



**GRUPO ELEKTRA ANNOUNCES 10% GROWTH IN EBITDA,
TO Ps.5,636 MILLION IN THE SECOND QUARTER OF 2023**

—Operating income increased 21%, to Ps.3,237 million in the period—

**—Consolidated revenue grows 14%, to Ps.44,274 million
driven by firm dynamism in financial income—**

—The consolidated gross portfolio increases 13%, to Ps.168,443 million—

**—11% increase in consolidated deposits, to Ps.224,588 million,
reaffirms solid prospects for the financial business—**

**Mexico City, July 25, 2023—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 second quarter 2023 results.

Second Quarter Results

Consolidated revenue grew 14% to Ps.44,274 million in the period, compared to Ps.38,817 million in the same quarter of the previous year. Operating costs and expenses were Ps.38,638 million, from Ps.33,684 million in 2022.

As a result, EBITDA was Ps.5,636 million, 10% higher compared to Ps.5,133 million a year ago. Operating income was Ps.3,237 million, 21% above Ps.2,672 million in the same period of 2022.

The company reported net income of Ps.4,944 million, compared to net loss of Ps.1,764 million a year ago.

	2Q 2022	2Q 2023	Change	
			Ps.	%
Consolidated revenue	\$38,817	\$44,274	\$5,457	14%
EBITDA	\$5,133	\$5,636	\$504	10%
Operating profit	\$2,672	\$3,237	\$565	21%
Net result	\$(1,764)	\$4,944	\$6,708	---
Net result per share	\$(7.81)	\$22.36	\$30.17	---

Figures in millions of pesos

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

As of June 30, 2022, Elektra* outstanding shares were 225.9 million and as of June 30, 2023, were 221.1 million.

Revenue

Consolidated revenue increased 14% in the period, as a result of 21% growth in financial revenue and 5% rise in commercial sales.

The increase in financial income — to Ps.26,806 million, from Ps.22,171 million the previous year — reflects, to a large extent, a 28% increase in the income of Banco Azteca México — which further strengthens its solid financial margin — within the framework of dynamic growth of the gross credit portfolio in the period, which promotes the well-being of millions of families and the development of businesses.

The growth in revenue from the commercial business — to Ps.17,469 million, from Ps.16,646 million a year ago — results to a large extent from the growth in sales of Italika motorcycles — which strengthens business productivity and family mobility —, as well as appliances —which promotes the quality of life in households.

Costs and expenses

Consolidated costs for the quarter were Ps.22,081 million, compared to Ps.17,801 million for the previous year. The growth is explained by a 56% increase in the financial cost — derived from the greater creation of credit preventive reserves, in the context of solid dynamism of the consolidated gross portfolio, as well as higher interest paid, in line with higher market rates — and an 8% increase in the commercial cost, congruent with the growth in income from the sale of merchandise.

Selling, administrative and promotional expenses increased 4% to Ps.16,557 million, from Ps.15,883 million a year ago, as a result of higher personnel and maintenance expenses.

Expenses grew to a lesser extent than consolidated revenue, which is the result of solid strategies that drive Grupo Elektra's operating efficiency, together with strict budgets throughout the organization — in the context of measures to rationalize structures and optimize processes.

EBITDA and net result

EBITDA was Ps.5,636 million, from Ps.5,133 million the previous year. The company reported an operating income of Ps.3,237 million, compared to Ps.2,672 million in the same quarter of 2022.

The main variations below EBITDA were the following:

Ps.228 million reductions in other expenses, due to impairment of Purpose Financial's intangible assets in the second quarter of 2022, congruent with the company's performance and financial outlook a year ago.

Positive variation of Ps.8,751 million in other financial results, which reflects a 13% increase this quarter in the market value of the underlying financial instruments held by the company — and which does not imply cash flow — compared to a loss of 10% a year ago.

Consistent with the results of the quarter, an increase of Ps.2,846 million was recorded in the provision for taxes in the period.

Grupo Elektra reported a net income of Ps.4,944 million, from a net loss of Ps.1,764 million a year ago.

Unconsolidated Balance Sheet

A proforma balance sheet exercise of Grupo Elektra is presented, which allows knowing the non-consolidated financial situation, excluding the net assets of the financial business, whose investment is valued in this case under the participation method.

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. Also, the pro forma balance sheet does not include the bank's gross loan portfolio.

This provides greater clarity about the different businesses that make up the company and allows financial market participants to make estimates of the value of the company, considering only the relevant debt for said calculations.

