



**GRUPO ELEKTRA ANNOUNCES REMARKABLE 1.5-TIMES GROWTH IN EBITDA,
TO Ps.5,557 MILLION IN THE THIRD QUARTER OF 2021**

**—Solid performance of both commercial and financial businesses
generates 20% increase in consolidated revenue, to Ps.35,504 million—**

**—Strong growth in the loan portfolio of Banco Azteca México;
increases 13%, to Ps.111,888 million—**

Mexico City, October 27, 2021—Grupo Elektra, S.A.B. de C.V. (BMV: ELEKTRA* Latibex: XEKT), Latin America's leading specialty retailer and financial services company, and the largest non-bank provider of cash advance services in the United States, today announced third quarter 2021 financial results.

Third Quarter Results

Consolidated revenue grew 20%, to Ps.35,504 million in the period, compared to Ps.29,646 million in the same quarter of the previous year. Operating costs and expenses were Ps.29,947 million, from Ps.27,438 million in the same period of 2020.

As a result, EBITDA was Ps.5,557 million, compared to Ps.2,208 million a year ago. Operating income was Ps.3,433 million this quarter, from Ps.281 million in the same period of 2020.

The company reported net income of Ps.999 million, compared to a net loss of Ps.1,636 million a year ago.

	3Q 2020	3Q 2021	Change	
			Ps.	%
Consolidated revenue	\$29,646	\$35,504	\$5,858	20%
EBITDA	\$2,208	\$5,557	\$3,349	----
Operating profit	\$281	\$3,433	\$3,152	----
Net result	\$(1,636)	\$999	\$2,635	----
Net result per share	\$(7.19)	\$4.39	\$11.59	----

Figures in millions of pesos

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.

As of September 30, 2020, Elektra* outstanding shares were 227.6 million and as of September 30, 2021, were 227.2 million.

Revenue

Consolidated revenue increased 20% in the period, as a result of a 25% growth in financial income and a 14% increase in commercial sales.

The increase in financial income — to Ps.20,202 million, from Ps.16,188 million in the previous year — reflects a 29% increase in Banco Azteca México's income, in the context of strong growth in the gross loan portfolio in the period, which boosts the well-being of millions of families and the expansion of activities of thousands of businesses.

The increase in sales of the commercial business — to Ps.15,302 million, from Ps.13,457 million a year ago — results largely from solid growth in sales of Italika motorcycles — which enhances business productivity and mobility of families — and telephony — that strengthens the connectivity of an increased number of users — commercialized with optimal customer service, in the most competitive market conditions.

Sales of the commercial business had an additional boost with the development of new stores with a format that offers an optimal mix of merchandise and services, and allows to maximize the customer's shopping experience. Similarly, the Omnichannel operations, with the online store www.elektra.com.mx, which sells thousands of products at unparalleled prices, from any device and at any time, further strengthened business performance.

Costs and Expenses

Consolidated costs for the quarter grew 17%, to Ps.16,855 million, from Ps.14,380 million in the previous year, as a result of a 19% increase in commercial cost — consistent with higher revenue from merchandise sales — and an increase of 14% in the cost of the financial business, derived from the increase in loan loss reserves, in line with the growth of the gross loan portfolio in the period.

Selling, administrative and promotional expenses were Ps.13,092 million practically unchanged from Ps.13,058 million a year ago, as a result of higher operating expenses, offset by reductions in personnel and advertising expenses. The stability in expenses, compared to the growing income in the period, reflects the implementation of strategies that effectively enhance the operating efficiency of the company.

EBITDA and net result

EBITDA was Ps.5,557 million, from Ps.2,208 million from the previous year. The company reported operating income of Ps.3,433 million, compared to Ps.281 million in the same quarter of 2020.

The most important variation below EBITDA was an increase of Ps.469 million in other financial results, which reflects a 3% reduction this quarter in the market value of the underlying financial instruments that the company owns — and that does not imply cash flow — compared to a 5% decrease a year ago.

Consistent with the results of the quarter, there was an increase of Ps.1,139 million in the provision for taxes in the period.

Grupo Elektra reported net income of Ps.999 million, from a loss of Ps.1,636 million a year ago.

Unconsolidated Balance Sheet

In order to allow the visualization of the non-consolidated financial situation, a pro forma exercise of the balance sheet of Grupo Elektra is presented, excluding the net assets of the financial business, whose investment is valued under the equity method, in this case.

