

GRUPO LACOMER



LA COMER SUMMARY

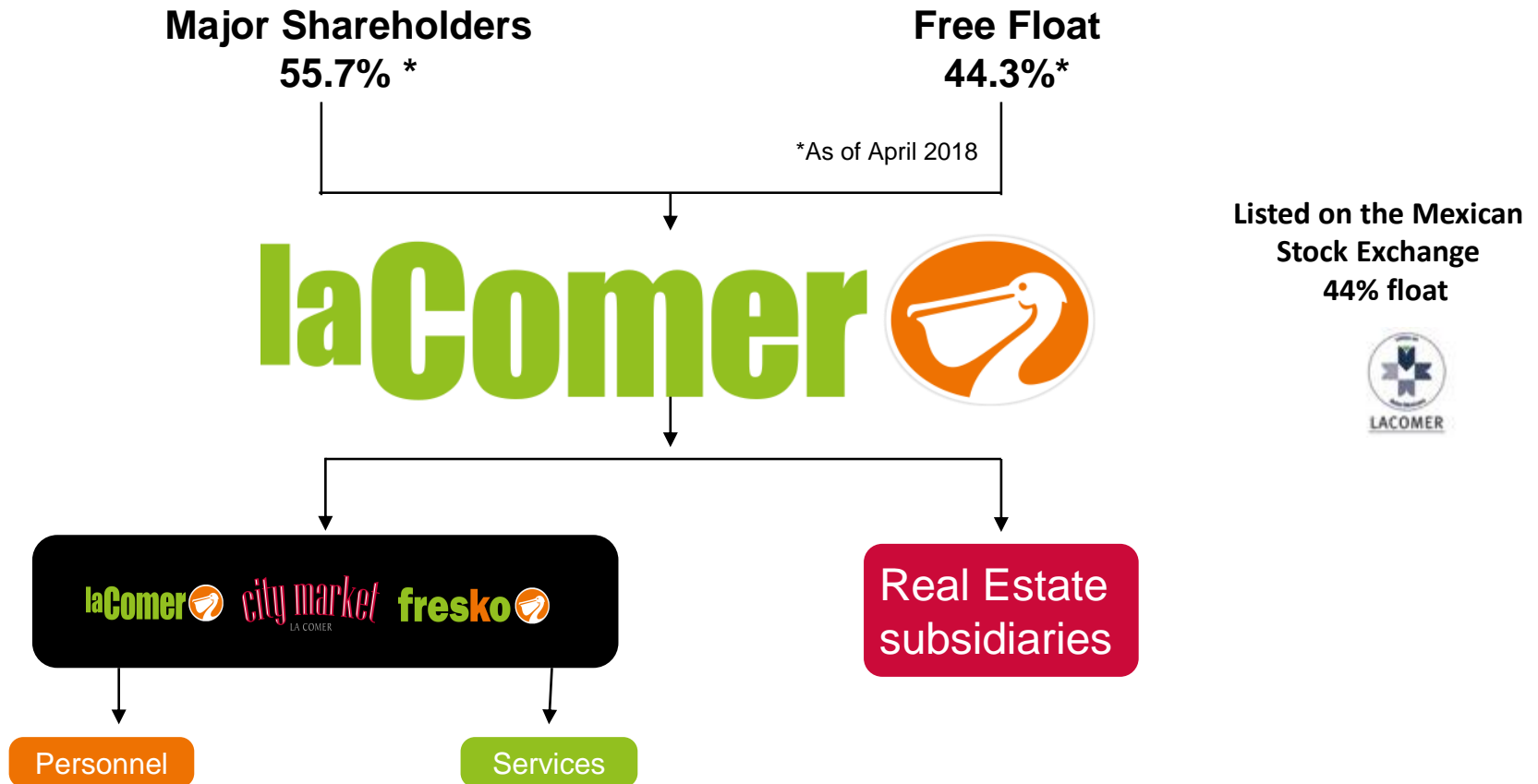


- Almost 60 years of experience in the **Mexican Food Retail** market.
- **Stores:** 66, almost **280,000 sq.mts. of sale area**, in 4 different formats.
- **Geographic Distribution:** 60% of the stores located in Mexico City metropolitan area.
- **Real Estate:**
 - ✓ 47 units (**33 stores +14 additional assets**)
 - ✓ 380 commercial spaces (**+69,000 m² leasing area**);
- **Employees:** Approximately 10,800 employees.
- **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.



