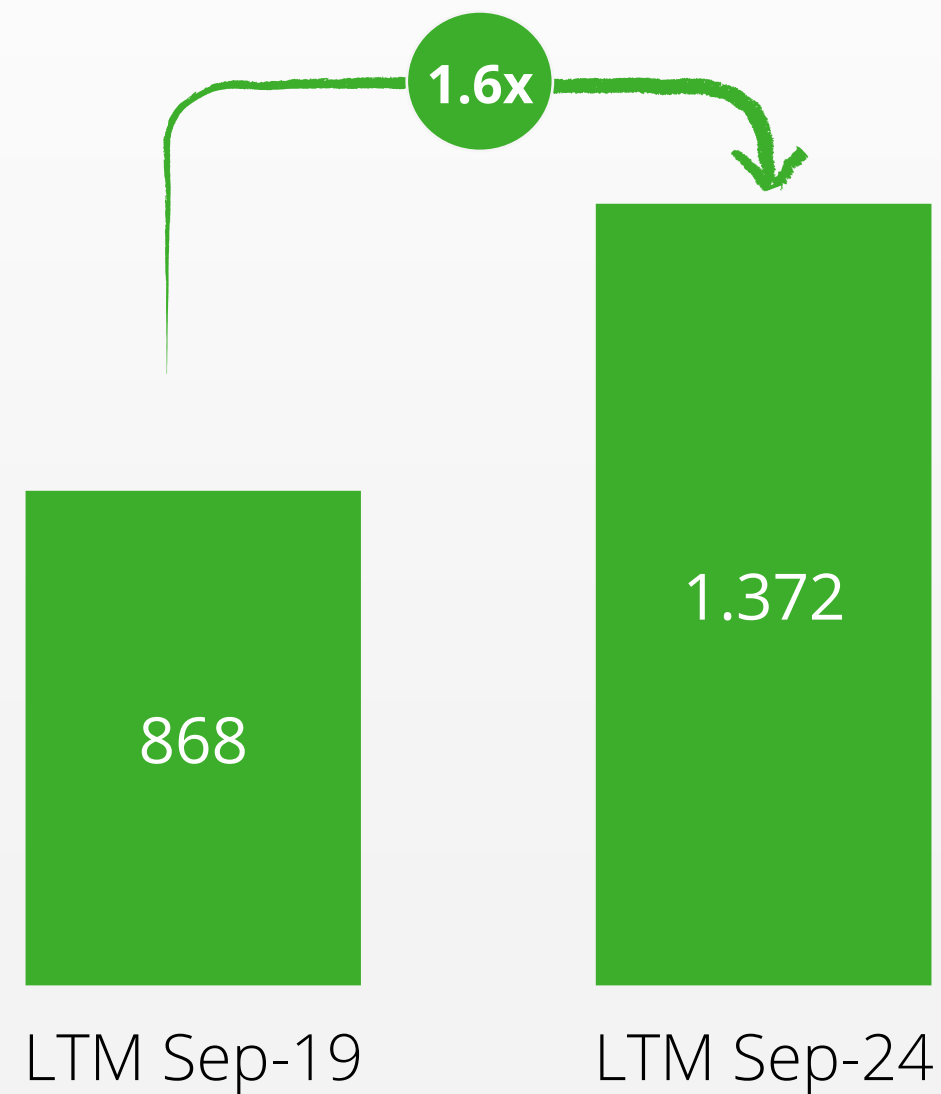
(1) Industry benchmark from BCG analysis in 2023.

(2) Industry benchmark from BCG analysis in 2024.

(3) Peer Group: Chile: BCI, Banco Estado, Ripley; Colombia: Serfinanza, Tuya; Peru: Ripley, Financiera Oh!, Cencosud; Mexico: Nubank.