This presentation shows the debt of the company without considering Banco Azteca's immediate and term deposits, which do not constitute debt with cost for Grupo Elektra. The pro forma balance sheet also does not include the bank's gross loan portfolio.

This proforma exercise provides greater clarity regarding the businesses that make up the company and allows financial market participants to estimate the value of the company, considering only the relevant debt for such calculations.

Consistent with this, the debt with cost was Ps.32,505 million as of September 30, 2021, compared to Ps.25,731 million in the previous year. The balance of cash and cash equivalents was Ps.7,476 million, from Ps.5,358 million from the previous year. As

a result, net debt as of September 30, 2021, was Ps.25,029 million, compared to Ps.20,373 million a year ago.

As previously announced, during the first quarter, Grupo Elektra's subsidiary, Nueva Elektra del Milenio, S.A. de C.V., as originator, placed through a special purpose vehicle established under Luxembourg law, Senior Notes for US\$500 million, for seven years, at a 4.875% rate, in international markets.

On the other hand, during the quarter, Certificados Bursátiles Fiduciarios for Ps.2,030 million were early amortized. The amount corresponds to the outstanding balance of the DINEXCB 16 issues — for Ps.1,350 million due 2023 with a rate of TIIE + 2.8% — and DINEXCB 16-2 for Ps.680 million, due 2026 and a fixed rate of 8.8%.

As of September 30, 2021, the company's stockholders' equity was Ps.104,639 million, and the stockholders' equity to total liabilities ratio was 1.35 times.

	As of September 30 2020	As of September 30 2021	Cambio	
			Ps.	%
Cash and cash equivalents	\$ 5,358	\$ 7,476	2,118	40%
Marketable financial instruments	38,774	34,734	(4,041)	(10%)
Inventories	14,200	19,130	4,930	35%
Accounts receivables	47,088	58,408	11,320	24%
Other current assets	3,655	5,167	1,512	41%
Investments in shares	35,686	38,189	2,503	7%
Fixed assets	7,695	7,406	(290)	(4%)
Right of use assets	8,556	8,700	144	2%
Other assets	1,543	2,757	1,215	79%
Total assets	\$ 162,555	\$ 181,967	\$19,412	12%
Short-term debt	\$ 11,356	\$ 14,450	3,095	27%
Suppliers	9,184	8,374	(810)	(9%)
Other short-term liabilities	13,853	12,967	(886)	(6%)
Long-term debt	14,375	18,055	3,680	26%
Differed taxes	10,217	12,284	2,066	20%
Other long-term debt	9,470	11,198	1,728	18%
Total liabilities	\$ 68,455	\$ 77,328	\$ 8,874	13%
Stakeholder's equity	\$ 94,100	\$ 104,639	\$10,539	11%
Liabilities and equity	\$ 162,555	\$ 181,967	\$19,412	12%

Figures in millions of pesos.

Consolidated Balance Sheet

Loan Portfolio and Deposits

Banco Azteca Mexico, Purpose Financial and Banco Azteca Latin America's consolidated gross portfolio as of September 30, 2021, grew 10%, to Ps.129,929 million, from Ps.118,026 million the previous year. The consolidated delinquency rate was 4.7% at the end of this period, compared to 5.1% the previous year.

Banco Azteca México's gross portfolio balance increased 13% to Ps.111,888 million, from Ps.99,395 million a year ago. The Bank's delinquency rate at the end of the quarter was 4.7%, compared to 5.1% the previous year.

The average term of the credit portfolio for principal credit lines — consumer, personal loans, and Tarjeta Azteca — was 64 weeks at the end of the third quarter.

Grupo Elektra's consolidated deposits were Ps.180,609 million, compared to Ps.176,535 million a year ago. Banco Azteca México's traditional deposits were Ps.177,908 million, from Ps.170,634 million from the previous year.

The ratio of deposits to gross portfolio of Banco Azteca Mexico of 1.6 times, strengthens the solid growth prospects of the Bank, with optimal funding cost.

The capitalization ratio of Banco Azteca México was 14.8%.

