

# GRUPO LACOMER



# LA COMER SUMMARY



- Almost 60 years of experience in the **Mexican Food Retail** market.
- **Stores:** 72, more than **308,000 sq.mts. of sale area**, in 4 different formats.
- **Geographic Distribution:** 60% of the stores located in Mexico City metropolitan area.
- **Real Estate:**
  - ✓ 47 units (of which 35 are stores that represent 61% sales area)
  - ✓ 380 commercial spaces ( +70,000 m<sup>2</sup> leasing area);
- **Employees:** 13,500
- **Brands and logos:** La Comer, City Market, Fresko, Sumesa, Golden Hills, Farmacom, Pet's Club, Miércoles de Plaza, Monedero Naranja and the Pelican logo.
- **Marketing Campaigns:** “Temporada Naranja”, “Miércoles de plaza”, “¿Vas al Super o a La Comer?”.
- **2 Distribution Centers:** Mexico City and Guadalajara.



# CORPORATE STRUCTURE

La Comer is the product of the spin-off of Comerci when on January 1<sup>st</sup> 2016, 143 stores were sold to Soriana.

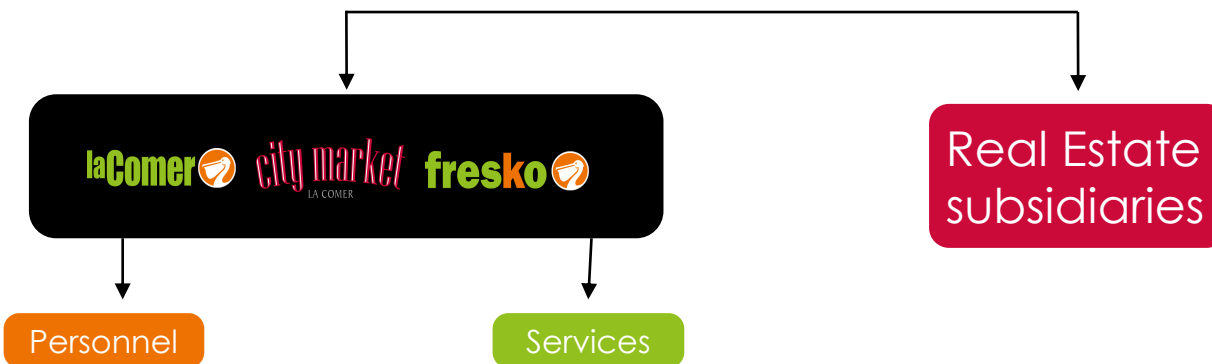
**Major Shareholders**  
55.7% \*

**Free Float**  
44.3%\*

\*As of April 2019



Listed on the Mexican  
Stock Exchange  
44% float



La Comer started operations on January 1<sup>st</sup>, 2016 with 54 stores

# NEW LA COMER GROUP- SPIN-OFF RATIONALE

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54 stores

In 2016 La Comer started operations with 54 stores:

- Differentiation
- Focus on medium to high segments
- Medium and small formats
- Development of innovative concepts
- Growth potential
- Value proposition based on price, quality and shopping experience

