

Quarterly Financial Information

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[105000] Management commentary

Management commentary [text block]

GRUPO ELEKTRA ANNOUNCES 9% EBITDA GROWTH TO Ps.6,939 MILLION
IN THE FIRST QUARTER OF 2025

—Consolidated revenue increased 16% to Ps. 51,768 million,
driven by strong growth in financial revenue—

—Continued growth in consolidated gross loan portfolio;
it increased 14% to Ps.198,915 million—

—A 12% increase in consolidated deposits, to Ps. 243,931 million,
generates solid prospects for the financial business, with optimal funding costs—

México City, April 29, 2025—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 first quarter 2025 results.

First quarter results

Consolidated revenue grew 16% to Ps.51,768 million in the period, compared to Ps.44,562 million in the same quarter of the previous year. Operating costs and expenses increased 17% to Ps.44,830 million, from Ps.38,199 million in the same quarter of 2024.

As a result, EBITDA was Ps.6,939 million, 9% higher than Ps.6,363 million a year ago. Operating income was Ps.4,553 million, 12% higher than Ps.4,067 million for the same period in 2024.

The company reported net income of Ps.1,865 million, compared to Ps.1,721 million a year ago.

	Q1 2024	Q1 2025	Change	
			Ps.	%
Consolidated revenue	\$44,562	\$51,768	\$7,206	16%
EBITDA	\$6,363	\$6,939	\$576	9%
Operating profit	\$4,067	\$4,553	\$486	12%
Net result	\$1,721	\$1,865	\$144	8%

Net result per share	\$7.80	\$8.90	\$1.10	14%
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Figures in millions of pesos.

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

As of March 31, 2024, Elektra* outstanding shares were 220.7 million and as of March 31, 2025, were 209.5 million.

Revenue

Consolidated revenue increased 16% in the period, reflecting a 23% increase in financial revenue and a 5% increase in commercial sales.

The increase in financial income — to Ps.33,844 million, up from Ps.27,526 million the previous year — largely reflects a 21% increase in Banco Azteca México's revenue, amid continued growth in its gross loan portfolio, which boosts the well-being of millions of families and business development.

The increase in revenue from the commercial business, to Ps.17,924 million, from Ps.17,036 million a year ago, is largely due to growth in motorcycle sales — which strengthen business productivity and the mobility of millions of people — and home appliances — which boost the quality of life of a growing number of families.

Costs and expenses

Consolidated costs for the quarter grew 9% to Ps.23,550 million, compared to Ps.21,534 million a year earlier. This increase is explained by a 19% growth in financial costs — derived from greater creation of loan reserves, in the context of solid growth in the consolidated gross portfolio — and a 2% increase in commercial costs, consistent with growth in merchandise sales.

Lower increase in consolidated costs relative to revenues for the period led to a 23% growth in gross profit, to Ps.28,219 million, from Ps.23,028 million a year ago. Gross margin increased three percentage points to 55% this quarter.

Selling, administrative and promotional expenses grew 28% to Ps.21,280 million, from Ps.16,665 million a year ago, as a result of higher operating and advertising expenses during the period.

EBITDA and net result

EBITDA grew 9% to Ps.6,939 million, compared to Ps.6,363 million in the previous year. The EBITDA margin was 13% in the period. The company reported an operating income of Ps.4,553 million, compared to Ps.4,067 million in the same quarter of 2024.

Relevant variations below EBITDA were the following:

An increase of Ps.82 million in depreciation and amortization, resulting from growth in the right-of-use asset balance.

An increase of Ps.91 million in interest expense, resulting from a higher balance of debt with cost at the end of the quarter compared to the previous year.

Consistent with the quarterly results, there was an increase of Ps.123 million in the tax provision for the period.

Grupo Elektra reported a net income of Ps.1,865 million, up from Ps.1,721 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 various businesses that make up the company and enables financial market participants to estimate its value while considering only the relevant debt for such calculations.

Consistent with the above, debt with cost as of March 31, 2025, was Ps.41,920 million, compared to Ps.38,568 million the previous year. This increase largely reflects the issuance of fiduciary certificates and the drawdown of bank lines during the period.

Cash and cash equivalents were Ps.9,000 million, up from Ps.12,267 million a year ago, and net debt was Ps.32,920 million, compared to Ps.26,301 million a year ago.

	As of March 31, 2024	As of March 31, 2025	Change	
			Ps.	%
Cash and cash equivalents	\$12,267	\$9,000	(3,267)	(27%)
Marketable financial instruments	25,717	27,208	1,491	6%
Inventories	17,470	23,946	6,476	37%
Accounts receivables	52,012	33,629	(18,382)	(35%)
Other current assets	3,857	2,548	(1,308)	(34%)
Investments in shares	41,575	48,208	6,634	16%
Fixed assets	8,801	8,199	(602)	(7%)
Right of use assets	12,056	12,470	414	3%
Other assets	4,545	12,648	8,103	178%
Total assets	\$178,299	\$177,856	(\$443)	(0%)
Debt with cost	\$38,568	\$41,920	3,352	9%
Suppliers	11,340	12,727	1,387	12%
Other short-term liabilities	20,235	19,913	(321)	(2%)
Other long-term liabilities	15,942	22,367	6,425	40%
Total liabilities	\$86,085	\$96,928	\$10,843	13%
Stakeholder's equity	\$92,214	\$80,928	(\$11,285)	(12%)
Liabilities and equity	\$178,299	\$177,856	(\$443)	(0%)

Figures in millions of pesos.

Consolidated Balance Sheet**Loan Portfolio and Deposits**

The consolidated gross loan portfolio of Banco Azteca Mexico, Purpose Financial, and Banco Azteca Latinoamerica as of March 31, 2025, grew 14% to Ps.198,915 million, compared to Ps.174,484 million the previous year. The consolidated non-performing loan ratio was 4.4% at the end of the period, compared to 4.2% the previous year.

Banco Azteca Mexico's gross loan balance increased 13% to Ps.190,630 million, up from Ps.169,099 million a year ago. The bank's delinquency ratio at the end of the period was 3.9%, compared to 3.7% the previous year.

Grupo Elektra's consolidated deposits totaled Ps.243,931 million, 12% higher than the Ps.216,897 million a year ago. Banco Azteca Mexico's traditional deposits were Ps.236,607 million, 10% higher than the Ps.214,793 million of the previous year.

Banco Azteca Mexico's traditional deposits-to-gross portfolio ratio was 1.2 times, enabling solid growth of the Bank with optimal funding costs.

The bank's liquidity coverage ratio (calculable liquid assets / total net cash outflow) at quarter-end was 701%, an outstanding figure in the Mexican banking sector.

Banco Azteca Mexico's capitalization ratio was 14.63%.

Infrastructure

Grupo Elektra currently has 6,150 contact points, compared to 6,170 units the previous year; the decrease is the result of strategies focused on maximizing the profitability of the company's contact points.

At the end of the period, Grupo Elektra had 4,908 points of contact in Mexico, 810 in the US, and 432 in Central America. The company's extensive distribution network provides customer proximity and close service, generating superior market positioning in the countries where it operates.

Disclosure of nature of business [text block]

Grupo Elektra is the leading specialty retailer and provider of financial services and Money transfer services in Central America focusing mainly on the middle- and low –income economic sectors of the population C+, C, C- and D+. In addition, Grupo Elektra has operations in the United States, where it is the largest provider of short-term non-bank loans services through its subsidiary Purpose Financial, Inc. (*"Purpose Financial"*) addressed to the middle class of the USA.

The Company's main point of contact in Mexico are Elektra and Salinas y Rocha stores, Banco Azteca branches (including those located within the Elektra and Salinas y Rocha stores), and in Central America, Elektra and Banco Azteca. The point of contact in the United States correspond to Purpose Financial branches.

With the points of contact mentioned above, Grupo Elektra offers worldwide retail products and financial services, as saving deposits, consumer credit and personal loans, focused on C+, C, C- and D+ economic sectors of the population. The Company believes that its consumer financing offerings increase the potential customer base for its commercial business segment and strengthen Grupo Elektra's existing customers' loyalty and purchasing power.

Grupo Elektra's operations can be classified in two business segments: Financial Services Business and Commercial Business.

Financial Services Business

Grupo Elektra's financial services business includes the results of its financial services operations in Latin America, which are carried out under the Azteca brand, with Banco Azteca in Mexico being the flagship brand. This segment currently operates in Mexico, Guatemala, Honduras, Panama and the United States. This segment also includes financial results derived from the operations of the following business units: Seguros Azteca, Seguros Azteca Daños, Afore Azteca, Punto Casa de Bolsa and Purpose Financial, Inc. The financial services business offers products and services such as consumer credit, personal loans, commercial credit, savings deposits, time deposits, credit cards and other consumer finance services; casualty, health and life insurance products; pension fund administration services; and full-service brokerage services, among others. Purpose Financial is the largest non-bank provider of cash advance services in the United States, measured by the number of stores.

Commercial Business

Grupo Elektra's commercial business includes the financial results derived from the sale of products and services such as motorcycles, telephony, household appliances, household items, entertainment, consumer electronics, furniture, computers, electronic money transfers, extended warranties, cellphone minutes, among other services and products. The commercial business mainly operates through two store chains: Elektra in Mexico and Central and South America, which is owned and operated by Nueva Elektra del Milenio, and Salinas y Rocha in Mexico, which is owned and operated by Grupo Elektra's subsidiary Salinas y Rocha S.A. de C.V. in Mexico. In addition, the commercial business includes the results of the operation of digital retail channels —ecommerce, baz súper app and shopinbaz—.

Market Information

Grupo Elektra offers financial services and retail products to all socioeconomic sectors of the population but continues to focus on the middle- and low-income economic sectors (e.g., the C+, C, C- and D+ socio-economic levels in Mexico), which represent approximately 59%^(a) of Mexican families, a market that has been ignored by the traditional banking institutions.

We consider our business is highly competitive, as the Mexican market is very segmented and the consumers are served by an extensive variety of business formats: local retail stores, independent stores, commercial chains, and department stores, as well as informal establishments such as vendors and street markets.

Retail Competitors in Mexico

Grupo Elektra’s commercial business in Mexico is highly competitive. The market is very fragmented, and consumers are served by a wide variety of formats, including independent retail stores, retail chains and department stores, as well as informal outlets such as street vendors and markets.

Grupo Elektra’s main competitors in Mexico are Almacenes Coppel, in addition to independent retail stores.

The following table provides information regarding the number of stores in Mexico of Grupo Elektra and its main competitors.

Chain	Operations	Number of Stores
Elektra	Nacional	1,277 ⁽¹⁾
Coppel	Nacional	1,980 ⁽²⁾

(1) As of the first quarter of 2025

(2) Source: <https://www.coppel.com/blog/sala-de-prensa/grupo-coppel-destinara-mas-de-14-mil-mdp-en-2025-slp/>. Consider new openings according to information on Coppel's website.

As of March 31, 2025, Grupo Elektra operated 1,277 stores in the Elektra and Salinas y Rocha formats in Mexico. Given this extensive distribution network, Grupo Elektra believes that it is one of the leaders in the specialized commercial business segment. We consider that Almacenes Coppel is our national principal competitor as well as all the formal competitors as retail stores, regional and local department stores. Grupo Elektra believes that its retail operations place it in a competitive position in Grupo Elektra’s target market in Mexico.

Retail Competitors of Grupo Elektra in Central America

Grupo Elektra’s consumer electronics, household appliances and furniture retail operations in Central America face a large number of competitors in all product categories. As in Mexico, the retail sector in all Central America is highly fragmented and consumers are served by a wide variety of formats including independent retail stores, retail chains and department stores, as well as informal outlets such as street vendors and markets.

The following table sets forth certain information, based on Grupo Elektra’s estimates, concerning Grupo Elektra’s primary competitors in two Central American countries where Grupo Elektra operates commercial business in consumer electronics, household appliances and furniture. The Commercial Business is no longer applicable in Panama.

Guatemala	Honduras
La Curacao	La Curacao
Agencias Way	El Gallo más Gallo
Almacenes Tropigas	Almacenes Tropigas
Dístelsa-Max Supertiendas	Diunsa
El Gallo más Gallo	Lady Lee
Walmart	Jetstereo
Electrónica Panamericana	Walmart
Almacenes Japon	Comercial M&M
Tecnofácil	Molineros Comercial
Distribuidora La Económica	Mundiofertas

Radioshack	Comercial Yoli
Cemaco	Radio Shack
Americana 2000	Comercial Pineda
Almacenes Siman	Acosa

Source: The Internet sites of the competitor companies and market research in each country

Competitors of Banco Azteca in Mexico

Banco Azteca has shown its leadership in personal and consumer loans. However, the number of financial intermediaries, bank and non-bank, that are specializing in our market niche has been increasing. Some of the competitors in the retail, personal loans and digital banking market include Bancoppel, BBVA, HSBC, Citibanamex.

On the non-bank side, the most prominent competitors are Sociedades Financieras de Objeto Múltiple (Sofomes), specializing in consumer credit and microcredit, and merchants that sell their goods on term, along with other financial services (correspondent banking, remittance payments, etc.).

Competitors of Banco Azteca in Central America

Banco Azteca serves a market that has traditionally been neglected by commercial banks. The informal sector does not have a source of financing established specifically for its attention, despite the appearance of a number of entities in recent times.

The low level of penetration of banking into the lower-income sectors of society and the lack of availability of information constitute a barrier to entry into this market by traditional banks. Principal competitors of Banco Azteca in the four countries in Central and South America where it operates include the following:

Guatemala	Honduras	Panamá
Banrural	Banco Atlántida	Instacredit
Banco de Antigua (Scotiabank)	Banco del País	Microserfin
Banco de los Trabajadores	Banco Financiera Comercial Hondureña –FICOHSA	Panacredit
Banco Promérica	Banco de Desarrollo Rural Honduras BANRURAL	Financiera el Sol
MICOOPE	BAC Credomatic	CrediViva
Finca	Banco de Occidente	TitanCredit
Genésis	Banco Da Vivienda	Banesco
Interconsumo	Banco Cuscatlán, S.A.	Caja de Ahorros
Banco Industrial	Banco Financiera Centroamericana (FICENSA)	Banco Nacional
FICOHSA	Banco Hondureño del Café (BANHCAFE)	
	Banco Lafise Honduras	
	Banco Promerica	

Banco de Honduras (Citi
Honduras)
Banco Popular

Source: The Internet sites of the competitor companies and market research in each country

Competitors in the short-term non-banking sector in the United States

Since the acquisition of Purpose Financial in 2012, we have had a presence in the U.S. market with affordable, reliable and convenient short-term loans targeting an underserved market segment.

The non-bank short-term cash loan industry has low barriers to entry, is highly fragmented and very competitive. We believe the market may become even more competitive as the industry matures and/or consolidates. We compete primarily with services provided by traditional financial institutions, such as overdraft protection, and with other non-bank short-term cash loan providers, small loan providers, credit unions, short-term consumer lenders, other financial services entities and other retail businesses that offer consumer loans and other products and services similar to ours. We also compete with companies that offer non-bank short-term cash loans and short-term loans over the Internet and by telephone. The largest competitors include Check 'n Go, Check into Cash and Community Choice Financial, all of which have a significant retail presence in the United States.

As of the first quarter of 2025, Grupo Elektra operated 810 points of contact in 22 states in USA.

Regulation and Tax Regime

As a company group primarily engaged in offering retail commercial and financial services, Grupo Elektra is subject to a diverse array of consumer and financial regulatory requirements under the laws of the jurisdictions in which it operates, largely in Mexico, including a comprehensive statutory and regulatory regime that governs the activities of Banco Azteca as a bank, Seguros Azteca and Seguros Azteca Daños as insurance companies, Afore Azteca as a retirement fund manager and Punto Casa de Bolsa as a brokerage firm.

Some of these legal and regulatory requirements are described below.

Consumer Protection Laws.

- The commercial activities of Grupo Elektra in Mexico are subject to the Consumer Protection Law (Ley Federal de Protección al Consumidor), which regulates consumer installment sales programs in Mexico and are subject to supervision by the Consumer Protection Bureau (Procuraduría Federal del Consumidor) (PROFECO).
- The Financial Users Protection Dodd-Frank Law.
- Particularly, consumer credit services are regulated by the banking regulation of the countries where they are offered. In Mexico, the Law for Protection and Defense of Financial Services Users (Ley de Protección y Defensa al Usuario de Servicios Financieros) protects and defends the rights of users of financial services, as further described below.
- The collection practices and repossession procedures Grupo Elektra use in Grupo Elektra's operations in Mexico are regulated under the Consumer Protection Law, the Mexican Commercial Code (Código de Comercio) and the applicable Mexican Civil Codes (Códigos Civiles).

Regulation Affecting Publicly Listed Companies

- The Mexican Securities Market Law (Ley del Mercado de Valores) (the “LMV”), which regulates the disclosure of information to the investing public and establishes minority rights and corporate governance rules.
- General Law of Mercantile Corporations (Ley General de Sociedades Mercantiles) (“LGSM”), which imposes rules relating to the incorporation and activities of Mexican corporations, as well as the obligations, rights and limitations related thereto, among others.
- The General Regulation Applicable to Securities Issuers and Other Securities Market Participants (Disposiciones de carácter general aplicables a las emisoras de valores y a otros participantes del mercado de valores), which seeks to compile the general provisions that the CNBV has issued in connection with the registration of securities in the RNV and the public offering of such securities, their maintenance in such registry, as well as the disclosure of information that issuers provide to the market, among others.
- The General Regulation Applicable to Entities and Issuers Supervised by the CNBV that Contract External Audit Services (Disposiciones de carácter general aplicables a las entidades y emisoras supervisadas por la CNBV que contraten servicios de auditoría externa de estados financieros básicos) (the “External Auditors Regulation”), the purpose of these rules is to establish the requirements to be met by the firms and independent external auditors that provide external audit services of basic financial statements to the entities and issuers, the applicable standards for the performance of external audit work, the content of the external audit reports and other communications and opinions prepared by such firms and independent external auditors, as well as the rules regarding the hiring, substitution, follow-up and evaluation of external audit work, among others.

Other Applicable Regulation.

- To Banco Azteca: Banco Azteca is a Multiple Banking Institution, authorized by the SHCP to operate as a credit institution in accordance with the Mexican Banking Law (Ley de Instituciones de Crédito) and its bylaws. Banco Azteca is supervised by the SHCP, the Mexican Central Bank, the CNBV, the Institute for the Protection of Bank Savings (Instituto para la Protección al Ahorro Bancario) (“IPAB”) and the CONDUSEF, as well as the Anti-Money Laundering Law (Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita (“Ley Antilavado”).
- To Afore Azteca: Afore Azteca is regulated mainly by the Retirement Savings Systems Law (Ley de los Sistemas de Ahorro para el Retiro) (“LSAR”) and by the regulations issued by the National Retirement Fund System Commission (Comisión Nacional del Sistema de Ahorro para el Retiro) (the “CONSAR”). The CONSAR has the mandate to coordinate, regulate and supervise the AFORE pension system, while the CONDUSEF manages customer claims against the AFORES.
- To Seguros Azteca: Insurance companies are authorized by the SHCP and supervised by the National Insurance and Bonding Commission (Comisión Nacional de Seguros y Finanzas) (the “CNSF”). As insurance companies Seguros Azteca and Seguros Azteca Daños are regulated by the Insurance Law (Ley General de Instituciones y Sociedades Mutualistas de Seguros), by the Insurance Contract Law (Ley Sobre el Contrato de Seguro) and by the provisions established by the CNSF and the SHCP. The CNSF is in charge of the supervision and surveillance of the insurance companies and the CONDUSEF processes customer complaints against the insurance institutions. The insurance regulations establish the organization, operation and performance of insurance institutions, as well as the minimum requirements that insurance contracts must contain.
- To Money Transmitters: Money transmitters are supervised and monitored by the CNBV. They are regulated by the General Law of Credit Organizations and Auxiliary Activities (Ley General de Organizaciones y Actividades Auxiliares del Crédito) (“LGOAAC”), by the General Provisions referred to in Article 95 Bis of the General Law of Credit Organizations and Auxiliary Activities, applicable to the money transmitters referred to in Article 81-A Bis of the

same law ("Provisions"), as well as by the resolutions and guidelines issued by the CNBV and the SHCP. The Provisions establish rules for the organization and internal structures of money transmitters, the guidelines for the policy of identification and knowledge of users, the classification of the transactions they carry out and the reporting thereof, the minimum requirements that must be contained in the contracts entered by money transmitters with legal entities, among others.

- On March 9, 2018, the Law on the Regulation Financial Technology Institutions (the "FinTech Law") was published in the Official Gazette. The main purpose of the FinTech Law is to regulate the financial services provided by financial technology institutions, including their organization, operation and functioning as well as the innovative financial services. In this sense, the FinTech Law created and regulates two types of financial technology institutions: (i) Collective Financing (Crowdfunding) Institutions, which are intended to put members of the public in contact with one another so that any member of the public can provide financing to any other member of the public, and (ii) Electronic Payment Institutions, which are intended to provide the public with technological solutions to make electronic payments. The CNBV is the authority responsible for granting authorizations and supervising the organization and operation of Collective Financing (Crowdfunding) Institutions and Electronic Payment Institutions.
- The Federal Law for Protection of Personal Information in Possession of Private Parties (Ley Federal de Protección de Datos Personales en Posesión de los Particulares) sets forth the rules and that must be observed by private parties when obtaining, managing, transferring and using personal information of their customers with the objective to protect the privacy and prevent the misuse of personal and sensitive information.
- Outsourcing Law. On April 23, 2021 the Mexican Official Gazette published a presidential decree on the amendment to the rules regarding outsourcing, this legislation prohibits subcontracting personnel, but allows it if the services provided are specialized and such services are not part of the Company's corporate purposes or preponderant business activity, in order to provide the Company's collaborators with better working conditions and benefits in the field.

In accordance with the provisions of this reform, in 2021 the Company made the necessary adjustments to comply with the obligation to request and obtain registration with the Ministry of Labor and Social Welfare for those subsidiaries that provide specialized services or execution of specialized works.

Within this framework, specific measures were carried out that involved the migration of employees providing specialized services to the Company's subsidiaries categorized as specialized, as well as employees that were part of the main economic activity of the subsidiaries, by formalizing the hiring of personnel and granting the applicable benefits and benefits of the applicable law in force.

In addition, the Company complied with the new regulatory provisions with suppliers that provide specialized services.

This summary is based on some laws and regulations applicable to the main subsidiaries in Mexico in force at the date of this Annual Report, which is subject to constant changes. This summary applies only to the main applicable Mexican legislation and does not address foreign legal considerations.

Tax Regime

Grupo Elektra and its subsidiaries, like any other legal entity with business activities resident in Mexico, are required to comply with the different tax regulations in force, in their capacity as taxpayers or withholders, particularly Income Tax (ISR).

Products and Services

The following table details the products and services offered by Grupo Elektra at its points of contact:

Commercial Business

Electronics
 Appliances
 Furniture bellini
 Home
 Telephony
 Motorcycles (Italika, Hero and), spare parts and accessories
 Computer
 Mattresses
 Entertainment
 Money Transfers (Remittances)
 Extended Warranties
 Cellphone minutes
 Virtual Mobile Network Operator (OUI)
 Referenced payments / services
 Prepaid cards
 In addition to and extended catalog from various commercial partners in categories such as:
 Fashion and Accessories
 Beauty and Personal Care
 Sports
 Videogames

Financial Business

Consumer credits
 Personal loans
 Commercial credits
 Savings deposits
 Term deposits
 Debit cards

 Insurance (Life, Accident and Health)
 Property Insurance
 Retirement fund administration (Afore)
 Credit Scores
 Financial leasing
 Pawn loans
 Short-term nonbank loans
 Group loans
 Short- and Long-term investments

Italika

Italika, our own brand of motorcycles, provides access to their own transportation to the majority of the Mexican population, allowing them to be more efficient in their daily activities in a comfortable and reliable way. The brand also has a presence in Guatemala and Honduras.

With more than 3,900 points of contact, (+1,400 in Grupo Elektra's points of contact, including a new format called Elektra Motos with 54 points of sale), Italika has not only achieved a share of approximately 55% in the Mexican motorcycle market, but has also consolidated its position as a 100% Mexican brand that provides high quality and technical support for its products and is the most important competitor in the sector, reporting close to 9.9 million motorcycles sold since its creation.

Italika has the support of more than 1,000 Authorized Service Centers in Mexico and close to 180 in Central America, a line of original spare parts and qualified personnel throughout the country, thus reaffirming our commitment to customer service. Likewise, Italika has proven to have products that offer an accessible, modern, fast, fuel-efficient and economical means of transportation, which translates into an improvement in the quality of life of families and a low environmental impact.

To complement our value proposition, in 2021 we extended our offering through an exclusive distribution agreement with the Hero brand, the world's leading motorcycle manufacturer, and in 2023 we introduced Benelli (exclusively), for a different market segment, which are widely marketed in our mobility-focused store formats, Elektra Motos.

Grupo Elektra has operated since 2008 a motorcycle assembly plant in the Toluca 2000 Industrial Park (“Ensamblika”), in the State of Mexico, Mexico, where Italika brand motorcycles are assembled, with an installed capacity of approximately 1,200,000 units per year.

In 2024, the Company started operations at a new Italika motorcycle assembly plant in El Salto, Jalisco, Mexico, with an internal quality index of 95% from the first months of operation. It is expected to have an installed capacity of 400,000 units in the coming years.

Digital Banking

Banco Azteca has always been characterized by its innovation and high security standards. These pillars are the basis of the first digital platform that Banco Azteca launched to its customers. As of 2017, the mobile platform has been significantly improved to make it more user-friendly for new generations of users.

This mobile platform is associated with a cell phone number, and through its customers live a practical, immediate, friendly and secure financial experience. It is aimed at all those who have a smartphone with internet access. It is aimed at all those who have a smartphone with internet access. From the platform, users can quickly perform multiple types of transactions, including obtaining and managing a bank account, applying for a credit card, making investments, making electronic transfers, paying for a service or a credit card from another bank, among others.

The model has some unique features in the market, such as being designed to be operated mainly on a mobile device, paperless, and with a call center that resolves any complaint at the first contact, as well as through artificial intelligence solutions such as the application's Chat Bot and WhatsApp. The service began in the second half of 2016 in Mexico and in 2019 in Central and South America.

In 2002, Banco Azteca pioneered the use of fingerprints to identify customers and authenticate their transactions. During 2019, Banco Azteca continued its introduction of new technologies with the implementation of facial recognition technology and the certification of Cobro Digital (“CoDi”) technology for use in making purchases. At the end of March 2025, there were 25.9 million digital customers.

