



Follow-up on Grupo Elektra's market positioning, competitiveness, and key market trends in the retail money transfer business in Mexico

October 2023

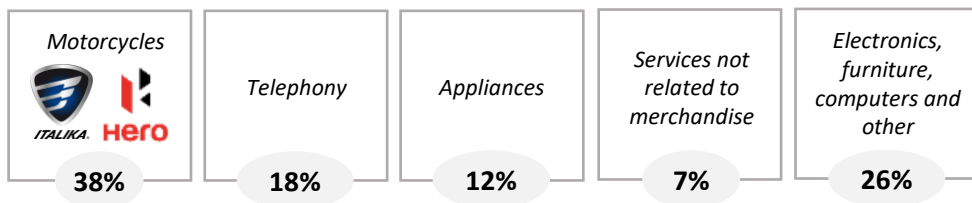


Commercial Business

Revenues LTM Q3 2023: Ps.\$71,525 millions,
40% of Consolidated Revenues

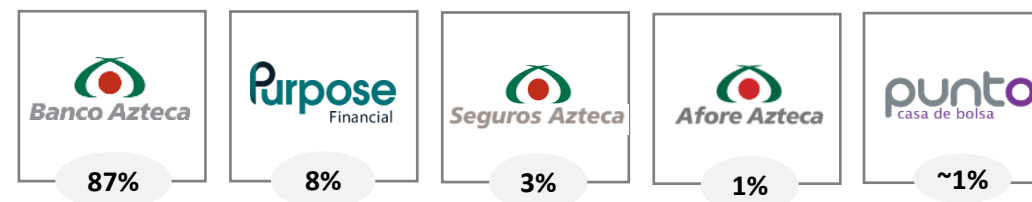


Categorías

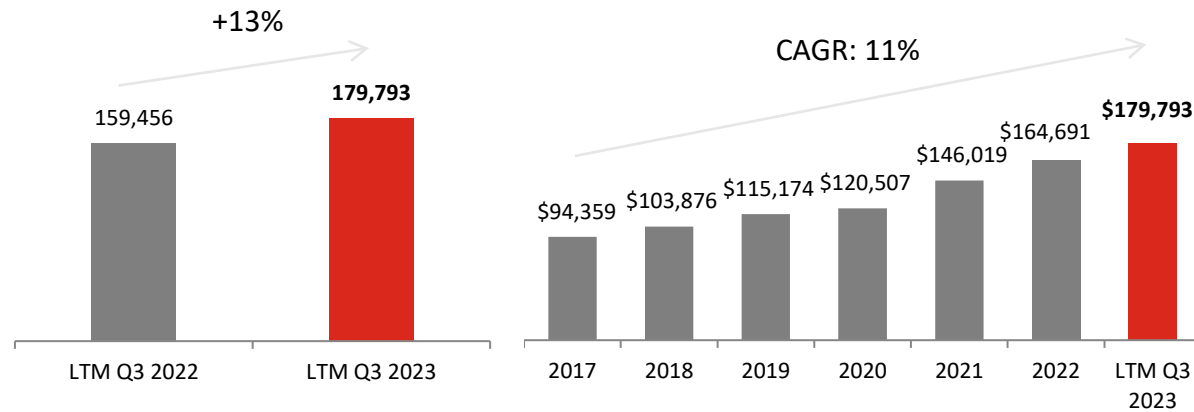


Financial Business

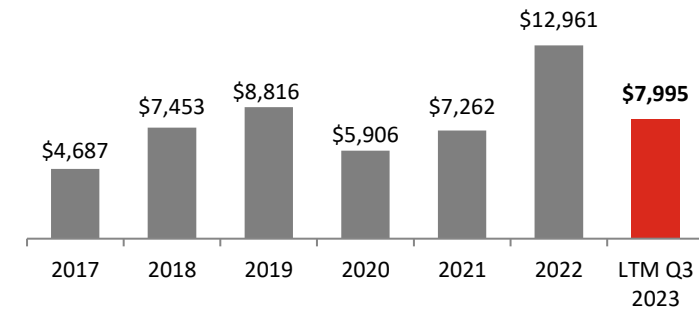
Revenues LTM Q3 2023: Ps.\$108,267 millions
60% of Consolidated Revenues



