



Grupo Elektra, S.A.B. de C.V.

BMV: ELEKTRA*; LATIBEX: XEKT

2Q2022

This Presentation makes reference to certain non-IFRS measures. These non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. These measures are provided as additional information to complement IFRS measures by providing further understanding of Grupo Elektra, S.A.B de C.V.'s ("Grupo Elektra", "Elektra" or the "Company") results of operations from a management perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of Grupo Elektra's financial information reported under IFRS.

Forward-Looking Statements

This Presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "plan," "believe," "estimate," "expect," "strategy," "should," "will," "seek," "forecast," and similar references to future periods. Examples of forward-looking statements include, among others, statements concerning the Company's business outlook, future economic performance, anticipated profitability, revenues, expenses, or other financial items, market share, market growth rates, market demand, product or services growth. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are estimates that reflect the best judgment of Grupo Elektra's management based on currently available information. Because forward-looking statements relate to the future, they involve a number of risks, uncertainties and other factors that are outside of its control and could cause actual results to differ materially from those stated in such statements. Therefore, you should not rely on any of these forward-looking statements. All forward-looking statements are based on information available to Grupo Elektra on the date of this Presentation and Grupo Elektra assumes no obligation to update such statements, whether as a result of new information, future developments or otherwise, except as required by law.

- Company description
- Financial Highlights
- Sustainability



Banking and Financial, and Retail



Media



Telecommunications



Others



Social Responsibility / Alliance



- More than 100,000 direct employees
- Presence in Mexico, the US, Colombia, Guatemala, Honduras and Panama

- ❑ Grupo Elektra is the **leading financial services company** and **specialty retailer** in Latin America, and the largest non-bank provider of cash advance services in the US.
- ❑ Seven decades of experience in consumer lending, helping increase the purchasing power of millions of families **ignored by the traditional banking system**.



+70
years
offering
consumer
loans

~73,000
direct
employees

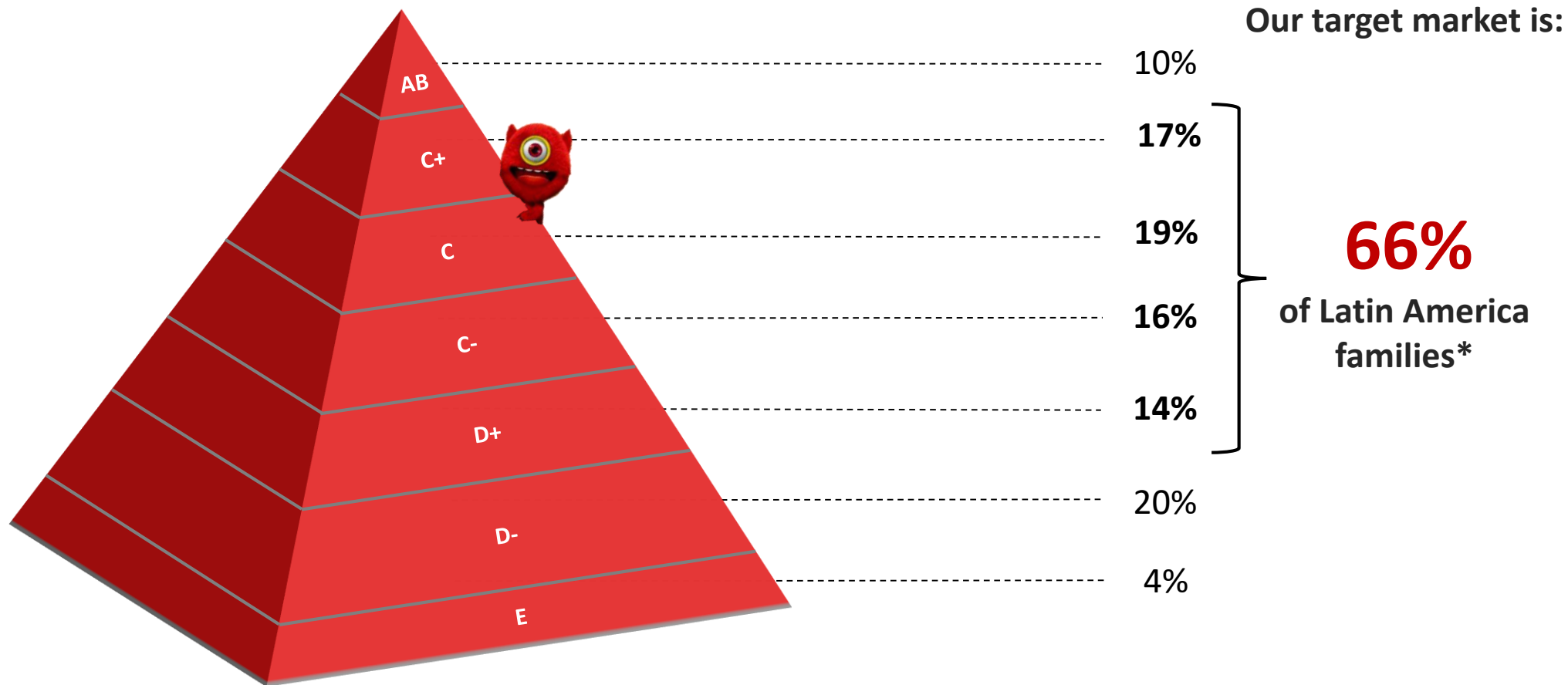
Largest bank
in Mexico,
by number of
branches