Structure

The following table shows the name and activity from our most important subsidiaries, as well as the percentage of ownership that we directly or indirectly have as of March 31, 2025:

Company	Percentage of equity	Activity
Banco Azteca, S. A. Institución de Banca Múltiple, a Mexican entity (Banco Azteca)	100%	Banking and credit services
Banco Azteca de Guatemala, S. A., a Guatemalan entity	100%	Banking and credit services
Banco Azteca de Honduras, S. A., a Honduran entity	100%	Banking and credit services
Banco Azteca (Panamá), S. A., a Panamanian entity	100%	Banking and credit services
Seguros Azteca, S. A. de C. V., a Mexican entity (SAZ)	100%	Life insurance operations

Nueva Elektra del Milenio, S. A. de C. V., a Mexican entity (Elektra)	100%	Retail
Salinas y Rocha, S. A. de C. V., a Mexican entity (SyR)	100%	Retail
Comercializadora de Motocicletas de Calidad, S. A. de C. V., a Mexican entity (CMC)	100%	Sales of motorcycles
Operadoras en Servicios Comerciales, S. A. de C. V., a Mexican entity (OSC)	100%	Assembler
Intra Mexicana, S. A. de C. V., a Mexican entity	100%	Money transfers services
Afore Azteca, S. A. de C. V., a Mexican entity (AAZ)	100%	Pension and retirement funds
Seguros Azteca Daños, S. A. de C. V., a mexican entity (SAZ)	100%	Damage insurance
Punto Casa de Bolsa, S. A. de C. V., a Mexican entity	100%	Brokerage firm
Purpose Financial, Inc., an American entity (PF)	100%	Short-term cash advances

Value Creation

Grupo Elektra contributes to generating well-being and progress for thousands of families in the middle-low socioeconomic levels, through its offering of world-class merchandise and financial services.

The Company has an extensive distribution network of 6,150 points of contact in Mexico, the United States, Guatemala, Honduras and Panama. The important distribution network allows the company to maintain close contact with customers and allow us to have a superior market positioning in the countries where it operates.

We grant access to world-class merchandise that best suits the needs of our target market, under competitive market conditions, which increases the quality of life of thousands of families in the communities where we operate.

Regarding the financial business, we have a large number of saving accounts in Mexico. These accounts boost our client’s wealth and strengthen financial inclusion. Also, our loans expand the purchasing power of thousands of families and companies have been able to form capital to increase their productivity.

^[1] Source: AMAI (Asociación Mexicana de Agencias de Investigación) based on data from the Encuesta Nacional de Ingresos y Gastos de los Hogares 2022 and rule AMAI 2024.

Disclosure of management's objectives and its strategies for meeting those objectives [text block]

Grupo Elektra maintains a strategy of strong focus on the growth of its businesses, seeking opportunities for increase its sales and profitability by capitalizing on its leadership position commercializing electronics, appliances, furniture, motorcycles, cell phones, computers and services in Mexico and Central America, and using its extensive distribution network to offer its broad client base new banking and financial services and take advantage of business opportunities. Over the past year, we have been committed to digital technology disruption that will keep us at the forefront of our core business operations, as well as give us the opportunity to evolve with our customers and a new generation of users.

In Grupo Elektra we continue to focus on the largest segment of the population underserved by traditional banking, which represents approximately 59% of families in Mexico. In the United States, we focus on the average working American population.

In addition, through its personal credit business, Grupo Elektra offers loans to its customers for various purposes, such as health, entertainment or to pay other financial obligations. Grupo Elektra believes that some of its key advantages for the success of its business are extensive experience in granting and collecting loans, a high-level technological operating platform, personalized services and the social focus of its operations. The digital approach also led us to develop new functionalities so that our customers can use their authorized credit lines more easily and at more affiliated merchants, using our different mobile applications.

Disclosure of entity's most significant resources, risks and relationships [text block]

Quotation of Grupo Elektra's shares

On July 26, 2024, Grupo Elektra received information from the controlling group regarding a possible fraud by certain depositaries of some of the shares of the controlling group, which could cause unusual movements in the price of Grupo Elektra's shares on the stock market. In response, Grupo Elektra disclosed the information in a relevant event (evento relevante) filed at the Mexican Stock Exchange (BMV) and notified the relevant authorities to determine the appropriate measures. On July 26, 2024, the BMV suspended the trading of Elektra's shares until August 22, 2024. Subsequently, due to a lack of information related to potential fraud, Grupo Elektra requested a new suspension from the BMV, which was authorized by the CNBV for up to 40 additional business days, which means until October 21, 2024.

Since the trading of the shares remained suspended for more than 20 business days, S&P Dow Jones Index removed Grupo Elektra's shares from the S&P/BMV IPC Index as of September 2. This may have affected investor perception and Grupo Elektra's visibility in financial markets.

On October 21, 2024, the CNBV ordered the resumption of trading of Grupo Elektra's shares as of October 22, 2024; however, prior to market opening, there were bids for the shares that broke through static price bands, and in accordance with the Internal Regulations of the BMV, the exchange suspended trading of the issuer's securities for the auction session of October 22. Subsequently, and due to the extraordinary movements caused, on October 23, 2024, the CNBV authorized the BMV to suspend trading of the shares for an additional 20 business days, which means, until November 20 of the same year.

Finally, on November 21, 2024, contrary to a provisional precautionary measure granted to the Company to maintain the suspension, the CNBV ordered that the listing of shares of Grupo Elektra be resumed. Since then, they have been listing normally on the stock market.

Grupo Elektra cannot predict whether the above will negatively affect the appreciation of its shares held by investors.

Resources

Debt

As of March 31, 2025, consolidated debt with cost was Ps.36,872 million (excluding Banco Azteca's deposits, creditors from repurchase agreements and lease liabilities due to the adoption of IFRS 16), 4.7% higher than Ps.35,226 million for the same period in 2024. Growth largely reflects the issuance of trust certificates and drawdown of bank lines during the period.

Consolidated debt is made up of Ps.36,832 million from the commercial business and Ps.40 million from the financial business. Total balance of current cash, cash equivalents and investments in securities of the commercial business was Ps.15,926 million, as a result, the net debt for such business was Ps.20,906 million. In addition, the commercial business has non-restricted long-term investments in securities for Ps.7,919 million.

Capital Management

The Company's consolidated capital management goals are:

- To keep its ability to continue as an ongoing concern.
- To provide an attractive profitability to the shareholders.
- To maintain an optimal capital structure to reduce the cost of capital.

In order to comply with the mentioned objectives, the Company constantly monitors its different business units to ensure that these maintain the expected profitability. However, the Company also could vary the amount of paid dividends to shareholders, issue new shares or monetize assets to reduce its debt.

The Company monitors the ratio of adjusted capital over debt with cost. This ratio is the result of dividing the net debt and the consolidated equity. Also the net debt is defined as a total of the short- and long-term debt with cost in the consolidated financial position statement (excluding demand terms deposits and debtors from repurchase agreements), less the non-restricted cash and cash equivalents.

The adjusted capital ratio per Debt as of March 31, 2025 and December 31, 2024 is calculated as follows:

	2025	2024
Total Debt with cost (1)	\$ 36,872,447	\$ 35,033,021
Less: Cash and cash equivalents (2)	(26,808,571)	(31,635,707)
Deficit (surplus) net debt	10,063,876	3,397,314
Total equity	80,928,233	80,531,012
Ratio	0.12	0.04

(1) Does not include leases and deposits of immediate and term demand.

(2) Does not include restricted cash.

As a result of decrease in the cash of the company, the ratio is at a comfortable level at the closing of March 2025 of 0.12x, vis-a-vis 0.04x at the closing of 2024.

Capitalization index (Banco Azteca)

In addition of the consolidated equity administration, the Company has to closely monitor the equity of its regulated subsidiaries been the most important one Banco Azteca. The standards of Banxico for the determination of the capitalization index consider that a net equity over the market risk, credit and operational has to be maintained. The mentioned net equity cannot be lower than the resulting amount of adding the equity requirements for those types of risks.

As of March 31, 2025, Banco Azteca Mexico's capitalization ratio was 14.63%. Banco Azteca's policy is that the capitalization ratio is not less than 12%.

Infrastructure

As of March 31, 2025, Grupo Elektra currently has 6,150 contact points, compared to 6,170 units the previous year; the decrease is the result of strategies focused on maximizing the profitability of the company's contact points.

At the end of the period, Grupo Elektra had 4,908 points of contact in Mexico, 810 in the US, and 432 in Central America. The company's extensive distribution network provides customer proximity and close service, generating superior market positioning in the countries where it operates.

Employees

As of March 31, 2025, the number of employees was 70,254. Grupo Elektra gives a high priority to training and certification of its personnel in order to ensure the highest levels of customer service. Grupo Elektra believes the success of its operations depends, among other factors, on the level of service provided by Grupo Elektra's personnel to its customers. All staff, from a sales advisor or cashier to a business Director, receive complete training on their duties since the first day joining the company, as well as a constantly training to help them developed the necessary skills and knowledge, thereby achieving both personal and professional improvement.

4. Financial risk integral management (non-audited)

I. Qualitative information

a. General Comprehensive Risk Management Process

The Company has adopted carrying out a conservative risk profile as a fundamental premise in its operations, thereby managing its balance sheet and its operation prudently, which seeks making the best use of its patrimony and investment of funds.

The business model of banking services has primarily been oriented toward banking intermediation through consumer lending granted and at a funding strategy supported by traditional deposits. The foregoing has enabled the operation carried out by the Company at all times to be prudential and not speculative, in order to assure that proceeds are allocated efficiently toward placing credits.

On the other hand, commercial business income is primarily allocated to the payment of suppliers, operating expenses, investments for expanding contact points, and maintaining stores and distribution centers. Cash flow surpluses generated are generally invested in governmental securities and/or banking paper with top level financial institutions,

since they are used to deal with the commitments acquired by the business, in accordance with the payment terms agreed upon with each one of them.

Risk management criteria, policies and procedures adopted by the Company are based on institutional guidelines and on the applicable regulations, as well as the best practices drawn up nationally and internationally.

The Company has defined the following objectives for efficient performance of the comprehensive Risk Management process:

- To promote the development and application of a Comprehensive Risk Management culture by establishing the guidelines that allow for applying prudential Comprehensive Risk Management policies and procedures efficiently.
- To implement an independent Comprehensive Risk Management Unit (UAIR - for its acronym in Spanish) for managing and executing successfully.
- To set up a clear organizational structure whereby the Comprehensive Risk Management Policy and Procedures manual is disseminated and applied correctly.
- To have solid Comprehensive Risk Management practices, consistent with the prudential criteria set out by national authorities and with the recommendations drawn up in the international environment.
- To implement the necessary elements for identifying, measuring, overseeing, limiting, controlling, reporting, and disclosing the distinct types of quantifiable and unquantifiable risks from a comprehensive perspective, congruent with the institutional mission and with the business strategy set out by the Board of Directors.
- To have the technological support necessary for the operation and generating reports on the distinct types of risks: Credit, Market, Liquidity, and Operating risk which cover storage, processing, and operating of data that allows for generating quality information.
- To support the Database structure and the distinct risk systems, there is the following infrastructure:
 - Applications servers and High Availability Services.
 - High availability Report Server.
 - Productive servers and Databases for the Capital Model.
 - Solution of scheduled Database backups for the distinct systems, including the Capital Model.

General risk management seeks to minimize the possible adverse effects on the financial profile of the company and the effects of these risks, by using derivative financial instruments which to hedge risk exposures, The use of financial derivatives is governed by Company policies approved by the Board of Directors, which provide written principles on exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investment of surplus liquidity.

b. Methodologies used in comprehensive risk management

Market Risk

The market risk is the potential loss from changes in risk factors that influence on the valuation or over the expected results in the assets and liabilities operations or that cause a contingent liability, interest rates, such as exchange rates, prices index, raw materials, among others.

Measurement of market risk

The Company measures the market risk with the Value at Risk (VaR) model, considering the following parameters:

Parameters	
Method:	Historical simulation
Level of trust:	97.5%
Horizon:	1
Days of history:	253

Additionally, to the analysis of historical scenarios to measure the impact on the global position value with regards to unusual changes in market prices, some tests of stress and sensibility are used. To assess the effectiveness of the methodology used in the estimation of VaR, periodically there are tests of "back testing", and if it is the case, the calculation parameters are redefined.

The risk measurement under historic scenarios in the money market, changes and derivatives position, consists in evaluating the market position considering the historical risk factors (prices, rates, exchange rates, indexes and raw materials) of the last 252 days and obtain the worst loss as a result of such valuations.

Liquidity risk

Is the potential loss due to the impossibility or difficulty of renewing liabilities or being financed by them under normal conditions for the Company, for the advanced or inevitable sale of assets at unusual discounts to face its obligations, or due to the fact that a position cannot be opportunely transferred, acquired or covered through the establishment of an equivalent contrary position.

Liquidity risk measurement:

The liquidity risk is determined by the marketability level of each one of the instruments that form the position, obtaining a VaR measure adjusted by liquidity, such methodology consists in adding in the market VaR the cost that would represent not to be able to sell the instrument for lack of liquidity in the market.

The liquidity risk model (VaR adjusted for liquidity risk) considers the following:

Marketability	Adjustment factor	Liquidity risk
High	0	0
Medium	1	VaR
Low	3	3*VaR
Null	7	7*VaR

The risk determination under stressful conditions is made by degrading in a level the marketability of the instruments that form the position.

Credit risk

1. Credit risk on financial instruments

The credit risk is defined as the potential loss due to a payment default, caused by changes in the ability or intention of the counterparty or the issuer of financial instruments to fulfill their contractual obligations. This loss could mean the non-fulfillment that is known as default or "no payment".

To estimate the risk of credit in financial instruments an assets valuation methodology is used based on Monte Carlo simulation model, which starts from a binomial distribution of these default events to create the different loss scenarios, as well as the probability that these occur.

2. Credit risk on mortgage credit and commercial portfolio

To measure the risk of mortgage credit and commercial portfolio, The Company implemented a methodology of assets valuation based on a Monte Carlo simulation model of default, due to its capacity to determine different loss scenarios as well as the probability that these occur based on the most recent quality valuation of its loans.

3. Credit risk of the consumer portfolio

Credit risk is defined as the potential loss due to partial or total nonperformance of obligations of the borrower, and it is considered as the main risk to which the Company is exposed.

To estimate the expected non-revolving consumer loans billed weekly, the Company has an internal model for providing for multi-variety reserves, which adjusts to the risk profile of borrowers and considers the characteristics of the credit itself, payment behavior variables, and information of credit information companies (CICs) of borrowers. The objective of the internal model is the estimate of preventive reserves and capital, which appropriately covers the risk profile of our borrowers and allows for contemplating possible changes in the payment behavior of our customers.

The methodology used for the calculation of preventive reserves consists of drawing up a profile and rating model that orders operations, beginning with their origination and behavior characteristics, by classifying them into homogenous groups. Subsequently, each one of them is assigned a differentiated Nonperformance Probability and Loss Severity (scaled according to the level of delays that credit has at the time it is evaluated). The product of these two variables for Nonperformance Exposure is defined as Expected Loss (EL).

$$EL = NE * PD * LS$$

The efficiency of the model is evaluated with a back testing test by comparing the Expected Loss with the Loss Incurred. Databases systems are provided with maintenance and updated to validate the information, which is employed for generating information on the follow-up on the credits originated.

It is important to note that the Company has a Sensitivity Analysis, which is estimated on the Probability of Nonperformance due to an increase factor.

As part of the quantification of the Credit Risk, the Company has a methodology for estimating the transition of the portfolio to know the impairment rate, improvement, correction and stability, thereby determining the level of recovery of the credits placed.

In addition, there are forecasting methodologies based on trends and self-regressive models that are appropriate for attracting short-term flows. An approach for forecasting is to combine a determinist temporary trend model with a self-regressive model.

Operating and technical risk

For identifying operating risks, the Company applies an expert judgment methodology, whereby the person responsible for each business unit as an expert determines the key processes required to meet strategic objectives. Regarding the processes selected, risk factors are identified that threaten meeting the process and line of business objectives, as well as the control measures that have been established for that purpose.

The methodology uses risk matrix and controls that allow for gathering qualitative and descriptive information of both risks and controls, as well as their classification by expected loss risk factor, type of operating risk factor, likelihood of occurrence, and magnitude of impact. These risks are detected and itemized in the relevant process of each process, which facilitates identification of each risk as well as the controls of each business unit.

Two forms of evaluating operating risk are considered for the quantification of risks:

Qualitative Methodology Ex-ante (Experts judgement)	Quantitative Methodology Ex-post (Materialized Risks)
<ul style="list-style-type: none"> ✍ Estimate of risks and possible impacts through the evaluation thereof by the Operating Risk Business Agent. ✍ Reinforcement of control measures. 	<ul style="list-style-type: none"> ✍ Recognition of losses by identifying events. ✍ Operating risk measurement through the journal entry of losses caused.

The Company has an advanced methodology for operating risk measurement, which is comprised of two components: on one hand, qualitative methodology whereby operating risk is quantified by considering the frequency, medium impacts, worst case scenario, as well as expected loss, the value at Risk (VaR), the likelihood of occurrence and the economic impact of risks (information obtained from the operating risk business agents of each business unit); on the other hand, the quantitative methodology which generates the operating risk exposure starting with the information gathered in the database of loss events.

Pursuant to the foregoing, the Company comprehensively quantifies the operating risk by inputting the relevant variables on the prospective view of the likelihood of occurrence of the risk and retrospectively with the materialized impacts, that is, not only are operating risks quantified, but quantified risks are quantified as well.

Additionally, Banco Azteca has developed an operating risk methodology theory to establish tolerance levels and appetite for risk, which have the following parameters:

a) Tolerance level

Analysis period: July 2021 to July 2024 (*)

Temporal horizon: monthly

Analysis type:

- Elimination of outliers
- Standard deviation scenarios
- Adjustment to a net capital.

Limit: 1.3% of the net capital

b) Appetite for risk

Analysis period: July 2021 to July 2024 (*)

Temporal horizon: monthly

Analysis type:

- Elimination of outliers
- Standard deviation scenarios
- Adjustment to a net capital

Limit: 1% of the net capital

(*) The model parameter of the last analysis period does not change.

Such methodology considers the historical experience of accounts of observed losses and penalties/smatterings (by risk type); and has the purpose monitor losses on a monthly basis against defined and approved risk appetite and tolerance levels.

Part of operating risk management is designed to foster ongoing improvement in the main processes of the company, which identifies risks and possible impacts arising from new products and/or services approved by the Risk Committee.

In addition, Banco Azteca has developed an institutional rating for monthly operating risk, which considers qualitative aspects (expert judgment) and quantitative aspects (materialized losses).

The methodological process adopted by BAZ for the management of technological risks is implemented by the IT Audit Area, through the Information Technology (IT) and consists in: the identification of risks, controls assessments, risks reports, risks management and monitoring of controls. This methodology takes two of the most recognized methodologies worldwide as the basis for the IT evaluation: COBIT and ISO27002.

c. Comprehensive risk management portfolios

For managing risk management, the Company classifies the risk exposure analysis for portfolios, by considering the intentionality of the operation, as well as implicit risk factors in the different types of operations, by applying appropriate methodologies in accordance with their accounting classification, such as market money operations, derivatives, foreign exchange, and consumer, commercial, and mortgage lending portfolios.

d. Interpretation of risk management measures

Market risk exposure of money market portfolios, derivatives, and foreign currency, specifically, that is, the Value at Risk (one-day VaR) represents the maximum loss that the Company could observe (for a determined position or investment portfolio) under normal market situations, with a determined probability.

The value on Operating Risk represents the maximum loss that the company could observe, taking into account the historical experience of the accounts of fines and losses.

Liquidity risk (Liquidity VaR) is determined by adjusting the market VaR by a marketability factor, considering the operating level of the instrument on the market. This measure estimates potential losses under the assumption that the instrument cannot be sold on the market, or that the selling price is written down below the operating level.

The Company employs expected and unexpected loss measures as to credit risk, which indicate potential losses in dealing with the nonperformance of the issuer or counterparty with regard to their obligations or payment commitments.

e. Derivatives trading risks

The consolidated statements of financial position of the Company are exposed to market risks due to interest rate changes and exchange rate fluctuations. Distinct derivative financial instruments are used to hedge those risks.

The objective of trading operations is to take advantage of arbitration possibilities that arise on the main financial markets within the authorized global risk limits. Just like the remaining trading portfolios, derivative portfolio market risk is measured with the Value at Risk (VaR) and the consumption of that limit is monitored daily.

The Company estimates credit risk exposure for hedge derivatives trading and brokerage operations. Toward that end, Effective Expected Positive Exposure (EEPE) is used which is measured at maximum positive market value which, on the average, the derivatives portfolio could eventually have at a counterparty level over the life thereof. Thus, the potential loss that the Company would have incurred is estimated in the event that the counterparty should fall into default, thereby assuming a zero-recovery rate.

Therefore, to monitor the consumption of credit lines for derivatives at a counterparty level, Exposure at Default (EAD).

Framework contracts for derivatives under which the Company operates contain compulsory compensation clauses for positions inside and outside of the consolidated statement of financial position; therefore, counterparty operations are offset between positive and negative market positions. Counterparties can be traded with up to the amount and for the term of the line of credit authorized by the Credit Committee.

On the other hand, the Company has defined within its policies for trading derivative financial instruments which, in a guaranteed management process, each margin call with its counterparties is carried out in strict adherence to the provisions set out in the corresponding framework contracts. This is managed through an automated Treasury operation system where all the clauses that define the exchange of guarantees are parameterized as the maximum exposure threshold; therefore, all exposure which exceeds that threshold and the minimum transfer amount must be covered.

Moreover, the operative, control, and monitoring areas are notified of the events arising from that management, based on valuation processes and margin calls, actions to follow in dealing with possible disputes of margin calls, liquidation of

margin calls for both delivering and receiving guarantees. All of this is documented in operating manuals authorized by the corresponding committees.

The counterparties with which derivative financial instruments are traded are:

- Financial institutions
- Trusts
- Company
- States and municipalities

The Company has established a Wrong Way Risk policy, which will consider that an entity is exposed to wrong way risk if it is foreseeable that its future exposure is high when its probability of nonperformance is high as well.

In reference to the liquidity risk on due dates of liabilities related to derivatives trading, the treasury area plans its liquidity risk by not leaving gaps between its financial assets and liabilities. This is how the Company effectively manages the lines granted. In addition, there is a highly marketable and liquid asset portfolio in the event of any emergency.

The fair value of the position of derivatives trading portfolio position as of March 31, 2025 is not sensitive to the variations of market risk factors since exposure is perfectly neutralized by offsetting between identical long and short operations of rate options.

Derivative financial instruments trading based on prices of stock certificates (equity swaps) agree on the liquidation of differences on an initial benchmark value. That liquidation is made on the termination date of the contracts, which can be anticipated upon prior notice to the institutions with which the corresponding contracts were entered into. The liquidation amount corresponds to the value quoted on the open underlying market less the initial value.

The Company is exposed to the inherent risk of fluctuations in the price of underlying assets of those derivative financial instruments. The Company reflects these fluctuations in its income (loss) through a "mark-to-market" newspaper of those instruments. This does not necessarily mean a cash inflow or outflow, until the termination date thereof. In order to meet the possible payment obligation as of the termination thereof, the Company establishes a collateral deposit on the initial day of each contract equivalent to the initial value. The fact that it is collateralized means that this amount will be the potential major loss of cash flow that would be faced by the Company in the event that the value of the underlying asset was zero at the time when the contract terminated. (See Note 9)

f. Primary position hedge

The objective of carrying out hedge transactions is to reduce primary position exposure (securities, loan portfolio, deposits) in dealing with adverse market movements in risk factors. The hedge position must meet the condition of behaving inversely to the primary position, that is, increases in risk factors that translate into losses of value on the primary position will give rise to gains on the hedge position, thereby decreasing the risk significantly. It is important to note that derivative instruments are used for hedging the primary position, which are traded on securities exchanges and over-the-counter markets. The Company has follow-up and control policies over these operations, so that it is able to comply with best practices.

All hedge transactions carried out with derivative instruments should be reported to the follow-up, recording, valuation, and supervision areas, in order to carry out internal control duties concerning each one of them. Risk management

presents information relative to derivative hedge transactions derived from coverage of the distinct organs of the Company, such as the Board of Directors and Risk Committee. The UAIR monitors compliance with risk limits proactively and reports excesses, if applicable.

As a hedge effective measure, a risk reduction ration (RRR) is used by comparing the VaR of the primary position and the VaR resulting from offsetting between the primary position and the derivative instrument. In addition, a retrospective test is performed that consists of comparing earnings/loss of a period of the primary position and of the derivative, based on estimated market prices of both positions.

The flow payable quotient of the primary position and the flow receivable from the derivative financial instrument was established as a measurement method for the commercial segment. For the IRS in effect at the end of 2024 the Company documented that due to the characteristics of the derivatives are the same as those primary position, it is determined that it meets critical terms, and the effectiveness assessment is qualitative, as the effectiveness ratio will always be 100%.

Risks related to Banco Azteca and Purpose Financial

Regarding risks related to Banco Azteca, please refer to section Risks Associated with Banco Azteca ("*Riesgos Asociados con Banco Azteca*") of Group Elektra's Annual Report for the year ended as of December 31, 2023 and December 31, 2024.

Regarding risks related to *Purpose Financial*, please refer to section Risks Associated to the operation of *Purpose Financial* of Grupo Elektra's Annual Report for the year ended December 31, 2023 and December 31, 2024.

Relations

Grupo Elektra maintains a close contact and proximity with its stakeholders.

On the Social field, we have the following results:

The Company generates more than 70,000 direct jobs, and closely monitors their well-being, the respect for their human rights and establishes decent working practices.

There are codes of ethics to which employees have access, and a channel for reporting abuse and fraud called "Honestel PEIC" which deals with cases of inappropriate conduct promptly.

Regarding our clients, we offer a wide variety of world-class merchandise and financing options to thousands of families that belong mainly to the C+, C, and D+ socioeconomic levels, and we are a main factor for financial inclusion for a market unserved by the traditional banking.

Our operations are profitable, which allows us to be sustainable in a long term, to continue supporting the growth and living standards of our clients, generating well-paid jobs for collaborators, increasing purchase to our suppliers, and giving a return for investors.

We believe that companies have become institutions that, in addition to generate wealth, have become a driver of inclusive prosperity and contributes meaningfully to the development of countries where they are present. Therefore, in addition of the economic value created through a supply of affordable, world-class merchandise that creates well-being and progress of

our customers, Grupo Elektra supports programs related to health, food, education and the environment through Fundación Azteca and other social initiatives.

Sustainability:

In 2018, together with all Grupo Salinas companies, Grupo Elektra joined the United Nations Global Pact, the largest global initiative that promotes corporate sustainability through the implementation of 10 principles that promote respect for human rights, the establishment of decent labor practices, the environment and the rejection of corruption. In 2024 the Group reaffirmed its commitment to the initiative.