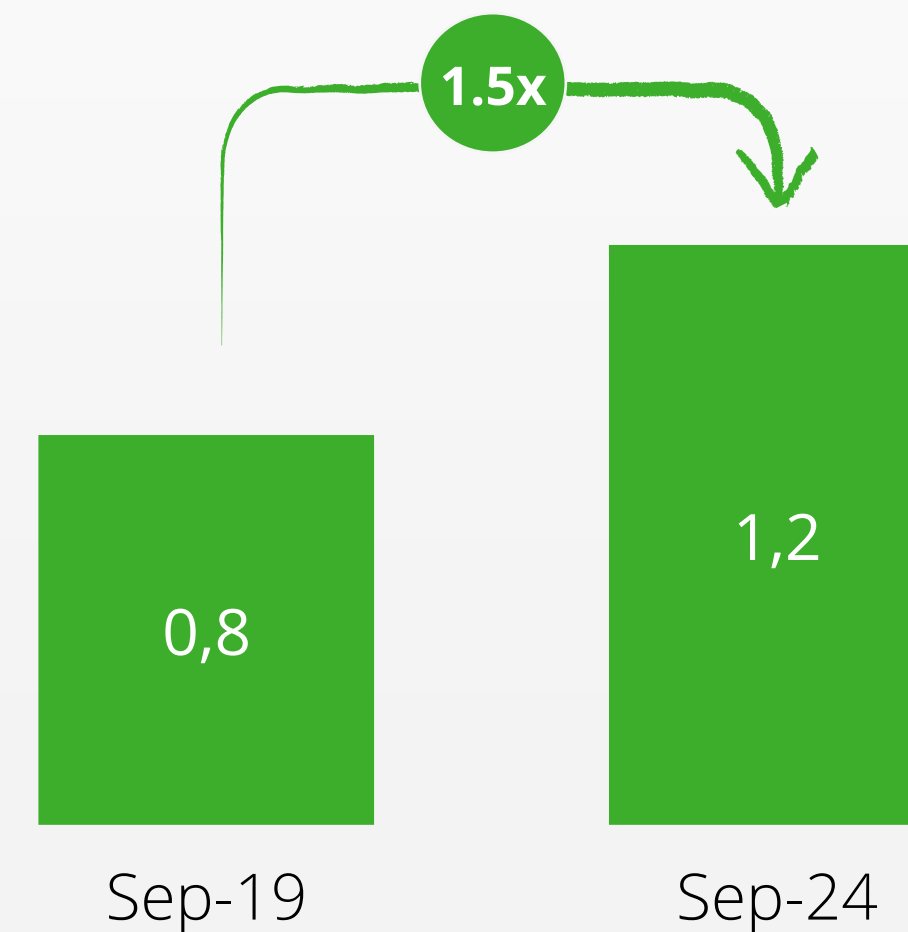
# Contained expenditure to drive financial efficiency