6,165 POS in
5 countries in
America

Part of the
S&P/BMV Total
Mexico ESG Index
& **FTSE4GOOD**
Emerging Markets
Index

66% market
share in
motorcycles in
Mexico

18 million
digital banking
customers



❑ In the USA, our target market matches that of the average American citizen: 43 years old, family income of US\$50,000, 79% owns their home, and 96% has a high school certificate or higher.

Source: AMAI (Mexican Association of Research Agencies).

*AMAI estimation based on the data from the national household income and expense poll 2018. Considers cities of 100,000 or more people.

America

Mexico (Concentration by state)

USA:
1,017

Mexico:
4,774

Centro
América
374

Total:
6,165

Purpose
Financial USA

   Mexico

  Guatemala

Honduras  

 Panama



- ❑ More than 70 years focused on the dynamic middle class
- ❑ 1,275 points of contact as of 2Q22:
 - 1,167 in Mexico.
 - 108 in Central America.
- ❑ Average store sales floor in Mexico: 1,095 m².
- ❑ 19 distribution centers:
 - 12 in Mexico.
 - 7 in Central America.
- ❑ Free home delivery or click & collect options.
- ❑ Our own logistics service, "*baz entregas*", it goes where no one else goes.





- ❑ Purchases from any device (cell phone, tablet, computer), call center or in store, a mobile platform is added with a native application (App) for Android and iOS.
- ❑ Uses any form of payment (online and offline), including “Crédito Elektra”, from Banco Azteca, and cryptocurrencies (Bitcoin).
- ❑ Definition of the digital zone in stores:
 - +1,000 tablets for assisted sales.
 - +700 kiosks with specialized hardware for in-store navigation.
 - Click & collect in stores.



- ❑ Free deliveries at home or in our stores on products sold by Elektra.
- ❑ +56% of deliveries are made in store.
- ❑ 29% share of deliveries with "*baz entregas*", which allows us to reduce delivery times up to 48 hours; telephony category same day or day after.
- ❑ New categories with a higher repurchase rate (fashion, footwear, pharmacy, babies, pets, sports, etc.).
- ❑ As of 6M22, online sales represent 4.1% of the total.

elektra

¿Qué beneficios otorga Crédito Elektra?

Si eres comprometido con los pagos de tu Crédito Elektra podrías obtener un descuento del 5%.

Valencia del 1 al 7 de Marzo del 2022. Aplica descuento compra en línea. Consulta términos y condiciones, características, detalles y disponibilidad de los productos, así como porcentaje de descuento aplicable por día de compra en www.elektra.mx