Infrastructure

Grupo Elektra currently has 6,400 points of contact, compared to 6,945 units the previous year. The decrease is mainly due to the closure of 280 contact points in Latin America, largely derived from the sale of Banco Azteca del Peru in the fourth quarter of 2020, as well as the closure of 249 contact points of Purpose Financial in the United States — in the context of strategies aimed at boosting online credit operations and strengthening the company's operating efficiency.

In Mexico, in the last twelve months, 20 new Elektra stores were opened in strategic locations, with a format that offers an optimal mix of products and services, and allows the customer to maximize the purchase experience.

The company has 4,762 storefronts in Mexico at the end of the quarter, 1,272 in the United States, and 366 in Central America. The important distribution network allows the company to maintain close contact with customers and grants a superior market positioning in the countries where it operates.

Nine-month consolidated results

Consolidated revenues in the first nine months of the year grew 19%, to Ps.102,957 million, from Ps.86,844 million registered in the same period of 2020, driven by a 28% growth in sales of the commercial business and 12% in financial business income.

EBITDA was Ps.16,076 million, compared to Ps.5,687 million in the previous year. The company reported operating income of Ps.9,989 million, from an operating loss of Ps.281 million a year ago.

In the first nine months of 2021, a net income of Ps.10,996 million was recorded, compared to a loss of Ps.5,031 million a year ago. The change reflects superior operating results this period, as well as a gain in the market value of the underlying financial instruments that the company owns — and that does not imply cash flow — compared to loss in the previous year.

	9M 2020	9M 2021	Change	
			Ps.	%
Consolidated revenue	\$86,844	\$102,957	\$16,112	19%
EBITDA	\$5,687	\$16,076	\$10,389	----
Operating profit	\$(281)	\$9,989	\$10,270	----
Net result	\$(5,031)	\$10,996	\$16,027	----
Net resul per share	\$(22.10)	\$48.40	\$70.50	----

Figures in millions of pesos

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization.

As of September 30, 2020, Elektra* outstanding shares were 227.6 million and as of September 30, 2021, were 227.2 million.

Company Profile:

Grupo Elektra is Latin America's leading financial services company and specialty retailer and the largest non-bank provider of cash advance services in the United States. The group operates more than 6,600 points of contact in Mexico, the United States, Guatemala, Honduras, Panama and Peru.

Grupo Elektra is a Grupo Salinas company (www.gruposalinas.com), a group of dynamic, fast growing, and technologically advanced companies focused on creating: economic value through market innovation and goods and services that improve standards of living; social value to improve community wellbeing; and environmental value by reducing the negative impact of its business activities. Created by Mexican entrepreneur Ricardo B. Salinas (www.ricardosalinas.com), Grupo Salinas operates as a management development and decision forum for the top leaders of member companies. These companies include TV Azteca (www.TVazteca.com; www.irtvazteca.com), Grupo Elektra (www.grupoelektra.com.mx), Banco Azteca (www.bancoazteca.com.mx), Purpose Financial (havepurpose.com), Afore Azteca (www.aforeazteca.com.mx), Seguros Azteca (www.segurosazteca.com.mx), Punto Casa de Bolsa (www.puntocasadebolsa.mx), Totalplay (irtotalplay.mx; www.totalplay.com.mx) and Totalplay

Empresarial (totalplayempresarial.com.mx). TV Azteca and Grupo Elektra trade shares on the Mexican Stock Market and in Spains' Latibex market. Each of the Grupo Salinas companies operates independently, with its own management, board of directors and shareholders. Grupo Salinas has no equity holdings. The group of companies shares a common vision, values and strategies for achieving rapid growth, superior results and world-class performance.

Except for historical information, the matters discussed in this press release are concepts about the future that involve risks and uncertainty that may cause actual results to differ materially from those projected. Other risks that may affect Grupo Elektra and its subsidiaries are presented in documents sent to the securities authorities.