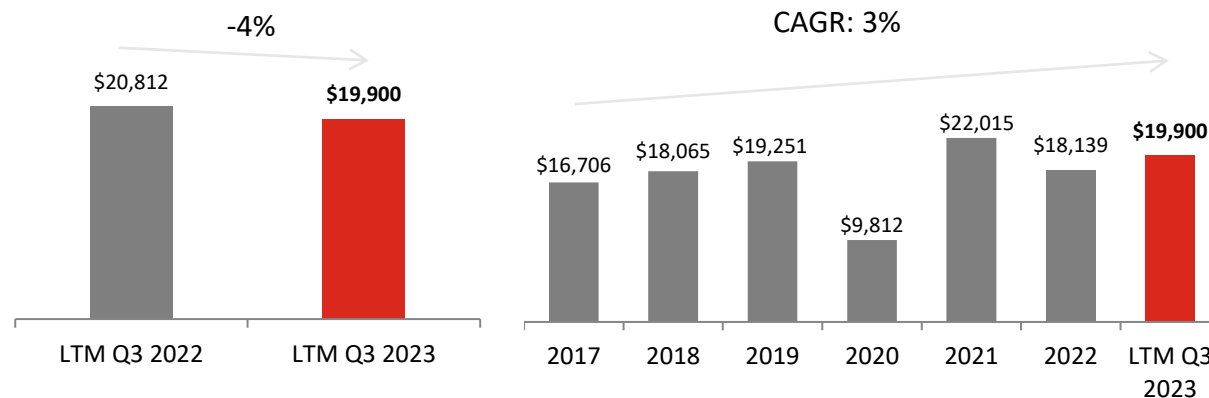
Consolidated Revenue



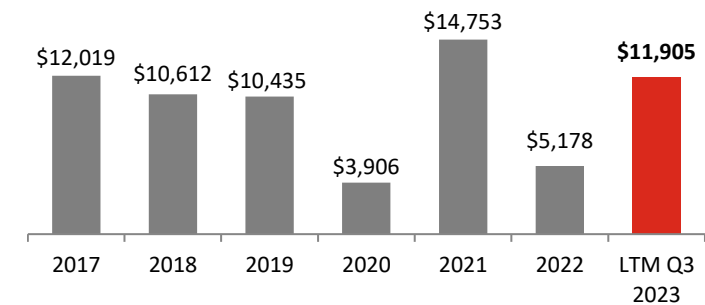
CAPEX



Consolidated EBITDA



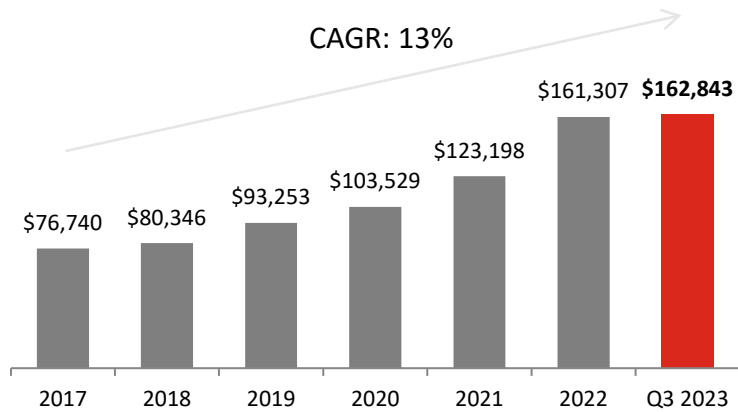
Cash Generated (1)



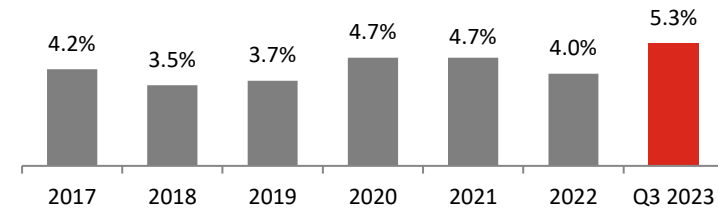
Year	Margin (%)
2017	17.6%
2018	17.5%
2019	16.0%
2020	8.1%
2021	15.1%
2022	11.0%
LTM Q3 2023	11.1%