In 2024, Grupo Elektra was selected to be part of the FTSE EMERGING ESG INDEX for the second consecutive year, along with 18 other Mexican companies that stand out in environmental, social, and corporate governance (ESG) indicators. The Group had outstanding scores in customer responsibility, human rights, anti-corruption and climate change.

For the eighth consecutive year, Tiendas Elektra and Banco Azteca received the distinction as Socially Responsible Companies (ESR) from the Mexican Center for Philanthropy (CEMEFI), while Italika received the distinction for the tenth consecutive year.

Banco Azteca launched the “Somos” card, a savings account designed especially for women that provides them with benefits and tools. This product was the winner of the PAR LATAM 2021 Ranking, awarded by Aquelae.

In 2023 we were listed in the “Kantar Brands” ranking as one of the most valuable Mexican brands, as well as in the “Time Magazine” as one of the best companies in the world.

Financial education is being promoted through Banco Azteca's Aprende y Crece program and has benefited more than 36 million people in Mexico and Latin America, and is the only educational program certified by the Mexican Ministry of Public Education, the Mexican Ministry of Labor and Social Security, the Mexican National Commission for the Protection and Defense of Users of Financial Services, and the Banco del Bienestar.

Banco Azteca is currently the bank with the second largest number of apprentices in Mexico through the government's “Jóvenes Construyendo el Futuro” program.

As for the energy consumed by Grupo Elektra, 27% of it comes from renewable sources. Likewise, operations are analyzed to identify and propose the necessary measures to optimize the consumption of energy, paper, water and waste management with a focus on reuse and/or recycling.

Corporate Governance

At Grupo Elektra, our corporate governance is structured in full compliance with the Mexican Securities Market Law. The Board of Directors determines the company's strategic actions and evaluates them.

The Ordinary and Extraordinary General Shareholders' Meeting held on December 27, 2024, approved the appointment and/or ratification of the members of the Company's Board of Directors. Since then, the Issuer's Board of Directors is composed of seven members, of which three are independent directors; that is, they are not employees or subject to the interests of our majority shareholders. With this, Grupo Elektra further strengthens the Company's solid decision-making

process, which broadens the Company's growth prospects. Our commitment to our investors and stakeholders is to manage our companies with integrity and transparency.

Through these changes in the Board of Directors, the proportion of independent members increased to 42%, from 40%, and well above the 25% established by the Securities Market Law.

We seek to recognize the rights of investors at all times, and to communicate financial results and any relevant events in a timely and transparent manner.

It should be recalled that at the Extraordinary Shareholders' Meeting held on August 17, 2009, the shareholders approved the restructure of the auxiliary bodies of the Board of Directors, as follows:

- The Audit Committee reviews our financial reporting procedures and internal financial control systems, as well as the activities and independence of the independent auditors and the activities of the internal audit staff, evaluates the Company's internal control policies and systems, and is aware of the operations carried out between related parties, among other matters. As of December 27, 2024, the Audit Committee is composed of three independent directors: Ricardo Howard Phillips Greene, Miguel Irurita Tomasena and Jorge Isaac Gastélum Miranda.
- The Corporate Practices Committee is responsible for: reviewing the investment policies and the use of the assets of the Company; approving the CAPEX and supervising its use; and providing opinions regarding the performance of the relevant executives, among others. As of December 27, 2024, the Corporate Practices Committee is composed of the following directors: Ricardo Howard Phillips Greene, Miguel Irurita Tomasena and Luis Jorge Echarte Fernández.

In that sense and with this integration, Mr. Ricardo Howard Phillips Greene holds the position of Chairman of both auxiliary Committees.

Likewise, at the Board of Directors' meeting held on October 23, 2018, the creation of the Company's Integrity Committee was approved, which was ratified at the Extraordinary and Ordinary Annual General Shareholders' Meeting held on April 8, 2025, in accordance with the following:

The Integrity Committee is responsible for the design, structuring, implementation, execution and evaluation of the Ethics, Integrity and Compliance Program ("PEIC" or "Integrity Program"); it verifies that Grupo Elektra's operations and business are carried out in an ethical, integral and transparent manner; executes and provides a mandatory training program on ethics and anti-corruption conduct for managers and employees; implements and manages a specialized whistleblower portal for conduct related to the Integrity Program ("Honestel PEIC"), among others. Likewise, said Committee controls, monitors and audits the PEIC, and approves modifications and adjustments to the program itself. By means of a meeting of the Company's Board of Directors held on October 25, 2022, the Integrity Committee was modified, and consequently it is composed of the following members: Javier Arturo Ferrer Báez, Alberto Javier Bringas Gómez and Valentina de la Cruz Moncada Chávez. These members may be removed by the Board of Directors at any time.

First quarter results

Consolidated revenue grew 16% to Ps.51,768 million in the period, compared to Ps.44,562 million in the same quarter of the previous year. Operating costs and expenses increased 17% to Ps.44,830 million, from Ps.38,199 million in the same quarter of 2024.

As a result, EBITDA was Ps.6,939 million, 9% higher than Ps.6,363 million a year ago. Operating income was Ps.4,553 million, 12% higher than Ps.4,067 million for the same period in 2024.

The company reported net income of Ps.1,865 million, compared to Ps.1,721 million a year ago.

	Q1 2024	Q1 2025	Change	
			Ps.	%
Consolidated revenue	\$44,562	\$51,768	\$7,206	16%
EBITDA	\$6,363	\$6,939	\$576	9%
Operating profit	\$4,067	\$4,553	\$486	12%
Net result	\$1,721	\$1,865	\$144	8%
Net result per share	\$7.80	\$8.90	\$1.10	14%

Figures in millions of pesos.

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

As of March 31, 2024, Elektra* outstanding shares were 220.7 million and as of March 31, 2025, were 209.5 million

Revenue

Consolidated revenue increased 16% in the period, reflecting a 23% increase in financial revenue and a 5% increase in commercial sales.

The increase in financial income — to Ps.33,844 million, up from Ps.27,526 million the previous year — largely reflects a 21% increase in Banco Azteca México's revenue, amid continued growth in its gross loan portfolio, which boosts the well-being of millions of families and business development.

The increase in revenue from the commercial business, to Ps.17,924 million, from Ps.17,036 million a year ago, is largely due to growth in motorcycle sales — which strengthen business productivity and the mobility of millions of people — and home appliances — which boost the quality of life of a growing number of families.

Costs and expenses

Consolidated costs for the quarter grew 9% to Ps.23,550 million, compared to Ps.21,534 million a year earlier. This increase is explained by a 19% growth in financial costs — derived from greater creation of loan reserves, in the context of

solid growth in the consolidated gross portfolio — and a 2% increase in commercial costs, consistent with growth in merchandise sales.

Lower increase in consolidated costs relative to revenues for the period led to a 23% growth in gross profit, to Ps.28,219 million, from Ps.23,028 million a year ago. Gross margin increased three percentage points to 55% this quarter.

Selling, administrative and promotional expenses grew 28% to Ps.21,280 million, from Ps.16,665 million a year ago, as a result of higher operating and advertising expenses during the period.

EBITDA and net result

EBITDA grew 9% to Ps.6,939 million, compared to Ps.6,363 million in the previous year. The EBITDA margin was 13% in the period. The company reported an operating income of Ps.4,553 million, compared to Ps.4,067 million in the same quarter of 2024.

Relevant variations below EBITDA were the following:

An increase of Ps.82 million in depreciation and amortization, resulting from growth in the right-of-use asset balance.

An increase of Ps.91 million in interest expense, resulting from a higher balance of debt with cost at the end of the quarter compared to the previous year.

Consistent with the quarterly results, there was an increase of Ps.123 million in the tax provision for the period.

Grupo Elektra reported a net income of Ps.1,865 million, up from Ps.1,721 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 various businesses that make up the company and enables financial market participants to estimate its value while considering only the relevant debt for such calculations.

Consistent with the above, debt with cost as of March 31, 2025, was Ps.41,920 million, compared to Ps.38,568 million the previous year. This increase largely reflects the issuance of fiduciary certificates and the drawdown of bank lines during the period.

Cash and cash equivalents were Ps.9,000 million, up from Ps.12,267 million a year ago, and net debt was Ps.32,920 million, compared to Ps.26,301 million a year ago.

	As of March 31, 2024	As of March 31, 2025	Change	
			Ps.	%
Cash and cash equivalents	\$12,267	\$9,000	(3,267)	(27%)
Marketable financial instruments	25,717	27,208	1,491	6%
Inventories	17,470	23,946	6,476	37%
Accounts receivables	52,012	33,629	(18,382)	(35%)
Other current assets	3,857	2,548	(1,308)	(34%)
Investments in shares	41,575	48,208	6,634	16%
Fixed assets	8,801	8,199	(602)	(7%)
Right of use assets	12,056	12,470	414	3%
Other assets	4,546	12,648	8,103	178%
Total assets	\$178,299	\$177,856	(\$443)	(0%)
Debt with cost	\$38,568	\$41,920	3,352	9%
Suppliers	11,340	12,727	1,387	12%
Other short-term liabilities	20,235	19,913	(321)	(2%)
Other long-term liabilities	15,942	22,367	6,425	40%
Total liabilities	\$86,085	\$96,928	\$10,843	13%
Stakeholder's equity	\$92,214	\$80,928	(\$11,285)	(12%)
Liabilities and equity	\$178,299	\$177,856	(\$443)	(0%)

Figures in millions of pesos

Consolidated Balance Sheet

Loan Portfolio and Deposits

The consolidated gross loan portfolio of Banco Azteca Mexico, Purpose Financial, and Banco Azteca Latinoamerica as of March 31, 2025, grew 14% to Ps.198,915 million, compared to Ps.174,484 million the previous year. The consolidated non-performing loan ratio was 4.4% at the end of the period, compared to 4.2% the previous year.

Banco Azteca Mexico's gross loan balance increased 13% to Ps.190,630 million, up from Ps.169,099 million a year ago. The bank's delinquency ratio at the end of the period was 3.9%, compared to 3.7% the previous year.

Grupo Elektra's consolidated deposits totaled Ps.243,931 million, 12% higher than the Ps.216,897 million a year ago. Banco Azteca Mexico's traditional deposits were Ps.236,607 million, 10% higher than the Ps.214,793 million of the previous year.

Banco Azteca Mexico's traditional deposits-to-gross portfolio ratio was 1.2 times, enabling solid growth of the Bank with optimal funding costs.

The bank's liquidity coverage ratio (calculable liquid assets / total net cash outflow) at quarter-end was 701%, an outstanding figure in the Mexican banking sector.

Banco Azteca Mexico's capitalization ratio was 14.63%.

Infrastructure

Grupo Elektra currently has 6,150 contact points, compared to 6,170 units the previous year; the decrease is the result of strategies focused on maximizing the profitability of the company's contact points.

At the end of the period, Grupo Elektra had 4,908 points of contact in Mexico, 810 in the US, and 432 in Central America. The company's extensive distribution network provides customer proximity and close service, generating superior market positioning in the countries where it operates.

Perspectives

The Company plans to continue growing and strengthening the Elektra stores format, improving the customer experience with a renewed store format, enabling us to increase our sales volumes and to support a better quality of life for our customers through a large variety of means to purchase our broad range of products and services. Likewise, the growth of the Elektra Motos agency format is contemplated, reflecting the Company's commitment to the expansion of its commercial network and the strategic investment in the multi-brand motorcycle format, with the objective of strengthening our positioning in the category and offering customers a broader portfolio of models and brands.

Banco Azteca plans to continue its expansion program, both in formats within Elektra stores and independent branches.

In both, commercial and financial channels, the company has a strong and growing digital presence. It is estimated to invest in its e-commerce capabilities to maintain technological leadership and to offer the best goods and services for our clients. During the last years, we committed to digital technological disruption that will keep us at the forefront of our core business operations, as well as giving us the opportunity to evolve with our clients and a new generation of users. Additionally, we took advantage of the acceleration of digital adoption in the population generated by the pandemic, putting in the hands of our customers the first super app made for Mexicans, which consolidates the value proposition of the entire Group in a single mobile application, with various commercial partners that help us to strengthen the offer for Mexican users and small businesses.

Regarding our presence in the United States (Purpose Financial), Grupo Elektra plans to continue diversifying its way to offer financial products and services, aimed to promote online credit operations, as well as operational efficiency in its stores.

Grupo Elektra's consolidated deposits totaled Ps.243,931 million, 12% higher than the Ps.216,897 million a year ago. Banco Azteca Mexico's traditional deposits were Ps.236,607 million, 10% higher than the Ps.214,793 million of the previous year.

The consolidated gross loan portfolio of Banco Azteca Mexico, Purpose Financial, and Banco Azteca Latinoamerica as of March 31, 2025, grew 14% to Ps.198,915 million, compared to Ps.174,484 million the previous year. The consolidated non-performing loan ratio was 4.4% at the end of the period, compared to 4.2% the previous year.

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Banco Azteca Mexico's traditional deposits-to-gross portfolio ratio was 1.2 times, enabling solid growth of the Bank with optimal funding costs.

The bank's liquidity coverage ratio (calculable liquid assets / total net cash outflow) at quarter-end was 701%, an outstanding figure in the Mexican banking sector.

The capitalization ratio of Banco Azteca México was 14.63%.

Financial position, liquidity and capital resources [text block]

Liquidity and capital Resources

The purpose of Grupo Elektra's liquidity management function is to ensure that it has funds available to meet its financial services and commercial business obligations. These obligations, in the financial services business, arise from withdrawals of deposits, repayments at maturity of short-term notes, extensions of loans or other forms of credit and working capital needs and in the commercial business, principally from the obligations to the supply chain.

Factors that may influence the levels of liquidity and capital resources of Grupo Elektra include:

- the ability of Grupo Elektra to generate sufficient free cash flow;
- the ability of Grupo Elektra's subsidiaries to make distributions or to adapt to changes in the supply chain; or customers' purchasing power and patterns, and to redesign the supply of current categories or products;
- general economic conditions in the markets where Grupo Elektra operates and elsewhere, demand for Grupo Elektra's products, the competitive environment, demographic changes in its market areas and regulation;
- technological disruptions which access to bank financing and the capital markets, including interest rate fluctuations, availability of credit and operational risks of Grupo Elektra's business.

Grupo Elektra's principal sources of liquidity include cash and marketable financial instruments on hand and short-term revolving credit lines and for the commercial business include cash from operations, marketable financial instruments, two programs of stock exchange certificates and a senior notes program listed on the Luxembourg Stock Exchange, among other available credit facilities. Grupo Elektra believes that these sources of liquidity will be sufficient to fund its capital needs for at least the next 12 months.

Working Capital

Grupo Elektra's net working capital on March 31, 2025 was negative Ps.43,454 million, compared with negative working capital of Ps.37,572 million at the end of March 2024. During the period, cash and investments increased 16%, or Ps.23,115 million, while the net portfolio grew 8%, or Ps.6,885 million, and inventory grew 37%, or Ps.6,476 million. On the liabilities side, consolidated deposits increased 12%, or Ps.27,034 million, while Banco Azteca's repo transactions grew 33%, or Ps.10,951 million, current-cost debt increased 31%, or Ps.3,030 million, and lease liabilities rose 25%, or Ps.695 million.

Treasury Policies

Grupo Elektra is dedicated to offering financial and specialized trade services. Sales corresponding to specialized trade are traditionally made throughout the year; however, the main sales take place in the months of May, November and December

of each year due to holiday season and special events such as Mother's Day, "El Buen Fin" (an annual discounted sale event) and Christmas. The income received is used to pay Grupo Elektra's suppliers, operating expenses, capital expenditures, maintenance of stores and distribution centers. The excess cash flow generated is generally invested in government securities and/or bank instruments, as well as in foreign currency, with first-rate financial institutions, since they are used to meet Grupo Elektra's commitments according to the payment conditions agreed with each of them. Grupo Elektra's borrowings are based on the domestic and foreign market conditions at the time, applicable considerations of short and long-term cash flow.

Banco Azteca's main activity consists of attracting deposits from the general public and placing loans.

As of March 2025, the total deposits of Banco Azteca in Mexico were Ps.236,607 million, while the gross loan portfolio was Ps.190,630 million. The difference between deposits and loans generates surplus cash that is invested in liquid and low risk instruments issued by the government of Mexico. In foreign currency operations, surpluses are invested in short-term instruments issued by first-rate foreign banks. During 1Q25, treasury operations complied with the market risk and liquidity limits, as well as the maximum exposure limits in foreign currency.

Main Accounts of the Statement of Financial Position

Consolidated Deposits

Grupo Elektra's consolidated deposits totaled Ps.243,931 million, 12% higher than the Ps.216,897 million a year ago.

Consolidated Loan Portfolio

The consolidated gross loan portfolio of Banco Azteca Mexico, Purpose Financial, and Banco Azteca Latinoamerica as of March 31, 2025, grew 14% to Ps.198,915 million, compared to Ps.174,484 million the previous year.

Cash and Cash Equivalents

Cash and marketable securities totaled Ps.164,692 million as of March 31, 2025 compared to Ps.141,577 million as of March 31, 2024. For the commercial business, the total balance of cash and temporary investments was Ps.15,926 million compared to Ps.16,250 million from same period of last year. In the financial services business, cash and temporary investments was Ps.148,767 million as of March 31, 2025 compared to Ps.125,327 million as of March 31, 2024. As of 1Q25, the commercial business debt with cost increased to Ps.36,872 million from Ps.35,226 million as of 1Q24, resulting in a net debt of Ps.20,906 million as of March 31, 2025 compared to a net debt of Ps.18,943 million as of March 31, 2024.

During 2018, Grupo Elektra established a dual program of stock exchange certificates in Mexican pesos for up to Ps.15,000 million which was increased to up to Ps.20,000 million in 2019. This program matured in May 2023 and the outstanding balance of the notes at the end of March 2025 was Ps. 3,000 million.

In April 2021, Grupo Elektra established a new program of long-term stock exchange certificates for up to Ps.20,000 million or its equivalent in UDIS. As of 1Q25, Grupo Elektra has an available amount of Ps.3,588 million or its equivalent to UDIS under this facility.

In June 2023, the Company established a new dual bond issuance program for up to Ps.20,000 million, or its equivalent in UDIs, which will allow Grupo Elektra to issue short-term certificates with a term of up to 364 days, for an amount of up to

Ps.4,000 million, and long-term certificates for up to Ps.20,000 million, with a term of up to 30 years, in both cases without exceeding the total amount of the program. At the end of 1Q25, Grupo Elektra had an available balance of Ps.12,415 million, or its equivalent in UDIs.

Internal control [text block]

There is an Internal Control System in all critical areas of business, operation and support of the companies that conform Grupo Elektra. Internal Control is largely supported by operating and information systems. Internal Control procedures are designed by the different areas and business units in conjunction with the Process Analysis and Design Department, which is responsible for evaluating, developing, implementing and disseminating the policies that best adhere to the operation, applicable regulations (mainly financial, accounting, anti-money laundering and legal regulations), as well as our values, vision and mission.

Mechanisms are in place to ensure that the companies adhere to all provisions issued by the authorities in legal and regulatory matters, establishing systems and procedures to inform the responsible areas and obtain feedback on their correct and timely compliance.

Finally, the Internal Audit Department supervises the proper functioning of the Internal Control System, ensuring compliance with control procedures, institutional and regulatory standards, the correct use of the company's resources, the accuracy and sufficiency of the reports on our operations, and the security of the information, its integrity, confidentiality and availability.

Likewise, the Internal Audit area has a specialized audit administration system “ADA” that allows, among other things, to manage the audit process, electronic work papers, reduce execution times, provide timely follow-up to observations and revisions of the Annual Plan, as well as to have the results of the audit in “real time”.

Information disclosure controls.

Disclosure controls are designed to ensure that information is compiled and communicated to our Directors. This information is delivered appropriately and in a timely manner to enable decision making related to required disclosures. The procedures and internal controls for financial reporting are designed to provide reasonable assurance that:

- Our transactions are properly authorized;
- Assets are safeguarded against inappropriate or unauthorized use; and
- Transactions are properly documented, recorded and reported.

Limitations on the validity of controls.

Our management does not expect, and cannot assure you, that our Disclosure Controls and Internal Controls will prevent all errors and fraud. A Control System, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be achieved.

In addition, the design of a Control System must reflect the fact that there are resource constraints, and the benefits of controls must be considered in relation to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Group have been detected. These inherent limitations include the reality that judgments in decision making may be incomplete, and failures may occur due to simple errors or mistakes. Additionally, controls can be surrounded by individual acts of some people, by the collusion of two or more people or by disregarding the control. The design of any control system is also based in part on certain actions about the probability of future events, and there can be no assurance that any control will succeed in achieving its goals under all possible future conditions. Over time, control may become inadequate because of condition changes, or the degree of compliance with control-related policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Annual Evaluation of Grupo Elektra's Disclosure Controls and Internal Controls.

As of December 31, 2024, an evaluation was made under the supervision and with the participation of our management, of the effectiveness of the design and operation of our disclosure controls. Based on that evaluation, it was concluded, subject to the limitations noted above, that:

- During the execution of the 2024 annual audit plan, the main operational, administrative, regulatory and systems processes were reviewed, without detecting any relevant deviations to report that could jeopardize the operation and/or continuation of the business.
- Internal Audit verified the policies and procedures manuals of the regulated Business, verifying their compliance with the Institutional and Regulatory Standards, and also helped the Business, together with Process Analysis and Design, to update the policies and procedures of the Business operations.
- We responded to the internal and external observations derived from the regulators' visits and official letters, adopting the necessary corrective and preventive measures.
- The findings detected in Systems were not relevant, which reasonably guarantees the security and integrity of the information, as well as the continuity of the business in the event of a disaster.

Ethics, Integrity and Compliance Program.

Grupo Elektra is dedicated to conducting business in an ethical, honest, responsible manner, and in compliance with applicable laws.

In this regard, in 2018, Grupo Elektra's Board of Directors (i) ratified the principle of "Ethical Business Conduct and Zero Tolerance to Bribery and Corruption"; (ii) approved the creation of an intermediate, autonomous management body called the "Integrity Committee"; and (iii) instructed the Integrity Committee to design, create and implement the Ethics, Integrity and Compliance Program ("*Program*", or "*PEIC*" by its acronym in Spanish).

The Integrity Committee is responsible for designing, structuring, implementing, executing and evaluating the PEIC and, in general, addressing and resolving any issue related to Grupo Elektra's Integrity Program, including any violation thereof and the imposition of the corresponding sanctions.

This Committee must present an annual report to the Board of Directors on the operation and functioning of the PEIC, as well as improvements to the same.

The Integrity Committee is comprised of three members of senior management appointed by the Shareholders' Meeting and is supported by a Chief Compliance Officer to execute and implement anti-corruption policies.

This Program is composed of various codes, policies, manuals and guidelines that govern the conduct of our managers and collaborators, including without limitation, anti-corruption; prohibition of bribery and facilitation payment; legality; conflict of interest; donations and contributions; hospitality, travel, per diem and entertainment; gifts and thanks; prevention of money laundering; economic competition; relationship with third parties and due diligence; complaints system; disciplinary processes; and a catalogue of sanctions, among others. This Program includes guidelines for its periodic evaluation, evaluation corruption risks, as well as a training program for managers and employees according to their profile, roles and responsibilities.

Disclosure of critical performance measures and indicators that management uses to evaluate entity's performance against stated objectives [text block]

First quarter results

Consolidated revenue increased 16% in the period, reflecting a 23% increase in financial revenue and a 5% increase in commercial sales. Costs and operating expenses rose 17% to Ps.44,830 million, up from Ps.38,199 million in the same quarter of 2024.

As a result, EBITDA grew 9% to Ps.6,939 million, compared to Ps.6,363 million in the previous year. The EBITDA margin was 13% in the period. The company reported an operating income of Ps.4,553 million, compared to Ps.4,067 million in the same quarter of 2024.

Relevant variations below EBITDA were as follows:

An increase of Ps.82 million in depreciation and amortization, resulting from growth in the right-of-use asset balance.

An increase of Ps.91 million in interest expense, resulting from a higher balance of debt with cost at the end of the quarter compared to the previous year.

Consistent with the quarterly results, there was an increase of Ps.123 million in the tax provision for the period.

Grupo Elektra reported a net income of Ps.1,865 million, up from Ps.1,721 million a year ago.

The consolidated gross loan portfolio of Banco Azteca Mexico, Purpose Financial, and Banco Azteca Latinoamerica as of March 31, 2025, grew 14% to Ps.198,915 million, compared to Ps.174,484 million the previous year. The consolidated non-performing loan ratio was 4.4% at the end of the period, compared to 4.2% the previous year.

Banco Azteca Mexico's gross loan balance increased 13% to Ps.190,630 million, up from Ps.169,099 million a year ago. The bank's delinquency ratio at the end of the period was 3.9%, compared to 3.7% the previous year.

Grupo Elektra's consolidated deposits totaled Ps.243,931 million, 12% higher than the Ps.216,897 million a year ago. Banco Azteca Mexico's traditional deposits were Ps.236,607 million, 10% higher than the Ps.214,793 million of the previous year.

Banco Azteca Mexico's traditional deposits-to-gross portfolio ratio was 1.2 times, enabling solid growth of the Bank with optimal funding costs.

The bank's liquidity coverage ratio (calculable liquid assets / total net cash outflow) at quarter-end was 701%, an outstanding figure in the Mexican banking sector.

Banco Azteca Mexico's capitalization ratio was 14.63%.

The Company monitors the ratio of adjusted capital over debt with cost. This ratio results from dividing the net debt by the consolidated stockholders' equity. In turn, the net debt is defined as the total of the short and long-term debt with cost in the consolidated statement of financial position (excluding deposits of immediate and term demand and creditors for repurchase agreements), less cash and cash equivalents, not including restricted cash and investments.

[110000] General information about financial statements

Ticker:	ELEKTRA
Period covered by financial statements:	2025-01-01 al 2025-03-31
Date of end of reporting period:	2025-03-31
Name of reporting entity or other means of identification:	GRUPO ELEKTRA, S. A. B. DE C. V.
Description of presentation currency:	MXN
Level of rounding used in financial statements:	Thousands of Pesos
Consolidated:	Yes
Number of quarter:	1
Type of issuer:	ICS
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period:	Not applicable
Description of nature of financial statements:	Consolidated Financial Statement

Disclosure of general information about financial statements [text block]**Activity of the Company**

Grupo Elektra, S. A. B. de C. V. (Grupo Elektra) is a Mexican entity, which through its subsidiaries has operations in Mexico, the United States of America (USA) and Central America.