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GRUPO ELEKTRA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
MILLIONS OF MEXICAN PESOS

	<u>3Q20</u>		<u>3Q21</u>		<u>Change</u>	
Financial income	16,188	55%	20,202	57%	4,013	25%
Commercial income	13,457	45%	15,302	43%	1,845	14%
Income	29,646	100%	35,504	100%	5,858	20%
Financial cost	5,138	17%	5,849	16%	711	14%
Commercial cost	9,242	31%	11,006	31%	1,765	19%
Costs	14,380	49%	16,855	47%	2,475	17%
Gross income	15,266	51%	18,649	53%	3,383	22%
Sales, administration and promotion expenses	13,058	44%	13,092	37%	34	0%
EBITDA	2,208	7%	5,557	16%	3,349	100%
Depreciation and amortization	2,009	7%	2,132	6%	123	6%
Other income, net	(82)	0%	(8)	0%	73	90%
Operating income	281	1%	3,433	10%	3,152	100%
Comprehensive financial result:						
Interest income	231	1%	242	1%	11	5%
Interest expense	(849)	-3%	(867)	-2%	(18)	-2%
Foreign exchange gain, net	47	0%	65	0%	18	38%
Other financial results, net	(1,961)	-7%	(1,492)	-4%	469	24%
	(2,532)	-9%	(2,052)	-6%	480	19%
Participation in the net income of CASA and other associated companies	63	0%	24	0%	(39)	-62%
(Loss) income before income tax	(2,188)	-7%	1,405	4%	3,593	----
Income tax	735	2%	(404)	-1%	(1,139)	----
(Loss) income before discontinued operations	(1,453)	-5%	1,001	3%	2,454	----
Result from discontinued operations	(183)	-1%	(2)	0%	181	99%
Consolidated net (loss) income	(1,636)	-6%	999	3%	2,635	----

GRUPO ELEKTRA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
MILLIONS OF MEXICAN PESOS

	9M20		9M21		Change	
Financial income	51,851	60%	58,217	57%	6,367	12%
Commercial income	34,994	40%	44,740	43%	9,746	28%
Income	86,844	100%	102,957	100%	16,112	19%
Financial cost	20,409	24%	16,325	16%	(4,084)	-20%
Commercial cost	23,128	27%	31,884	31%	8,757	38%
Costs	43,536	50%	48,209	47%	4,673	11%
Gross income	43,308	50%	54,748	53%	11,440	26%
Sales, administration and promotion expenses	37,621	43%	38,672	38%	1,051	3%
EBITDA	5,687	7%	16,076	16%	10,389	100%
Depreciation and amortization	6,037	7%	6,194	6%	157	3%
Other loss (income), net	(69)	0%	(106)	0%	(37)	-54%
Operating (loss) income	(281)	0%	9,989	10%	10,270	---
Comprehensive financial result:						
Interest income	739	1%	620	1%	(119)	-16%
Interest expense	(2,732)	-3%	(2,782)	-3%	(50)	2%
Foreign exchange gain, net	2,489	3%	309	0%	(2,179)	-88%
Other financial results, net	(6,039)	-7%	7,618	7%	13,657	---
	(5,543)	-6%	5,766	6%	11,309	---
Participation in the net income of CASA and other associated companies	(696)	-1%	45	0%	742	---
(Loss) income before income tax	(6,521)	-8%	15,800	15%	22,321	---
Income tax	2,044	2%	(4,673)	-5%	(6,717)	---
(loss) income before discontinued operations	(4,478)	-5%	11,126	11%	15,604	---
Result from discontinued operations	(554)	-1%	(130)	0%	423	76%
Consolidated net (loss) income	(5,031)	-6%	10,996	11%	16,027	---

GRUPO ELEKTRA, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
MILLIONS OF MEXICAN PESOS