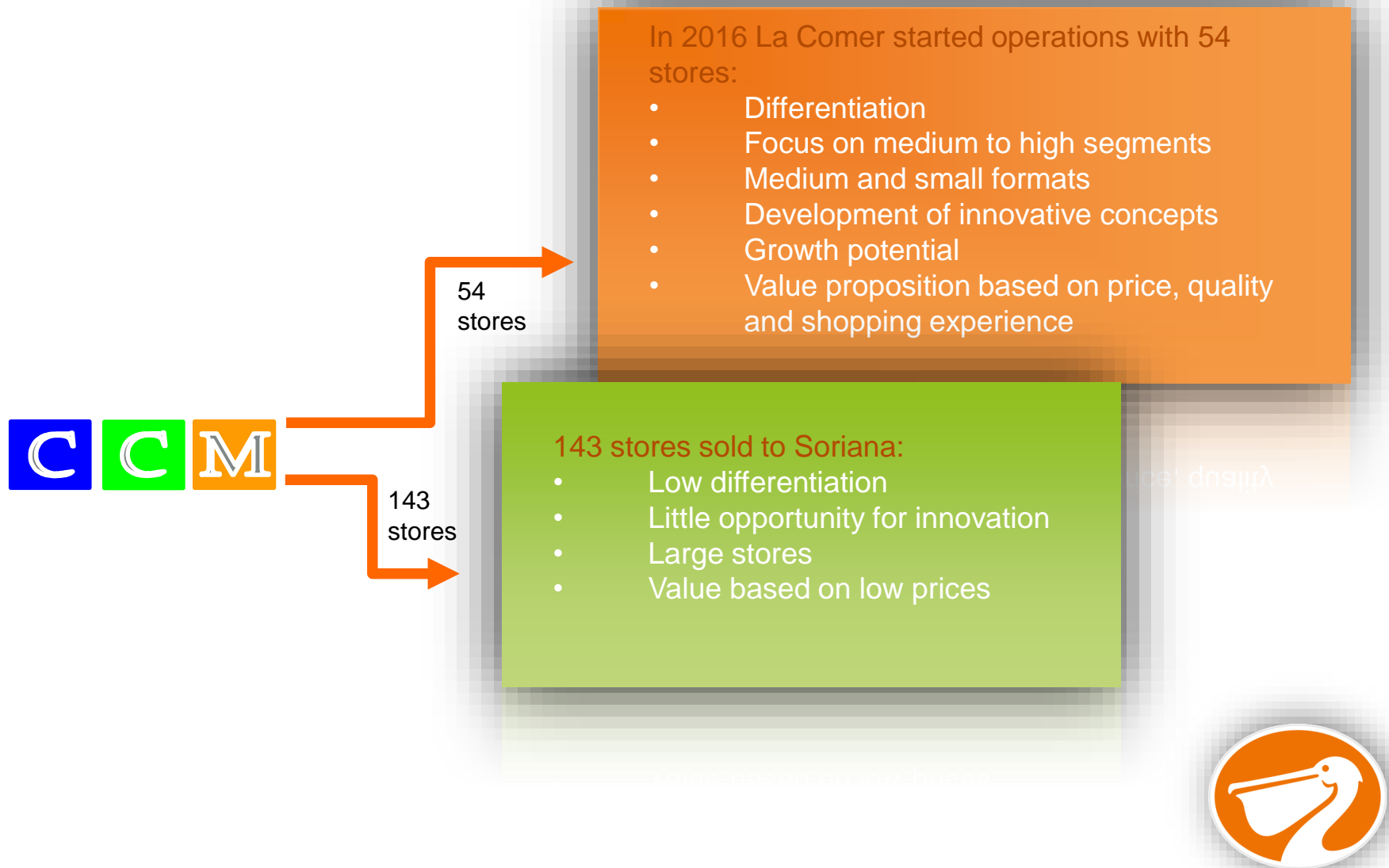
CORPORATE STRUCTURE

La Comer is the product of the spin-off of Comercial when on January 1st 2016, 143 stores were sold to Soriana.