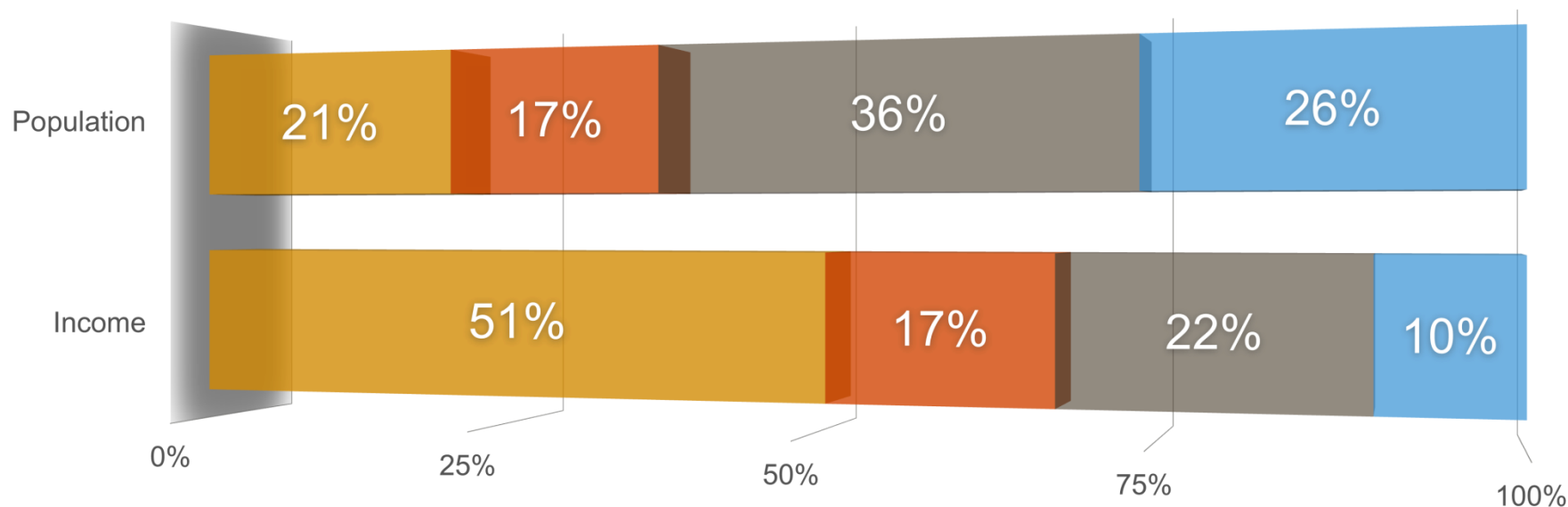
143 stores

143 stores sold to Soriana:

- Low differentiation
- Little opportunity for innovation
- Large stores
- Value based on low prices



# SOCIOECONOMIC LEVELS IN MEXICO



■ ABC+

■ C

■ C-, D+

■ D-, E

From 15% to 25% of income, used for food and basic necessities.