	Commercial Business	Financial Business	Grupo Elektra	Commercial Business	Financial Business	Grupo Elektra	Change	
	<u>At September 30, 2020</u>			<u>At September 30, 2021</u>				
Cash and cash equivalents	5,358	30,343	35,701	7,476	29,399	36,875	1,174	3%
Marketable financial instruments	9,689	85,492	95,182	7,233	112,619	119,852	24,670	26%
Performing loan portfolio	-	67,154	67,154	-	75,574	75,574	8,420	13%
Total past-due loans	-	5,061	5,061	-	5,057	5,057	(3)	0%
Gross loan portfolio	-	72,214	72,214	-	80,631	80,631	8,417	12%
Allowance for credit risks	-	8,885	8,885	-	12,257	12,257	3,372	38%
Loan portfolio, net	-	63,329	63,329	-	68,374	68,374	5,045	8%
Inventories	14,200	-	14,200	19,130	-	19,130	4,930	35%
Other current assets	16,763	13,152	29,914	18,032	11,044	29,076	(838)	-3%
Total current assets	46,009	192,316	238,326	51,871	221,436	273,307	34,982	15%
Financial instruments	29,085	159	29,244	27,501	50	27,551	(1,693)	-6%
Performing loan portfolio	-	44,857	44,857	-	48,213	48,213	3,356	7%
Total past-due loans	-	955	955	-	1,085	1,085	130	14%
Gross loan portfolio	-	45,812	45,812	-	49,298	49,298	3,486	8%
Allowance for credit risks	-	1,559	1,559	-	1,996	1,996	437	28%
Loan portfolio	-	44,253	44,253	-	47,302	47,302	3,049	7%
Other non-current assets	19,921	189	20,110	32,590	313	32,902	12,792	64%
Investment in shares	1,300	-	1,300	1,879	-	1,879	579	45%
Property, furniture, equipment and investment in stores, net	7,695	8,141	15,836	7,406	8,138	15,543	(293)	-2%
Intangible assets	508	7,753	8,261	519	7,213	7,733	(529)	-6%
Right of use asset	8,556	1,763	10,318	8,488	2,462	10,950	632	6%
Other assets	1,034	8,979	10,013	2,238	6,192	8,430	(1,583)	-16%
TOTAL ASSETS	114,109	263,553	377,662	132,492	293,106	425,598	47,936	13%
Demand and term deposits	-	176,535	176,535	-	180,609	180,609	4,074	2%
Creditors from repurchase agreements	-	21,424	21,424	-	43,657	43,657	22,232	104%
Short-term debt	11,127	617	11,744	14,450	102	14,553	2,809	24%
Leasing	2,087	977	3,065	1,412	1,104	2,516	(549)	-18%
Short-term liabilities with cost	13,214	199,554	212,768	15,863	225,471	241,334	28,566	13%
Suppliers and other short-term liabilities	20,194	13,600	33,794	19,700	15,218	34,918	1,124	3%
Short-term liabilities without cost	20,194	13,600	33,794	19,700	15,218	34,918	1,124	3%
Total short-term liabilities	33,408	213,154	246,562	35,563	240,690	276,252	29,690	12%
Long-term debt	14,337	20	14,357	18,055	14	18,069	3,712	26%
Leasing	7,469	928	8,398	8,039	1,325	9,363	965	11%
Long-term liabilities with cost	21,807	949	22,755	26,094	1,338	27,432	4,677	21%
Long-term liabilities without cost	12,218	2,026	14,244	15,443	1,831	17,274	3,031	21%
Total long-term liabilities	34,024	2,975	36,999	41,537	3,170	44,707	7,708	21%
TOTAL LIABILITIES	67,432	216,129	283,561	77,100	243,859	320,959	37,398	13%
TOTAL STOCKHOLDERS' EQUITY	46,677	47,424	94,100	55,392	49,246	104,639	10,539	11%
LIABILITIES + EQUITY	114,109	263,553	377,662	132,492	293,106	425,598	47,936	13%

INFRASTRUCTURE

	<u>3Q20</u>		<u>3Q21</u>		<u>Change</u>	
<u>Points of sale in Mexico</u>						
Elektra	1,141	16%	1,146	18%	5	0%
Salinas y Rocha	37	1%	36	1%	(1)	-3%
Banco Azteca	1,846	27%	1,854	29%	8	0%
Freestanding branches	1,754	25%	1,726	27%	(28)	-2%
Total	4,778	69%	4,762	74%	(16)	0%
<u>Points of sale in Central America</u>						
Elektra	192	3%	107	2%	(85)	-44%
Banco Azteca	379	5%	206	3%	(173)	-46%
Freestanding branches	75	1%	53	1%	(22)	-29%
Total	646	9%	366	6%	(280)	-43%
<u>Points of sale in North America</u>						
Purpose Financial	1,521	22%	1,272	20%	(249)	-16%
Total	1,521	22%	1,272	20%	(249)	-16%
TOTAL	6,945	100%	6,400	100%	(545)	-8%
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<u>Floor space (m²)</u>	1,528	100%	1,456	100%	(73)	-5%
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<u>Employees</u>						
Mexico	64,058	86%	59,720	88%	(4,338)	-7%
Central and South America	7,157	10%	5,283	8%	(1,874)	-26%
North America	3,428	5%	2,980	4%	(448)	-13%
Total employees	74,643	100%	67,983	100%	(6,660)	-9%