(1) Cash generated = EBITDA - CAPEX

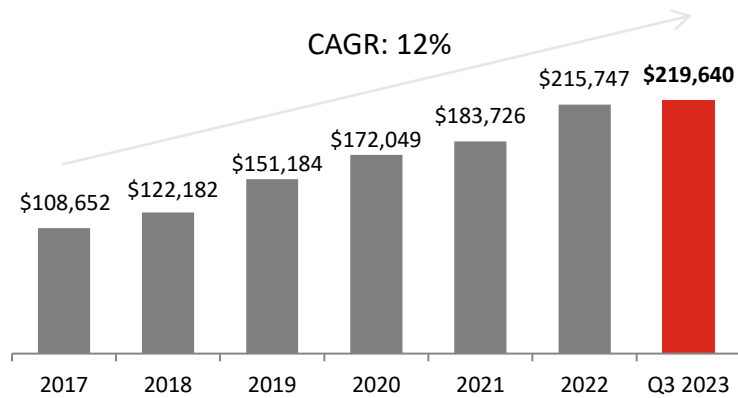
Gross Loan Portfolio



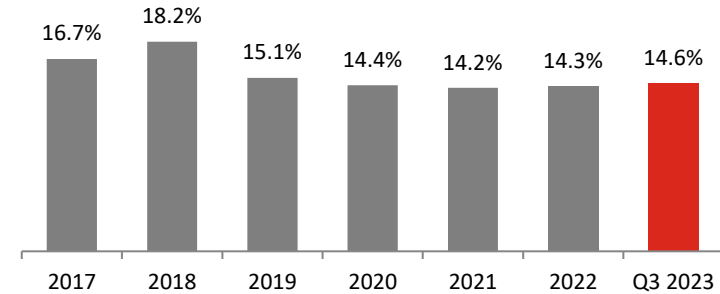
Delinquency Rate



Demand Deposits

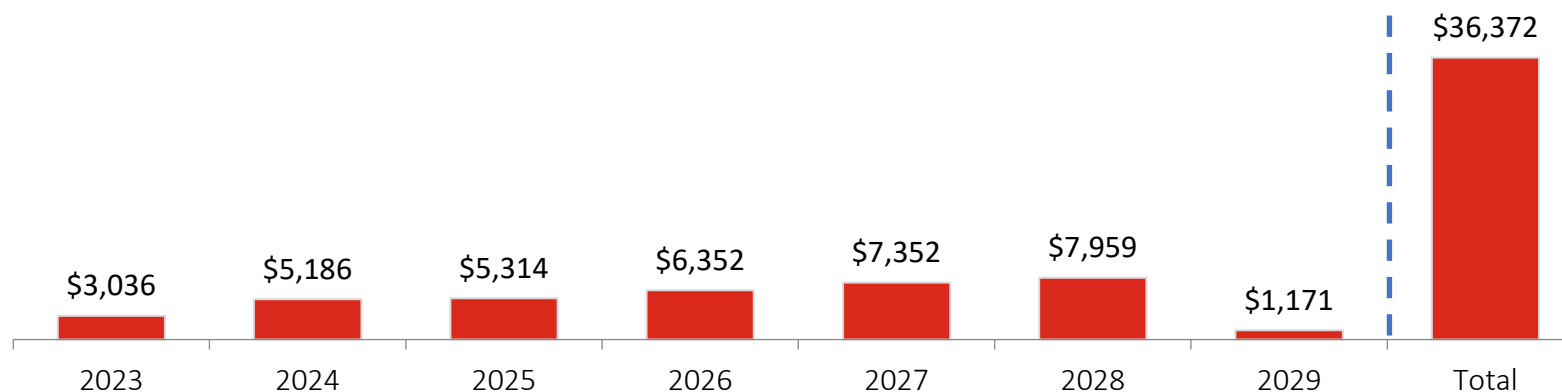


Capitalization Index

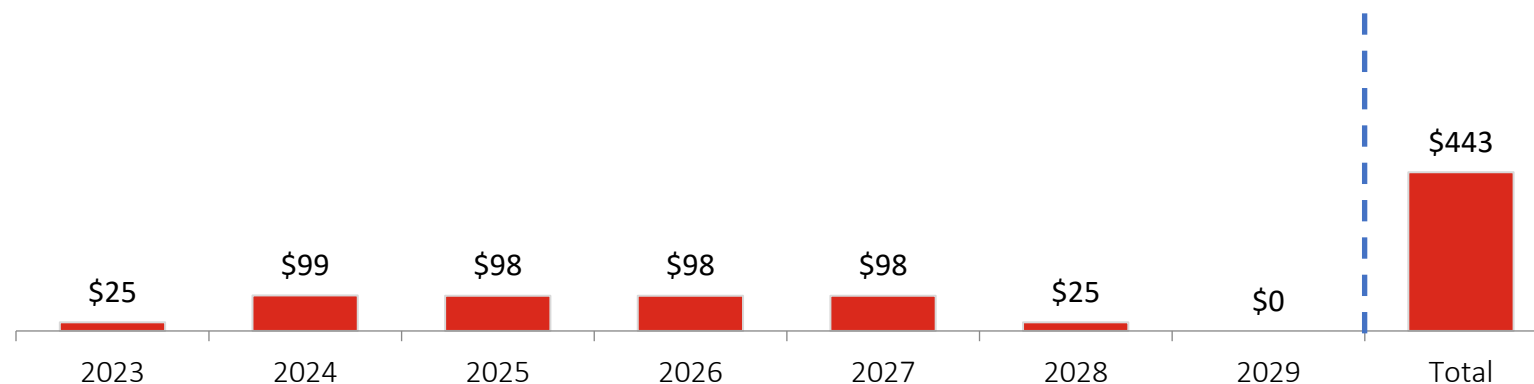


Deposits / Gross Loan Portfolio: 1.4x 1.5x 1.6x 1.7x 1.5x 1.3x 1.3x

Total Annual Amortization Schedule (Ps. Million)



Annual Amortization Schedule of US\$ Denominated Debt Balance included above (US\$ million)



Money Transfer Business



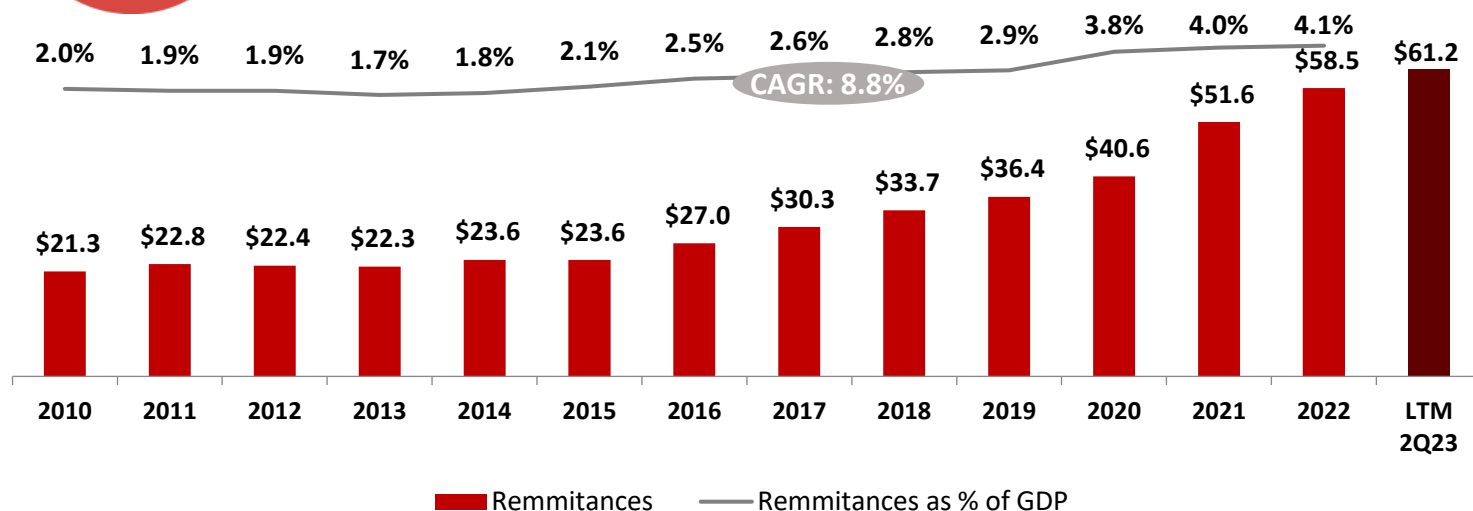
October 2023

US to Mexico (95% of origination) overall remittance market growth is moderating itself, following several years of double-digit growth:

- 9.3% principal growth (August YTD)
- 8.3% transaction growth (August YTD)



Total remittances to Mexico*



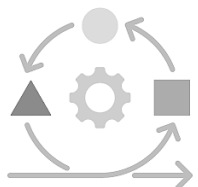
In the US

- Slower job and wage growth
- Strong MXN, decreasing USD purchasing power and incentive to remit
- Cooling demand in residential construction industry in the US
- Inflation, albeit receding

In Mexico

- Economic improvement
- Tight labor market
- Strong consumption
- Growing government spending (through increased debt)
- Inflation above central bank target range

* Source: Banxico, World Bank



Adapting our economic model to changing market conditions:

- From transaction growth in %, to nominal ranges
- From fixed to variable commission, based on principal amount ranges
- From individual service schedule, to combined goals