## Active customers/FTE



## Loan Portfolio/FTE

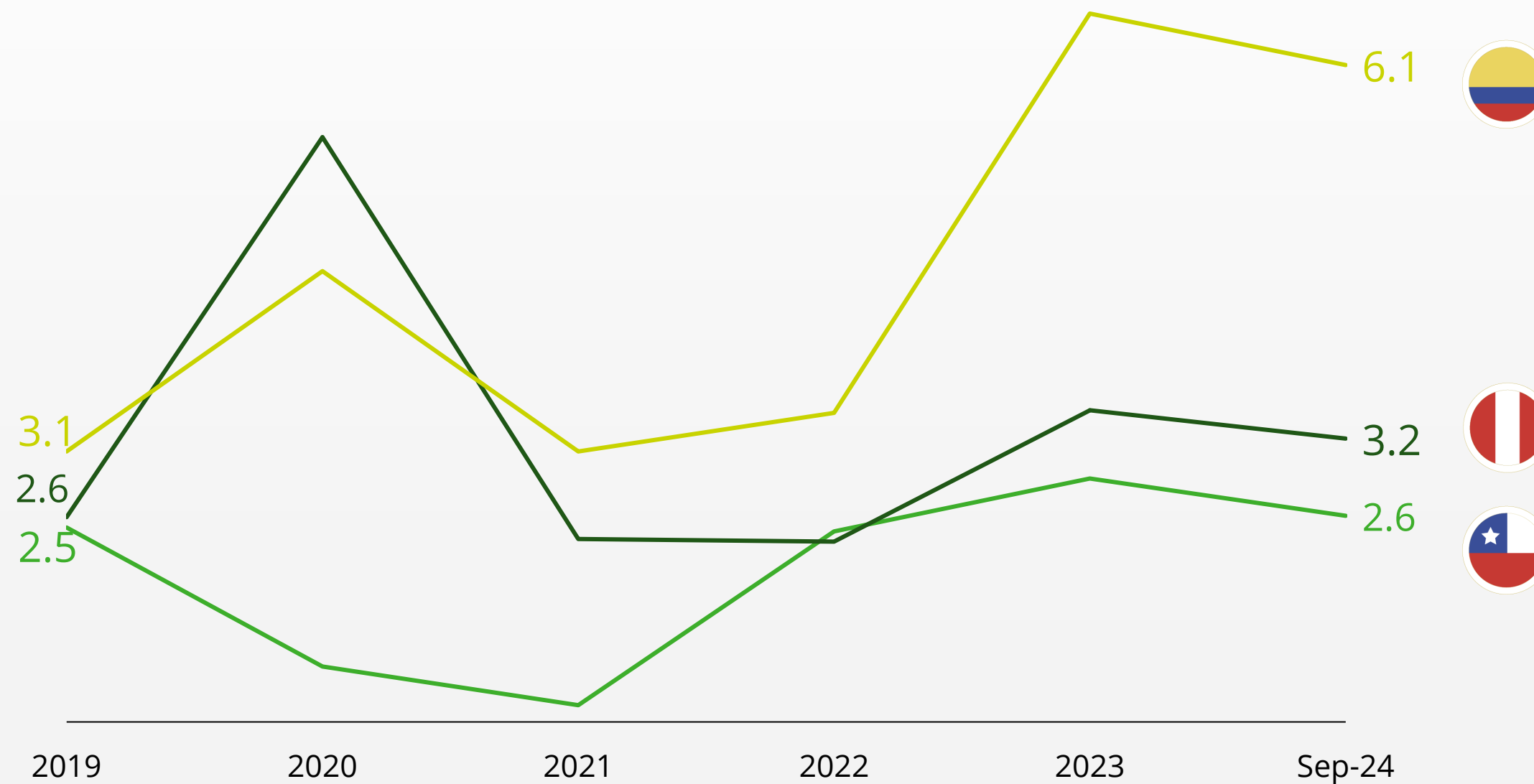
(US\$ MM)



...and in the industry, we are beginning to observe more stable and 'normal' consumer credit delinquency rates across the region