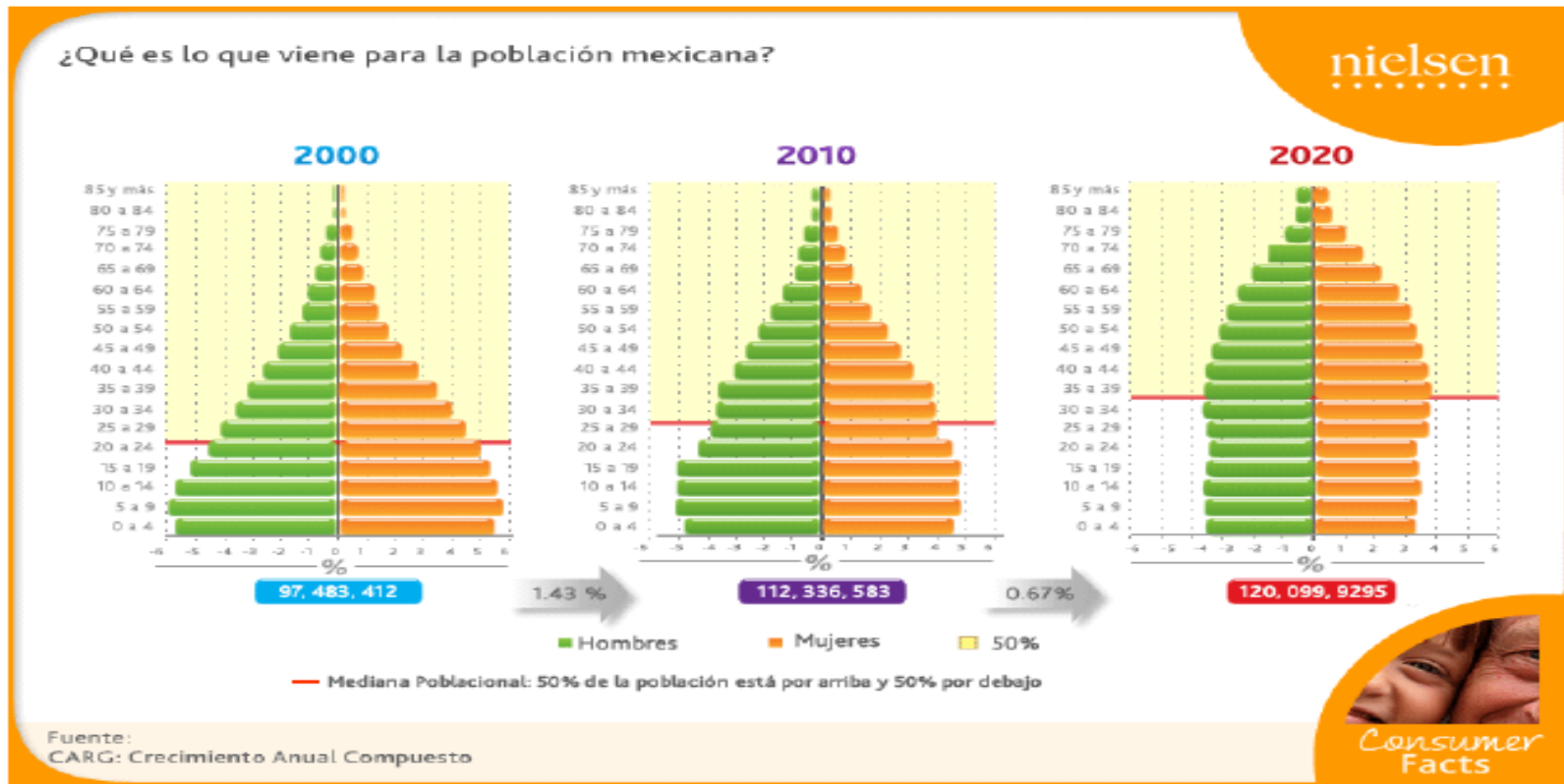
> Looking for quality and service

From 30% to 50% of income, used for food and basic necessities

> High sensibility to price



# POPULATION IN MEXICO IS BECOMING LESS YOUNG



As Mexico becomes an “older” country, disposable income grows and the taste for “culture and sophistication” increases



## MEDIUM AND HIGH INCOME CLASSES

### Why?

- It is not a well attended market
- We compete better against other players
- The customer values our attributes more
- These are segments that better resist crises
- Potentially more profitable



# STRATEGY

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## Differentiation:

- Superior in perishable quality
- Pleasant shopping experience
- Superior shopping environment
- Trained employees and better customer support
- Premium and gourmet products
- Collection of imported products
- Specialized departments like cava and prepared food
- Fair and competitive prices





# MISSION

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Food retail company that best serves medium and high socioeconomic level in the country, offering the best shopping experience in the market based on quality, customer support and service.



# BRANDS & FORMATS

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La Comer is the umbrella that supports all formats to deliver a consistent brand image.



# city market

LA COMER

- Wide range of gourmet products as wines, cheeses, meat, imported groceries, and organic products.
- Exclusive product agreements with international brands.
- Sophisticated atmosphere and high quality service.
- Prepared foods for consumption in and out of the store.
- Specialized departments of prepared foods as tapas, seafood, chocolate, ice cream, coffee and cakes.
- 12 stores
- Sales area between 3,000 and 5,000 sq. mts.
- Located in high income areas



# CITY MARKET MONTERREY



# fresko

LA COMER



- Neighborhood market with a selected variety of special products by local customs (kosher, organic).
- Excellent quality of perishables, emphasizing freshness.
- Designed especially for a convenient and quick purchase.
- 15 stores as of today
- Sales area of about 1,500 to 4,000 square meters.
- Located in power centers throughout large cities.