Increased competitiveness, focusing on low value transactions:

- From payout networks offering convenience, but lacking sufficient cash availability nationwide



Addressing prevailing external conditions

- Increased funding cost, due to high interest rates
- USD/MXN appreciation and recent volatility
- Margin compression

Strong focus on bond MT participants



Western Union

- 30-year relationship anniversary milestone



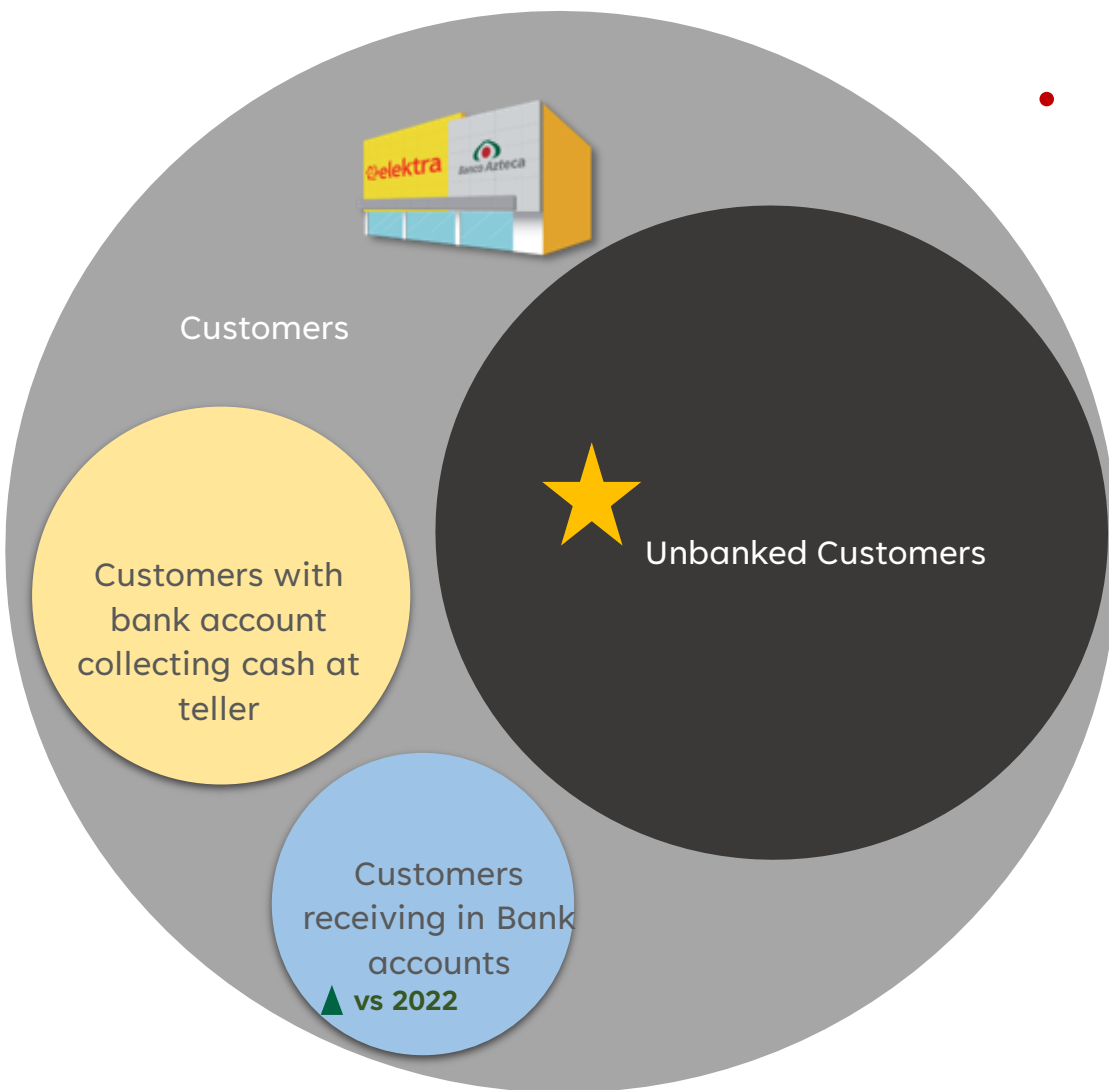
Remitly

- Fastest growing partner



PNC/TransNetwork

- Solid performance



- **Remittance frequency increases +2.5x when the receiver is a banked customer**
- **~30% of our transactions are received directly into accounts or converted into such**
- **Access to savings, credit**