### Industry NPL

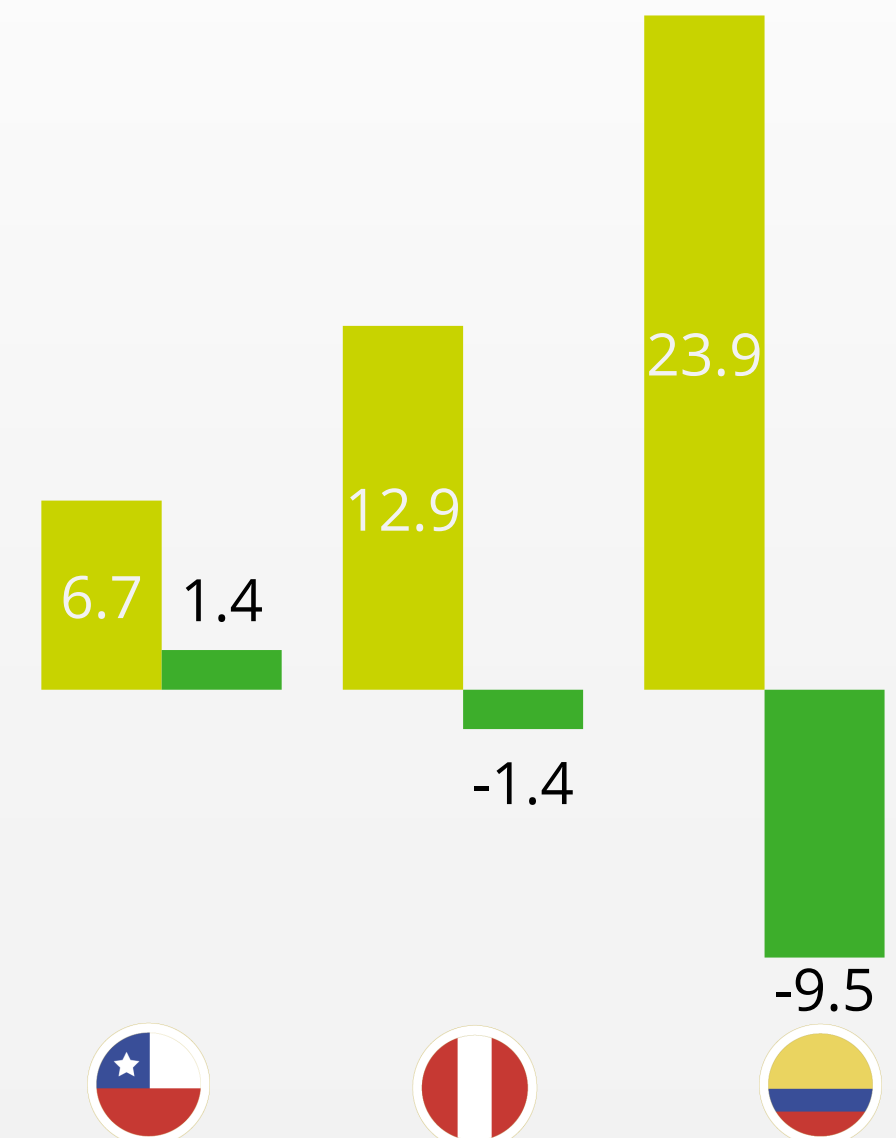
% consumer loan book



### Industry consumer loan growth

YoY %

2019 / 2024