Consistent with this, the debt with cost was Ps.38,277 million as of June 30, 2023, compared to Ps.36,379 million in the previous year. The growth of the debt balance is mainly

related to the issuance of *Certificados Busatiles*, partially offset by payments of international bonds and amortization of bank loans.

The balance of cash and cash equivalents was Ps.11,357 million, from Ps.5,891 million the previous year. The growth is congruent with reduction in the balance of inventories, resulting from solid efficiencies in the company's supply logistics.

As of June 30, 2023, the company's stockholders' equity was Ps.91,199 million, and the ratio of stockholders' equity to total liabilities was 1.1 times.

	As of June 30 2022	As of June 30 2023	Change Ps.	%
Cash and cash equivalents	\$5,891	\$11,357	5,466	93%
Marketable financial instruments	34,915	26,995	(7,921)	(23%)
Inventories	23,602	16,688	(6,913)	(29%)
Accounts receivables	46,480	47,356	876	2%
Other current assets	4,062	3,845	(218)	(5%)
Investments in shares	37,779	40,704	2,925	8%
Fixed assets	9,075	10,074	999	11%
Right of use assets	9,523	12,824	3,301	35%
Other assets	1,870	2,454	584	31%
Total assets	\$173,198	\$172,297	(\$901)	(1%)
Short-term debt	\$14,905	\$8,580	(6,325)	(42%)
Suppliers	9,257	7,509	(1,749)	(19%)
Other short-term liabilities	16,532	18,506	1,974	12%
Long-term debt	21,474	29,697	8,224	38%
Differed taxes	3,180	1,854	(1,326)	(42%)
Other long-term debt	11,522	14,951	3,429	30%
Total liabilities	\$76,871	\$81,098	\$4,227	5%
Stakeholder´s equity	\$96,327	\$91,199	(\$5,128)	(5%)
Liabilities and equity	\$173,198	\$172,297	(\$901)	(1%)

Figures in millions of pesos.

Consolidated Balance Sheet

Loan Portfolio and Deposits

The consolidated gross portfolio of Banco Azteca México, Purpose Financial and Banco Azteca Latin America as of June 30, 2023, grew 13%, to Ps.168,443 million, from Ps.149,219 million the previous year. The consolidated delinquency rate was 5.6% at the end of the period, compared to 4.2% the previous year.

Banco Azteca México's gross portfolio balance increased 14% to Ps.163,398 million, from Ps.143,262 million a year ago. The Bank's delinquency rate at the end of the quarter was 5.2%, compared to 3.6% a year earlier.

Grupo Elektra's consolidated deposits grew 11%, to Ps.224,588 million, from Ps.202,884 million a year ago. Banco Azteca México's traditional deposits were Ps.224,264 million, 12% above the Ps.199,360 million of the previous year.

The ratio of traditional deposits to the gross portfolio of Banco Azteca México was 1.4 times, which allows solid growth of the Bank, with optimal funding cost.

The Bank's liquidity coverage ratio — computable liquid assets / total net cash outflow — was 1,076%, an outstanding figure in the Mexican banking sector.

The capitalization ratio of Banco Azteca México was 15.08%.

Infrastructure

Grupo Elektra currently has 6,260 contact points, compared to 6,165 units the previous year. The increase results from the net opening of 172 contact points in Mexico and 38 in Central America, partially offset by the closure of 115 Purpose Financial units in the United States — in the context of strategies aimed at promoting online credit operations and strengthening the operating efficiency of this company.

The number of contact points of Grupo Elektra in Mexico, at the end of the quarter, is 4,946, in the US, 902, and in Central America, 412. The important distribution network provides the company with proximity to the client and closeness in service and generates a superior market position in the countries in which it operates.

Six-month consolidated results

Consolidated revenue in the first six months of the year grew 13%, to Ps.86,494 million, from Ps.76,349 million registered in the same period of 2022, driven by a 22% growth in sales of the financial business and 2% in commercial business sales.

EBITDA was Ps.11,794 million, compared to Ps.10,754 million of the previous year. The company reported operating income of Ps.7,004 million, from Ps.5,278 million a year ago.

In the first six months of 2023, a net income of Ps.5,403 million was recorded, compared to a net loss of Ps.6,379 million a year ago. The change reflects higher operating results this period, as well as gains in the market value of the underlying financial instruments held by the company — and which does not imply cash flow — compared to a reduction the previous year.