Grupo Elektra is a leading specialty retailer and provider of financial services in Mexico and Central America, focusing mainly on the middle and low-income economic sector of the population (the C+, C, C- y D+ socio-economic levels in Mexico). In addition, Grupo Elektra has operations in USA, where it is a leading provider of non-bank cash advance services.

The main activities of Grupo Elektra and its subsidiaries (hereinafter "the Company" or "Group Elektra"), are:

- Specialized trade (retailer of goods and services, money transfers).
- Banking and credit services (receive deposits, accept and grant loans and credits, raise funds from the public, make investments in securities, enter into repurchase agreements, issue bank bonds, issue subordinated debentures and carry out other multiple banking operations).

- Other financial services (short-term cash advances in the USA ("payday loans"), insurance and reinsurance services in accident and illness operations, in the trade of personal accidents and medical expenses; insurance, coinsurance and reinsurance services in damage operations, in the trade of civil liability and professional risks, maritime and transportation, fire, automobiles, miscellaneous, earthquake and other catastrophic risks; pension and retirement funds management; and brokerage services).

The aforementioned activities are conducted through more than 6,150 points of sales in Mexico, USA, and Central America. The main points of contact are Elektra, Salinas y Rocha stores and branches of Banco Azteca and Purpose Financial.

The common shares of Grupo Elektra (ELEKTRA*) are listed in the Mexican Stock Exchange (BMV for its acronym in Spanish) and Latibex, an international stock dedicated to Latin American Shares in Euros, regulated by the current laws of the Spanish Stock Exchange.

Headquarters are located in: Av. Ferrocarril de Río Frío N° 419-CJ, Col. Fraccionamiento Industrial del Moral, Delegación Iztapalapa, C.P. 09010, Mexico City.

These consolidated financial statements have been translated into English solely for the convenience of readers of this language. In all cases, where there are any disagreements between the English and Spanish versions, the Spanish version shall be considered authoritative and controlling.

The Company, to conduct its financial activities, has the following authorizations and is regulated for the following authorities:

Subsidiary	Type of authorization	Regulatory entity
Banco Azteca, S. A., Institución de Banca Múltiple (Banco Azteca)	Banking Operations in the manner and terms established in the Mexican Credit Institutions law.	Mexican National banking and Securities Commission (CNBV, for its acronym in Spanish) and the Mexican Central Bank (Banxico, for its acronym in Spanish).
Afore Azteca, S. A. de C. V.	Management of retirement and pension funds through specialized investment companies called Siefores.	Mexican National Commission for the Retirement Funds (CONSAR, for its acronym in Spanish).
Seguros Azteca, S. A. de C. V.	Life, accident and illness, and damage insurance and reinsurance operations.	Mexican National Commission of Insurance and Bonding (CNSF, for its acronym in Spanish).
Seguros Azteca Daños, S. A. de C.V.	Damage insurance and reinsurance operations.	CNSF.
Banco Azteca (Panamá), S. A.	Banking Operations.	Panama Bank Superintendence.
Banco Azteca de Honduras, S. A.	Banking operations.	National Commission on Banking and Insurance of Honduras.
Banco Azteca de Guatemala, S. A.	Banking operations.	Monetary council of Guatemala.
Punto Casa de Bolsa, S. A. de C. V.	Trading operations	CNBV
Purpose Financial, Inc. (formerly Advance America, Cash Advance Centers, Inc.)	Short-term cash advances ("Payday loans")	Several state regulators in the USA.

Basis of preparation and summary of significant accounting policies

a. Basis of preparation and measurement

The accompanying consolidated financial statements have been prepared in accordance with the international accounting standard (IAS) 34 "Interim Financial Reporting", because of that they do not include all the required information for annual financial statements in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB), so it is recommended to read altogether the annual financial statements as of December 31, 2024.

b. Use of estimates

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in the appendix 813000.

c. Functional and reporting currency

The reporting currency of the consolidated financial statements of the Company is the Mexican peso. Since the Company maintains investments in subsidiaries abroad, the items included in the financial statements of each one of the entities comprising Grupo Elektra are measured in the currency of the primary economic environment where each entity operates, that is, its "functional currency". The Company is exposed to a foreign currency translation risk.

d. Main accounting policies

The main accounting policies adopted in the preparation of the consolidated financial statements are set out in appendix 813000. The policies have been consistently applied to the previous year presented in this consolidated financial statements, unless otherwise stated.

Follow-up of analysis [text block]

The hedge analysis of the Company is made by Signum Research and BCP Securities

[210000] Statement of financial position, current/non-current

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Statement of financial position [abstract]		
Assets [abstract]		
Current assets [abstract]		
Cash and cash equivalents	41,652,180,000	47,327,431,000
Trade and other current receivables	122,887,689,000	124,109,919,000
Current tax assets, current	0	0
Other current financial assets	124,635,343,000	111,605,087,000
Current inventories	23,945,794,000	19,123,023,000
Current biological assets	0	0
Other current non-financial assets	0	0
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	313,121,006,000	302,165,460,000
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	104,895,000	108,628,000
Total current assets	313,225,901,000	302,274,088,000
Non-current assets [abstract]		
Trade and other non-current receivables	84,452,203,000	82,715,631,000
Current tax assets, non-current	0	0
Non-current inventories	0	0
Non-current biological assets	0	0
Other non-current financial assets	20,477,739,000	25,534,718,000
Investments accounted for using equity method	2,119,334,000	2,208,125,000
Investments in subsidiaries, joint ventures and associates	0	0
Property, plant and equipment	18,202,646,000	18,804,875,000
Investment property	174,654,000	175,057,000
Right-of-use assets that do not meet definition of investment property	14,657,375,000	14,770,431,000
Goodwill	3,795,911,000	3,787,831,000
Intangible assets other than goodwill	6,112,298,000	5,928,915,000
Deferred tax assets	11,892,742,000	11,199,137,000
Other non-current non-financial assets	13,449,342,000	11,858,516,000
Total non-current assets	175,334,244,000	176,983,236,000
Total assets	488,560,145,000	479,257,324,000
Equity and liabilities [abstract]		
Liabilities [abstract]		
Current liabilities [abstract]		
Trade and other current payables	40,039,443,000	39,776,576,000
Current tax liabilities, current	3,035,611,000	5,569,801,000
Other current financial liabilities	301,142,973,000	284,414,008,000
Current lease liabilities	3,483,564,000	3,458,654,000
Other current non-financial liabilities	0	0
Current provisions [abstract]		
Current provisions for employee benefits	3,199,989,000	3,601,269,000
Other current provisions	5,547,975,000	5,150,659,000
Total current provisions	8,747,964,000	8,751,928,000
Total current liabilities other than liabilities included in disposal groups classified as held for sale	356,449,555,000	341,970,967,000
Liabilities included in disposal groups classified as held for sale	230,792,000	213,751,000
Total current liabilities	356,680,347,000	342,184,718,000
Non-current liabilities [abstract]		
Trade and other non-current payables	2,503,667,000	2,256,418,000
Current tax liabilities, non-current	615,938,000	2,050,397,000

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Other non-current financial liabilities	29,217,496,000	35,573,093,000
Non-current lease liabilities	12,879,622,000	12,659,579,000
Other non-current non-financial liabilities	0	0
Non-current provisions [abstract]		
Non-current provisions for employee benefits	3,324,267,000	3,154,275,000
Other non-current provisions	128,933,000	117,193,000
Total non-current provisions	3,453,200,000	3,271,468,000
Deferred tax liabilities	2,281,642,000	730,639,000
Total non-current liabilities	50,951,565,000	56,541,594,000
Total liabilities	407,631,912,000	398,726,312,000
Equity [abstract]		
Issued capital	566,024,000	566,024,000
Share premium	4,708,985,000	4,708,985,000
Treasury shares	0	4,026,623,000
Retained earnings	66,879,834,000	70,471,333,000
Other reserves	8,762,494,000	8,808,453,000
Total equity attributable to owners of parent	80,917,337,000	80,528,172,000
Non-controlling interests	10,896,000	2,840,000
Total equity	80,928,233,000	80,531,012,000
Total equity and liabilities	488,560,145,000	479,257,324,000

[310000] Statement of comprehensive income, profit or loss, by function of expense

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Profit or loss [abstract]		
Profit (loss) [abstract]		
Revenue	51,768,447,000	44,562,227,000
Cost of sales	23,549,535,000	21,534,359,000
Gross profit	28,218,912,000	23,027,868,000
Distribution costs	18,017,230,000	15,294,871,000
Administrative expenses	5,652,494,000	3,677,707,000
Other income	4,297,000	11,867,000
Other expense	0	0
Profit (loss) from operating activities	4,553,485,000	4,067,157,000
Finance income	550,879,000	500,899,000
Finance costs	2,340,084,000	2,156,936,000
Share of profit (loss) of associates and joint ventures accounted for using equity method	(8,550,000)	79,705,000
Profit (loss) before tax	2,755,730,000	2,490,825,000
Tax income (expense)	892,138,000	769,592,000
Profit (loss) from continuing operations	1,863,592,000	1,721,233,000
Profit (loss) from discontinued operations	1,125,000	(449,000)
Profit (loss)	1,864,717,000	1,720,784,000
Profit (loss), attributable to [abstract]		
Profit (loss), attributable to owners of parent	1,864,149,000	1,720,801,000
Profit (loss), attributable to non-controlling interests	568,000	(17,000)
Earnings per share [text block]	The accumulated earnings per share were calculated by dividing the profit or loss attributable to controlling interest of the period of \$1,864,149,000 by weighted average number of outstanding ordinary shares of 209,514,296	The accumulated earnings per share were calculated by dividing the profit or loss attributable to controlling interest of the period of \$1,720,801,000 by weighted average number of outstanding ordinary shares of 220,650,235
Earnings per share [abstract]		
Earnings per share [line items]		
Basic earnings per share [abstract]		
Basic earnings (loss) per share from continuing operations	8.9	7.8
Basic earnings (loss) per share from discontinued operations	0.01	0
Total basic earnings (loss) per share	8.91	7.8
Diluted earnings per share [abstract]		
Diluted earnings (loss) per share from continuing operations	8.9	7.8
Diluted earnings (loss) per share from discontinued operations	0.01	0
Total diluted earnings (loss) per share	8.91	7.8

[410000] Statement of comprehensive income, OCI components presented net of tax

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Statement of comprehensive income [abstract]		
Profit (loss)	1,864,717,000	1,720,784,000
Other comprehensive income [abstract]		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax [abstract]		
Other comprehensive income, net of tax, gains (losses) from investments in equity instruments	0	0
Other comprehensive income, net of tax, gains (losses) on revaluation	0	0
Other comprehensive income, net of tax, gains (losses) on remeasurements of defined benefit plans	351,000	(467,000)
Other comprehensive income, net of tax, change in fair value of financial liability attributable to change in credit risk of liability	0	0
Other comprehensive income, net of tax, gains (losses) on hedging instruments that hedge investments in equity instruments	0	0
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss, net of tax	0	0
Total other comprehensive income that will not be reclassified to profit or loss, net of tax	351,000	(467,000)
Components of other comprehensive income that will be reclassified to profit or loss, net of tax [abstract]		
Exchange differences on translation [abstract]		
Gains (losses) on exchange differences on translation, net of tax	7,603,000	(231,537,000)
Reclassification adjustments on exchange differences on translation, net of tax	0	0
Other comprehensive income, net of tax, exchange differences on translation	7,603,000	(231,537,000)
Available-for-sale financial assets [abstract]		
Gains (losses) on remeasuring available-for-sale financial assets, net of tax	0	0
Reclassification adjustments on available-for-sale financial assets, net of tax	0	0
Other comprehensive income, net of tax, available-for-sale financial assets	0	0
Cash flow hedges [abstract]		
Gains (losses) on cash flow hedges, net of tax	26,357,000	(1,008,000)
Reclassification adjustments on cash flow hedges, net of tax	0	0
Amounts removed from equity and included in carrying amount of non-financial asset (liability) whose acquisition or incurrence was hedged highly probable forecast transaction, net of tax	0	0
Other comprehensive income, net of tax, cash flow hedges	26,357,000	(1,008,000)
Hedges of net investment in foreign operations [abstract]		
Gains (losses) on hedges of net investments in foreign operations, net of tax	0	0
Reclassification adjustments on hedges of net investments in foreign operations, net of tax	0	0
Other comprehensive income, net of tax, hedges of net investments in foreign operations	0	0
Change in value of time value of options [abstract]		
Gains (losses) on change in value of time value of options, net of tax	0	0
Reclassification adjustments on change in value of time value of options, net of tax	0	0
Other comprehensive income, net of tax, change in value of time value of options	0	0
Change in value of forward elements of forward contracts [abstract]		
Gains (losses) on change in value of forward elements of forward contracts, net of tax	0	0
Reclassification adjustments on change in value of forward elements of forward contracts, net of tax	0	0
Other comprehensive income, net of tax, change in value of forward elements of forward contracts	0	0
Change in value of foreign currency basis spreads [abstract]		
Gains (losses) on change in value of foreign currency basis spreads, net of tax	0	0
Reclassification adjustments on change in value of foreign currency basis spreads, net of tax	0	0
Other comprehensive income, net of tax, change in value of foreign currency basis spreads	0	0
Financial assets measured at fair value through other comprehensive income [abstract]		
Gains (losses) on financial assets measured at fair value through other comprehensive income, net of tax	0	0
Reclassification adjustments on financial assets measured at fair value through other comprehensive income, net of tax	0	0
Amounts removed from equity and adjusted against fair value of financial assets on reclassification out of fair value through other comprehensive income measurement category, net of tax	0	0

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Other comprehensive income, net of tax, financial assets measured at fair value through other comprehensive income	0	0
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss, net of tax	(80,270,000)	(32,674,000)
Total other comprehensive income that will be reclassified to profit or loss, net of tax	(46,310,000)	(265,219,000)
Total other comprehensive income	(45,959,000)	(265,686,000)
Total comprehensive income	1,818,758,000	1,455,098,000
Comprehensive income attributable to [abstract]		
Comprehensive income, attributable to owners of parent	1,818,758,000	1,455,098,000
Comprehensive income, attributable to non-controlling interests	0	0

[520000] Statement of cash flows, indirect method

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Statement of cash flows [abstract]		
Cash flows from (used in) operating activities [abstract]		
Profit (loss)	1,864,717,000	1,720,784,000
Adjustments to reconcile profit (loss) [abstract]		
+ Discontinued operations	(1,125,000)	449,000
+ Adjustments for income tax expense	892,138,000	769,592,000
+ (-) Adjustments for finance costs	1,789,205,000	1,656,037,000
+ Adjustments for depreciation and amortisation expense	2,389,601,000	2,307,668,000
+ Adjustments for impairment loss (reversal of impairment loss) recognised in profit or loss	0	0
+ Adjustments for provisions	7,111,045,000	5,596,293,000
+ (-) Adjustments for unrealised foreign exchange losses (gains)	0	0
+ Adjustments for share-based payments	0	0
+ (-) Adjustments for fair value losses (gains)	0	0
- Adjustments for undistributed profits of associates	0	0
+ (-) Adjustments for losses (gains) on disposal of non-current assets	0	0
+ Participation in associates and joint ventures	8,550,000	(79,705,000)
+ (-) Adjustments for decrease (increase) in inventories	(4,822,771,000)	(766,653,000)
+ (-) Adjustments for decrease (increase) in trade accounts receivable	(9,437,958,000)	(4,618,892,000)
+ (-) Adjustments for decrease (increase) in other operating receivables	(3,235,221,000)	1,068,684,000
+ (-) Adjustments for increase (decrease) in trade accounts payable	2,162,639,000	1,966,719,000
+ (-) Adjustments for increase (decrease) in other operating payables	6,860,626,000	(195,831,000)
+ Other adjustments for non-cash items	0	0
+ Other adjustments for which cash effects are investing or financing cash flow	0	0
+ Straight-line rent adjustment	0	0
+ Amortization of lease fees	0	0
+ Setting property values	0	0
+ (-) Other adjustments to reconcile profit (loss)	460,980,000	368,845,000
+ (-) Total adjustments to reconcile profit (loss)	4,177,709,000	8,073,206,000
Net cash flows from (used in) operations	6,042,426,000	9,793,990,000
- Dividends paid	0	0
+ Dividends received	0	0
- Interest paid	0	0
+ Interest received	0	0
+ (-) Income taxes refund (paid)	788,304,000	1,703,022,000
+ (-) Other inflows (outflows) of cash	0	0
Net cash flows from (used in) operating activities	5,254,122,000	8,090,968,000
Cash flows from (used in) investing activities [abstract]		
+ Cash flows from losing control of subsidiaries or other businesses	0	0
- Cash flows used in obtaining control of subsidiaries or other businesses	0	0
+ Other cash receipts from sales of equity or debt instruments of other entities	0	0
- Other cash payments to acquire equity or debt instruments of other entities	0	0
+ Other cash receipts from sales of interests in joint ventures	0	0
- Other cash payments to acquire interests in joint ventures	0	0
+ Proceeds from sales of property, plant and equipment	0	0
- Purchase of property, plant and equipment	675,152,000	693,492,000
+ Proceeds from sales of intangible assets	0	0
- Purchase of intangible assets	372,239,000	234,928,000
+ Proceeds from sales of other long-term assets	0	0
- Purchase of other long-term assets	0	0

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
+ Proceeds from government grants	0	0
- Cash advances and loans made to other parties	0	0
+ Cash receipts from repayment of advances and loans made to other parties	0	0
- Cash payments for futures contracts, forward contracts, option contracts and swap contracts	0	0
+ Cash receipts from futures contracts, forward contracts, option contracts and swap contracts	0	0
+ Dividends received	0	0
- Interest paid	0	0
+ Interest received	352,253,000	326,130,000
+ (-) Income taxes refund (paid)	0	0
+ (-) Other inflows (outflows) of cash	(7,943,945,000)	(6,914,762,000)
Net cash flows from (used in) investing activities	(8,639,083,000)	(7,517,052,000)
Cash flows from (used in) financing activities [abstract]		
+ Proceeds from changes in ownership interests in subsidiaries that do not result in loss of control	0	0
- Payments from changes in ownership interests in subsidiaries that do not result in loss of control	0	0
+ Proceeds from issuing shares	0	0
+ Proceeds from issuing other equity instruments	0	0
- Payments to acquire or redeem entity's shares	1,429,025,000	294,161,000
- Payments of other equity instruments	0	0
+ Proceeds from borrowings	5,341,964,000	1,500,000,000
- Repayments of borrowings	3,627,092,000	1,606,250,000
- Payments of finance lease liabilities	0	0
- Payments of lease liabilities	1,345,807,000	1,328,600,000
+ Proceeds from government grants	0	0
- Dividends paid	0	0
- Interest paid	1,230,330,000	1,150,992,000
+ (-) Income taxes refund (paid)	0	0
+ (-) Other inflows (outflows) of cash	0	0
Net cash flows from (used in) financing activities	(2,290,290,000)	(2,880,003,000)
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	(5,675,251,000)	(2,306,087,000)
Effect of exchange rate changes on cash and cash equivalents [abstract]		
Effect of exchange rate changes on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	(5,675,251,000)	(2,306,087,000)
Cash and cash equivalents at beginning of period	47,327,431,000	42,981,265,000
Cash and cash equivalents at end of period	41,652,180,000	40,675,178,000

[610000] Statement of changes in equity - Accumulated Current

Sheet 1 of 3	Components of equity [axis]								
	Issued capital [member]	Share premium [member]	Treasury shares [member]	Retained earnings [member]	Revaluation surplus [member]	Reserve of exchange differences on translation [member]	Reserve of cash flow hedges [member]	Reserve of gains and losses on hedging instruments that hedge investments in equity instruments [member]	Reserve of change in value of time value of options [member]
Statement of changes in equity [line items]									
Equity at beginning of period	566,024,000	4,708,985,000	4,026,623,000	70,471,333,000	86,344,000	9,123,362,000	28,887,000	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	1,864,149,000	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	7,603,000	26,357,000	0	0
Total comprehensive income	0	0	0	1,864,149,000	0	7,603,000	26,357,000	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	(4,026,623,000)	(5,455,648,000)	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	(4,026,623,000)	(3,591,499,000)	0	7,603,000	26,357,000	0	0
Equity at end of period	566,024,000	4,708,985,000	0	66,879,834,000	86,344,000	9,130,965,000	55,244,000	0	0

Sheet 2 of 3	Components of equity [axis]								
	Reserve of change in value of forward elements of forward contracts [member]	Reserve of change in value of foreign currency basis spreads [member]	Reserve of gains and losses on financial assets measured at fair value through other comprehensive income [member]	Reserve of gains and losses on remeasuring available-for-sale financial assets [member]	Reserve of share-based payments [member]	Reserve of remeasurements of defined benefit plans [member]	Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale [member]	Reserve of gains and losses from investments in equity instruments [member]	Reserve of change in fair value of financial liability attributable to change in credit risk of liability [member]
Statement of changes in equity [line items]									
Equity at beginning of period	0	0	0	0	0	290,691,000	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	0	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	351,000	0	0	0
Total comprehensive income	0	0	0	0	0	351,000	0	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	0	0	351,000	0	0	0
Equity at end of period	0	0	0	0	0	291,042,000	0	0	0

Sheet 3 of 3	Components of equity [axis]							
	Reserve for catastrophe [member]	Reserve for equalisation [member]	Reserve of discretionary participation features [member]	Other comprehensive income [member]	Other reserves [member]	Equity attributable to owners of parent [member]	Non-controlling interests [member]	Equity [member]
Statement of changes in equity [line items]								
Equity at beginning of period	0	0	0	(720,831,000)	8,808,453,000	80,528,172,000	2,840,000	80,531,012,000
Changes in equity [abstract]								
Comprehensive income [abstract]								
Profit (loss)	0	0	0	0	0	1,864,149,000	568,000	1,864,717,000
Other comprehensive income	0	0	0	(80,270,000)	(45,959,000)	(45,959,000)	0	(45,959,000)
Total comprehensive income	0	0	0	(80,270,000)	(45,959,000)	1,818,190,000	568,000	1,818,758,000
Issue of equity	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	7,488,000	7,488,000
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	(1,429,025,000)	0	(1,429,025,000)
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	(80,270,000)	(45,959,000)	389,165,000	8,056,000	397,221,000
Equity at end of period	0	0	0	(801,101,000)	8,762,494,000	80,917,337,000	10,896,000	80,928,233,000

[610000] Statement of changes in equity - Accumulated Previous

Sheet 1 of 3	Components of equity [axis]								
	Issued capital [member]	Share premium [member]	Treasury shares [member]	Retained earnings [member]	Revaluation surplus [member]	Reserve of exchange differences on translation [member]	Reserve of cash flow hedges [member]	Reserve of gains and losses on hedging instruments that hedge investments in equity instruments [member]	Reserve of change in value of time value of options [member]
Statement of changes in equity [line items]									
Equity at beginning of period	566,024,000	4,746,488,000	934,147,000	82,771,859,000	90,941,000	4,894,506,000	(21,702,000)	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	1,720,801,000	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	(231,537,000)	(1,008,000)	0	0
Total comprehensive income	0	0	0	1,720,801,000	0	(231,537,000)	(1,008,000)	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	(949,000)	293,212,000	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	(949,000)	293,212,000	1,720,801,000	0	(231,537,000)	(1,008,000)	0	0
Equity at end of period	566,024,000	4,745,539,000	1,227,359,000	84,492,660,000	90,941,000	4,662,969,000	(22,710,000)	0	0

Sheet 2 of 3	Components of equity [axis]								
	Reserve of change in value of forward elements of forward contracts [member]	Reserve of change in value of foreign currency basis spreads [member]	Reserve of gains and losses on financial assets measured at fair value through other comprehensive income [member]	Reserve of gains and losses on remeasuring available-for-sale financial assets [member]	Reserve of share-based payments [member]	Reserve of remeasurements of defined benefit plans [member]	Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale [member]	Reserve of gains and losses from investments in equity instruments [member]	Reserve of change in fair value of financial liability attributable to change in credit risk of liability [member]
Statement of changes in equity [line items]									
Equity at beginning of period	0	0	0	0	0	(350,686,000)	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0		0	0	0	0	0	0
Other comprehensive income	0	0		0	0	(467,000)	0	0	0
Total comprehensive income	0	0		0	0	(467,000)	0	0	0
Issue of equity	0	0		0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0		0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0		0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0		0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0		0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0		0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0		0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0		0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0		0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0		0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0		0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0		0	0	0	0	0	0
Total increase (decrease) in equity	0	0		0	0	(467,000)	0	0	0
Equity at end of period	0	0	0	0	0	(351,153,000)	0	0	0

Sheet 3 of 3	Components of equity [axis]							
	Reserve for catastrophe [member]	Reserve for equalisation [member]	Reserve of discretionary participation features [member]	Other comprehensive income [member]	Other reserves [member]	Equity attributable to owners of parent [member]	Non-controlling interests [member]	Equity [member]
Statement of changes in equity [line items]								
Equity at beginning of period	0	0	0	(713,094,000)	3,899,965,000	91,050,189,000	2,544,000	91,052,733,000
Changes in equity [abstract]								
Comprehensive income [abstract]								
Profit (loss)	0	0	0	0	0	1,720,801,000	(17,000)	1,720,784,000
Other comprehensive income	0	0	0	(32,674,000)	(265,686,000)	(265,686,000)	0	(265,686,000)
Total comprehensive income	0	0	0	(32,674,000)	(265,686,000)	1,455,115,000	(17,000)	1,455,098,000
Issue of equity	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	(62,000)	(62,000)
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	(294,161,000)	0	(294,161,000)
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	(32,674,000)	(265,686,000)	1,160,954,000	(79,000)	1,160,875,000
Equity at end of period	0	0	0	(745,768,000)	3,634,279,000	92,211,143,000	2,465,000	92,213,608,000

[700000] Informative data about the Statement of financial position

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Informative data of the Statement of Financial Position [abstract]		
Capital stock (nominal)	566,024,000	566,024,000
Restatement of capital stock	0	0
Plan assets for pensions and seniority premiums	0	0
Number of executives	1,528	1,554
Number of employees	68,726	68,996
Number of workers	0	0
Outstanding shares	209,514,297	213,831,029
Repurchased shares	0	7,870,839
Restricted cash	14,843,609,000	15,691,724,000
Guaranteed debt of associated companies	0	0

[700002] Informative data about the Income statement

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Informative data of the Income Statement [abstract]		
Operating depreciation and amortization	2,389,601,000	2,307,668,000

[700003] Informative data - Income statement for 12 months

Concept	Current Year 2024-04-01 - 2025-03-31	Previous Year 2023-04-01 - 2024-03-31
Informative data - Income Statement for 12 months [abstract]		
Revenue	208,502,172,000	186,493,530,000
Profit (loss) from operating activities	18,009,754,000	9,587,611,000
Profit (loss)	(11,009,479,000)	7,254,419,000
Profit (loss), attributable to owners of parent	(11,010,269,000)	7,254,543,000
Operating depreciation and amortization	9,481,047,000	9,574,890,000