elektra

¡Aprovecha y usa tus **Bitcoin!**

¡Qué emoción! Ya llega

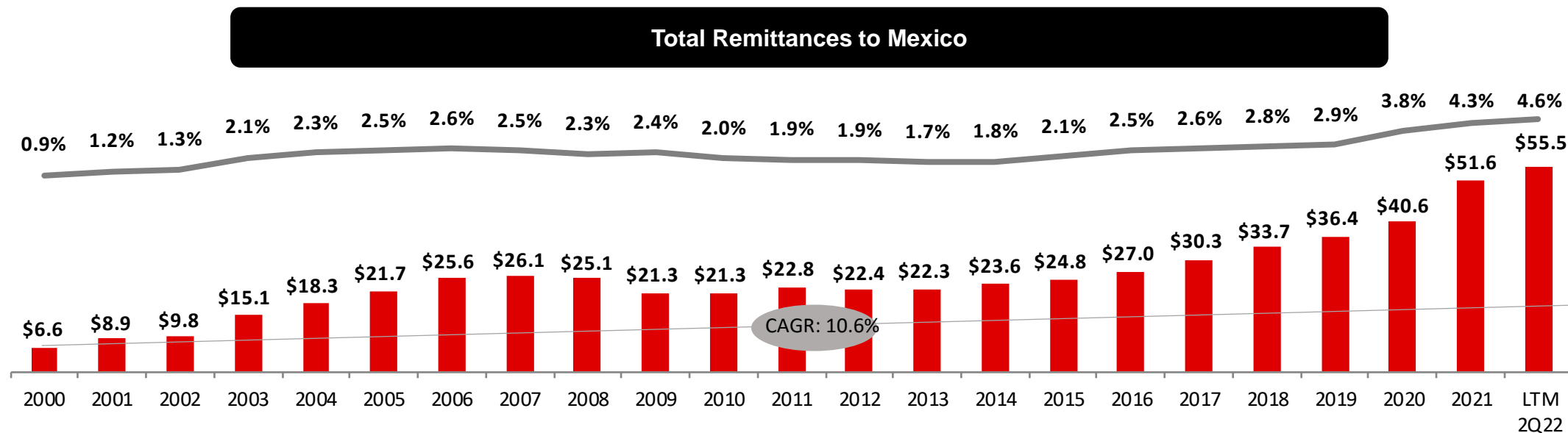
¿Sabías que, al comprar con **CRÉDITO elektra** tienes **Garantía Extendida gratis?**

		
Cobertura a partir de la compra.	Garantía de 3 años en cómputo, 2 años en telefonía y hasta 5 años en línea blanca.	Reparaciones ilimitadas.

Estrena hoy con **Crédito Elektra**

- ❑ Own brand of motorcycles with 66% market share in Mexico.
- ❑ Six assembly lines: close to 850 thousand motorcycles assembled LTM 2Q22.
- ❑ 70 models with engines between 90 and 650 cc.
- ❑ Commercialized in more than 4,700 outlets, including more than 3,300 third-party points of contact in Mexico; and at Elektra.com.mx, Tienda.Italika.mx and its Italika+ app.
- ❑ 980 authorized service centers in Mexico and 250 in Central America.
- ❑ It has sold close to 6.9 million motorcycles since 2005; and more than 928 thousand motorcycles during the LTM 2Q22.
- ❑ In 2021, the Hero brand was launched in Mexico; nearly 14,000 motorcycles have been sold.
- ❑ Participate with the government of Mexico to establish a plan for locating components for the promotion of the national supply.





* Source: Banxico, World Bank

■ Remittances — Remittances as % of GDP

□ **Remittances in Mexico continue to be resistant despite the situation derived from the Covid-19 pandemic:**

- GDP in Mexico 2021 +5% vs remittances +27%
- GDP 1Q22 +1.6% vs remittances +18%
- New historical record in LTM 2Q22, reaching \$55,504 million (+23.4% vs LTM 2Q21)

- ❑ Since 2002, Banco Azteca has offered banking and financial products and services to millions of families unattended by the traditional banking sector.
- ❑ 25.1 million savings accounts in Mexico, a significant figure in a country with 35 million households.
- ❑ In México, we are:
 - The largest bank measured by points of contact, employees and personal loan portfolio.
 - The only financial institution in 200 of the 913 municipalities with a banking presence.
 - 3,837 points of contact (1,311 inside our Elektra and Salinas y Rocha stores), and a network of almost 5,000 ATMs in agreement with other Banks.
- ❑ Workforce of more than 15,000 collectors in field to collect either late installments or past due loans. No other competitor has a comparable workforce only for this task.
- ❑ A solid base of deposits with flexible funding, no commissions, and savings accounts starting with Ps.1.
- ❑ Banco Azteca disperses the social programs from the federal government of Mexico to 18% of those under assistance.