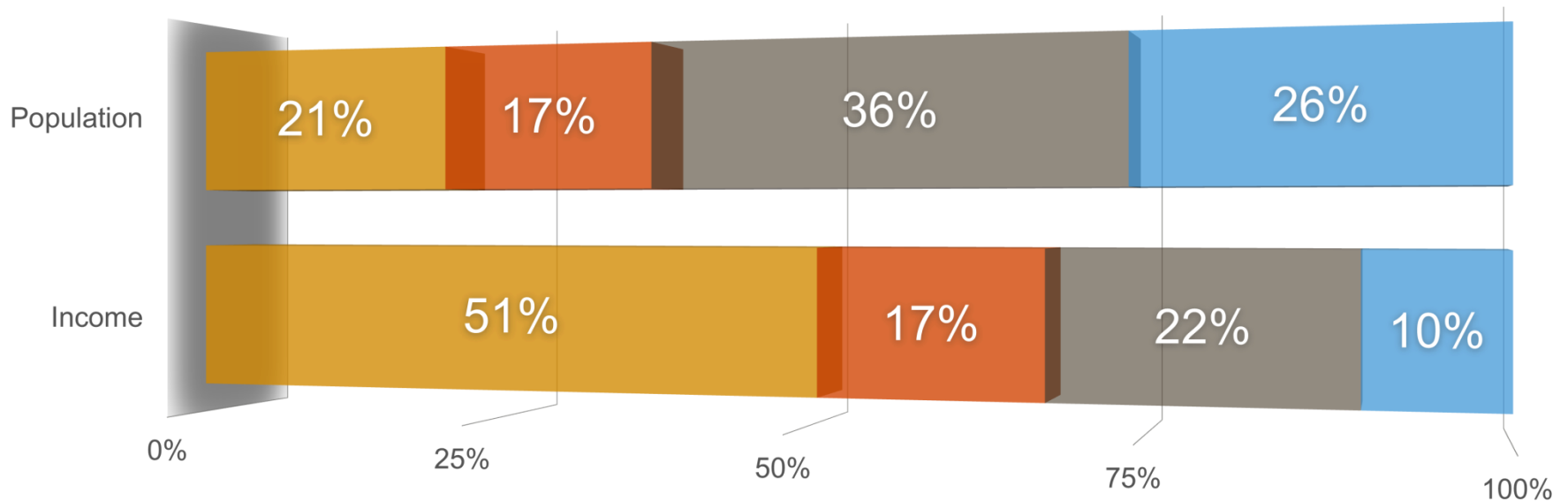


La Comer started operations on January 1st, 2016 with 54 stores

NEW LA COMER GROUP– SPIN-OFF RATIONALE



SOCIOECONOMIC LEVELS IN MEXICO



■ ABC+

■ C

■ C-, D+

■ D-, E

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

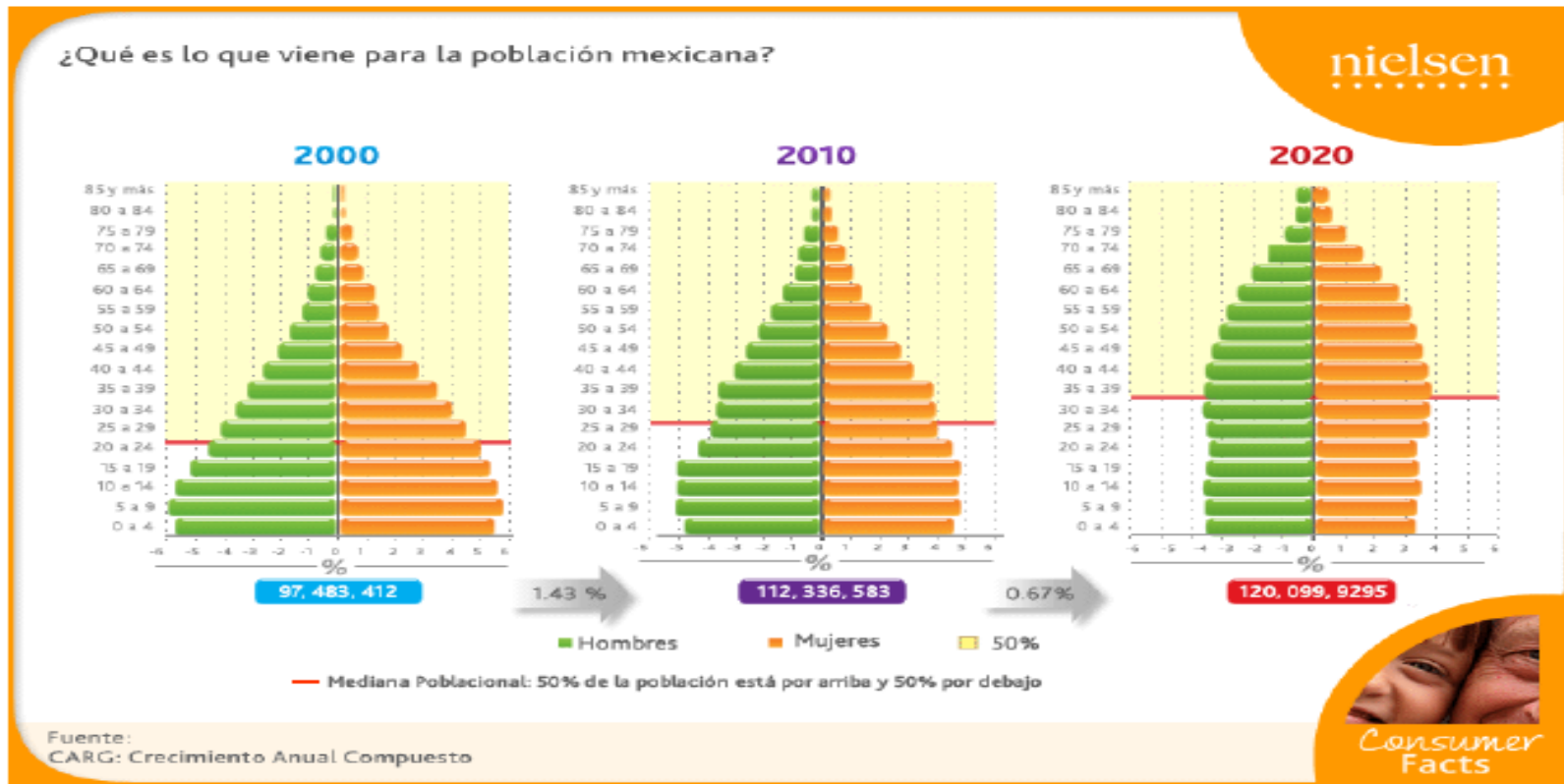
> Looking for quality and service

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



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

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

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.
- 11 stores
- Sales area between 3,000 and 5,000 sq. mts.
- Located in high income areas







- 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.
- 11 stores as of today
- Sales area of about 1,500 to 4,000 square meters.
- Located in power centers throughout large cities.