[800001] Breakdown of credits

Institution [axis]	Foreign institution (yes/no)	Contract signing date	Expiration date	Interest rate	Denomination [axis]											
					Domestic currency [member]						Foreign currency [member]					
					Time interval [axis]						Time interval [axis]					
					Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]	Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]
Banks [abstract]																
Foreign trade																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Banks - secured																
Bancomext	NO	2017-07-17	2027-07-21	TIIE + 2.50	200,000,000	150,000,000	116,667,000	0	0	0	0	0	0	0	0	0
Multiva 1	NO	2023-06-30	2026-06-22	TIIE + 2.75	94,107,000	269,665,000	0	0	0	0	0	0	0	0	0	0
Multiva 2	NO	2023-07-05	2026-06-22	TIIE + 2.75	188,215,000	539,329,000	0	0	0	0	0	0	0	0	0	0
TOTAL					482,322,000	958,994,000	116,667,000	0	0	0	0	0	0	0	0	0
Commercial banks																
BAC Honduras 1	NO	2024-03-20	2025-03-20	BCH + 4.21	0	0	0	0	0	0	20,217,000	20,218,000	0	0	0	0
BAC Honduras 2	NO	2024-09-25	2025-09-20	BCH + 3.80	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL					0	0	0	0	0	0	20,217,000	20,218,000	0	0	0	0
Other banks																
Bancrea	NO	2024-09-30	2024-10-02	10.45 Tasa fija	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total banks																
TOTAL					482,322,000	958,994,000	116,667,000	0	0	0	20,217,000	20,218,000	0	0	0	0
Stock market [abstract]																
Listed on stock exchange - unsecured																
Elektra Series 2024-1 Fixed Rate Notes	SI	2024-10-29	2031-10-15	12.5 Tasa fija	0	0	0	0	0	0	0	0	1,318,911,000	1,395,127,000	1,402,952,000	2,829,461,000
Cebures Elektra 125 CI Banco	NO	2025-02-11	2026-02-10	TIIE + 1.50	1,301,714,000	0	0	0	0	0	0	0	0	0	0	0
Cebures Elektra 23	NO	2023-03-30	2025-10-09	TIE + 1.6	309,179,000	0	0	0	0	0	0	0	0	0	0	0
Cebures Elektra 22-3 CI Banco	NO	2022-07-21	2025-10-09	TIIE + 1.85	524,573,000	0	0	0	0	0	0	0	0	0	0	0
Cebures Elektra 22-4 CI Banco	NO	2022-07-21	2028-07-13	11.97 Tasa fija	0	0	0	3,350,130,000	0	0	0	0	0	0	0	0
Cebures Elektra 20 CI Banco	NO	2020-05-13	2027-05-05	9.35 Tasa fija	0	0	2,500,000,000	0	0	0	0	0	0	0	0	0
Cebures Elektra 22-2U CI Banco	NO	2022-07-21	2029-07-12	6.98 Tasa fija (Udi)	0	0	0	0	1,255,192,000	0	0	0	0	0	0	0
Cebures Elektra 224 CI Banco	NO	2024-11-21	2025-10-23	TIIE + 1.25	1,403,560,000	0	0	0	0	0	0	0	0	0	0	0
Cebures Elektra 21U CI Banco	NO	2021-04-13	2026-04-07	4.53 Tasa fija (Udi)	0	3,784,902,000	0	0	0	0	0	0	0	0	0	0
Cebures Elektra 22-2 CI Banco	NO	2022-03-03	2027-08-26	10.55 Tasa fija	0	0	3,004,333,000	0	0	0	0	0	0	0	0	0
Cebures Elektra 22-U CI Banco	NO	2022-03-03	2028-08-24	6.24 Tasa fija (Udi)	0	0	0	4,468,472,000	0	0	0	0	0	0	0	0
Cebures Elektra 25 CI Banco	NO	2025-03-27	2026-07-16	TIIE + 1.65	2,085,417,000	0	0	0	0	0	0	0	0	0	0	0
Cebures Elektra 23L CI Banco	NO	2023-12-08	2026-12-04	TIIE + 1.50	0	1,093,560,000	0	0	0	0	0	0	0	0	0	0
Cebures Elektra 23-2L CI Banco	NO	2023-12-08	2029-11-30	11.97 Tasa fija	0	0	0	0	1,290,000,000	0	0	0	0	0	0	0
TOTAL					5,624,443,000	4,878,462,000	5,504,333,000	7,818,602,000	2,545,192,000	0	0	0	1,318,911,000	1,395,127,000	1,402,952,000	2,829,461,000
Listed on stock exchange - secured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Private placements - unsecured																
Certificados Fiduciarios F/454	NO	2025-03-31	2025-04-09	TIIE + 3.0	900,000,000	0	0	0	0	0	0	0	0	0	0	0
Certificados Fiduciarios F/1240	NO	2025-03-13	2031-03-13	SOFR + 5.00	0	0	0	0	0	0	10,565,000	21,131,000	21,131,000	21,131,000	21,131,000	982,588,000
TOTAL					900,000,000	0	0	0	0	0	10,565,000	21,131,000	21,131,000	21,131,000	21,131,000	982,588,000
Private placements - secured																

Institution [axis]	Foreign institution (yes/no)	Contract signing date	Expiration date	Interest rate	Denomination [axis]											
					Domestic currency [member]						Foreign currency [member]					
					Time interval [axis]						Time interval [axis]					
					Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]	Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total listed on stock exchanges and private placements																
TOTAL					6,524,443,000	4,878,462,000	5,504,333,000	7,818,602,000	2,545,192,000	0	0	10,565,000	1,340,042,000	1,416,258,000	1,424,083,000	3,812,049,000
Other current and non-current liabilities with cost [abstract]																
Other current and non-current liabilities with cost																
Otros pasivos con costo	NO	2025-03-31	2025-04-01		⁽¹⁾ 262,608,360,000	0	0	0	0	0	⁽²⁾ 25,478,060,000	0	0	0	0	0
TOTAL					262,608,360,000	0	0	0	0	0	25,478,060,000	0	0	0	0	0
Total other current and non-current liabilities with cost																
TOTAL					262,608,360,000	0	0	0	0	0	25,478,060,000	0	0	0	0	0
Suppliers [abstract]																
Suppliers																
Línea Blanca	NO	2025-01-31	2025-04-30		1,682,671,000	0	0	0	0	0	0	0	0	0	0	0
Telefonía	NO	2025-01-31	2025-04-30		1,727,460,000	0	0	0	0	0	0	0	0	0	0	0
Electrónica	SI	2025-01-31	2025-04-30		335,817,000	0	0	0	0	0	58,433,000	0	0	0	0	0
Muebles	NO	2025-01-31	2025-04-30		2,020,088,000	0	0	0	0	0	0	0	0	0	0	0
Otros	NO	2025-01-31	2025-04-30		213,310,000	0	0	0	0	0	3,120,000	0	0	0	0	0
Transporte	SI	2025-01-31	2025-04-30		111,582,000	0	0	0	0	0	5,550,913,000	0	0	0	0	0
Centroamérica	NO	2025-01-31	2025-04-30		0	0	0	0	0	0	1,023,526,000	0	0	0	0	0
TOTAL					6,090,928,000	0	0	0	0	0	6,635,992,000	0	0	0	0	0
Total suppliers																
TOTAL					6,090,928,000	0	0	0	0	0	6,635,992,000	0	0	0	0	0
Other current and non-current liabilities [abstract]																
Other current and non-current liabilities																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total other current and non-current liabilities																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total credits																
TOTAL					275,706,053,000	5,837,456,000	5,621,000,000	7,818,602,000	2,545,192,000	0	32,134,269,000	30,783,000	1,340,042,000	1,416,258,000	1,424,083,000	3,812,049,000

[800003] Annex - Monetary foreign currency position

Disclosure of monetary foreign currency position [text block]

As of March 31, 2025 the long-term liability includes a position in derivative financial instruments amounting to US\$ 2,974,000 (\$60,418,000), which is presented net of an equivalent asset position in pesos in the financial position statement. In addition, short-term assets include a position in derivative financial instruments for US\$ 1,228,000 (\$24,954,000), which is presented net of an equivalent passive position in pesos in the statement of financial position.

The column of other currencies includes assets and liabilities denominated in various currencies, which were translated into U.S. dollars, considering the exchange rates as of March 31, 2025. Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates on which they are entered into.

Assets and liabilities denominated in these currencies are stated in local currency, applying the exchange rates prevailing as of the date of the financial position statement. Differences arising from fluctuations in the exchange rates between the dates on which transactions are entered into and those on which they are settled or valued at the close of the year are applied to the results of the period.

A substantial portion of the monetary liabilities denominated in a foreign currency correspond to the Company's operations in the local currency in the countries where it has presence, and they are corresponded by assets in the same currency, which naturally covers any exchange risk. The long net position is maintained by eliminating those monetary assets and liabilities.

	Currencies [axis]				
	Dollars [member]	Dollar equivalent in pesos [member]	Other currencies equivalent in dollars [member]	Other currencies equivalent in pesos [member]	Total pesos [member]
Foreign currency position [abstract]					
Monetary assets [abstract]					
Current monetary assets	4,501,501,000	91,462,407,000	550,332,000	11,181,747,000	102,644,154,000
Non-current monetary assets	479,580,000	9,744,201,000	136,608,000	2,775,623,000	12,519,824,000
Total monetary assets	4,981,081,000	101,206,608,000	686,940,000	13,957,370,000	115,163,978,000
Liabilities position [abstract]					
Current liabilities	1,229,100,000	24,973,096,000	626,763,000	12,734,694,000	37,707,790,000
Non-current liabilities	3,367,768,000	68,426,980,000	1,712,000	34,775,000	68,461,755,000
Total liabilities	4,596,868,000	93,400,076,000	628,475,000	12,769,469,000	106,169,545,000
Net monetary assets (liabilities)	384,213,000	7,806,532,000	58,465,000	1,187,901,000	8,994,433,000

[800005] Annex - Distribution of income by product

	Income type [axis]			
	National income [member]	Export income [member]	Income of subsidiaries abroad [member]	Total income [member]
Negocio Financiero				
Intereses de cartera de créditos	20,768,688,000	0	1,636,886,000	22,405,574,000
Intereses de préstamos no bancarios de corto plazo	0	0	3,016,083,000	3,016,083,000
Intereses y rendimientos por inversiones	2,929,579,000	0	20,606,000	2,950,185,000
Comisiones ganadas, resultados de intermediación y otros	4,376,676,000	0	247,789,000	4,624,465,000
Primas de seguros	848,067,000	0	0	848,067,000
Negocio Comercial				
Italika	6,822,150,000	0	423,949,000	7,246,099,000
Telefonía	2,514,557,000	0	268,964,000	2,783,521,000
Línea blanca	1,739,853,000	0	241,858,000	1,981,711,000
Electrónica	1,075,906,000	0	109,278,000	1,185,184,000
Muebles	745,635,000	0	102,254,000	847,889,000
Cómputo	352,455,000	0	71,330,000	423,785,000
Servicios no relacionados con mercancías	1,157,542,000		3,653,000	1,161,195,000
Otros productos y servicios	2,016,575,000	0	278,114,000	2,294,689,000
TOTAL	45,347,683,000	0	6,420,764,000	51,768,447,000

[800007] Annex - Financial derivate instruments

Management discussion about the policy uses of financial derivate instruments, explaining if these policies are allowed just for coverage or for other uses like trading
[text block]

I. Qualitative and quantitative information:

The quantitative information of Grupo Elektra, S.A.B. de C.V. ("Elektra" or "the Company"), includes information from Banco Azteca, S.A., Institución de Banca Múltiple ("Banco Azteca" or "BAZ").

- i. **Discussion of the management about the policies on the use of derivative financial instruments, explaining whether these policies allow them to be used only for hedging purposes or also for other uses, such as trading.**

Overview of the objectives for conducting derivative transactions:

Grupo Elektra and Banco Azteca are exposed to market risks resulting from changes in interest rates and exchange rate fluctuations both in Mexico as well as in countries where it currently operates. To cover these risks, Grupo Elektra and BAZ use different financial instruments.

The overall objective of engaging in hedging transactions both in interest rates and exchange rates with derivatives is to reduce exposure of the primary position in response to adverse movements in the market in interest rates and exchange rates that affect it (without limiting, risks regarding its financial liabilities in national currency, its purchasing needs in foreign currency, its credit portfolio and / or its investments denominated in pesos and / or foreign currency, among others). The hedge position must behave inversely to the primary position, that is, movements in risk factors that result in losses in the primary position will result in gains in the hedging instrument.

At the same time, the Company's objective in engaging in derivative trading instruments (equity swaps) is to obtain an attractive potential return due to the undervaluation in the price (in the opinion of the Company), of the underlying assets, or the benchmark in these instruments.

Lastly, in relation to Banco Azteca's operations for trading purposes, the objective is to take advantage of the arbitrage possibilities in the financial markets within the authorized risk limits.

The guidelines and objectives for entering in derivatives transactions for hedging or trading purposes are defined in the Bank's Derivatives Manual.

Banco Azteca is authorized by Banco de México to operate as an intermediary in the derivatives market based pursuant circular 4/2012.

Instruments used:

For hedging and investment purposes, Grupo Elektra and Banco Azteca use derivative financial instruments such as forward contracts, options, futures and swaps:

Derivatives Instrument	Hedging	Trading	Intermediary
Exchange Rate Forward	X	X	X
Exchange Rate Futuro	X	X	
Interest Rate Swap N.C.	X	X	
Interest Rate Swap F.C.	X	X	
Cross Currency Swap F.C.	X	X	
Interest Rate Option N.C.	X	X	
Exchange Rate Option /Warrant N.C.	X	X	
Gold & Silver Futuro F.C.	X	X	

N.C.: National Currency

F.C.: Foreign Currency

Trading or hedging strategies implemented:

Grupo Elektra enters into financial hedging instruments to reduce market risk and possible effects that could be generated by changes in interest rates, exchange rate fluctuations in the different countries where it currently has operations or mitigate the risk in its Balance Sheet positions referenced to the price of gold.

With regard to trading instruments, the Company enters into derivative transactions seeking to obtain a positive return as a result of the perception of a possible undervaluation of the underlying or reference assets in such instruments.

Trading Markets:

Markets in which the different financial instruments used by Grupo Elektra and Banco Azteca are traded include MEXDER, the Chicago Board of Trade and OTC (Over The Counter) Markets. Grupo Elektra uses derivative financial instruments commonly used in OTC markets, and can be quoted with two or more financial institutions to ensure the best conditions in procurement. The agreements and conformations entered by the Company are standard and transactions are settled based on what has been agreed upon as well as on the procedures and policies agreed by Grupo Elektra and its counterparties.

Eligible counterparties:

Financial institutions of recognized prestige and solvency, in Mexico or abroad, and intermediaries that meet the financial profile or that can grant conditions required by Grupo Elektra and Banco Azteca. Transactions are settled on an agreed basis, as well as on the procedures and policies agreed by Grupo Elektra and its counterparties. In addition, Banco Azteca may work with individuals and legal entities with whom the respective agreement is signed and whom are eligible for a credit line authorized by the Credit Committee, as this means that they meet the required financial profile and that they can provide sufficient guarantees to meet their obligations.

Policies for the designation of calculation or valuation agents:

In common agreement with the Counterparty in each of the current contracts.

Generally, Grupo Elektra appoints Banks, Financial Institutions, Financial Agents, Financial Intermediaries and experienced and specialized advisers as Calculation or Valuation Agents in Derivatives, Structured Notes and other financial products. However, in all cases, the calculations and valuations are validated by the Company.

Likewise, when Banco Azteca enters into derivative transactions with other Financial Institutions, it generally agrees to leave the Counterparty as Valuation Agent for the determination of margin calls, and a third party chosen by mutual agreement between the parties to be listed as Calculation Agent.

On the other hand, Banco Azteca is listed as the Valuation Agent and / or Calculation Agent when entering into derivatives transactions with clients, individuals or legal entities.

Main contract terms or conditions:

Grupo Elektra's operations:

- Equity swaps with a notional value of \$12,363 million pesos on the return provided by an underlying asset referenced to the price of the stock of the Company, 100% collateralized.
 - These instruments agree to settle differences on an initial reference value. This settlement is made on the termination date of the contracts.
 - To address the possible payment obligation at the expiration of the contracts, the Company establishes a collateral at the starting day of each contract equal to the initial value. The fact that the contract is collateralized means that this amount would be the greatest potential loss that the Company would incur if, at the time the contract is terminated, the underlying asset value is zero.
- Interest rate Swap: The main condition is the exchange of flows in which the Company pays a fixed interest rate and receives from a financial institution a variable interest rate, with periodic settlements.
 - The Company has designated interest rate swaps under the cash flow hedging model, in terms of what is permitted by international accounting regulations.
- Forwards: The main condition is the purchase or sale of a currency at a specific exchange rate, which is settled on a predetermined date in the future through private OTC contracts.
 - Likewise, the company has designated the currency hedging instruments under the cash flow hedging model, in terms of what is allowed by international accounting regulations.
- Exchange Rate Options / Warrants: The main condition for the buyer of an option is the right to buy a currency at a previously established exchange rate in exchange for the payment of a premium.

Banco Azteca's operations:

- For interest rate hedging contracts
 - Interest Rate Swaps: the main condition is the exchange of variable rates for fixed rates with periodic settlements.
 - Cross Currency Swaps: the main condition is the exchange of interests in national currency for interests in foreign currency with periodic settlements.
 - Interests Rate Options: the main condition for the buyer of an option is the right to exercise future flows in exchange for the payment of a premium, unlike the seller, who has the obligation to comply with the payment if the buyer exercises the option.
- For exchange rate / commodities contracts:
 - Forwards: the main condition is the purchase or sale of a currency at a certain exchange rate on the day of the contract, which is settled on a predetermined date in the future through private OTC contracts.
 - Futures: the main condition is the purchase or sale of a certain underlying asset at a certain price on the day of trading, which is settled on a predetermined date in the future through recognized markets.
 - Exchange Rate Options: its main condition for the buyer of an option is the right to buy or sell a currency at a previously established exchange rate in exchange for the payment of a premium, unlike the seller, who has the obligation to sell or buy the currency if the buyer exercises the option.

Policies on margin, collateral, and credit lines:

The Company's policy is to avoid entering into contracts that have margin calls, 100% collateralizing practically all operations that by their very nature could incur or cause margin calls (trading instruments), or paying premiums at the time of the transaction. contracting or establishing operations commonly called simple or "plain vanilla" that limit the interest rate and / or the exchange rate to a maximum, to reduce the risk of subsequent fluctuations or diversifying the notional of the operations between the Financial Institutions that have us granted various "Threshold Amount" or "Agreed Amount" in OTC markets (hedging instruments).

On the other hand, depending on the kind of market and counterparty of the transactions carried out by Banco Azteca, you have the following options:

- When trading in recognized markets, is subject to the margin conditions established by the exchanges where it is traded.
- When trading at OTC markets and the counterparty is another Financial Institution, the conditions are established in the ISDA, CMOF contracts and their addendums.
- When Banco Azteca trades as an intermediary with clients natural persons or legal entities, the margins and / or guarantees are determined by the credit area based on the key process.

Collateral and credit lines:

Depending on the type of contract that has been concluded (ISDA or CMOF), Grupo Elektra and Banco Azteca begin to operate with the counterparty up to the amount and term of the line of credit authorized by the Credit Committee. In addition, in each contract is established the "Threshold Amount" or "Agreed Amount" for each of the parties, this is the amount exposed from which the granting of the actual guarantees (margin calls) becomes enforceable. The Company has the option (if deemed relevant) to limit the possible impact by margin calls by contracting options that require payment premiums (at the time of contracting or deferred), limiting the exchange rate and/or interest rate to a maximum, to reduce the risk of subsequent fluctuations (hedging instruments).

Processes and levels of authorization required by type of operation:

The approval process for derivative financial instruments is as follows:

The Treasury, Accounting, Finance and Management Departments jointly analyze and propose for general approval, new derivative operations and the performance of existing transactions and report regularly to the CFO and, if applicable, to the CEO.

For hedging transactions, these areas first identify interest rate risks and/or exchange rates, then choose the most appropriate derivative instrument and ask the CFO to execute the required transaction. In addition, positions are reported and monitored by the CFO in addition with the Accounting and Treasury Director.

The trading criteria that are established for such transactions are closely linked to the specific amount of risk to be hedged, which does not mean that Grupo Elektra necessarily has the policy of covering all of its risks with derivative financial instruments.

In addition, Banco Azteca considers the 31 requirements established in the single annex to circular 4/2012 issued by Banco de México, where the Bank sets objectives and procedures for the operation with clients and other intermediates. In addition, it establishes maximum tolerances for market risk, credit, liquidity and other risks considered acceptable to the institution.

For hedging operations, the Bank Treasury first identifies the interest rate and/or exchange rate risks that exist on the balance sheet, then chooses the most appropriate derivative instrument and requests the Derivatives area to execute the required transaction, which is recorded, confirmed, settled and controlled in the Bank's Derivatives System.

In trading operations, these are raised and authorized within the relevant Committees. Once authorized, the transactions are executed by the Bank's derivatives area.

In addition, positions are reported and monitored in the relevant Bank Committees.

Internal control procedures to manage exposure to liquidity and market risks in the holdings in financial instruments:

The Financial Director, the Treasury Director, and the Chief Accounting Officer are jointly responsible for monitoring the exposure to liquidity and market risks that the financial instruments in question face and their performance,

reporting such information on a monthly basis or in shorter periods, if required, to the CFO, who is required to inform the CEO of Grupo Elektra of possible resulting material contingencies.

In addition, Banco Azteca's Comprehensive Risk Management Unit obtains daily information from executed operations and monitors that the risk estimation of positions does not exceed the Risk Value Limit (VAR) authorized by the Bank's Risk Committee. In addition, the Bank sends a report of the VAR consumption to the Directorate-General and Treasury and Derivatives areas on a daily basis, giving additional monitoring of these indicators in the relevant Committees.

- The existence of an independent third-party to review these procedures:

For the time being, this has not been considered necessary, since the internal procedure conforms to the general internal control processes, separating: (i) the authorization and valuation functions, and (ii) authorization and supervision at different management levels both in the company's organizational structure as well as its Board of Directors.

However, as a control measure, the Company checks quarterly the fair value of such instruments with the support of independent experts.

- Any comments or deficiency that might have been identified by the third party:

Not applicable.

- Information on the formation of a committee on comprehensive risk management, rules governing it and the existence of a comprehensive risk management manual.

Not applicable.

General description about valuation techniques, standing out the instruments valued at cost or fair value, just like methods and valuation techniques [text block]

i. Generic description of valuation techniques:

All Grupo Elektra and Banco Azteca derivative financial instruments are set at fair value in terms of applicable accounting regulations, using market prices ("mark-to-market") from sources deemed reliable such as Bloomberg, Pip, Infotel, Thomson Reuters Eikon among others, reflecting the resulting changes in each monthly accounting close. In addition, Banco Azteca's derivatives manual contains annexes describing the valuation formulas for each instrument, which are programmed in the Bank's computer systems.

The fluctuations in the fair value of derivative financial instruments are recognized in the P&L financial statement and unrealized losses or earnings are recognized in the balance sheet.

Derivative financial instruments are initially recognized at fair value at the date the transaction is contracted and subsequently revaluated at fair value at the end of the reporting period. The resulting gain or loss is recognized in the results immediately, unless the derivative is designated and effective as a hedging instrument, in which case the opportunity for recognition in the results will depend on the nature of the hedging ratio.

The Company designates certain instruments as hedging, either as fair value hedges, cash flow hedges or net investment hedges in a foreign transaction. Foreign currency risk coverage of a firm commitment is counted as cash flow hedging. The value of the derivative financial instruments maintained by Grupo Elektra is reported to it by institutions or counterparties with whom the contracts are held, because for the most part, they are the calculation agents designated according to the formalized ISDA contract. This valuation is determined in accordance with its own methodologies and using recognized and reasonable valuation procedures, techniques and models. As a control measure, the Company checks quarterly the fair value of such instruments with the support of independent experts. These instruments are recognized in the consolidated statements of financial position as asset or liability at fair value.

The valuation is undertaken by the counterparty of the derivative financial instrument. These figures are validated by Grupo Elektra.

On the other hand, the valuation of Azteca Bank instruments is reviewed by the system operated by the Bank's support areas, which provides the accounting area with the amounts to proceed with its accounting record in the information system.

Regarding Grupo Elektra's hedging instruments:

For hedging interest rates, the Company uses the qualitative evaluation since the critical terms (such as the notional amount, maturity and underlying) of the hedged instrument and the hedging instrument are the same.

The method used to measure effectiveness is that of critical terms (qualitative evaluation). The method consists of monitoring the changes in the hedging relationship, comparing changes in the fair value of the hedging instrument with the changes in the fair value of the hypothetical derivative that would result in a perfect hedge of the hedged item.

Since the interest rate hedging instruments acquired have the same characteristics as the primary position subject to hedging, the effectiveness ratio will always be 100%, regardless of the sensitivity or stress scenario used, given that the changes Present the fair value of the instruments will be compensated with the change in the cash flow presented by the primary position subject to hedging.

To hedge the exchange rate of forecasted payments, the Company uses the hypothetical derivative method "dollar offset" to evaluate the effectiveness. This method consists of comparing the changes in the fair value of the hedging instrument with the changes in the fair value of the hypothetical derivative.

As of March 31, 2025, the Company had no open foreign exchange positions.

Regarding hedging instruments used by Banco Azteca:

A risk reduction ratio ("Razón de Reducción de Riesgo", "RRR") is used as a hedge effectiveness measure that compares the primary position's VAR and the VAR resulting between the primary position and derivative instrument compensation. In addition, a retrospective test is used comparing the primary position and derivative instrument profits / losses, based on estimates at market prices.

At the end of March 31, 2025, hedging for investments and balances in foreign currencies recorded, in average, a cumulative efficiency of 100%, hedging for loan portfolio in USD and MXN of 100%. The effectiveness calculation is conducted one by one, that is, the derivative's and primary position's market value is compared, then, an arithmetic average is calculated by notional covered. Therefore, we can conclude that hedges are effective, since individually and collectively are within the 80 - 125 percent range in accordance to the "Circular Única de Bancos" in its annex 33, newsletter B-5 (appendix A, paragraphs GA44 - GA55).

Primary position hedge results for commercial loan portfolio, investments and balances:

Changes in the in the primary position	Changes in the in the hedge position	Residual exposure	Average Effectiveness Ratio (%)
Commercial Loan Portfolio*			
\$27.09	-\$27.09	\$0.00	100%
Investments*			
\$971.08	-\$971.08	\$0.00	100%
Balances in Foreign Currency			
\$0.00	\$0.00	\$0.00	

Figures in MXN million.