Service

- **Continuous customer experience improvements** throughout our multichannel options
 - ✓ D2B
 - ✓ ATM
 - ✓ App
 - ✓ Superapp
 - ✓ Chatbot
- **Ensuring payment** on first attempt, currently at 94% success rate (99% in bank deposits)
- **Addressing language barriers** to better serve migrant customers



Technology

- **Facial Recognition ID**
- **Use of QR codes** to expedite customer interaction, promotion info and redemption



Compliance

- **Real Time Compliance**
- **Customized transaction limits** (more to those who need it most)



Paul

- **Age:** 30 years old
- **Occupation:** Self-employed (Mason, craftsman)
- **Language:** Creole French
- **Family:** Parents, wife and children.
- **Nationality:** Haitian
- **Receive from USA (Florida mainly)**
- **Amount:** \$200 USD average for WU
- **Frequency:** 4 times a year

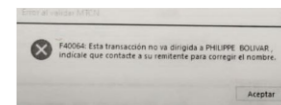
¿Por qué no puede cobrar su dinero? | Poukisa w pa kapab touche lajan w?

Español:

F40064: El nombre de tu envío, es diferente al nombre en tu pasaporte, pídele a la persona que te envía que cambie tu nombre y lo ponga tal como está en tu pasaporte.

Criollo:

Chak anvwa lajan gen yon nom, li diferanak nom ki nan paspò w, mande moun nan ki voye transfè a swa li chanje nom w, ou byen li dwe ekri li jan li ye nan paspò w



Versión 1.23

5

¿Por qué no puede cobrar su dinero? | Poukisa w pa kapab touche lajan w?

Español:

- Ocupación
- Relación con la persona que le envía
- ¿Qué uso le dará al dinero?
- Origen Recursos
- Número Transacciones
- Monto Transaccional
- Número teléfono (celular, clave de país más 10 digitos)

Criollo:

- Okipasyon
- Relasyon ak manm nan fanmiy
- k isa wpanse fe ak lajan an
- Orijin resous yo
- Nimero tranzaksyon
- Montan pou tranzaksyon
- Nimero telefòn celilè w impòtan, se pou li genyen ariyè kod peyi a plis 10 chif



Versión 1.23

6



TV SPOT + Radio

Digital

- ✓ Receive your Western Union and MoneyGram payments in Elektra and Banco Azteca, and your beneficiary benefits from a week of airtime/data



TV Spot
30 sec

Radio
Page Post



Facebook
Page Post

Google
Display Banner

30 years of
experience



The best way to be united with your family

CUSTOMER SERVICE

- Call Center
- Error reduction
- AML Model
- Customized limits

ADDED VALUE

- Theft/loss Insurance
- Promotions
- Seasonal campaigns (MX/US)



CONVENIENCE

- More than 2,000 branches
- Open 9 to 9, every day
- Cash always available
- 24/7 through digital channels

PAYMENT CHANNELS

- Bank Teller
- Direct Deposit
- App and SuperApp
- WhatsApp/Chatbot
- ATMs

**#1 in
México**



Annexes

October 2023

- ❑ Extensive network
- ❑ 365 days
- ❑ 9 a.m. to 9 p.m.
- ❑ Cash / money always available
- ❑ Affinity from the target segment with the brand
- ❑ Safety / Trust
- ❑ Tradition
- ❑ Broad TV promotion