# FRESKO MILENIO, QRO.



# laComer



- In addition to perishable and grocery products, this format offers general merchandise and household appliances as tableware and linens, among others.
- La Comer offers greater range and variety of products .
- Specialized departments such as Xpressa Café, prepared food and fine pastry
- Located in large shopping centers.
- Sales area of 4,000 to 7,500 square meters



# LA COMER AGUASCALIENTES







# Home delivery service - Omni channel

Since the start of La Comer, a new area was created to focus in e-business and home delivery

- Strategy of differentiation based on better service and unrivaled quality in perishables.

**2016:** Improvement in operations and service

**2017:** New, user friendly platform

- Integrated with internal systems

**2018:** Marketing campaign: *“Tú a lo tuyo y La Comer en tu Casa”*

- New app

**2019:** New forms of payments are included

- Online Marketing Capabilities to the next level
- Enhanced promotional activities
- 2.0% of total sales

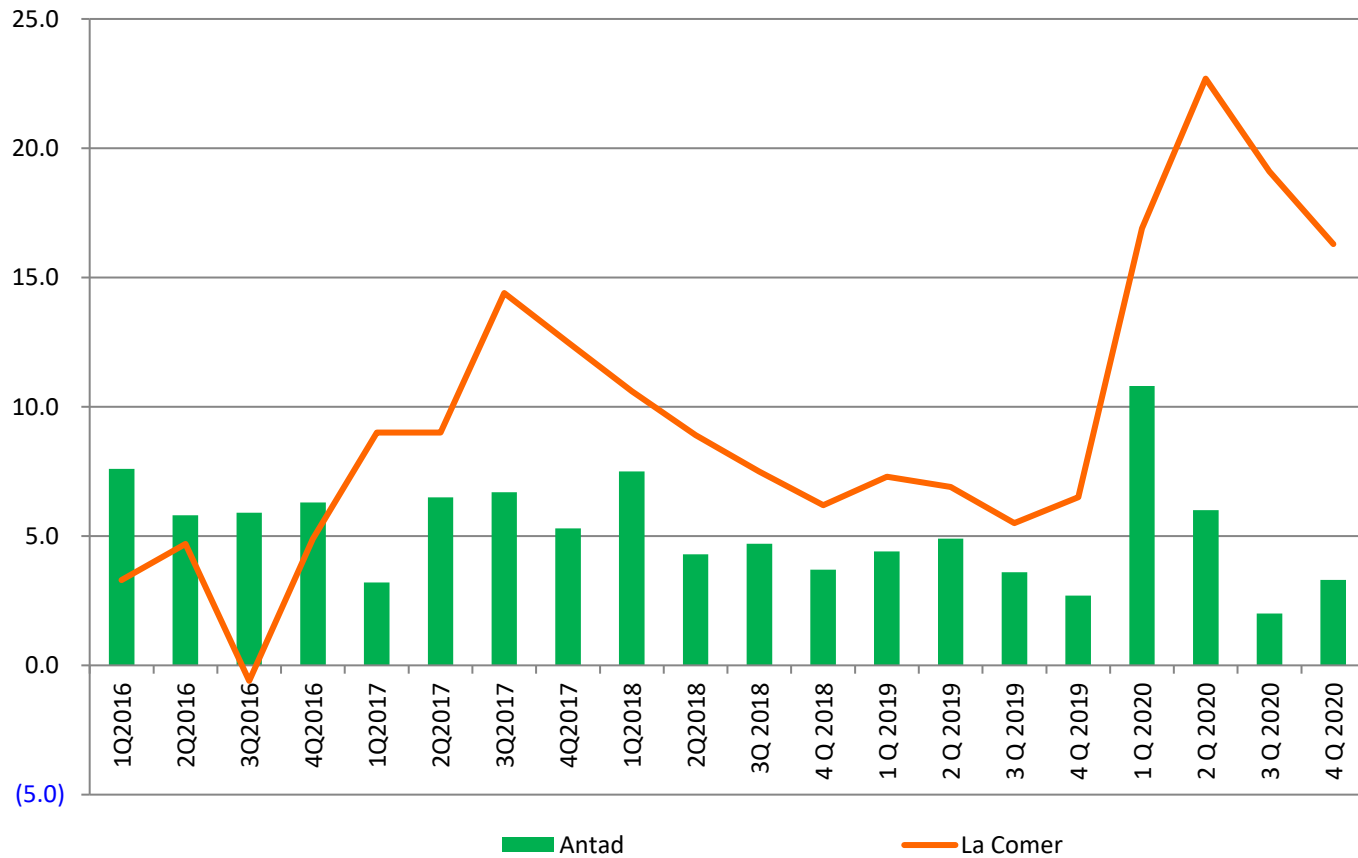
**2020:** World Pandemic COVID 19

- Extraordinary increases in the e-commerce platform



# FOOD RETAIL SSS GROWTH

## Food Retail Sector SSS Growth (%)



# FINANCIAL DATA

	2016	%	2017	%	2018	%	2019	%	2020	%
<b>Net sales</b>	14,757	100	16,635	100	19,119	100	21,591	100	27,021	100
<b>Cost of sales</b>	11,148	75.5	12,423	74.7	14,078	73.6	15,698	72.7	19,636	72.7
<b>Gross profit</b>	3,610	24.4	4,213	25.3	5,041	26.4	5,893	27.3	7,384	27.3
<b>Expenses</b>	3,184	21.6	3,441	20.7	3,994	20.9	4,775	22.1	5,651	20.9
<b>Operating income</b>	416	2.8	772	4.6	1,047	5.5	1,119	5.2	1,734	6.4