*Includes operations in MXN and USD.

Hedge effectiveness ratio = Retrospective test

A retrospective test is used to prove hedge effectiveness, that is, we compared the primary position and the derivative instrument cumulative profits / losses since its start date, based on estimates at market prices, and as previously mentioned, the tests are conducted one by one tightening the hedge effectiveness evaluation.

Management discussion about intern and extern sources of liquidity that could be used for attending requirements related to financial derivate instruments [text block]

Internal sources of liquidity.

Cash and collateral, as well as internal funds for the operations carried out by the company.

External sources of liquidity.

As a result of a Company internal policy, external sources of liquidity are not sought, since in almost all cases, collateral (trading derivatives) or early fee payments that limit the maximum rate (hedging instruments) are established.

Changes and management explanation in principal risk exposures identified, as contingencies and events known by the administration that could affect future reports [text block]

Practically all of Grupo Elektra's derivative financial instruments are what are commonly called simple or "plain vanilla", i.e., they have no exotic element or variable or leverage, and any change in the value of the underlying asset or benchmark variables does not imply that:

- the use of the derivative financial instrument will differ from that with which it was originally conceived,
- its scheme will be significantly modified, or

- coverage will be totally lost, and only in some cases would this require that Grupo Elektra assume obligations, commitments or variations in cash flow that would have a limited effect on its liquidity.

Banco Azteca's "non-linear" operations (rate options) are perfectly matched with their opposite position, so they do not represent an open risk for the Institution.

The Company is exposed to risk associated with fluctuations in the price of the underlying assets of the derivative trading instruments (equity swaps). The Company reflects these fluctuations in its financial statements through a periodic "mark-to-market" valuation of such instruments. However, this does not necessarily mean a positive or negative cash flow, but rather this valuation does not occur until the instrument's termination date. In this regard it should be reiterated that the maximum outflow would proceed if the underlying asset were to have a value of zero at the termination of the instrument. In this case, the Company would lose the collateral established at the beginning, with this being its maximum risk.

In terms of the impact on results or cash flows of the above-mentioned derivative transactions, see Section I. v. Quantitative Information - Summary of Derivative Financial Instruments and II. Sensitivity Analysis.

- Description and number of derivative financial instruments:
 - That have matured during the quarter

Instrument	Intent	No. Of Trades	Amount*	Currency
Fx Forward	TRADING	1	21,677	CAD
Interest rate options	TRADING	93	550,693	MXN
Fx Forward	HEDGING	10	9,446,585	USD
Fx Forward	TRADING	60	20,253,825	USD
ES	TRADING	2	3,015,704	MXN
ES	TRADING	1	399,289	USD
Fx Futuro	HEDGING	1	418,400	USD
CCS	TRADING	1	207,440	USD

*Figures in thousands

Amount includes Buy and Sell operations

- or whose position has been closed

Trading Date	B / S	Contract	Price	Number of Contracts	Size of Contract	Amount (thousands)	Currency
10/01/2025	B	EURO	21.12	100	10,000	1,000,000	EUR
15/01/2025	B	DEUA	20.69	500	10,000	5,000,000	USD
15/01/2025	B	DEUA	20.70	1,000	10,000	10,000,000	USD
16/01/2025	B	DEUA	21.02	22,500	10,000	225,000,000	USD
16/01/2025	B	DEUA	21.02	14,000	10,000	140,000,000	USD
16/01/2025	B	DEUA	21.04	500	10,000	5,000,000	USD
21/01/2025	B	DEUA	20.89	5,000	10,000	50,000,000	USD
21/01/2025	B	DEUA	20.86	5,000	10,000	50,000,000	USD

The number and amount of margin calls that, if applicable, occurred during the quarter.

MARGIN CALLS	Received		Delivered	
	USD*	MXN**	USD*	MXN**
Amount (in thousands)	-	89,400	154,821	2,957,547
Number of calls	-	15	79	215

* USD= Operations in OTC

** MXN= Operations in Recognized Exchanges and OTC

- Disclose any default that might have occurred in relation to the respective contracts

No default in relation to the respective contracts was registered.

Quantitative information for disclosure [text block]

TABLE 1
Summary of Derivative Financial Instruments
For the period ended March 31, 2025
Monetary figures expressed in thousands of Mexican pesos

Type of derivative, security or contract	Hedging or other purposes, such as trading	Notional/nominal value	Value of underlying asset/benchmark variable		Fair Value		Amounts at maturity per year		Collateral/credit lines/securities offered as guarantee
			Current quarter	Previous quarter	Current quarter	Previous quarter	2025	> 2025	
BS	Trading	12,362,835	348.99	348.17	(3,925,100)	(5,453,359)	-	12,362,835	12,362,835
Fx Forward	Hedging	6,462,266	USD	USD	6,410,696	9,791,014	6,462,266	-	-
Fx Forward	Trading	22,055	CAD	CAD	21,412	21,840	22,055	-	-
Fx Forward	Trading	17,198,402	USD	USD	17,050,290	15,638,235	16,981,363	217,039	-
Fx Futuro	Hedging	13,324,718	USD	USD	13,039,829	15,230,331	13,324,718	-	1,152,199
Fx Futuro	Trading	21,528	EUR	EUR	22,153	21,677	21,528	-	18
Fx Option	Trading	12,064,079	USD	USD	-	-	12,011,616	52,463	-
Interest rate option	Trading	5,192,977	MXP	MXP	5,813	5,753	3,582,211	1,610,765	-
CCS	Hedging	15,139,061	USD	USD	(1,063,362)	(1,197,536)	7,641,108	7,497,963	1,047,976
CCS	Trading	162,640	USD	USD	(31,484)	(120,856)	162,640	-	-
IRS	Hedging	915,679	MXP	MXP	(7,862)	-	-	915,679	-
IRS	Trading	28,908,214	MXP	MXP	18,328	20,569	19,465,770	9,442,444	-
IRS	Hedging	466,667	MXP	MXP	10,646	13,940	133,333	333,334	-
IRS	Hedging	3,784,902	MXP	MXP	255,701	206,679	-	3,784,902	-

II. Sensitivity analysis:

Hedging instruments:

All transactions with derivatives have a clear purpose of limiting the risk for which they were traded. It is important to clarify that the hedging derivative financial instruments that Grupo Elektra holds in its balance sheet do not lose hedging effectiveness at any level of variation; that is any change in the fair value of the derivative instrument does not affect changes in its nature, use or level of effectiveness.

Scenarios due to interest rate variations

For the period ended March 31, 2025

Scenario	Instrument	Underlying Asset	Parameter ⁽¹⁾	Tipo de parámetro	VR Base Scenario	Stress Scenario	Sensitivity
Likely	IRS	TIE	-25	Basis Points	266,347	206,239	(60,108)
Possible	IRS	TIE	-50	Basis Points	266,347	161,361	(104,986)
Remote	IRS	TIE	-100	Basis Points	266,347	92,085	(174,262)

(1) For the IRS it represents additional movements to the market curve at the end of March 2025.

A sensitivity analysis was not carried out on the hedging instruments of Banco Azteca because the hedge level is considered highly effective, both in the global portfolio and for each of the instruments, as they are associated one by one and the monitoring carried out monthly, it has not shown significant fluctuations from month to month during the validity period.

Trading instruments:

Regarding the derivative instruments for trading purposes of Grupo Elektra, the additional impacts that would be generated in the Income Statement according to the scenarios requested from the situation reported at the end of March 2025 are shown below. In the event that any of them occurred at the maturity of the operations, Grupo Elektra would have to settle said amounts to its counterpart. Only at this point would your cash flow be affected.

However, since the operations have collateral for 100% of the notional amount and are not leveraged, we estimate that Grupo Elektra has fully covered the maximum loss that it could suffer in a catastrophic scenario without affecting its operating cash.

Sensitivity analysis

For the period ended March 31, 2025

Scenario	Change	Price with change	Potential loss
Likely	-10%	\$ 309.59	(757,598)
Possible	-25%	\$ 257.99	(2,023,259)
Remote	-50%	\$ 172.00	(4,132,692)

In this sensitivity analysis we are assuming negative changes in the underlying asset value of derivative trading instruments (equity swaps), with respect to their closing price of March 31, 2025 (-10%, -25% and -50 %, respectively).

In this case, we would only see an impact on the financial statements and not on the cash flow because these instruments are still in effect.

For Banco Azteca's operations, a sensitivity analysis is performed using the "full valuation" methodology. The sensitivity calculation for "full valuation" consists of comparing the fair value of the current position against the fair value of the portfolio using different hypothetical scenarios of the risk factors that directly affect the prices of derivative positions.

In order to carry out the estimates of possible expected losses through the “full valuation” methodology, the risk factors that affect the fair value of derivative operations are identified, in accordance with the standard theoretical valuation models used in the market, including different historical volatility scenarios in the different risk factors.

At the end of March 31, 2025, the trading derivatives portfolio was made up of interest rate options, Fx options, dollar / peso exchange rate forwards, and interest rate swaps. The fair value of the position of the trading derivatives portfolio at the end of March 2025 is not sensitive to variations in market risk factors, since the exposure is perfectly neutralized by netting between identical long and short operations of Options Rate, Rate Swaps and Currency Forwards.

Trading Derivatives Portfolio at the end of March 2025:

Options

Buy/sell	Amount	Long Position	Long Position
Fx Options	-	30	-30
Interest Rate Options	14	15	-1
Net position (Ps. millions) *	14		

Swaps

Buy/sell	Amount	Long Position	Long Position
IRS	-129	-313	184
CCS	0	-	-
Net position (Ps. millions) *	-129		

Fx Futuro

Buy/sell	Amount	Currency to receive	Currency to Deliver
Buy (Ps. millions)	-	-	-
Sell (Ps. millions)	-22	MXP	EUR
Net position (Ps. millions) *	-22		

Fx Forward

Buy/sell	Amount	Currency to receive	Currency to Deliver
Buy (Ps. millions)	8,567	MXP	USD
Sell (Ps. millions)	-15,094	MXP	CAD
Net position (Ps. millions) *	-6,528		

*The total net position represents the exposure amount of the portfolio after netting the rights and obligations of the derivative transactions.

[800100] Notes - Subclassifications of assets, liabilities and equities

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Subclassifications of assets, liabilities and equities [abstract]		
Cash and cash equivalents [abstract]		
Cash [abstract]		
Cash on hand	12,779,570,000	13,844,280,000
Balances with banks	28,581,364,000	33,218,914,000
Total cash	41,360,934,000	47,063,194,000
Cash equivalents [abstract]		
Short-term deposits, classified as cash equivalents	291,246,000	264,237,000
Short-term investments, classified as cash equivalents	0	0
Other banking arrangements, classified as cash equivalents	0	0
Total cash equivalents	291,246,000	264,237,000
Other cash and cash equivalents	0	0
Total cash and cash equivalents	41,652,180,000	47,327,431,000
Trade and other current receivables [abstract]		
Current trade receivables	88,577,087,000	88,670,526,000
Current receivables due from related parties	582,357,000	2,399,599,000
Current prepayments [abstract]		
Current advances to suppliers	458,620,000	555,970,000
Current prepaid expenses	3,163,965,000	6,384,936,000
Total current prepayments	3,622,585,000	6,940,906,000
Current receivables from taxes other than income tax	3,534,757,000	3,055,946,000
Current value added tax receivables	3,534,757,000	3,055,946,000
Current receivables from sale of properties	0	0
Current receivables from rental of properties	0	0
Other current receivables	26,570,903,000	23,042,942,000
Total trade and other current receivables	122,887,689,000	124,109,919,000
Classes of current inventories [abstract]		
Current raw materials and current production supplies [abstract]		
Current raw materials	649,907,000	314,278,000
Current production supplies	0	0
Total current raw materials and current production supplies	649,907,000	314,278,000
Current merchandise	0	0
Current work in progress	0	0
Current finished goods	0	0
Current spare parts	0	0
Property intended for sale in ordinary course of business	23,295,887,000	18,808,745,000
Other current inventories	0	0
Total current inventories	23,945,794,000	19,123,023,000
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners [abstract]		
Non-current assets or disposal groups classified as held for sale	104,895,000	108,628,000
Non-current assets or disposal groups classified as held for distribution to owners	0	0
Total non-current assets or disposal groups classified as held for sale or as held for distribution to owners	104,895,000	108,628,000
Trade and other non-current receivables [abstract]		
Non-current trade receivables	84,219,232,000	81,798,880,000
Non-current receivables due from related parties	189,896,000	849,764,000
Non-current prepayments	0	0
Non-current lease prepayments	0	0
Non-current receivables from taxes other than income tax	0	0
Non-current value added tax receivables	0	0

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Non-current receivables from sale of properties	0	0
Non-current receivables from rental of properties	0	0
Revenue for billing	0	0
Other non-current receivables	43,075,000	66,987,000
Total trade and other non-current receivables	84,452,203,000	82,715,631,000
Investments in subsidiaries, joint ventures and associates [abstract]		
Investments in subsidiaries	0	0
Investments in joint ventures	0	0
Investments in associates	0	0
Total investments in subsidiaries, joint ventures and associates	0	0
Property, plant and equipment [abstract]		
Land and buildings [abstract]		
Land	1,052,723,000	1,052,882,000
Buildings	1,716,858,000	1,725,587,000
Total land and buildings	2,769,581,000	2,778,469,000
Machinery	1,419,071,000	1,468,672,000
Vehicles [abstract]		
Ships	0	0
Aircraft	0	0
Motor vehicles	141,455,000	235,509,000
Total vehicles	141,455,000	235,509,000
Fixtures and fittings	0	0
Office equipment	1,322,691,000	1,359,217,000
Tangible exploration and evaluation assets	0	0
Mining assets	0	0
Oil and gas assets	0	0
Construction in progress	2,708,402,000	2,695,342,000
Construction prepayments	0	0
Other property, plant and equipment	9,841,446,000	10,267,666,000
Total property, plant and equipment	18,202,646,000	18,804,875,000
Investment property [abstract]		
Investment property completed	174,654,000	175,057,000
Investment property under construction or development	0	0
Investment property prepayments	0	0
Total investment property	174,654,000	175,057,000
Intangible assets and goodwill [abstract]		
Intangible assets other than goodwill [abstract]		
Brand names	1,889,593,000	1,884,951,000
Intangible exploration and evaluation assets	0	0
Mastheads and publishing titles	0	0
Computer software	0	0
Licences and franchises	4,054,916,000	3,825,687,000
Copyrights, patents and other industrial property rights, service and operating rights	0	0
Recipes, formulae, models, designs and prototypes	0	0
Intangible assets under development	0	0
Other intangible assets	167,789,000	218,277,000
Total intangible assets other than goodwill	6,112,298,000	5,928,915,000
Goodwill	3,795,911,000	3,787,831,000
Total intangible assets and goodwill	9,908,209,000	9,716,746,000
Trade and other current payables [abstract]		
Current trade payables	12,726,920,000	10,564,281,000
Current payables to related parties	1,058,669,000	1,536,112,000
Accruals and deferred income classified as current [abstract]		

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Deferred income classified as current	252,830,000	360,138,000
Rent deferred income classified as current	0	0
Accruals classified as current	24,469,780,000	25,404,087,000
Short-term employee benefits accruals	0	0
Total accruals and deferred income classified as current	24,722,610,000	25,764,225,000
Current payables on social security and taxes other than income tax	406,665,000	541,052,000
Current value added tax payables	406,665,000	541,052,000
Current retention payables	501,749,000	625,616,000
Other current payables	622,830,000	745,290,000
Total trade and other current payables	40,039,443,000	39,776,576,000
Other current financial liabilities [abstract]		
Bank loans current	1,481,751,000	513,001,000
Stock market loans current	11,413,470,000	5,746,734,000
Other current liabilities at cost	288,086,420,000	276,540,242,000
Other current liabilities no cost	0	0
Other current financial liabilities	161,332,000	1,614,031,000
Total Other current financial liabilities	301,142,973,000	284,414,008,000
Trade and other non-current payables [abstract]		
Non-current trade payables	0	0
Non-current payables to related parties	0	0
Accruals and deferred income classified as non-current [abstract]		
Deferred income classified as non-current	1,952,221,000	1,737,362,000
Rent deferred income classified as non-current	0	0
Accruals classified as non-current	0	0
Total accruals and deferred income classified as non-current	1,952,221,000	1,737,362,000
Non-current payables on social security and taxes other than income tax	0	0
Non-current value added tax payables	0	0
Non-current retention payables	0	0
Other non-current payables	551,446,000	519,056,000
Total trade and other non-current payables	2,503,667,000	2,256,418,000
Other non-current financial liabilities [abstract]		
Bank loans non-current	116,667,000	1,199,967,000
Stock market loans non-current	23,860,559,000	27,573,319,000
Other non-current liabilities at cost	0	0
Other non-current liabilities no cost	0	0
Other non-current financial liabilities	5,240,270,000	6,799,807,000
Total Other non-current financial liabilities	29,217,496,000	35,573,093,000
Other provisions [abstract]		
Other non-current provisions	128,933,000	117,193,000
Other current provisions	5,547,975,000	5,150,659,000
Total other provisions	5,676,908,000	5,267,852,000
Other reserves [abstract]		
Revaluation surplus	86,344,000	86,344,000
Reserve of exchange differences on translation	9,130,965,000	9,123,362,000
Reserve of cash flow hedges	55,244,000	28,887,000
Reserve of gains and losses on hedging instruments that hedge investments in equity instruments	0	0
Reserve of change in value of time value of options	0	0
Reserve of change in value of forward elements of forward contracts	0	0
Reserve of change in value of foreign currency basis spreads	0	0
Reserve of gains and losses on financial assets measured at fair value through other comprehensive income	0	0
Reserve of gains and losses on remeasuring available-for-sale financial assets	0	0
Reserve of share-based payments	0	0
Reserve of remeasurements of defined benefit plans	291,042,000	290,691,000

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale	0	0
Reserve of gains and losses from investments in equity instruments	0	0
Reserve of change in fair value of financial liability attributable to change in credit risk of liability	0	0
Reserve for catastrophe	0	0
Reserve for equalisation	0	0
Reserve of discretionary participation features	0	0
Reserve of equity component of convertible instruments	0	0
Capital redemption reserve	0	0
Merger reserve	0	0
Statutory reserve	0	0
Other comprehensive income	(801,101,000)	(720,831,000)
Total other reserves	8,762,494,000	8,808,453,000
Net assets (liabilities) [abstract]		
Assets	488,560,145,000	479,257,324,000
Liabilities	407,631,912,000	398,726,312,000
Net assets (liabilities)	80,928,233,000	80,531,012,000
Net current assets (liabilities) [abstract]		
Current assets	313,225,901,000	302,274,088,000
Current liabilities	356,680,347,000	342,184,718,000
Net current assets (liabilities)	(43,454,446,000)	(39,910,630,000)

[800200] Notes - Analysis of income and expense

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Analysis of income and expense [abstract]		
Revenue [abstract]		
Revenue from rendering of services	2,281,647,000	1,906,796,000
Revenue from sale of goods	15,642,426,000	15,129,073,000
Interest income	28,371,842,000	24,021,139,000
Royalty income	0	0
Dividend income	0	0
Rental income	0	0
Revenue from construction contracts	0	0
Other revenue	5,472,532,000	3,505,219,000
Total revenue	51,768,447,000	44,562,227,000
Finance income [abstract]		
Interest income	480,497,000	445,414,000
Net gain on foreign exchange	18,496,000	30,209,000
Gains on change in fair value of derivatives	0	0
Gain on change in fair value of financial instruments	0	0
Other finance income	51,886,000	25,276,000
Total finance income	550,879,000	500,899,000
Finance costs [abstract]		
Interest expense	1,551,284,000	1,460,526,000
Net loss on foreign exchange	0	0
Losses on change in fair value of derivatives	188,708,000	649,559,000
Loss on change in fair value of financial instruments	600,092,000	46,851,000
Other finance cost	0	0
Total finance costs	2,340,084,000	2,156,936,000
Tax income (expense)		
Current tax	1,598,995,000	1,477,481,000
Deferred tax	(706,857,000)	(707,889,000)
Total tax income (expense)	892,138,000	769,592,000

[800500] Notes - List of notes

Disclosure of notes and other explanatory information [text block]

The notes to the consolidated financial statements are set out in 813000 “Interim Financial Information in accordance with NIC34”.

Disclosure of associates [text block]

17. Investments in associates

As of March 31, 2025, and December 31, 2024, investments in associates are integrated as follows:

	2025	2024
CASA (*)	\$ 1,984,913	\$ 2,080,457
Selabe Diseños. S. A. de C. V	105,203	95,903
Adamantium, S. de R. L. de C. V.	14,265	17,501
Otras	14,953	14,264
	<u>\$ 2,119,334</u>	<u>\$ 2,208,125</u>

(*) On March 31, 2025, Grupo Elektra directly and indirectly held 39.77% of the capital stock of CASA which, in turn, holds 56.45% of the stock of TV Azteca, S.A.B. de C.V. The company has no effective control over CASA.

Disclosure of debt instruments [text block]

As of March 31, 2025, consolidated indebtedness (excluding deposits, repurchase agreements and leases) accounted for 9.0% of total liabilities (vs 9.9% as of 1Q24). Please refer to “Debt Breakdown” for the additional details on debt facilities.

As of March 31, 2025, the company was up to date on the principal and interest payments of all its loans.

Among the main restrictions agreed by the company in the most relevant credit agreements are the following:

- Notify creditors of the existence of any of the following facts, provided that these may have a material adverse effect on the economic situation of the company (a) any claim, action, litigation, procedure, appeal or arbitration before any administrative authority or judicial, or arbitration body, national or foreign, (b) any labor dispute, and (c) any other liability or contingent responsibility in charge of the company;

- Comply with all applicable laws, regulations, decrees, rules and orders of any nature, including, without limitation, the timely payment of all taxes, contributions and charges imposed on the company and its properties;
- Maintain in full force and legal force the licenses, authorizations, concessions, permits or records of which it is the holder on the date of execution of the Credit Agreements and obtain the licenses, authorizations, concessions, permits or records that are hereinafter required for the ordinary course of their business and the fulfillment of their obligations;
- Submit the corresponding reports in accordance with the Financial Reporting Standards applicable to the reporting date, adequately reflecting its operations, properties and financial condition, and:
- Inform its creditors of any change in its shareholding and operating structure that may substantially affect the good performance of the company.
- Restriction of 1 year as of January 21, 2021, within which Grupo Elektra will not be able and will not allow any of its subsidiaries to resell any of the Bonds that have been reacquired by any of them (not in accordance with a registration statement that has been effective under the Securities Market Act).
- Not to carry out any kind of merger and / or consolidation, sale, assignment or transfer (directly or indirectly) of all or substantially all of its property to any person, unless Grupo Elektra is the surviving entity or that person assumes the rights and obligations of Grupo Elektra under the guarantee granted.
- It will not allow any controlled entity to convert, including by virtue of being owned or controlled by a blocked person, possessing or controlling a blocked person, or having directly or indirectly, any investment or participating in any deal or transaction, including any investment, negotiation or transaction, involving the proceeds of any Bond, with any person if such investment, negotiation or transaction would cause any beneficiary of the bonds, or any of the affiliates, to violate or could reasonably be expected to result in the imposition of penalties under applicable laws.

Disclosure of general information about financial statements [text block]

Activity of the Company

Grupo Elektra, S. A. B. de C. V. (Grupo Elektra) is a Mexican entity, which through its subsidiaries has operations in Mexico, the United States of America (USA) and Central America.

Grupo Elektra is a leading specialty retailer and provider of financial services in Mexico and Central America, focusing mainly on the middle and low-income economic sector of the population (the C+, C, C- y D+ socio-economic levels in Mexico). In addition, Grupo Elektra has operations in USA, where it is a leading provider of non-bank cash advance services.

The main activities of Grupo Elektra and its subsidiaries (hereinafter "the Company" or "Group Elektra"), are:

- Specialized trade (retailer of goods and services, money transfers).
- Banking and credit services (receive deposits, accept and grant loans and credits, raise funds from the public, make investments in securities, enter into repurchase agreements, issue bank bonds, issue subordinated debentures and carry out other multiple banking operations).
- Other financial services (short-term cash advances in the USA ("payday loans"), insurance and reinsurance services in accident and illness operations, in the trade of personal accidents and medical expenses; insurance, coinsurance and reinsurance services in damage operations, in the trade of civil liability and professional risks, maritime and transportation, fire, automobiles, miscellaneous, earthquake and other catastrophic risks; pension and retirement funds management; and brokerage services).

The aforementioned activities are conducted through more than 6,150 points of sales in Mexico, USA, and Central America. The main points of contact are Elektra, Salinas y Rocha stores and branches of Banco Azteca and Purpose Financial.

The common shares of Grupo Elektra (ELEKTRA*) are listed in the Mexican Stock Exchange (BMV for its acronym in Spanish) and Latibex, an international stock dedicated to Latin American Shares in Euros, regulated by the current laws of the Spanish Stock Exchange.

Headquarters are located in: Av. Ferrocarril de Río Frío N° 419-CJ, Col. Fraccionamiento Industrial del Moral, Delegación Iztapalapa, C.P. 09010, Mexico City.

These consolidated financial statements have been translated into English solely for the convenience of readers of this language. In all cases, where there are any disagreements between the English and Spanish versions, the Spanish version shall be considered authoritative and controlling.

The Company, to conduct its financial activities, has the following authorizations and is regulated for the following authorities:

<u>Subsidiary</u>	<u>Type of authorization</u>	<u>Regulatory entity</u>
Banco Azteca, S. A., Institución de Banca Múltiple (Banco Azteca)	Banking Operations in the manner and terms established in the Mexican Credit Institutions law.	Mexican National banking and Securities Commission (CNBV, for its acronym in Spanish) and the Mexican Central Bank (Banxico, for its acronym in Spanish).
Afore Azteca, S. A. de C. V.	Management of retirement and pension funds through specialized investment companies called Siefores.	Mexican National Commission for the Retirement Funds (CONSAR, for its acronym in Spanish).
Seguros Azteca, S. A. de C. V.	Life, accident and illness, and damage insurance and reinsurance operations.	Mexican National Commission of Insurance and Bonding (CNSF, for its acronym in Spanish).
Seguros Azteca Daños, S. A. de C.V.	Damage insurance and reinsurance operations.	CNSF.
Banco Azteca (Panamá), S. A.	Banking Operations.	Panama Bank Superintendence.
Banco Azteca de Honduras, S. A.	Banking operations.	National Commission on Banking and Insurance of Honduras.
Banco Azteca de Guatemala, S. A.	Banking operations.	Monetary council of Guatemala.
Punto Casa de Bolsa, S. A. de C. V.	Trading operations	CNBV
Purpose Financial, Inc. (formerly Advance America, Cash Advance Centers, Inc.)	Short-term cash advances ("Payday loans")	Several state regulators in the USA.