Digital Banking

- ❑ It offers products and payment of services through mobile devices.
- ❑ Since 2002, Banco Azteca pioneered the use of fingerprints to identify customers and authenticate their operations.
- ❑ In 2019, certified the use of “*Cobro Digital*” or “*CoDi*” (Digital Purchase), based on QR codes, and facial recognition was implemented.
- ❑ **18 million active digital accounts.**
- ❑ On average, about **74 million weekly transactions** during 6M22.
- ❑ **6 of 10 personal credits** are through the app.
- ❑ It is mobile banking app highest rated by users in the iOS and Android stores in Mexico.



- ❑ Pension fund administrator “AFORE” since 2003.
- ❑ Assets under management for Ps.209.8 billion in 2Q22 (23% vs. 2Q21).
- ❑ 8.0 million accounts, which represents 36% of the total accounts registered as of 2Q22
- ❑ 1st AFORE with net transfers as of 2Q22.
- ❑ +10,000 registered promoters.
- ❑ +2,400 branches for personalized service.
- ❑ 14% market share in 2021 based on clients.



- ❑ Started operations in 2004.
- ❑ Provides life, health and casualty insurance products.
- ❑ Casualty insurance covers property, cars and motorcycles.
- ❑ Micro insurance in case of accidents and illnesses: accidental death, breast or cervical cancer, first heart attack.
- ❑ In 2020, started to offer special products for immigrants, education, remittances and COVID-19.
- ❑ Premiums for Ps.3,238 million in LTM 2Q22.



- ❑ Previously known as Advance America.
- ❑ Leading provider of non-bank cash advance services in the USA, measured by number of stores.
- ❑ 1,017 locations in 24 states.
- ❑ ~4.4 million of loans in 2021: pay day, title, instalment and online.



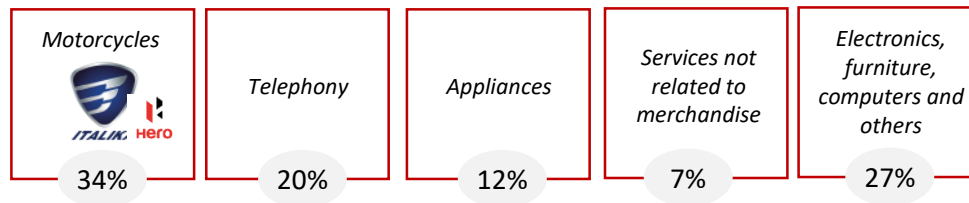
- ❑ Participation in 119 issuances in the securities market, for an amount of Ps.103.6 billion as of 2Q22.



Commercial Business
*Revenues LTM 2Q22: Ps.\$68,556 millions,
 44% of Consolidated Revenues*