<b>Op. income proforma*</b>	416	2.8	576	3.5	817	4.3	1,119	5.2	1,734	6.4
<b>EBITDA <sup>(1)</sup></b>							1,979	9.2	2,748	10.2
<b>Op. cash flow <sup>(2)</sup></b>	938	6.4	1,374	8.3	1,753	9.2	1,783	8.3	2,529	9.4
<b>Op. cash flow proforma*<sup>(2)</sup></b>	938	6.4	1,178	7.1	1,523	8.0	1,783	8.3	2,529	9.4

*Million pesos*

(1) Includes effects of IFRS 16

(2) Operating cash flow refers to EBITDA minus the flow for payment of rents, EBITDA without IFRS16 effects.

\* Proforma - Excluding extraordinary effects from profit on sale of properties of \$ 196 million in 2017 and \$ 230 million in 2018.



# FINANCIAL DATA

## 4Q Income Statement

	4Q 2020				
	2020	%	2019	%	Var %
<b>Net sales</b>	<b>6,890.2</b>	<b>100.0</b>	<b>5,748.5</b>	<b>100.0</b>	<b>19.9</b>
Cost of sales	4,977.1	72.2	4,176.1	72.6	19.2
Gross profit	1,913.1	27.8	1,572.4	27.4	21.7
Operating expenses	1,541.6	22.4	1,320.5	23.0	16.7
<b>Operating profit</b>	<b>371.5</b>	<b>5.4</b>	<b>251.9</b>	<b>4.4</b>	<b>47.4</b>
<b>EBITDA<sup>1</sup></b>	<b>636.2</b>	<b>9.2</b>	<b>481.1</b>	<b>8.4</b>	<b>32.2</b>
Operational cash flow	<b>581.4</b>	<b>8.4</b>	<b>429.0</b>	<b>7.5</b>	<b>35.5</b>
Net financial result	-33.9	(0.5)	-7.2	(0.1)	370.8
Taxes and other	58.9	0.9	-54.8	(1.0)	(207.5)
<b>Net Income</b>	<b>278.7</b>	<b>4.0</b>	<b>299.5</b>	<b>5.2</b>	<b>(7.0)</b>
Same Store Sales (%)	16.3		6.6		
Clients (thousands)	14,762		17,664		(16.4)
Number of stores	72		71		1.4
Sales area (m <sup>2</sup> )	308,862		300,780		2.7

*In millions of Mexican pesos,*

*1 EBITDA refers to Earnings before Interest, Taxes, Depreciation and Amortization.*