Basis of preparation and summary of significant accounting policies

a. Basis of preparation and measurement

The accompanying consolidated financial statements have been prepared in accordance with the international accounting standard (IAS) 34 "Interim Financial Reporting", because of that they do not include all the required information for annual

financial statements in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB), so it is recommended to read altogether the annual financial statements as of December 31, 2024.

b. Use of estimates

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in the appendix 813000.

c. Functional and reporting currency

The reporting currency of the consolidated financial statements of the Company is the Mexican peso. Since the Company maintains investments in subsidiaries abroad, the items included in the financial statements of each one of the entities comprising Grupo Elektra are measured in the currency of the primary economic environment where each entity operates, that is, its "functional currency". The Company is exposed to a foreign currency translation risk.

d. Main accounting policies

The main accounting policies adopted in the preparation of the consolidated financial statements are set out in appendix 813000. The policies have been consistently applied to the previous year presented in this consolidated financial statements, unless otherwise stated.

Disclosure of issued capital [text block]

a. Share structure

As of March 31, 2025 and 2024 the common stock is represented by 284,291,164 common shares, ordinary, without face value, with a complete vote right, distributed as follows:

	Number of Shares	Amount
Authorized capital	284,291,164	\$ 655,236
Treasury Shares	(62,589,296)	(89,212)
Subscribed and paid in common stock	221,701,868	\$566,024

On December 27, 2024, the General Extraordinary and Ordinary Stockholders' Meeting of Grupo Elektra, resolved to carry out the process to obtain the cancelation of the shares listing of the Company in the National Securities Registry, as well as the listing of those shares on the Mexican Stock Exchange, Latibex, and in any other stock market on which they are listed (the Delisting). The resolution adopted by the Meeting is the first step in the Delisting process, but there is no certain deadline to complete it, since it depends on various factors, including certain authorizations by the National Banking and Securities Commission. Until this process is formally completed, the shares of Elektra will continue to be

listed normally on the stock markets referred above. Moreover, the entity will continue to meet all the obligations of periodic information and other obligations applicable to a public company.

Subsequent event

On January 23, 2025, the accumulated amount of 12,187,571 shares purchased by the Company was reached with a charge to the repurchase fund, thereby exceeding 5% of the total of fully paid-up shares (outstanding) and becoming treasury shares, which will be cancelled in accordance with the applicable legal, statutory, and tax provisions.

b. Share purchase option plan for executives

In February 1994 Grupo Elektra established a share purchase option plan for executives, through which some employees may acquire shares of Grupo Elektra at an average price of \$ 0.01250 and \$ 0.01625 (par value) per share. Options may be exercised in equal parts during a five-year period, provided the Company fulfills certain annual goals mainly related to the increase in net income. If these goals are not achieved, the exercise of the options may be postponed until the next year, but not later than February 28, 2024.

As of March 31, 2025 there were 21,966 allocated options to be exercised.

Disclosure of significant accounting policies [text block]

The main accounting policies adopted in the preparation of the consolidated financial statements are set out in 813000 "Interim Financial Information in accordance with NIC34". The policies have been consistently applied to the previous year presented in these consolidated financial statements, unless otherwise stated.

[800600] Notes - List of accounting policies

Disclosure of significant accounting policies [text block]

The main accounting policies adopted in the preparation of the consolidated financial statements are set out in 813000 “Interim Financial Information in accordance with NIC34”. The policies have been consistently applied to the previous year presented in these consolidated financial statements, unless otherwise stated.

[813000] Notes - Interim financial reporting

Disclosure of interim financial reporting [text block]

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

Notes to the Consolidated Financial Statements For the period ended on March 31, 2025 and 2024 (Figures expressed in thousands of pesos)

1. Activity of the Company

Grupo Elektra, S. A. B. de C. V. (Grupo Elektra) is a Mexican entity, which through its subsidiaries has operations in Mexico, the United States of America (USA) and Central America.

Grupo Elektra is a leading specialty retailer and provider of financial services in Mexico and Central America, focusing mainly on the middle and low-income economic sector of the population (the C+, C, C- y D+ socio-economic levels in Mexico). In addition, Grupo Elektra has operations in USA, where it is a leading provider of non-bank cash advance services.

The main activities of Grupo Elektra and its subsidiaries (hereinafter "the Company" or "Group Elektra"), are:

- Specialized trade (retailer of goods and services, money transfers).
- Banking and credit services (receive deposits, accept and grant loans and credits, raise funds from the public, make investments in securities, enter into repurchase agreements, issue bank bonds, issue subordinated debentures and carry out other multiple banking operations).
- Other financial services (short-term cash advances in the USA ("payday loans"), insurance and reinsurance services in accident and illness operations, in the trade of personal accidents and medical expenses; insurance, coinsurance and reinsurance services in damage operations, in the trade of civil liability and professional risks, maritime and transportation, fire, automobiles, miscellaneous, earthquake and other catastrophic risks; pension and retirement funds management; and brokerage services).

The aforementioned activities are conducted through more than 6,150 points of sales in Mexico, USA, and Central America. The main points of contact are Elektra, Salinas y Rocha stores and branches of Banco Azteca and Purpose Financial.

The common shares of Grupo Elektra (ELEKTRA*) are listed in the Mexican Stock Exchange (BMV for its acronym in Spanish) and Latibex, an international stock dedicated to Latin American Shares in Euros, regulated by the current laws of the Spanish Stock Exchange.

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The Company, to conduct its financial activities, has the following authorizations and is regulated for the following authorities:

Subsidiary	Type of authorization	Regulatory entity
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Afore Azteca, S. A. de C. V.	Management of retirement and pension funds through specialized investment companies called Siefores.	Mexican National Commission for the Retirement Funds (CONSAR, for its acronym in Spanish).
Seguros Azteca, S. A. de C. V.	Life, accident and illness, and damage insurance and reinsurance operations.	Mexican National Commission of Insurance and Bonding (CNSF, for its acronym in Spanish).
Seguros Azteca Daños, S. A. de C.V.	Damage insurance and reinsurance operations.	CNSF.
Banco Azteca (Panamá), S. A.	Banking Operations.	Panama Bank Superintendence.
Banco Azteca de Honduras, S. A.	Banking operations.	National Commission on Banking and Insurance of Honduras.
Banco Azteca de Guatemala, S. A.	Banking operations.	Monetary council of Guatemala.
Punto Casa de Bolsa, S. A. de C. V.	Trading operations	CNBV
Purpose Financial, Inc. (formerly Advance America, Cash Advance Centers, Inc.)	Short-term cash advances ("Payday loans")	Several state regulators in the USA.

Basis of preparation and summary of significant accounting policies

a. Basis of preparation and measurement

The accompanying consolidated financial statements have been prepared in accordance with the international accounting standard (IAS) 34 "Interim Financial Reporting", because of that they do not include all the required information for annual financial statements in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB), so it is recommended to read altogether the annual financial statements as of December 31, 2024.

b. Use of estimates

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in appendix 813000.

c. Functional and reporting currency

The reporting currency of the consolidated financial statements of the Company is the Mexican peso. Since the Company maintains investments in subsidiaries abroad, the items included in the financial statements of each one of the entities

comprising Grupo Elektra are measured in the currency of the primary economic environment where each entity operates, that is, its "functional currency". The Company is exposed to a foreign currency translation risk.

d. Main accounting policies

The main accounting policies adopted in the preparation of the consolidated financial statements are set out in appendix 813000. The policies have been consistently applied to the previous year presented in this consolidated financial statements, unless otherwise stated.

e. Accounting changes

The following amendments are effective for the period beginning 1 January 2025:

✗ Lack of exchangeability in the currency (Amendment to IAS 21 "The Effects of Changes in Foreign Exchange Rates");

The following amendments are effective for the period beginning 1 January 2026

✗ Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures")

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

✗ IFRS 18 "Presentation and Disclosure in Financial Statements"

✗ IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

The Group is currently assessing the effect of these new accounting standards and amendments

IFRS 18 was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 "Basis of Preparation of Financial Statements" (renamed from Accounting Policies, Changes in Accounting Estimates and Errors).

Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items.

This implementation had no significant effects on the Company's Consolidated Financial Statements.

f. Consolidation

The consolidated financial statements comprise the financial statements of Grupo Elektra and its subsidiaries together with the equity in the net results of associates and joint ventures. The results of subsidiaries sold or acquired are included in the statement of comprehensive income to, or from the date on which control is transferred.

l. Subsidiaries

A subsidiary is an entity controlled, directly or indirectly, by Grupo Elektra. Control is effective if, and only if, the following criteria is met:

- Power over the subsidiary
- Exposure or rights, to variable returns from its involvement with the subsidiary.
- The ability to use its power over the subsidiary to affect the amount of the Company's returns.

For purposes of consolidation, accounting policies of subsidiaries have been aligned to ensure consistency with the policies adopted by Group Elektra.

When Group Elektra ceases to have control, any retained interest in the entity is re-measured at its fair value at the date when control is lost; the change in carrying amount is recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group has directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

Balances and transactions between the companies have been eliminated in consolidation.

II. Associates

Associates are all entities over which the Company has significant influence but not control, that is, the faculty to just only participate in decisions of the financial and operating policies. It is presumed that significant influence exists if the Company possess directly or indirectly, 20% or more of the voting power in the associate, unless it can be clearly demonstrated that there is no such influence.

Investments in associates are initially recognized at cost and are subsequently accounted for using the equity method. The Company's investment in associates includes goodwill identified at time of purchase.

The Company's share of profits or losses after acquisition is recognized in the statement of comprehensive income, except when the losses exceed the Company's investment in the associate.

If there is objective evidence that the investment in an associate is impaired, the carrying amount of the investment is subject to impairment tests, by comparing the recoverable amount and the carrying value of the investment, which is recognized together with the participation in the results of associates.

III. Business acquisition

When there is a business acquisition fair value is attributed to the net assets, including identifiable intangible assets and acquired contingent liabilities, fair values must reflect the current conditions as of the acquisition date. The costs related with the acquisition are generally recognized as they are incurred.

When the acquisition cost exceeds the fair value attributable to the Company's share in the net assets acquired and assumed liabilities, the difference is treated as goodwill.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 and IAS 19 respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-Based Payments" at the acquisition date.
- Non-current acquired assets (or investments to be disposed) that are classified as held for sale at the acquisition date will be measured in accordance with IFRS 5 "Non-current assets held for Sale and Discontinued Operations".

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after

reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity, and the contingent consideration classified as an asset or liability must be measured at fair value and any resulting gain or loss must be recognized in the result of the period or in other comprehensive income in accordance with IFRS 9 or IAS 37 "Provisions, contingent liabilities and contingent assets", as applicable.

g. Transactions and translation of foreign currency

According to the IAS 21 "The effects of changes in foreign exchange rates" ("IAS 21"), Transactions in foreign currencies are recorded at the exchange rates prevailing on the dates on which they are entered into. Assets and liabilities denominated in these currencies are stated in local currency, applying the exchange rates prevailing as of the date of the financial position statement. Differences arising from fluctuations in the exchange rates between the dates on which transactions are entered into and those on which they are settled or valued at the close of the year are applied to the results of the year.

The financial statements of the subsidiary companies abroad maintain a registry currency that matches the functional currency, which served as the base to convert foreign operations to the Company's presentation currency, considering that in these cases there was a non-inflationary environment. The accumulated effect originated by the translation of such financial statements is presented within the stockholders' equity in the accumulative effect of foreign currency translation.

3. Critical accounting estimates and judgments

The main accounting estimations, provisions or reserves, which we have identified, are the following:

a. Critical accounting estimates

Allowance for credit risks (impairment of financial assets)

The methodologies to assess credit risk used in connection with each business segments may differ depending from the real collection of existing account receivables derived from changes in the following factors (among others): (i) the performance of each receivable, (ii) the economic conditions of the country of such receivables was granted, (iii) the volatility of interests rates, and (iv) the variations in the exchange rate of the currency in which the credit was granted.

Transactions with financial derivative instruments

The Company entered into transactions with derivative financial instruments, which seek to reduce its exposure of the primary position to adverse movements in interest rates and exchange rates.

There are also trading operations to take advantage of the arbitrage possibilities that arise in the financial markets within the overall authorized global limits risks.

In some instances, there is an observable market that provides the estimated fair value of the financial instruments; in the absence of such a market, the value of the financial instrument is determined through valuation techniques such as the net present value of the cash flows projections or mathematical valuation models.

The estimated fair values of the derivative instruments are supported by confirmations of such values that the Company receives from the counterparties. Notwithstanding the foregoing, a thorough evaluation is required to properly account for the effects of derivative operations in the financial statements.

Inventory valuation

The Company periodically reviews its valuation of inventories to determine that the value of such inventories does not exceed their net realizable value. The main effects on inventory valuation are, among others: (i) technological obsolescence in certain lines, (ii) deterioration over time or its handling, (iii) prices established by the suppliers, (iv) physical conditions on its storage, etc.

Long-lived assets impairment

The Company mainly considers fixed assets, goodwill and intangible assets as long-lived assets. In accordance with the specific accounting standards, the recoverable amount of long-lived assets is estimated at least once a year and compared to their carrying amount.

The recovery value represents the amount of potential net income that is reasonably expected to be derived from the use or realization of said assets. If the discounted values are determined to be excessive, the estimates necessary to reduce them to the salvage value are recorded.

The recoverable amount is estimated in accordance with generally accepted valuation techniques recognized by various associations such as *The American Society of Appraisers* and *The Institute of Business Appraisers*. Depending on the specific characteristics of each CGU'S, the valuation approach to be used is defined, always giving priority to market inputs.

It is required a significant judgment to appropriately determine the recoverable value. The impairment assessments may be affected, among other factors, by: (i) the estimated future income of our CGU'S, (ii) the variation of our operating costs and expenses, (iii) the national and international economic trends, (iv) the discount rates and (v) the perpetuity growth rates.

Deferred income tax

The calculation of deferred income tax is based on the assets and liabilities method with a comprehensive approach, which consists in applying the corresponding tax rate to all those temporary differences between the carrying amounts and the tax base of the assets and liabilities that are expected to materialize in the future.

Significant management judgment is required to estimate: (i) the value of the temporary differences, (ii) the time frame in which such differences will be made, (iii) the future generation of profits against which tax losses could be applied, etc.

Employee benefits

The valuation of employee benefits is carried out by independent experts based on actuarial studies. Among others, the following assumptions are used, which may have a significant effect: (i) discount rates, (ii) expected increase rate of wages, (iii) expected real growth rates of the fund, and (iv) turnover and mortality rates based on recognized tables.

A change in economic, labor or fiscal conditions could modify the estimates.

b. Critical accounting judgments

Revenue recognition

Interest Income

Interest of the loan portfolio is recognized as income when accrued by using the effective interest rate method, whereby interest is distributed and recognized throughout the corresponding period. However, the recognition of interest is suspended at the time when loans are transferred to the nonperforming portfolio stage 3.

With respect to uncollected ordinary accrued interest corresponding to loans classified in the past-due portfolio stage 3, a doubtful account allowance is created for an amount equivalent to the total amount thereof at the time the loan is reclassified into the past-due portfolio stage 3.

Fees on the initial granting of the loan on loans are recorded as a deferred credit and amortized against income stage 3, in the item of portfolio interest throughout the duration of the loan.

The commissions for the initial granting of the loan are recorded as a deferred loan and are amortized against results, under interest on the loan portfolio during the life of the loan.

Interests generated due to investments in securities and operations, the returns generated by the disposals as well as the effects of valuation of foreign currency are recognized as interests' revenues as they are earned in profit or loss.

Revenue by goods

Revenues from sales of products are recognized when all the significant risks and benefits inherent to the ownership of the merchandise are transferred to customers, and there is no unsatisfied obligation that can affect the acceptance of the products by the customer. The discounts granted, as well as returns carried out are presented by reducing revenues on this line item.

Internet sales

Revenues on Internet product sales are recognized in the accounting period in which they are considered realized effectively, that is, up to the time at which the risks and benefits are transferred to the customer with the delivery of the product. Since there is a time difference between the time at which the customer makes the payment for the goods and the time at which the product is delivered, revenue recognition is deferred and a contractual liability is recognized in that amount, as well as an adjustment to the cost of sales for merchandise in transit of the delivery to the customer.

Purchase prices agreed upon with the customer are set and charged prior to the delivery of the product. In the event of granting a discount, they are presented by reducing revenues for this item.

Interest of the loan portfolio is recognized as income when accrued by using the effective interest rate method, whereby interest is distributed and recognized throughout the corresponding period. However, the recognition of interest is suspended at the time when loans are transferred to the nonperforming portfolio stage 3.

With respect to uncollected ordinary accrued interest corresponding to loans classified in the past-due portfolio stage 3, a doubtful account allowance is created for an amount equivalent to the total amount thereof at the time the loan is reclassified into the past-due portfolio stage 3.

Fees on the initial granting of the loan on loans are recorded as a deferred credit and amortized against income stage 3, in the item of portfolio interest throughout the duration of the loan.

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Interests generated due to investments in securities and operations, the returns generated by the disposals as well as the effects of valuation of foreign currency are recognized as interests' revenues as they are earned in profit or loss.

Revenue from extended warranty services

At the time of the sale, the Company offers the customer the possibility of extending the warranty period of its products by contracting extended warranty service. At the time of collecting the warranty, the Company recognizes a customer contract liability in the amount of the payment received, which represents the obligation to render repair services or replace the product in the future in the terms of the contract. The purchase price agreed upon with customers is fixed and it does not include future variable considerations. The extended warranty service revenue is recognized during the validity of the warranty (1 to 5 year terms). The customer contract liability is reduced based on revenue recognition. However, in those cases in which the guaranteed product is replaced, the obligation with the customer will be considered as satisfied and, therefore, the total unrecognized revenue at that date is recognized.

Money transfer revenues

Money transfer revenues represent the fees derived from the transfer service of local and international funds rendered to customers through points of sale of the Company and certain authorized distributors.

Fee revenue is recognized in the accounting period in which the service is rendered. Each remittance has a fixed price determined based on the amount remitted by the customer, and it is charged in case at the time at which the service is rendered.

The Company occasionally operates loyalty program in which customers accrue electronic money in a prepaid card for remittances made, which entitles the customer to a discount on future remittances. In these cases, a performance obligation is considered in addition to the original remittance of money, and part of the revenue is allocated thereto in order to recognize it thereafter. Revenues from prepaid cards are recognized when the electronic money is exchanged or when the 12 months expire after the last remittance.

Receipt of various services payments

The Company offers customers the receipt of various service payments, and the company receives a consideration in exchange for this service, which is charged shortly thereafter. This type of revenues is recognized in the accounting period in which the service is rendered and liabilities are recognized with customers in the amount of the service collected per order and account for others.

Income from telephone services

This type of revenues includes services related to telephony (data, sms, and voice), under the OUI trademark, and taken as a whole, they are considered as a unique performance obligation. The amounts of the plans are fixed and recognized during the period of time for which the customer is entitled to receive the benefits of those services or consumes the amount pre-established in each plan, whichever occurs first. The payments corresponding to each one of the plans does not include any telephone equipment, but rather such equipment is acquired by the customer in independent operations of telephony service.

Revenues on motorcycle sales

The Company recognizes revenues on motorcycle sales when control over the goods is transferred to the customer, that is, when the motorcycles are delivered to the customer, and there is no unsatisfied obligation that can affect the acceptance of the products by the customer.

The delivery is effective when the products are sent to a specific location, and the risks of obsolescence and loss are transferred to the customer.

These retail sales are made with volume discounts, based on total sales during a period of time. Revenues from these sales are recognized based on the price set forth in the contract, net of volume discounts, promotions, consideration paid to the customer, and other variable considerations that are estimated through accumulated experience, by recognizing a liability that is expected to be paid to customers and effectively applied when the conditions required by contract have materialized.

A receivable is recognized when the goods are delivered, since this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Moreover, it does not contain significant financing component, since sales are made with 60 to 90 days of credit terms.

Commissions and fees charged

Commissions and fees collected other than those relative to granting credit are recognized when the service is rendered or the terms are complied with for its collection.

Account managing fees, fiduciary activities, fund transfers, letters of credit, and others are recognized with the service is rendered, the amounts are fixed and collected only in cash thereafter.

AAZ fee revenues represent fee revenues for services rendered by the Pension Fund Manager (Afore) to workers as manager of their contributions to the fund for their retirement. They are recognized daily when the service is rendered. The amounts are fixed and collected only in cash thereafter.

Revenues from insurance premium and reinsurance premiums

Revenues from damage, life and casualty and illness operations are recorded based on the premiums corresponding to policies contracted, which are reduced by the reinsurance premiums, net of the reinsurance commission.

Insurance premiums corresponding to such transactions that have not been paid by the insured within the term set forth by the Insurance Law are cancelled, releasing the current risk reserve. In the case of rehabilitations, this reserve is reconstituted starting in the month in which the effectiveness of such insurance is restored. Premium revenues from life operations are recorded based on receipts issued upon collection, reduced by premiums given for reinsurance.

Rights on insurance policies and surcharges on premiums

Revenues from rights on insurance policies correspond to the recovery of the costs of issuing such policies and are recognized directly as income on the date such policy is issued.

Revenues from premium surcharges correspond to the financing derived from policies with installment payments and are recognized an income as they accrue.

Investments in securities

Investments in securities and other contracts that give rise to a financial asset or liability are recognized in accordance with the business model as follows:

a. Financial instruments at amortized cost

Securities at amortized cost are those securities held for collecting contractual cash flows, which give rise to cash flows on certain dates, which are only payments of principal and interest on the amount of the unpaid principal, which are initially recorded at their acquisition cost, and are subsequently measured by using the effective interest rate method and are subject to impairment. Gains and losses are recognized in the profit or loss when the asset is derecognized, modified or impaired.

b. Financial instruments at fair value with changes in other comprehensive income (debt instruments)

They are the instruments that hold a business model to collect contractual cash flows and/or sell them, and the contractual terms give rise to cash flows on certain dates that are only payments of principal and interest on the amount of the unpaid principal.

For debt instruments at fair value with changes in other comprehensive income, interest income, exchange fluctuation and impairment losses or their reversals, are recognized in the income statement and calculated as the financial assets measured at amortized cost. Changes in the remaining fair value are recognized in other comprehensive income. After they are derecognized, the fair value recognized in other comprehensive income is reclassified to profit or loss.

c. Financial instruments designated at fair value with changes in other comprehensive income (equity instruments)

After initial recognition, the Company can choose to classify irrevocably its equity instruments investments as equity instruments designated at fair value with changes in other comprehensive income and they are not held for trading. The classification is determined instrument by instrument.

Gains and losses in these financial instruments are never reclassified as profit or loss. Dividends are recognized as other revenues in profit or loss when the right of payment has been established, except when the Company benefits from such revenues as a recovery of a part of the cost of the financial asset, in which case, those gains are recorded in other comprehensive income. Equity instruments designated at fair value with changes in other comprehensive income are not subject to an impairment testing.

The Company does not present equity instruments in this category.

d. Financial instruments measured at fair value with changes in profit or loss

Financial assets at fair value with changes in profit or loss include instruments held for trading, (acquired for selling or buyback purposes in the short-term), designated in the initial recognition at fair value with changes in profit or loss or mandatorily required to be measured at fair value. Financial instruments with cash flows that are not only payments of principal and interest are classified and measured at fair value with changes in profit or loss. Without prejudice to the criteria for which debt instruments are classified at amortized cost or at fair value with changes in other comprehensive income, as described above, debt instruments can be designated at fair value with changes in profit or loss in the initial recognition.

These financial instruments are recorded in the financial position statement at their fair value with net changes in the fair value recognized in profit or loss.

This category includes investments in listed equity instruments that the Company has not irrevocably chosen to classify at fair value with changes in other comprehensive income, as well as debt instruments at fair value are required to be at fair value with changes in profit or loss, due to their business model. Dividends from investments in

listed equity instruments are also recognized as other revenues in profit or loss when the right of payment has been established.

4. Information by segments

The Company has two main segments: financial and commercial business.

Financial Services Business

Grupo Elektra's financial services business includes the results of its financial services operations in Latin America, which are carried out under the Azteca brand, with Banco Azteca in Mexico being the flagship brand. This segment currently operates in Mexico, Guatemala, Honduras, Panama and the United States. This segment also includes financial results derived from the operations of the following business units: Seguros Azteca, Seguros Azteca Daños, Afore Azteca, Punto Casa de Bolsa and Purpose Financial, Inc. The financial services business offers products and services such as consumer credit, personal loans, commercial credit, savings deposits, time deposits, credit cards and other consumer finance services; casualty, health and life insurance products; pension fund administration services; and full-service brokerage services, among others. Purpose Financial is the largest non-bank provider of cash advance services in the United States, measured by the number of stores.

Commercial Business

Grupo Elektra's commercial business includes the financial results derived from the sale of products and services such as motorcycles, telephony, household appliances, household items, entertainment, consumer electronics, furniture, computers, electronic money transfers, extended warranties, cellphone minutes, among other services and products. The commercial business mainly operates through two store chains: Elektra in Mexico and Central and South America, which is owned and operated by Nueva Elektra del Milenio, and Salinas y Rocha in Mexico, which is owned and operated by Grupo Elektra's subsidiary Salinas y Rocha S.A. de C.V. in Mexico. In addition, the commercial business includes the results of the operation of digital retail channels —ecommerce, baz súper app and shopinbaz—.