	6M 2022	6M 2023	Change Ps.	%
Consolidated revenue	\$76,349	\$86,494	\$10,144	13%
EBITDA	\$10,754	\$11,794	\$1,040	10%
Operating profit	\$5,278	\$7,004	\$1,727	33%
Net result	\$(6,379)	\$5,403	\$11,783	----
Net result per share	\$(28.24)	\$24.44	\$52.68	----

Figures in millions of pesos

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

As of June 30, 2022, Elektra* outstanding shares were 225.9 million and as of June 30, 2023, were 221.1 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 6,000 points of contact in Mexico, the United States, Guatemala, Honduras, and Panama.

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 well-being; 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 Spain's 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

	2Q22		2Q23		Change	
Financial income	22,171	57%	26,806	61%	4,635	21%
Commercial income	16,646	43%	17,469	39%	822	5%
Income	38,817	100%	44,274	100%	5,457	14%
Financial cost	5,897	15%	9,190	21%	3,294	56%
Commercial cost	11,905	31%	12,891	29%	986	8%
Costs	17,801	46%	22,081	50%	4,279	24%
Gross income	21,016	54%	22,193	50%	1,177	6%
Sales, administration and promotion expenses	15,883	41%	16,557	37%	674	4%
EBITDA	5,133	13%	5,636	13%	504	10%
Depreciation and amortization	2,228	6%	2,394	5%	166	7%
Other expense, net	232	1%	5	0%	(228)	-98%
Operating income	2,672	7%	3,237	7%	565	21%
Comprehensive financial result:						
Interest income	204	1%	514	1%	310	----
Interest expense	(999)	-3%	(1,443)	-3%	(444)	-44%
Foreign exchange (loss) gain, net	(38)	0%	72	0%	110	----
Other financial results, net	(4,448)	-11%	4,303	10%	8,751	----
	(5,282)	-14%	3,446	8%	8,728	----
Participation in the net income of CASA and other associated companies	94	0%	348	1%	254	100%
(Loss) income before income tax	(2,516)	-6%	7,031	16%	9,547	----
Income tax	754	2%	(2,092)	-5%	(2,846)	----
(Loss) income before discontinued operations	(1,762)	-5%	4,939	11%	6,701	----
Result from discontinued operations	(2)	0%	5	0%	7	----
Consolidated net (loss) income	(1,764)	-5%	4,944	11%	6,708	----

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

	6M22		6M23		Change	
Financial income	43,886	57%	53,505	62%	9,620	22%
Commercial income	32,464	43%	32,988	38%	525	2%
Income	76,349	100%	86,494	100%	10,144	13%
Financial cost	11,112	15%	17,999	21%	6,887	62%
Commercial cost	23,481	31%	23,986	28%	505	2%
Costs	34,592	45%	41,985	49%	7,392	21%
Gross income	41,757	55%	44,509	51%	2,752	7%
Sales, administration and promotion expenses	31,003	41%	32,715	38%	1,712	6%
EBITDA	10,754	14%	11,794	14%	1,040	10%
Depreciation and amortization	4,439	6%	4,784	6%	346	8%
Other expense, net	1,038	1%	5	0%	(1,032)	-99%
Operating income	5,278	7%	7,004	8%	1,727	33%
Comprehensive financial result:						
Interest income	396	1%	891	1%	495	----
Interest expense	(1,947)	-3%	(2,913)	-3%	(967)	-50%
Foreign exchange gain, net	5	0%	508	1%	503	----
Other financial results, net	(12,818)	-17%	1,765	2%	14,583	----
	(14,364)	-19%	250	0%	14,614	----
Participation in the net income of CASA and other associated companies	212	0%	404	0%	192	90%
(Loss) income before income tax	(8,874)	-12%	7,659	9%	16,533	----
Income tax	2,494	3%	(2,261)	-3%	(4,755)	----
(Loss) income before discontinued operations	(6,380)	-8%	5,398	6%	11,778	----
Result from discontinued operations	0	0%	5	0%	5	----
Consolidated net (loss) income	(6,379)	-8%	5,403	6%	11,783	----