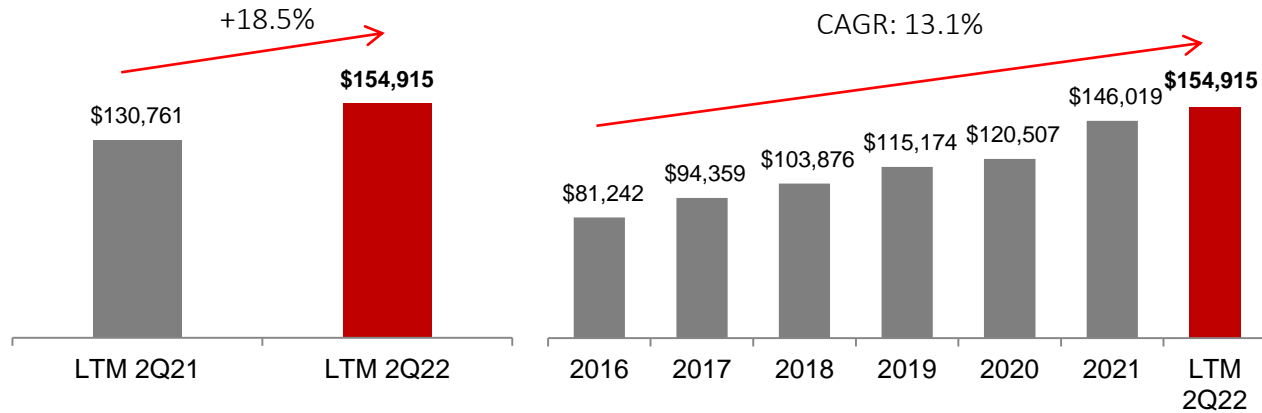
Categories



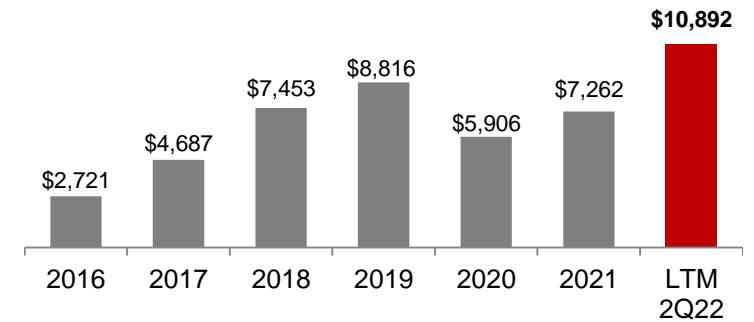
Financial Business
*Revenues LTM 2Q22: Ps.\$86,359 millions
 56% of Consolidated Revenues*