*2 Operating cash flow refers to EBITDA minus the flow for payment of rents, EBITDA without IFRS16 effects.*



# FINANCIAL DATA

## Income Statement

	As of December 2020				
	2020	%	2019	%	Var %
<b>Net sales</b>	<b>27,020.6</b>	<b>100.0</b>	<b>21,591.4</b>	<b>100.0</b>	<b>25.1</b>
Cost of sales	19,636.2	72.7	15,698.4	72.7	25.1
Gross profit	7,384.4	27.3	5,893.0	27.3	25.3
Operating expenses	5,650.9	20.9	4,775.7	22.1	18.3
<b>Operating profit</b>	<b>1,733.5</b>	<b>6.4</b>	<b>1,117.3</b>	<b>5.2</b>	<b>55.1</b>
<b>EBITDA <sup>1</sup></b>	<b>2,747.9</b>	<b>10.2</b>	<b>1,978.1</b>	<b>9.2</b>	<b>38.9</b>
Operational cash flow <sup>2</sup>	<b>2,528.7</b>	<b>9.4</b>	<b>1,783.1</b>	<b>8.3</b>	<b>41.8</b>
Net financial result	14.8	0.1	9.7	0.0	52.6
Taxes and other	281.2	1.0	90.9	0.4	209.4
<b>Net Income</b>	<b>1,467.1</b>	<b>5.4</b>	<b>1,036.1</b>	<b>4.8</b>	<b>41.6</b>

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# BALANCE SHEET

As of December 2020

Assets		Total liabilities and stockholders' equity	
Cash and Temporary investments	3,040	Trade payables	4,300
Clients (net account receivables)	961	Taxes payable	213
Recoverable taxes	16	Short-term lease liabilities	65
Inventories	3,239	Other accrued liabilities	337
Other assets	110	<b>Current Liabilities</b>	<b>4,915</b>
Current assets other than non-current assets	7,367	Long-term lease liabilities	1,295
Assets held for sale	17	Provisions for employee long term benefits	143
<b>Total Current Assets</b>	<b>7,384</b>	Deferred tax liabilities	434
		<b>Total long-term liabilities</b>	<b>1,873</b>
Property, plant and equipment (Net)	14,696	<b>Total Liabilities</b>	<b>6,787</b>
Property and leasehold improvements	625	Capital Stock	1,967
Right-of-use assets	1,296	Premium in issuance of shares	265
Goodwill	44	Total Earned Capital	20,152
Intangible assets other than goodwill	6,278	Other comprehensive income	1,760
Deferred tax assets	190	Total controlling interest	24,143
Other non-current non-financial assets	418	<b>Stock Holders' Equity</b>	<b>24,143</b>
<b>Total noncurrent assets</b>	<b>23,547</b>		
		<b>Total liabilities and stockholders' equity</b>	<b>30,931</b>
<b>Total Assets</b>	<b>30,931</b>		

Million pesos

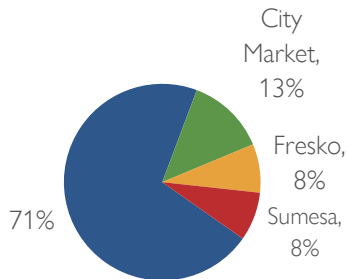


# STORE OPENINGS

La Comer, has initiated an aggressive plan to open new stores to increase its scale of operation.

Beginning La Comer  
January 1<sup>st</sup> 2016

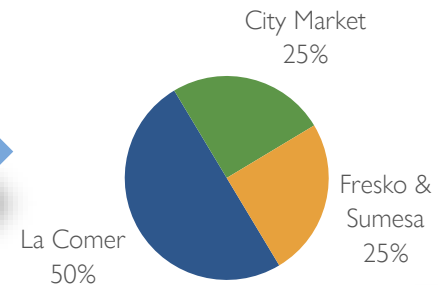
# stores 54



Participation by format

Year end  
2023

More than 100





## Disclaimer

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