# We are well positioned to grow in the countries we operate...

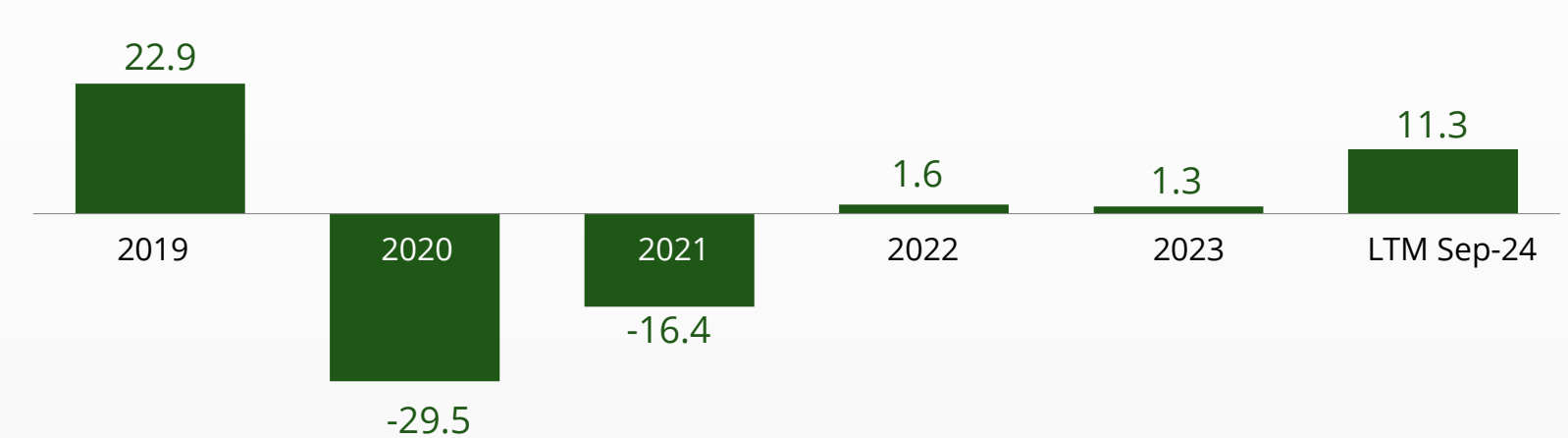
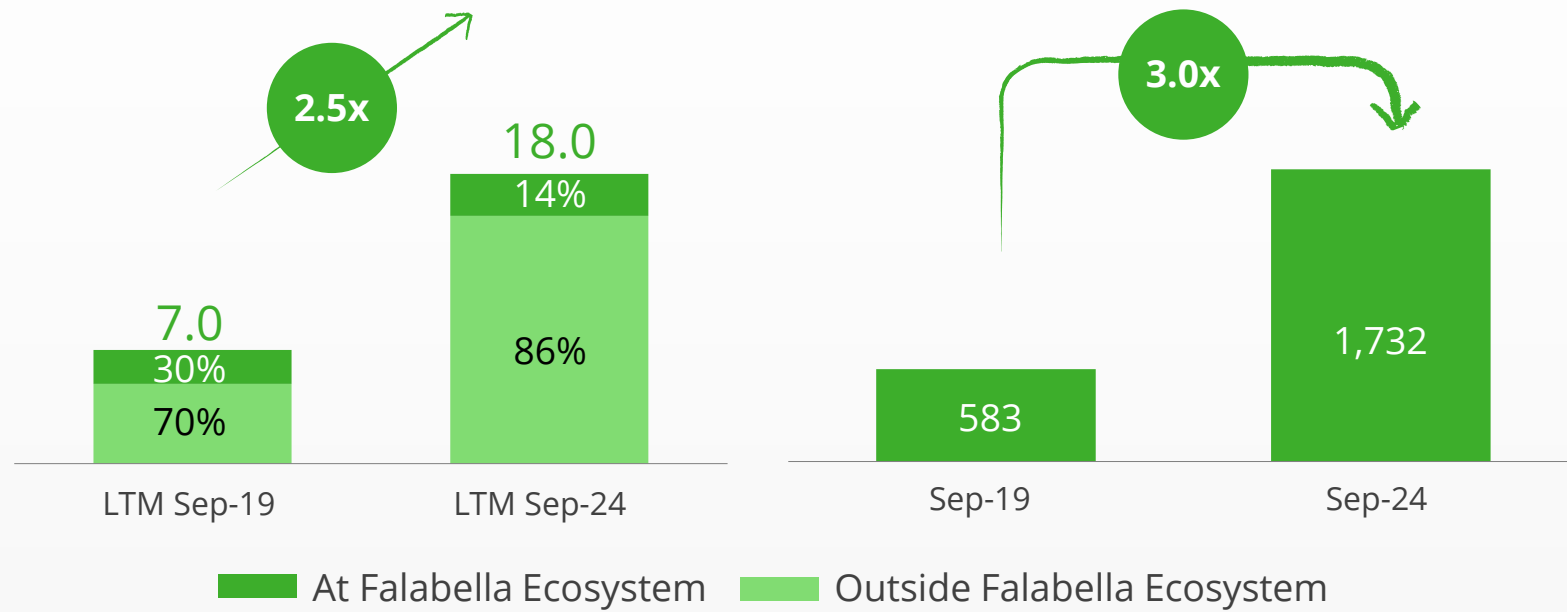
## Becoming our customers' primary bank