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







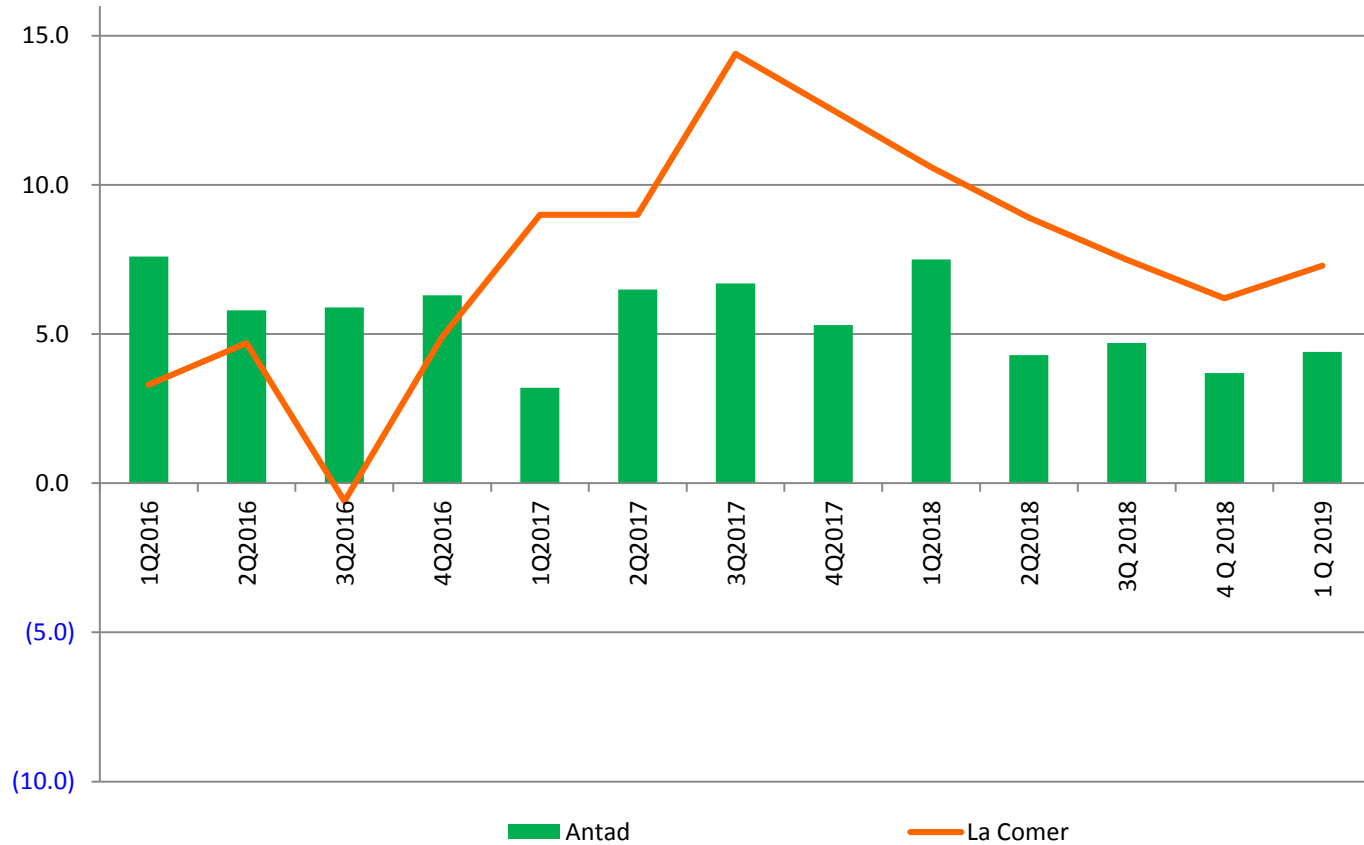
Home delivery service - Omni channel

- 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 platform
 - User friendly
 - Integrated with internal systems
 - 2018:** Marketing campaign:
“Tú a lo tuyo y La Comer en tu Casa”
 - New app
 - Plan of doubling sales



FOOD RETAIL SSS GROWTH

Food Retail Sector SSS Growth (%)



FINANCIAL DATA

	Dec-13*	%	Dec-14*	%	Dec-15**	%	Dec-16	%	Dec-17	%	Dec-18	%
Net sales	12,071	100	13,078	100	14,041	100	14,757	100	16,554	100	19,119	100
Cost of sales	9,078	75.2	9,781	74.8	10,531	75.0	11,148	75.5	12,305	74.7	14,078	73.6
Gross profit	2,993	24.8	3,297	25.2	3,509	25.0	3,610	24.5	4,249	25.7	5,041	26.4
Expenses	1,969	16.3	2,166	16.6	2,330	16.6	3,184	21.6	3,472	21.0	3,994	20.9
Operating income	981	8.1	1,077	8.2	1,174	8.4	416	2.8	777	4.7	1,047	5.5
EBITDA	1,228	10.2	1,378	10.5	1,465	10.4	938	6.4	1,379	8.3	1,753	9.2

* Proforma Financial information, La Comer Prospectus, BMV

** Preliminar internal proforma financial information



FINANCIAL DATA

Income Statement

	1 Q 2019 BMV			*Proforma 2018	var. vs 2019	
	2019	%	2018	2018		
Net sales	4,921.6	100.0	4,287.3	4,287.3	100.0	14.8%
Cost of sales	3,556.7	72.3	3,125.6	3,125.5	72.9	13.8%
Gross profit	1,364.9	27.7	1,161.7	1,161.8	27.1	17.5%
Operating expenses	1,065.1	21.6	954.8	940.0	21.9	13.3%
Operating profit	299.8	6.1	206.9	221.8	5.2	35.2%
EBITDA ¹	507.3	10.3	369.1	404.0	9.4	25.6%
Operational flow	460.6	9.4	369.1	369.1	8.6	24.9%
Net financial result	13.5	0.3	25.7	2.3	0.1	487.0%
Taxes and other	52.7	1.1	60.2	60.2	1.4	-12.5%
Net Income	260.6	5.3	172.4	163.8	3.8	59.1%
Same Store Sales (%)	7.3		10.6			
Clients (thousands)	16,160		15,171			6.5%
Inventory days ratio	70		68			2.3%
Supplier days ratio	72		70			3.4%
Number of stores	66		61			8.2%
Sales área (sq.mts.)	279,835		248,646			12.5%

In millions of Mexican pesos,

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

Operating Cash Flow refers to EBITDA minus the flow for payment of rents, EBITDA without IFRS16 effects.