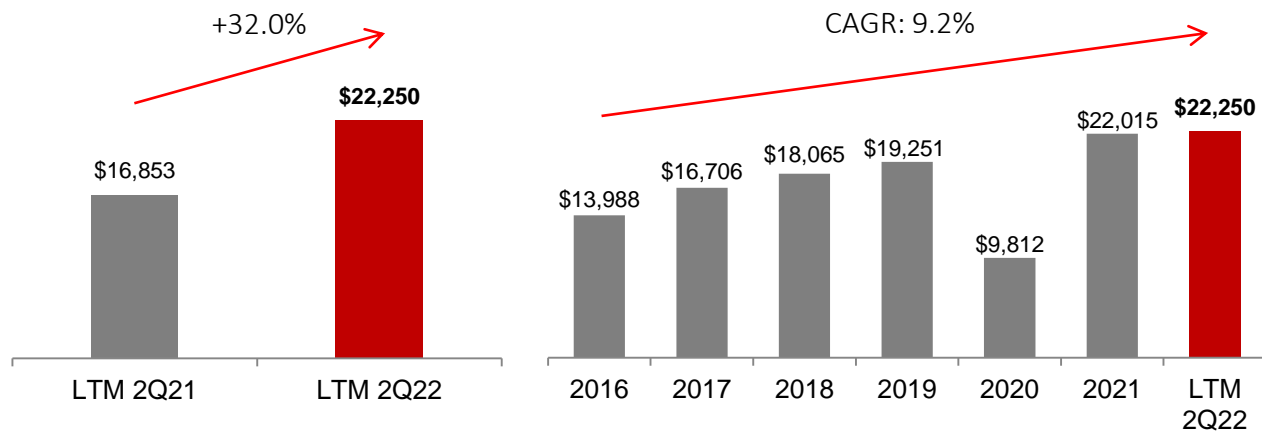
Consolidated Revenues



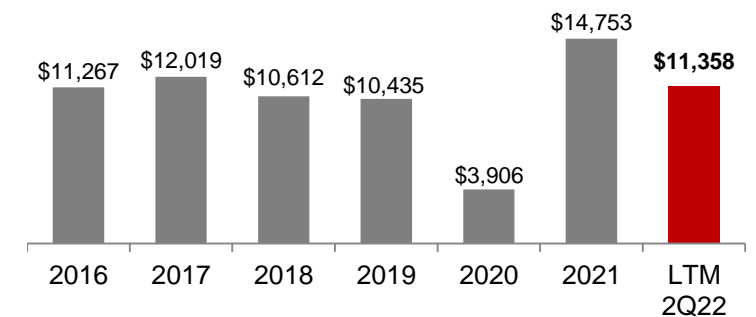
CAPEX



Consolidated EBITDA



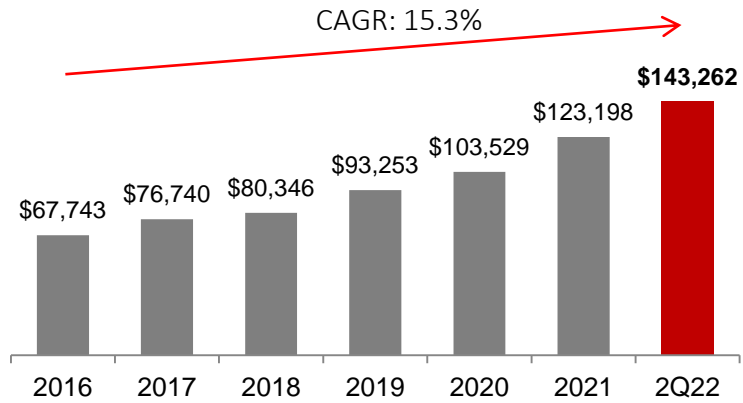
Cash Flow⁽¹⁾



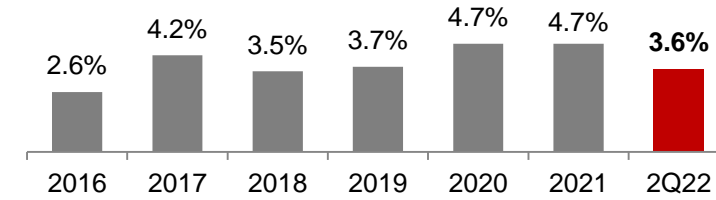
Year	2016	2017	2018	2019	2020	2021	LTM 2Q22
Margin:	17.2%	17.6%	17.5%	16.0%	8.1%	15.1%	14.3%