Global



Mid-Size



Local/Niche

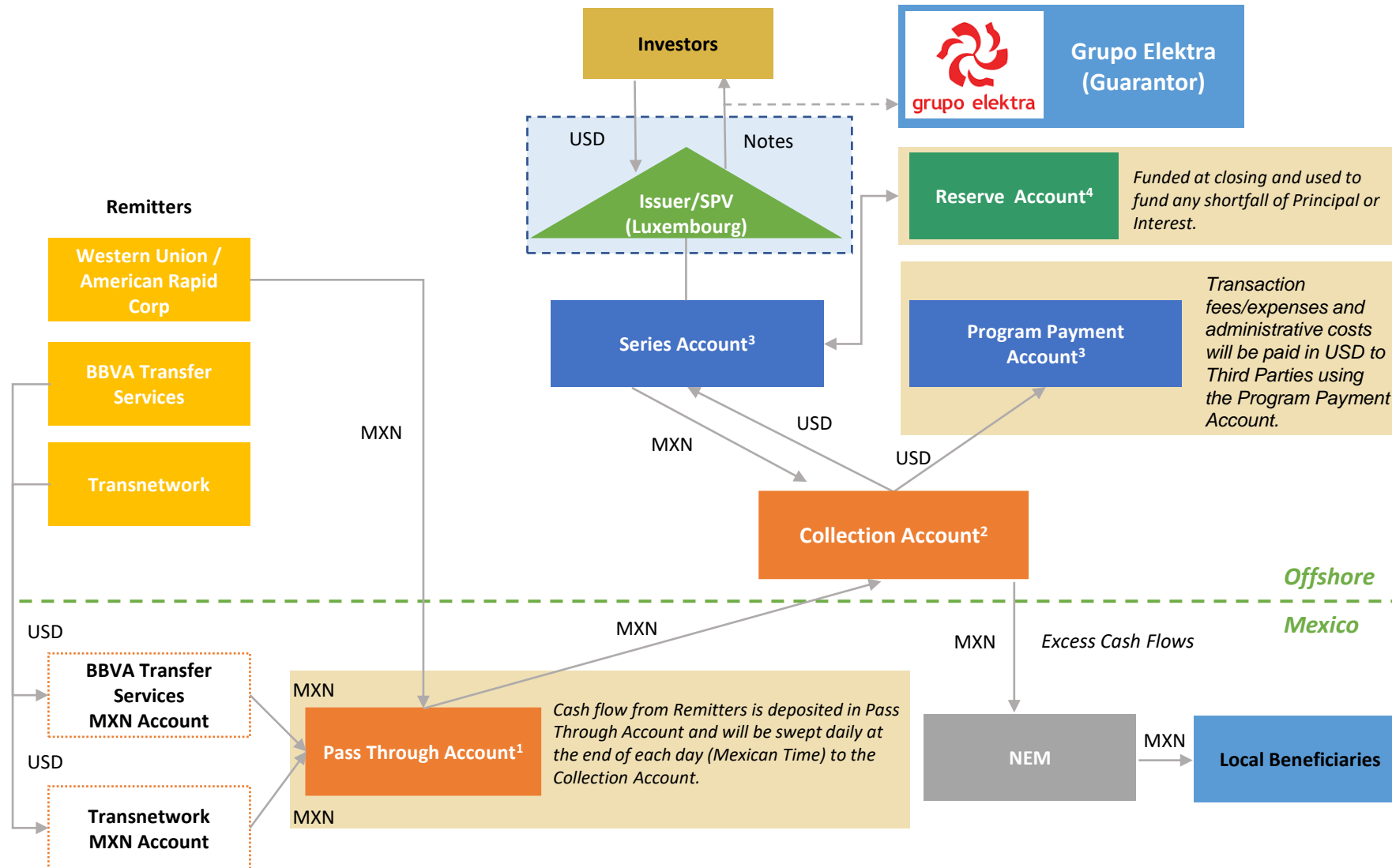


Digital



Aggregators

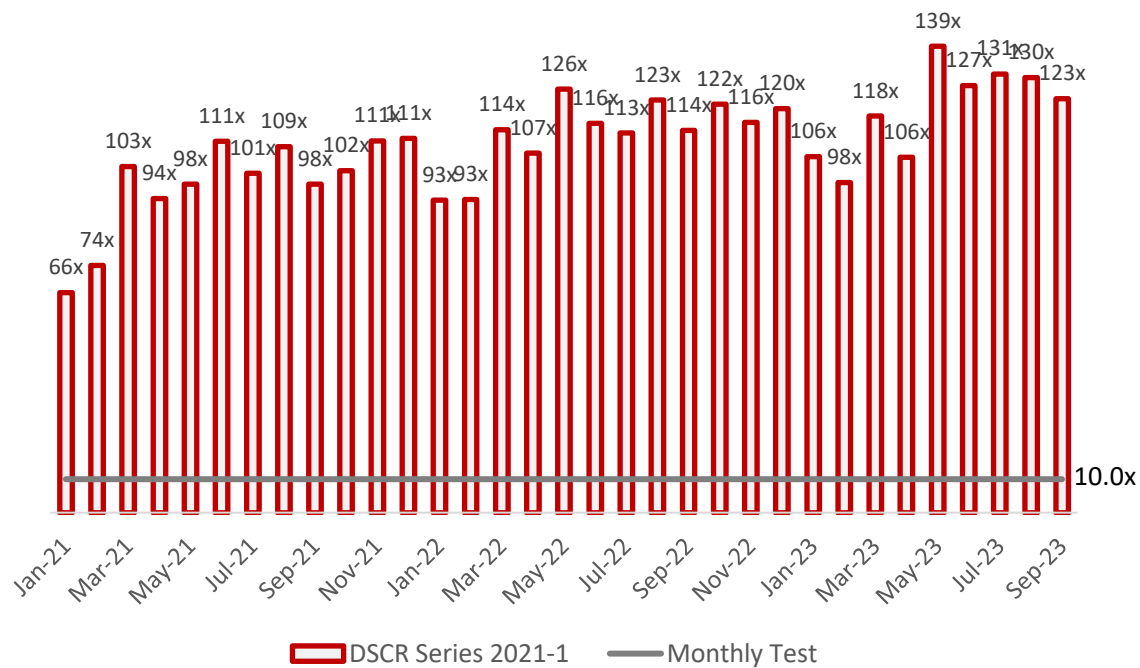




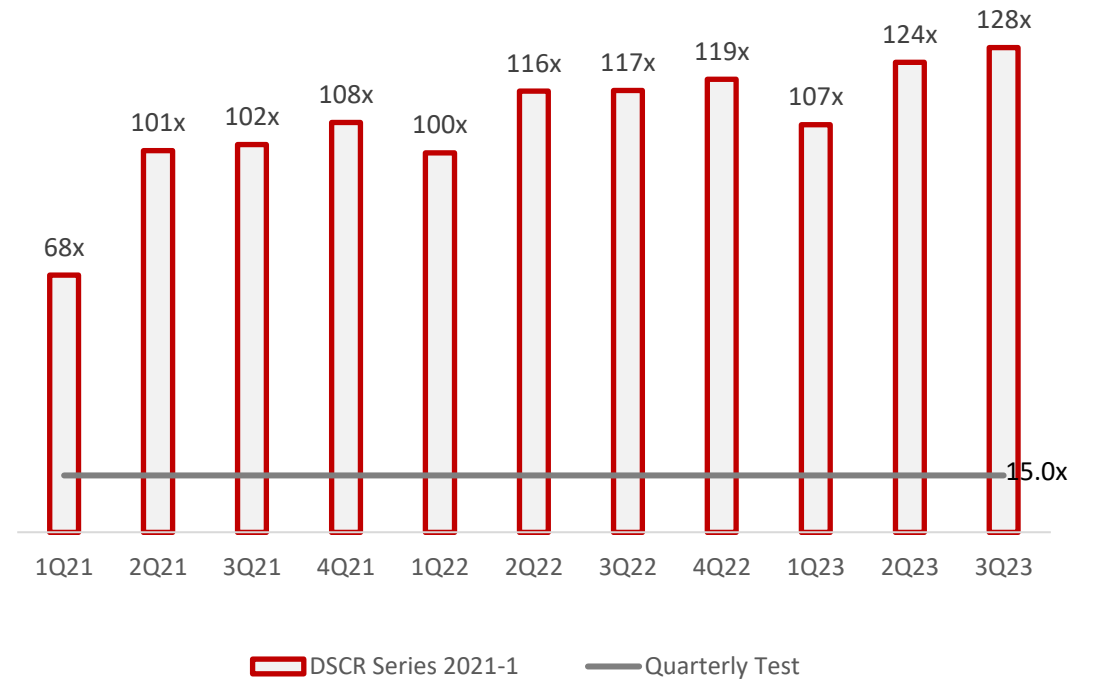
1. Pass Through Account will be established with Citibanamex in Mexico (rated BBB+ by Fitch), by Citibank N.A. as Collateral Agent, and will be MXN-denominated.
2. Collection Account is MXN-denominated, located in London, and in the name of the SPV; SPV is the Mexican Remittances Funding Fiduciary Estate.
3. Series Account & Program Payment Account are USD-denominated, located in New York, and in the name of the SPV.
4. Reserve Account is USD-denominated and located in New York.

- Reimbursement flows were securitized in January 2021, totaling ~US\$14,764 million LTM as of September 2023.
- Series 2021-1 Monthly and Quarterly DSCR was 120x (average over the past 12 months).

Monthly Debt Service Coverage Ratio



Quarterly Debt Service Coverage Ratio



What the regulation and International Standards consider



Amount X
TXN



Risk
Countries



Blacklist
Verification

Our Risk Based Approach



Amount X
TXN



Aggregated
Amount



Txns



Countries



Risk
Countries



POS



Counterparts



Blacklist
Verification

On a **daily, monthly and annual basis.**



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