** 1Q2018 Pro forma financial information, includes effects of IFRS 16*



BALANCE SHEET

Assets		Total liabilities and stockholders' equity	
Cash and Temporary investments	2,686	Trade payables	3,648
Clients (net account receivables)	806	Taxes payable	54
Recoverable taxes	14	Short-term lease liabilities	66
Inventories	2,803	Other accrued liabilities	255
Other assets	120	Current Liabilities	4,022
Total Current Assets	6,428	Long-term lease liabilities	1,194
		Provisions for employee long term benefits	81
		Deferred tax liabilities	113
		Total long-term liabilities	1,388
Property, plant and equipment (Net)	12,337	Total Liabilities	5,410
Property and leasehold improvements	629	Capital Stock	1,967
Intangible assets other than goodwill	6,278	Premium in issuance of shares	206
Assets by right of use	1,249	Total Earned Capital	18,340
Deferred tax assets	141	Other comprehensive income	1,750
Other non-current non-financial assets	611	Total controlling interest	22,263
Total noncurrent assets	21,245	Stock Holders' Equity	22,263
Total Assets	27,673	Total liabilities and stockholders' equity	27,673

Million pesos as of March 31, 2019



PLANS FOR 2019 AND AFTER

➔ 2019 - 2022

- 1) Plans to open between 8 to 10 stores per year
- 2) Continue with the expansion, and have more than **100** stores by 2022
- 3) To replicate our shopping experience, we will focus on the expansion mostly on the **City Market** and **Fresco** formats, but willing to open La Comer or Sumesa format.
- 4) Priority in:
 - Metropolitan Area of Mexico City
 - Central region of the country
 - Western region of the country
 - North of the country

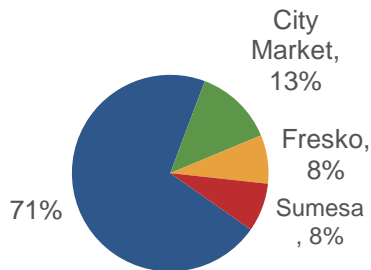


STORE OPENINGS

La Comer, has initiated an aggressive plan to open new stores giving priority to the formats Fresko and City Market to increase its scale of operation.

**Beginning La Comer
January 1st 2016**

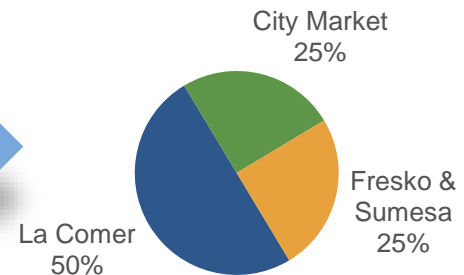
stores 54



Participation by format

**Year end
2022**

More than 100





Disclaimer

“The following material is submitted by way of general information regarding *La Comer, S.A.B. de C.V., “La Comer”*, as it stands to date. Said information is presented in a summarized fashion and is not intended to be comprehensive. Nor does it constitute a recommendation for potential investors. This presentation is strictly confidential and shall not be divulged to any other person. No representation or guarantee, either expressed or implied, is intentional, and its exactness, precision or comprehensive information herein presented shall not be emphasized.

This presentation may contain declarations that express the expectations of management regarding future events or results in lieu of historic events. These forward-looking declarations imply risk and uncertainty that may cause the real results to differ materially from those forecast, and La Comer cannot ensure that said declarations will prove to be correct. These risks and uncertainties include factors related to the Mexican economy, which in turn may show volatility and may be adversely affected by factors pertaining to other countries, related to the business of retail sales, that by its very nature is cyclical and linked to the highly competitive industry of which La Comer is a part and in which it operates. For additional information regarding factors that may cause La Comer’s real results to differ from the expectations herein presented, please refer to La Comer reports on file at the Mexican Stock Exchange (Bolsa Mexicana de Valores).

This presentation does not constitute a recommendation, invitation, and request or offer to tender or purchase securities: neither this presentation nor anything herein comprised shall be considered grounds for a contract or any similar commitment.”

GRUPO
LA COMER

laComer



fresko



LA COMER

city market

LA COMER