(1) Cash Flow = EBITDA - CAPEX

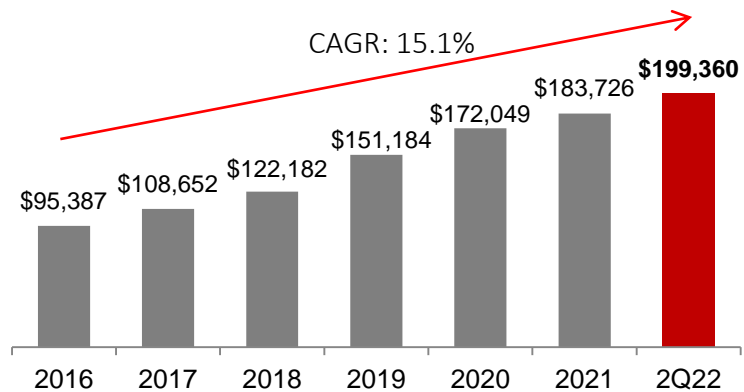
Gross Loan Portfolio



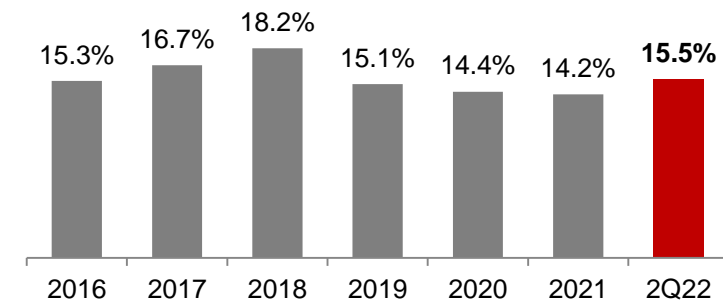
Delinquency Rate



Demand Deposits

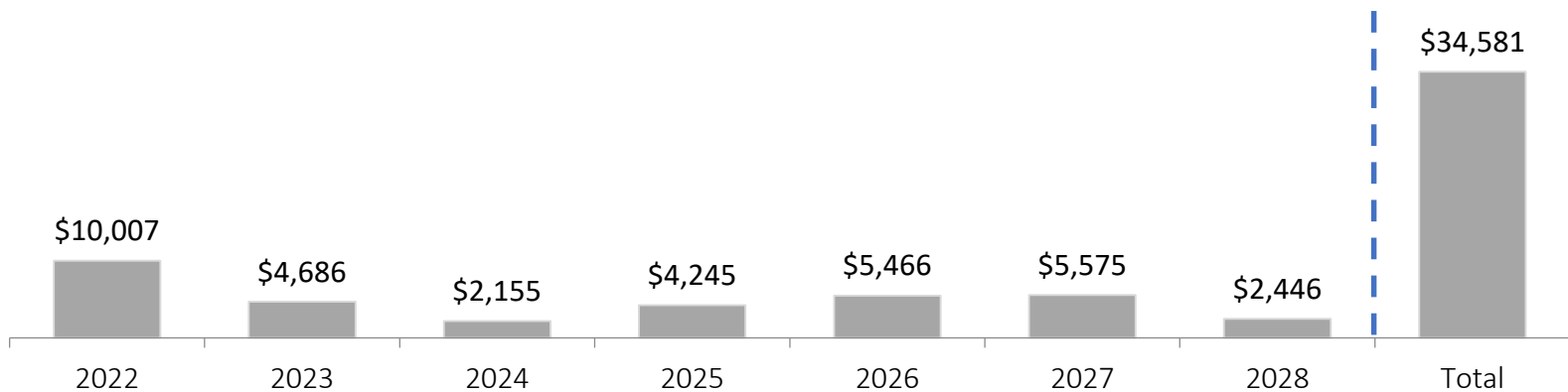


Capitalization Index

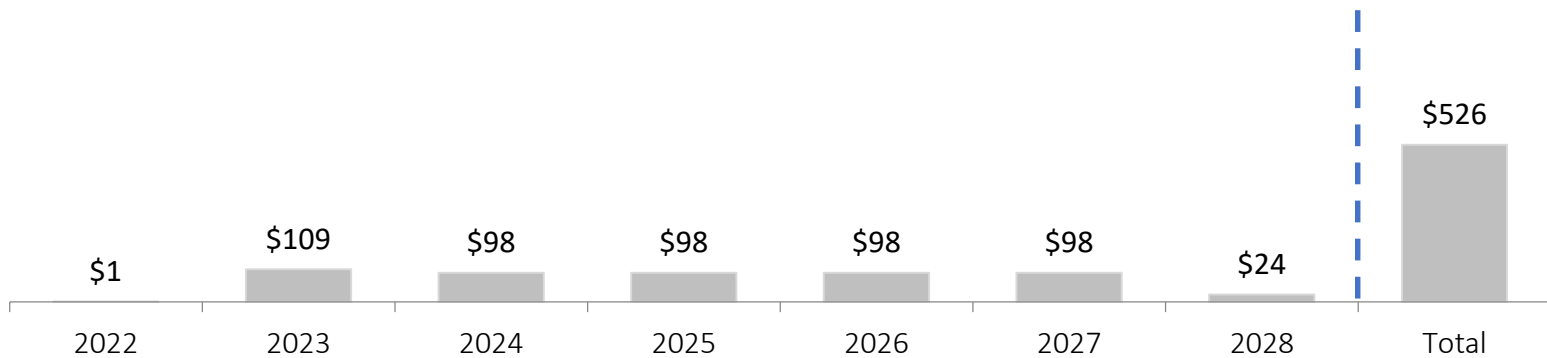


Deposits to Gross Loan Portfolio: 1.7x 1.4x 1.4x 1.5x 1.6x 1.7x 1.4x

Annual Amortization Schedule (Ps. Millions)



US\$ Millions Annual Amortization Schedule (included in the graph above)



