



To whom it may concern:

Comerío, Puerto Rico, Junio de 2022

Store Management System, LLC is part of Supermercados Econo, the largest supermarket chain in Puerto Rico with 64 stores. We began operating in 1988 and currently have 5 stores located in Comerío, Naranjito, Barranquitas, Humacao and Naguabo.

We carried out in conjunction with London Consulting Group, an Operational Excellence project between October 2021 and June 2022. The objective of the project was to reduce product losses and waste in a systematic and organized manner.

The Loss Prevention Department carried out the key initiatives that allowed us to reach the following results. They also strengthened and automated the Product Management Process from receiving the product to replenishing the shelf.

Furthermore, our organization has become more mature in terms of analyzing and taking decisions through the implementation of **Business Intelligence (BI)** tools which have enabled us to generate predictive information regarding losses and has improved our control over the operations.

The most significant results that we achieved during the project were:

- 7% reduction in financial waste.
- 63% reduction in open processes in the meat and delicatessen department.
- 18% increase in the daily closing inventory registration process for meats.
- 10% improvement in registering waste on a daily basis.
- Creating follow up registers and controls in our cold chain.

The financial savings yielded by the project can be seen in the **0.5 to 1** return on investment that we achieved by the end of May 2022, with a forecasted annualized return of **2.2 to 1**.

I would like to acknowledge the commitment and professional work carried out by London Consulting Group, who have once again surpassed our expectations. I have no doubt that we will continue to work with London Consulting Group in the future.

Sincerely:

A handwritten signature in blue ink, appearing to read 'Juan Carlos Agosto', is written over a light blue horizontal line.

Juan Carlos Agosto
Chief Executive Officer
Store Management System, LLC