### Credit and debit card purchases (US\$ B)

### Sight Deposits (US\$ MM)

## Profitability recovery enables future growth

### Net Income (US\$ MM)



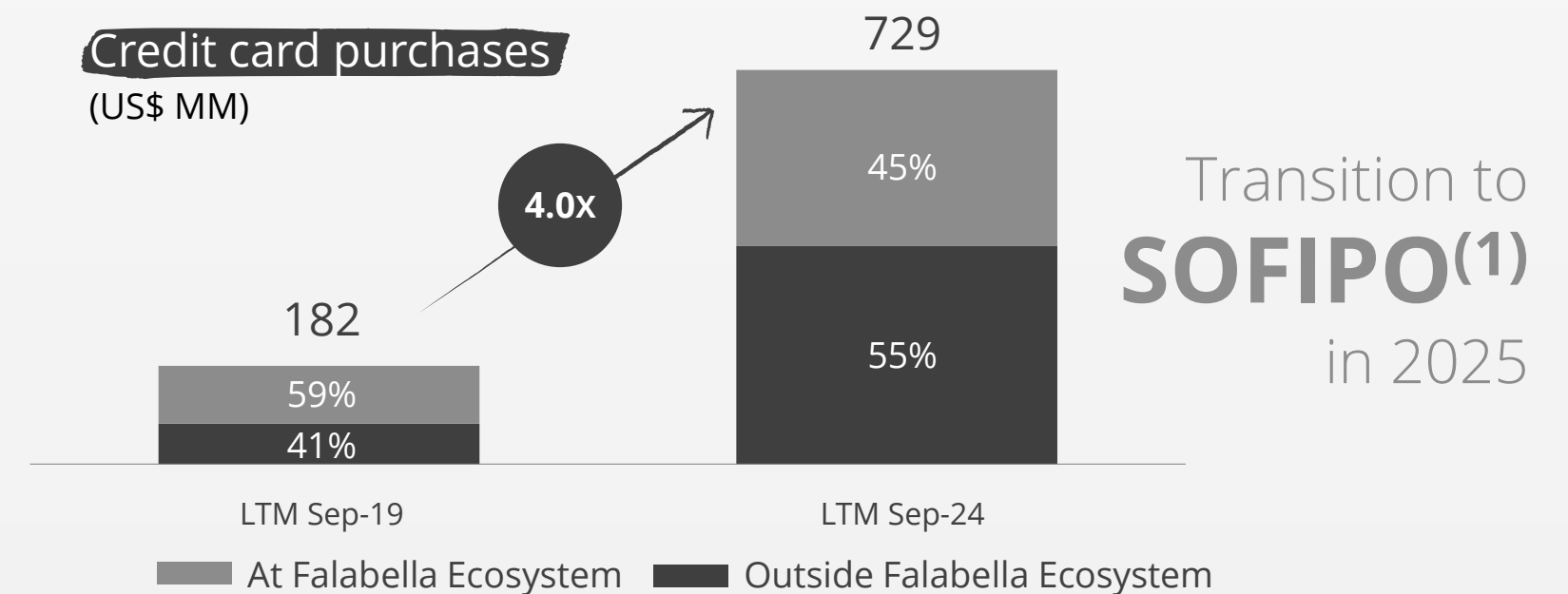
## Business model redefinition

### % fee revenue/ loan book

### Operating expenses (US\$ MM)

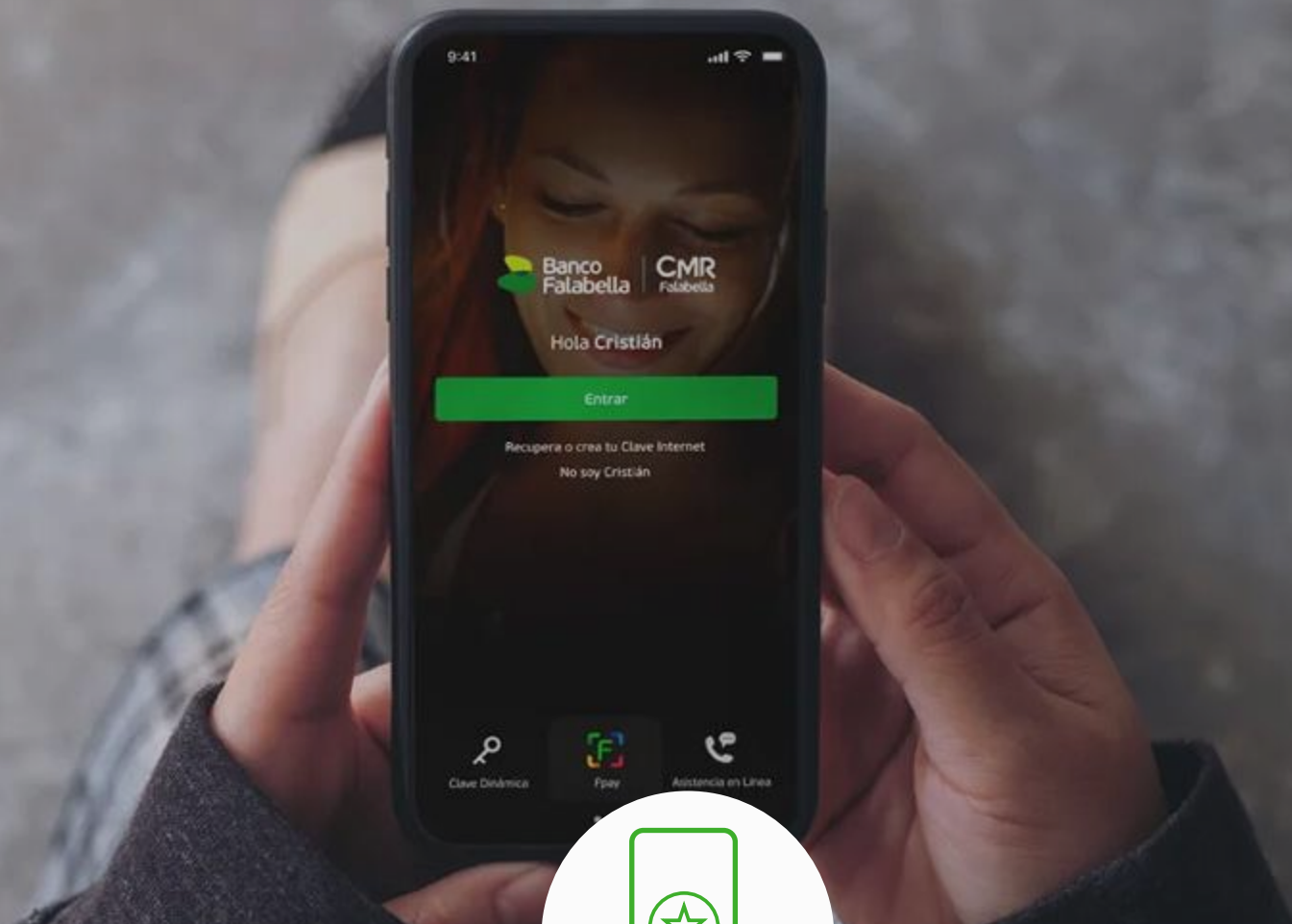
## Continue growing our customer base and increasing our product offering

### Credit card purchases (US\$ MM)

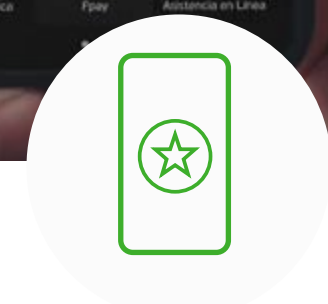


(1) Sociedades Financieras Populares of Mexico" that allows Falabella Soriana to hold customer deposits.

# Key takeaways



Our value proposition has **traction among customers**



Our customer base, benefits and ecosystem data generate a **distinctive competitive advantage**