Descripción	USD\$ mm	MXN\$ mm	Tasa de interés pactada	Fecha de emisión	Fecha de venc.
<i>Negocio Comercial</i>					
Certificados Fiduciarios (SPlus)	-	500	TIIE + 3.50%	17-may-22	09-ago-22
Cebures Elektra 19-2	-	2,500	TIIE + 2.30%	25-abr-19	06-oct-22
Cebures Elektra 21	-	4,010	TIIE + 2.20%	13-abr-21	25-oct-22
Cebures Elektra 00121	-	2,500	TIIE + 1.10%	13-dic-21	09-dic-22
Cebures Elektra 16-2	-	500	8.16%	07-abr-16	30-mar-23
Bank of China	35	699	Libor3m + 2.40%	01-abr-20	01-abr-23
(1) Banco Multiva	-	377	TIIE + 2.75%	11-jun-18	10-may-23
Cebures Elektra 00122	-	1,500	TIIE + 1.05%	08-jun-22	07-jun-23
Cebures Elektra 22	-	2,085	TIIE + 1.79%	03-mar-22	27-mar-25
(1) Cebures Elektra 21U	-	3,308	4.53% Real	13-abr-21	07-abr-26
Cebures Elektra 20	-	2,500	9.35%	13-may-20	05-may-27
(1) Bancomext	-	1,017	TIIE + 2.50%	21-jul-17	21-jul-27
Cebures Elektra 22-2	-	1,004	10.55%	03-mar-22	26-ago-27
(2) Senior Notes (USD)	489	9,770	4.875% USD	20-ene-21	15-ene-28
Cebures Elektra 22U	-	1,958	6.24% Real	03-mar-22	24-ago-28
Subtotal	524	34,229			
<i>Negocio Financiero</i>					
Banco de México		101	8.02%	19-may-22	17-nov-22
Banco de México		200	7.95%	23-jun-22	22-sep-22
BAC Honduras	1	20	Libor 3M + 4.05%	20-sep-21	20-sep-22
BAC Honduras II	1	20	Libor 3M + 3.27%	18-mar-22	18-mar-23
Banco de México (SHIF)	-	11	9.10%	26-feb-07	05-jul-27
Subtotal	2	352			
Total	526	34,581			

1) They have interest rate coverage.

2) Balance of Senior Notes net of issuance expenses.

Social

- ❑ In 2021, we continue our inclusive prosperity activities through our commitment to the 10 Principles of the United Nations Global Compact and the 17 Sustainable Development Goals, and we **integrated the UN Women Principles for the Empowerment of Women**.
- ❑ Of our collaborators, **39.5% are women, 2.6% speak a total of 28 indigenous languages, 3.9% are LGBT+ and 0.1% are people with a disability**
- ❑ In 2021, **Italika** obtained the **Socially Responsible Company** distinction for the **7th** consecutive year, while **Banco Azteca** and **Tiendas Elektra** obtained it for the **5th** consecutive time. In addition, in 2020, **Tiendas Elektra, Italika and Banco Azteca** obtained the **Social Inclusion Badge** awarded by the Mexican Center for Philanthropy (CEMEFI).
- ❑ Through the financial education program "**Aprinde y Crece**", **60 webinars** were offered and more than **300 different contents** were generated (infographics, notes, videos, etc.), which impacted **more than 66 million children, youth, women, entrepreneurs, businessmen, employees, clients and users of financial services**.



Environmental

- ❑ **35%** of the electricity consumed by Grupo Elektra comes from **renewable sources**
- ❑ **81%** of Grupo Elektra's **total emissions** correspond to **indirect emissions** from electricity generation, **Type Scope 2**, which had a 30% decrease compared to the previous year
- ❑ For electricity consumption, we are also making progress in self-generation with solar panels, a project that could be extended to stores and branches that have technical and economic potential



Corporate Governance

- ❑ In 2022, **four new independent board members** were appointed, including **two women** who add inclusion and skills that strengthen the board's decision-making
- ❑ Grupo Elektra and Banco Azteca ranked 37th and 23rd, respectively, in the **Corporate Integrity Index (IC500)** published in 2022 by Expansión magazine and Mexicans Against Corruption and Impunity and Transparency Mexicana.¹
- ❑ The **Integrity Committee** was formed, made up of three managers appointed by the Shareholders' Meeting, to support the CEO in compliance with the **Code of Ethics and Conduct**, and the **Ethics, Integrity and Compliance Program** to detect, prevent and treat any risk of corruption.²
- ❑ Banco Azteca **ranks fifth** among the financial institutions with the best **Responsibility and Corporate Governance** in Mexico, according to the ranking prepared in 2021 by Merco (Business Monitor of Corporate Reputation).³
- ❑ The **2021 Sustainability Report** integrates the methodologies of the Global Reporting Initiative, the UN Global Compact, the UN Sustainable Development Goals, the Sustainability Accounting Standards Board and the UN Women's Principles for the Empowerment of Women.

1. <https://www.integridadcorporativa500.mx/>

2. <http://cfi.co/awards/latin-america/2017/grupo-elektra-best-corporate-governance-mexico-2016/>

3. <http://www.grupoelektra.com.mx/es/programa-etica-integridad-cumplimiento>



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