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 June 30, 2022</u>			<u>At June 30, 2023</u>				
Cash and cash equivalents	5,891	33,116	39,008	11,357	29,331	40,688	1,680	4%
Marketable financial instruments	8,004	91,165	99,170	4,916	90,812	95,728	(3,442)	-3%
Performing loan portfolio	-	81,142	81,142	-	86,217	86,217	5,076	6%
Total past-due loans	-	4,817	4,817	-	7,237	7,237	2,420	50%
Gross loan portfolio	-	85,959	85,959	-	93,454	93,454	7,495	9%
Allowance for credit risks	-	11,125	11,125	-	14,748	14,748	3,623	33%
Loan portfolio, net	-	74,833	74,833	-	78,706	78,706	3,873	5%
Inventories	23,602	0	23,602	16,688	-	16,688	(6,913)	-29%
Other current assets	17,256	10,195	27,450	18,238	14,067	32,305	4,854	18%
Total current assets	54,754	209,309	264,063	51,200	212,916	264,115	52	0%
Financial instruments	26,911	36	26,947	22,078	3	22,081	(4,866)	-18%
Performing loan portfolio	-	61,795	61,795	-	72,779	72,779	10,983	18%
Total past-due loans	-	1,465	1,465	-	2,210	2,210	746	51%
Gross loan portfolio	-	63,260	63,260	-	74,989	74,989	11,729	19%
Allowance for credit risks	-	3,859	3,859	-	5,534	5,534	1,675	43%
Loan portfolio	-	59,401	59,401	-	69,455	69,455	10,054	17%
Other non-current assets	19,949	486	20,435	21,352	471	21,824	1,389	7%
Investment in shares	2,301	-	2,301	2,395	-	2,395	95	4%
Property, furniture, equipment and investment in stores, net	9,075	9,447	18,522	10,074	10,802	20,876	2,354	13%
Intangible assets	542	7,207	7,749	779	7,979	8,759	1,009	13%
Right of use asset	9,340	2,348	11,688	12,655	2,052	14,707	3,019	26%
Other assets	1,328	7,969	9,297	1,675	7,786	9,461	164	2%
TOTAL ASSETS	124,199	296,203	420,402	122,208	311,464	433,672	13,270	3%
Demand and term deposits	-	202,884	202,884	-	224,588	224,588	21,704	11%
Creditors from repurchase agreements	-	20,802	20,802	-	15,412	15,412	(5,390)	-26%
Short-term debt	14,385	342	14,727	8,475	138	8,613	(6,115)	-42%
Leasing	1,884	963	2,847	2,315	840	3,155	308	11%
Short-term liabilities with cost	16,269	224,991	241,260	10,789	240,978	251,768	10,508	4%
Suppliers and other short-term liabilities	23,689	21,344	45,033	23,479	20,992	44,470	(563)	-1%
Short-term liabilities without cost	23,689	21,344	45,033	23,479	20,992	44,470	(563)	-1%
Total short-term liabilities	39,958	246,335	286,293	34,268	261,970	296,238	9,945	3%
Long-term debt	19,844	10	19,854	27,027	0	27,027	7,173	36%
Leasing	8,475	1,502	9,977	11,470	1,302	12,772	2,795	28%
Long-term liabilities with cost	28,319	1,512	29,831	38,497	1,302	39,799	9,968	33%
Long-term liabilities without cost	6,227	1,725	7,951	5,335	1,101	6,436	(1,515)	-19%
Total long-term liabilities	34,546	3,236	37,782	43,832	2,403	46,235	8,453	22%
TOTAL LIABILITIES	74,504	249,571	324,075	78,100	264,373	342,473	18,399	6%
TOTAL STOCKHOLDERS' EQUITY	49,695	46,632	96,327	44,108	47,091	91,199	(5,128)	-5%
LIABILITIES + EQUITY	124,199	296,203	420,402	122,208	311,464	433,672	13,270	3%

INFRASTRUCTURE

	2Q22		2Q23		Change	
<u>Points of sale in Mexico</u>						
Elektra	1,167	19%	1,225	20%	58	5%
Salinas y Rocha	36	1%	33	1%	(3)	-8%
Banco Azteca	1,887	31%	1,926	31%	39	2%
Freestanding branches	1,684	27%	1,762	28%	78	5%
Total	4,774	77%	4,946	79%	172	4%
<u>Points of sale in Central America</u>						
Elektra	108	2%	120	2%	12	11%
Banco Azteca	209	3%	228	4%	19	9%
Freestanding branches	57	1%	64	1%	7	12%
Total	374	6%	412	7%	38	10%
<u>Points of sale in North America</u>						
Purpose Financial	1,017	16%	902	14%	(115)	-11%
Total	1,017	16%	902	14%	(115)	-11%
TOTAL	6,165	100%	6,260	100%	95	2%
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<u>Floor space (m²)</u>	1,483	100%	1,530	100%	46	3%
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<u>Employees</u>						
Mexico	64,317	88%	62,439	88%	(1,878)	-3%
Central and South America	5,836	8%	6,070	9%	234	4%
North America	2,717	4%	2,681	4%	(36)	-1%
Total employees	72,870	100%	71,190	100%	(1,680)	-2%