A more **stable credit risk** context will allow us to **accelerate loans growth**

We are well positioned to grow in the countries we operate

# Closing Remarks

ALEJANDRO GONZÁLEZ

FALABELLA



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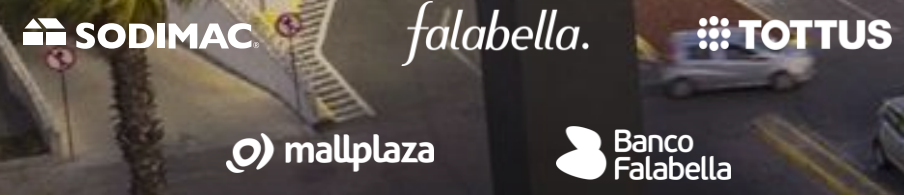
mallplaza

Banco Falabella

INVESTOR

DAY 2024

# Closing Remarks



## Unlocking Growth Potential Across Markets

*Our 5 growth engines are ready to capture opportunities and drive a balanced physical-digital expansion*

## Delivering Unmatched Omnichannel Customer Experiences

*Continuously delivering customer-centric omnichannel value by staying ahead of evolving customer needs*

## Driving Stronger Profitability

*Focused on consistently maximizing returns to create value for our shareholders.*



# Q & A

FALABELLA INVESTOR  
DAY 2024