Condensed financial information regarding business segments operated by the Company as of March 31, 2025, and December 31, 2024 and for the three-month period ending March 31, 2025 and 2024 is presented below:

	2025	2024
Financial business:		
Investments in associates	\$ 14,953	\$ 14,264
Property, furniture, equipment, and		
Investment properties, net	10,178,525	10,465,276
Total assets	370,878,383	358,815,734
Commercial business:		
Investments in associates	2,104,381	2,193,861
Property, furniture, equipment, and		
Investment properties, net	8,198,775	8,514,656
Total assets	117,681,762	120,441,590
Consolidated:		
Investments in associates	2,119,334	2,208,125
Property, furniture, equipment, and		

GRUPO ELEKTRA, S. A. B. DE C. V.		Consolidated	
Ticker:	ELEKTRA	Quarter: 1	Year: 2025

Investment properties, net	18,377,300	18,979,932
Total assets	488,560,145	479,257,324
Financial business:		
Revenue	33,844,373	27,526,359
Profit from operations	3,255,187	2,425,224
Depreciation and amortization	(1,302,619)	(1,290,650)
Income taxes	(996,692)	(771,110)
Commercial business:		
Revenue	17,924,074	17,035,868
Profit from operations	1,298,298	1,641,933
Depreciation and amortization	(1,086,982)	(1,017,018)
Income taxes	104,554	1,518
Consolidated:		
Revenue	51,768,447	44,562,227
Profit from operations	4,553,485	4,067,157
Depreciation and amortization	(2,389,601)	(2,307,668)
Income taxes	(892,138)	(769,592)

Condensed financial information by geographic area is presented below:

	2025	2024
Mexico:		
Revenue	\$ 45,346,800	\$ 39,667,134
Profit from operations	3,739,584	3,483,583
Depreciation and amortization	(2,091,539)	(2,035,293)
Income taxes	(780,021)	(670,242)
Central America:		
Revenue	3,401,029	2,613,734
Profit from operations	374,204	247,641
Depreciation and amortization	(143,405)	(125,180)
Income taxes	(99,442)	(75,344)
North America:		
Revenue	3,020,618	2,281,359
Profit from operations	439,697	335,933
Depreciation and amortization	(154,657)	(147,195)
Income taxes	(12,675)	(24,006)
Consolidated:		
Revenue	51,768,447	44,562,227
Profit from operations	4,553,485	4,067,157
Depreciation and amortization	(2,389,601)	(2,307,668)
Income taxes	(892,138)	(769,592)

5. Contingencies

Cancellation of the vehicle producer registry

At December 31, 2016, an annulment proceeding filed by GS Motors, S. A. de C. V. and GS Distribucion, S. A. de C. V. against the decision of the Ministry of Economy was in progress against the motion for reconsideration that confirmed the non-renewal of companies of their registry as a manufacturer of New Light Motor Vehicles in Mexico, as well as the dismissal of the extension of the renewal period and suspension of the period for the construction of the automotive plant in Michoacán.

On January 19, 2016, the company was served notice of the ruling handed by the Tenth Metropolitan Regional Division of the Federal Court of Tax and Administrative justice, which has decided, on one hand, to declare the annulment of the ruling challenged in order to have the Ministry of Economy hand down a new ruling in which it bases and states the grounds for the admissibility of the motion for the suspension and modification of the 3 year period petitioned by the company and, on the other hand, declare the validity thereof with respect to the motion for the modification of the period to build the automotive plant.

In disagreement with that sentence, upon considering that there are various procedural violations in the court proceeding, a petition for a direct writ of amparo was filed on February 10, 2016, which was recorded with number 118/2016 in the Eighteenth Bench of Judges, which granted the writ of amparo to the petitioners for the responsible division to order that the proceeding be replaced.

In performance with the foregoing, the Tenth Metropolitan Regional Division of the Federal Court of Administrative Justice vacated the judgment under appeal, and on July 5, 2017 served notice of the judgment whereby the procedural violations are cured. Once expert and testimonial evidence was presented in the trial, the amparo judgment has been deemed to have been complied with, and the company is currently pending to be granted a term to present its arguments.

In the event that the legal proceeding should hand down a sentence on the companies as a last resort, there is the risk that the Federal Government may attempt to collect the tariffs at a 50% rate of the cost of the vehicle, instead of the 0% rate with which they were legally imported by starting an administrative proceeding. However, there is no contingency as of today, since the powers of the authority to claim the tariffs have been barred by the statute of limitations.

The Government of Michoacán, GS Motors, and GS Distribucion signed the termination agreement to the collaboration agreement to build the automotive plant dated November 21, 2007, thereby mutually holding each other harmless. Pursuant to the foregoing, we estimate that there is no contingency for that contract.

Processes in Central and South America

The closure of bank transactions in the Federative Republic of Brazil:

On May 11, 2015, Banco Azteca de Brasil notified the Central Bank of Brazil of its decision to stop operating the banking business and carried out all the necessary activities to liquidate its banking assets and pay its creditors.

As part of this closing process, on January 8, 2016, the Central Bank of Brazil notified the beginning of the extrajudicial liquidation process of Banco Azteca de Brasil.

Derived from the request to close the extrajudicial liquidation, the Central Bank approved the closing plan, which among other issues included the change of name from Banco Azteca to Deler Consultoría, S. A., the reform of its corporate purpose and the cancellation of the banking license, and therefore remaining an unregulated business in the financial system, which was approved by the Central Bank on November 27, 2018.

To date, Deler Consultoría S. A. (a non-regulated business in the financial system) continues to negotiate with its creditors in the hope of resolving the contingencies.

Tax proceedings

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

1. Tax Trial against the income tax liquidation for fiscal year 2006.

A tax credit was determined against the company Grupo Elektra, S.A.B. de C.V. for income tax corresponding to the 2006 fiscal year, in the amount of Ps. 327,193,027. This credit was annulled by the Federal Court of Administrative Justice (“TFJA”) so that the tax authority issue a new tax credit.

In alleged compliance with the TFJA’s order, the tax authority issued a new credit with a lower value, which was appealed through a nullity trial that is currently pending resolution.

The historical contingency for this matter amounts to Ps. 45,664,124.

2. Tax Trial against the income tax liquidation for fiscal year 2008.

Grupo Elektra, S.A.B. de C.V. filled a nullity lawsuit before the TFJA against the tax credit determined for income tax corresponding to the 2008 fiscal year. On December 2, 2020, the TFJA confirmed the tax credit.

Against this resolution, on February 9, 2021, an amparo lawsuit was filed before the Circuit Collegiate Courts (“TCC”), which was resolved by a judgment dated September 29, 2022, granting the amparo so that the TFJA to issue a new judgment in which it would duly consider all the arguments made by the company.

As a result, on February 1, 2023, the TFJA, in alleged compliance with the previously mentioned amparo resolution, once again confirmed the tax credit determined to the company.

Disagreeing with this, on March 8, 2023, a new amparo lawsuit was filed before the TCC, which was denied by a judgment dated June 5, 2024.

In this regard, a motion for review of the amparo was filed, which is now before the Second Chamber of the Supreme Court of Justice of the Nation (“SCJN”) and is pending resolution.

The historical contingency for this matter amounts to Ps. 1,431,466,606.

3. Tax trial against the income tax liquidation for fiscal year 2010.

Grupo Elektra, S.A.B. de C.V. filed a nullity lawsuit before the TFJA against the tax credit determined for income tax for the 2010 fiscal year, which was confirmed on October 14, 2020.

Against that judgment, on November 30, 2020, an amparo lawsuit was presented before the TCC, which was resolved on October 11, 2022, granting the amparo so the TFJA would issue a new judgment in which it would duly study all the arguments made by the Company.

Accordingly, on March 1, 2023, the TFJA, in alleged compliance with the previous amparo judgment, again confirmed the tax credit determined.

Dissatisfied, on April 17, 2023, the company filed a new amparo lawsuit before the TCC, which is currently pending resolution.

The historical contingency for this matter amounts to Ps. 2,004,761,834.

4. Tax trial against the income tax liquidation for fiscal year 2011.

Grupo Elektra, S.A.B. de C.V. filed a nullity lawsuit before the TFJA against the tax credit determined for income tax for the 2011 fiscal year, which was resolved on January 27, 2021 in the sense of confirming the tax credit imposed. Against this judgment, on March 26, 2021, an amparo lawsuit was filed before the TCC, which was resolved on July 7, 2022, granting the amparo so the TFJA to issue a new ruling in which it would study all the arguments raised in the lawsuit.

As a result, on December 2, 2022, the TFJA, in alleged compliance with the previously mentioned judgment, once again confirmed the tax credit.

In this regard, such judgment was challenged by means of a amparo lawsuit filed on January 13, 2023 before the TCC, which is pending resolution.

The historical contingency for this matter amounts to Ps. 4,916,910,792.

5. Tax trial against the income tax liquidation for fiscal year 2012.

Grupo Elektra, S.A.B. de C.V. filed a nullity lawsuit before the TFJA against the tax credit assessed for income tax corresponding to fiscal year 2012. On September 13, 2023, the TFJA decided to confirm the tax credit.

Against this judgment, on November 23, 2023, an amparo was filed before the TCC, which is currently pending resolution.

The historical contingency for this matter amounts to Ps. 1,603,813,882.

6. Tax trial against the income tax liquidation for fiscal year 2013

Grupo Elektra, S.A.B. de C.V. filed a nullity lawsuit before the TFJA against the tax credit assessed for income tax corresponding to fiscal year 2013, as well as against the resolution of the revocation appeal which confirmed the credit. In this regard, the nullity trial was resolved in session of October 21, 2020, in the sense of confirming the tax credit.

Against this judgment, on January 8, 2021, an amparo was filed before the TCC, which was denied by a judgment dated June 5, 2024.

Disagreeing with this judgment, on June 12, 2024, a motion for review of the amparo was presented before the Second Chamber of the SCJN, and it is currently pending resolution.

It should be noted that for the tax credits determined for fiscal years 2008, 2010, 2011, and 2012, the tax authority declared the losses on the sale of shares of such years to be non-existent. However, in the 2013 liquidation, it determined that such

losses should be reversed; meaning, it recognized the losses as existing and valid, a situation that is contradictory and causes a double detriment to the company.

In the resolution of the revocation appeal against the tax credit in question, the authority stated that it does not intend to benefit twice to the detriment of the taxpayer, but on the contrary, if the tax credits of 2008 (trial identified in number 2 of this document), 2010 (trial identified in number 3 of this document), 2011 (trial identified in number 4 of this document), and 2012 (trial identified in number 5 of this document) are paid, Grupo Elektra, S. A. B. B. C. V. will no longer have the obligation to reverse the tax loss carryforwards in 2013, and therefore the tax loss carryforwards will be proportionally reduced. A.B. de C.V. will no longer have the obligation to reverse such losses in 2013, so the contingency would be reduced proportionally.

The historical contingency for this matter amounts to Ps. 18,455,467,083.

We believe that there are serious and reasonable elements of defense to obtain a final resolution favorable to the company's interests in the aforementioned matters; however, as in the case of any litigation matter, it is not possible to guarantee results.

7. Tax trial against the income tax liquidation for fiscal year 2013 (accumulated inventory).

Grupo Elektra, S.A.B. de C.V. filed a nullity lawsuit before the TFJA against the tax credit determined for consolidated income tax for the 2013 fiscal year.

Currently, the TFJA Plenary has taken the matter for study and its resolution is pending.

The historical contingency for this matter amounts to Ps. 66,242,296.

8. Tax trials against income tax liquidation.

Nueva Elektra del Milenio, S.A. de C.V., a subsidiary of Grupo Elektra, S.A.B. de C.V., has filed four nullity lawsuits before the TFJA against tax credits assessed for income tax corresponding to fiscal years 2010, 2012, and 2014, all of which are pending resolution.

The historical contingency for these matters amounts to Ps. 1,281,084,805.

We believe that there are serious and reasonable elements of defense to obtain a final resolution favorable to the company's interests in the aforementioned matters; however, as in the case of any litigation matter, it is not possible to guarantee results.

Finally, it is important to note that the previously mentioned tax credits are duly guaranteed before the tax authorities.

Grupo Elektra, S.A.B. de C.V. is involved in various legal proceedings and trials in the normal course of its operations (such as litigation, arbitration, and administrative proceedings that are incidental to its business, including but not limited to regulatory enforcement matters, contractual disputes, labor claims, and customer trials, among others). Management believes that none of these litigations will have a material adverse effect on its business or financial condition.

* All tax credits amounts are in pesos. The historical contingency referenced in the numbered items above reflects the amounts as of the date the tax authority issued the resolution for each tax credit and includes the alleged omitted tax, inflation adjustments, interest, and penalties calculated up to that date.

6. Subsequent events

On January 23, 2025, the accumulated amount of 12,187,571 shares purchased by the Company was reached with a charge to the repurchase fund, thereby exceeding 5% of the total of fully paid-up shares (outstanding) and becoming treasury shares, which will be cancelled in accordance with the applicable legal, statutory, and tax provisions.

Description of significant events and transactions

Not applicable.

Description of accounting policies and methods of computation followed in interim financial statements [text block]

2.5 Financial assets

Financial instruments are contracts that simultaneously give rise to a financial asset in an entity and a financial liability or a capital instrument in another. In the case of the Company, financial instruments correspond to primary instruments, such as cash and cash equivalents, financial instruments at fair value with changes in profit or loss, debt instruments at fair value with changes in other comprehensive income, loan portfolios, other receivables, loans and accounts payable, as well as financial derivatives designated as hedge instruments or not designated as hedging instruments.

I. Financial assets:

Financial assets are classified in the initial recognition as measured at amortized cost, fair value with changes in other comprehensive income, and fair value with changes in profit or loss.

The classification of financial assets in the initial recognition depends on the characteristics of the contractual cash flow of the financial asset, and the business model of the Company for managing them. The Company initially measures a financial asset at its fair value plus transaction costs, in the event that a financial asset should not be at fair value with changes in profit or loss. Trade accounts receivable that do not contain a significant financing component or on which the Company has applied a practical solution, that is, it is permitted not to adjust any possible financial component to the transaction price determined, according to IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value with changes in other comprehensive income, it must give rise to cash flows that are "only payments on principal and interest (SPPI) on the amount of the remaining principal. This evaluation is known as the SPPI test, and it is performed at an instrument level.

The business model of the Company for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines if cash flows will be derived from the collection of contractual cash flows, the sale of financial assets or both.

Purchases or sales of financial assets that require assets to be delivered within a period of time set forth by regulation or convention on the market (regular operations) are recognized on the trading date, that is, the date on which the Company commits itself to buy or sell the asset.

II. Financial liabilities:

Financial liabilities are classified in the initial recognition at fair value with changes in profit or loss, loans and credits, accounts payable, or as derivatives designated as hedge instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at their fair value, and loans and credits are recognized, net of directly attributable transaction costs.

The financial liabilities of the Company include financial obligations such as loans, lines of credit, demand deposits, repurchase agreements (repos), lease liabilities, trade payables, derivative financial instruments and other accounts payable.

a. Classification, recognition and valuation of financial assets

For purposes of subsequent measurements, financial assets are classified in four categories:

- (i) Financial assets at amortized cost
- (ii) Financial assets at fair value with changes in other comprehensive income and accumulated deficits to income (debt instruments)
- (iii) Financial assets at fair value with changes in other comprehensive income without reclassification of accumulated profits and losses after derecognition in accounts (Equity instruments)
- (iv) Financial instruments at fair value with changes in profit or loss

Financial assets at amortized cost

This category is the most relevant for the Company. The Company measures financial assets at amortized cost if it meets the two following conditions:

- The financial asset is held in a business model intended to hold financial assets in order to collecting contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows on specific dates that are only payments of principal and interest on the amount of the unpaid principal.

For debt instruments at fair value with changes in other comprehensive income, interest income, exchange revaluation (an increase in the price of the local currency in connection with a foreign currency under a fixed exchange rate), and impairment losses or their reversals (in reference to when the allowance for expected credit losses is reversed) are recognized in profit or loss and calculated in the same way as financial assets measured at amortized cost. Changes in the remaining fair value are recognized in other comprehensive income. After derecognition in accounts, the change in accumulated fair value recognized in other comprehensive income is reclassified to income.

The Company's debt instruments at fair value with changes in other comprehensive income include investments in listed debt instruments included in investments in securities.

Financial assets designated at fair value with changes in other comprehensive income (Equity instruments)

After initial recognition, the Company can choose to classify irrevocably its investments in equity instruments as equity instruments designated at fair value with changes in other comprehensive when they comply with the definition of equity,

according to IAS 32, "Financial Instruments: Presentation", and they are not held for trading. The classification is determined instrument by instrument.

Gains and losses in these financial assets are never reclassified to income. Dividends are recognized as other revenues in profit or loss when the right of payment has been established, except when the Company benefits from such revenues such as a recovery of a part of the cost of the financial asset, in which case, those gains are recorded in other comprehensive income. Equity instruments designated at fair value with changes in other comprehensive income are not subject to an impairment evaluation.

The Company chose not to classify its instruments in equity instruments in this category.

Financial instruments at fair value with changes in profit or loss

Financial assets at fair value with changes in profit or loss include financial assets held for trading, financial assets designated at fair value in the initial recognition with changes in profit or loss or financial assets mandatorily required to be measured at their fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling them or repurchasing them in the short-term. Derivatives including separate embedded derivatives are also classified as held for trading (that is, derivatives contracted for speculative purposes), unless they are designated as effective hedge instruments. Financial assets with cash flows that are not only payments of principal and interest are classified and measured at fair value with changes in profit or loss, irrespective of the business model. Without prejudice to the criteria for which debt instruments are classified at amortized cost or at fair value with changes in other comprehensive income, as described above, debt instruments can be designated at fair value with changes in profit or loss in the initial recognition, if it eliminates or significantly reduces an accounting symmetry upon doing so.

These financial assets are recorded in the financial position statement at their fair value with net changes in the fair value recognized in profit or loss.

This category includes derivative instruments and investments in listed equity instruments that the Company has not irrevocably chosen to classify at fair value with changes in other comprehensive income, as well as debt instruments at fair value are required to be at fair value with changes in profit or loss, due to their business model. Dividends from investments in listed equity instruments are also recognized as other revenues in profit or loss when the right of payment has been established.

b. Classification, recognition, and measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- (i) Financial instruments at fair value with changes in profit or loss
- (ii) Financial liabilities at amortized cost

Financial liabilities at fair value with changes in profit or loss

Financial liabilities at fair value with changes in profit or loss include financial liabilities held for trading and financial liabilities designated as fair value in the initial recognition with changes in profit or loss.

Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing them in the short-term. This category also includes derivative financial instruments entered by the Company that are not designated as hedge instruments in the defined hedge instruments defined by IFRS 9. Embedded derivatives are also classified as held for trading, unless they are designated as effective hedge instruments.

Gains or losses on liabilities held for trading are recognized in profit or loss statement.

Designated financial instruments at fair value in the initial recognition with changes in profit or loss are designated on the initial recognition date, and only if they meet the criteria of IFRS 9. The Company has not designated any financial liability at fair value with changes in profit or loss.

Financial liabilities at amortized cost

This is the most relevant category for the Company. After the initial recognition, loans and credits that accrue interest are measured subsequently at amortized cost, by using the effective interest rate method. The amortization process of the effective interest rate is recognized in profit or loss, as well as when liabilities are derecognized in accounts.

Amortized cost is calculated considering any discount or premium on acquisition and fees or costs that are a comprehensive part of the effective interest rate. Amortization of the effective interest rate is included as financial expenses in the statement of comprehensive income.

III. Retirement of financial assets and liabilities

Financial assets:

A financial asset (or when applicable, part of a financial asset or part of a group of similar financial assets) is derecognized when: (i) the rights to receive cash flows from the asset have expired; or (ii) the Company has transferred the rights to receive the cash flows of the asset or assumed the obligation to pay the total cash flows received immediately from a third party under a transfer agreement, and (iii) the Company has substantially transferred all the risks and benefits of the asset, or has neither transferred nor substantially retained all the risks and benefits of the asset, if it has transferred its control.

Financial liabilities:

A financial liability is derecognized off when the obligation is extinguished, cancelled, or expires.

2.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated financial position statement when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.7 Impairment of financial assets

The Company recognizes an allowance for expected credit losses on all financial instruments, which are not measured at fair value through profit or loss statement. The expected credit loss for financial assets is estimated as the difference between the present value of the sum of contractual cash flows and the sum of cash flows that the Company expects to receive, discounted at the original effective interest rate. Those losses are recognized in profit or loss in the period in which impairment occurs. Recoveries or previously recognized losses are recorded in profit or loss in the period in which impairment no longer exists or is reduced.

Expected credit losses (ECL)

ECL for the next 12 months. If the credit risk of an asset at the reporting date has not increased significantly since its initial recognition, then the allowance will be considered as the ECL in the next 12 months. These losses are associated with instruments classified as normal risk.

ECL for the lifetime of the instrument. They are derived from potential events of nonperformance that are estimated to occur during the lifetime of the instruments. The contractual term is the maximum period considered for measuring expected credit losses. In the case of financial instruments with an undefined expiration period, for example, credit cards, the expected life is determined through a quantitative analysis to define the period in which the entity is exposed to the credit risk. The effectiveness is also considered of the procedures carried out by management to mitigate that exposure.

The Company classifies its financial instrument at amortized cost or fair value through other comprehensive income, subject to impairment tests in one of the following categories:

Normal risk (stage 1). It includes all instruments that do not meet all the requirements to be classified in the rest of the categories.

Significant risk (stage 2). It includes all instruments which, without meeting the criteria to be classified as uncollectible accounts or with a risk of default, have experienced a significant increase in the credit risk since their initial recognition.

By evaluating if the credit risk in a financial instrument has increased significantly since the initial recognition, the Company compares the risk that default may occur at the reporting date with the risk of default at the date of initial recognition. Upon realizing this evaluation, the Company considers both quantitative and qualitative information that is reasonable and supported, including historical experience and prospective information that is available at no cost or disproportionate effort for the Company. The prospective information considered includes future perspectives of the industries in which the Company's debtors operate, obtained from reports of economic experts, financial analysts, government agencies, groups of experts, and other similar organizations, as well as the consideration of various external sources of real and projected economic information that is related to the central operations of the Company.

In particular, the following information is considered by evaluating if the credit risk has increased significantly since the initial recognition:

Existing or expected significant impairment in the external or internal (if any) rating of the financial instrument;

Significant impairment on external market indicators for a specific financial instrument, for example, a significant increase in the credit spread, credit default swap for the debtor swap, or the time period or the scope at which the fair value of a financial asset is lower than its amortized cost;

Existing or expected adverse changes in economic, financial or business conditions that are expected to cause a significant decrease in the ability of the debtor to meet its debt obligation;

Current or expected significant impairment in the operating income of the debtor;

Significant increases in the credit risk in other financial instruments of the same debtor;

An existing or expected adverse change in economic, financial or technological conditions of the debtor that result in a significant decrease in the ability of the debtor to meet its obligation.

Irrespective of the result of the above evaluation, IFRS 9 irrefutably assumes that the credit risk of a financial asset has increased significantly since the initial recognition when contractual payments have a due date of more than 30 days, unless the Company has reasonable, reliable information that evidences the contrary.

The Company regularly monitors the effectiveness of the criteria used to identify if there has been a significant increase in the credit risk and reviews them as appropriate to be assured that such criteria are able to identify a significant increase in the credit risk before the amount has become due and payable.

If the Company has measured the provision for losses for a financial instrument in an amount equal to the lifetime of the expected credit loss in the reporting period, but it determines that the conditions for estimating the expected credit loss for the remaining lifetime of the credit at the valuation date (for example: the risk level is reduced with regard to what is defined for the significant increase), the Company can estimate the expected loss at 12 months at the reporting date, except for assets on which the simplified approach was used, since all losses are measured for the remaining lifetime of the operation under this approach.

Risk of nonperformance (stage 3). A financial asset has credit impairment when one or more events have occurred that have an adverse impact on the estimated future cash flows of that financial asset.

ECL measurement and recognition.

In order to measure ECLs, the portfolio is segmented into homogeneous risk groups that share characteristics within the group. Credit risk characteristics for grouping the instruments are, among other things, the type of instrument, industry, geographic area, type of guarantee, credit rating, date of recognition, remaining time, and any other relevant factor for estimating future cash flows.

By using expected loss experience for estimating expected losses, it is important to apply the information about the loss rates to groups that are defined consistently with the groups for which historical loss rates have been observed.

In addition, historical information must be adjusted so that it reflects current conditions and its forecast of future conditions that do not affect the period on which historical information is based, and eliminate the effects of the conditions in the historical period that are not relevant for future contractual cash flows.

Thus, each one of these segments obtains its own allowance for estimated loss that is calculated based on the parameters of default probability, severity of the loss (that is, the magnitude of the loss given a default) and exposure to the default. The estimate of the probability of default and severity of the loss is based on historical information adjusted by prospective information (forward-looking).

- The probability of default is a key parameter for building the expected impairment loss model. The probability of default is seen as the estimate of how probable a default is given a time frame. The calculation includes historical data, assumptions and expected future conditions.
- The severity of the loss is the estimated losses once that default has occurred. It is based on the differences between contractual cash flows at the time of the default and those flows that are expected to be received taking into consideration the cash flows for guarantees and improved credit.

- The exposure to default for financial assets is estimated as the gross carrying value on the date of the report. Committed credit line contract exposure includes the amount used on the date of the report, together with the additional amount which is expected to use in the future in case of default. It is determined based on the historical trend, the understanding of the company of the specific financial needs of debtors and other relevant future information.
- Discount rate is the rate used to discount the expected loss at present value of the reporting date, by using the effective interest rate.

The Company performs retrospective tests to evaluate the reasonableness of the collective estimate. On the other hand, the methodology requires that ECLs be estimated considering possible scenarios, insofar as the expected credit loss is required to be a weighted, unbiased probability that it is determined pursuant to the evaluation of a range of possible results. An entity does not need to identify all scenarios. However, it must consider the risk that a credit loss may occur, by reflecting the probability that it may or may not occur, though the probability may be very low, always taking into account the value of money in time, as well as all the relevant available information of prior events, current conditions, and forecasts of the evolution of macroeconomic factors that are shown as relevant for the estimation of this amount: for example, the GDP, unemployment rate, interest rates, etc.

For the estimate of parameters used in the estimate of impairment, the Company bases its experience on internally developed models in the regulatory area, as well as for management purposes, by adopting the developments of these models under IFRS 9.

The Company applies a simplified for the calculation of the ECLs of trade accounts receivable therefore, it does not follow changes in credit risk. Instead, it recognizes an ECL for the total lifetime of the credit at each reporting date. The Company has established a matrix of provisions based on its historical credit loss experience, adjusted by future specific factors of customers and the economic environment.

The Company recognizes an impairment loss in gain or loss of all financial instruments with a corresponding adjustment to their carrying value through a provision account for losses, except investments in debt instruments that are measured at fair value through other comprehensive income. Toward that end the provision for losses is recognized in other comprehensive income and the investment revaluation reserve and it does not reduce the carrying amount of the financial asset in the financial position statement.

2.8 Derivative financial instruments and hedge accounting

The Company participates in a variety of derivative financial instruments to manage its interest rate and exchange rate exposure, such as futures, forwards, options and interest rate swaps, and cross currency swaps.

Derivatives are initially recognized at fair value at the date on which the derivative contract is entered into, and they are subsequently measured at their fair value again at the end of each reporting date. The resulting gain or loss is immediately recognized in profit or loss, unless the derivative is designated and is effective as a hedging instrument. In that case, the time of recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset, whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements, unless the Company has the legal right, as well as the intent to offset. A derivative is presented as a noncurrent asset or a noncurrent liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or liquidated within 12 months. Other derivatives are presented as a current assets or current liabilities.

Hedge policies set forth that those derivative financial instruments that do not qualify to be treated as hedges be classified as instruments held for trading purposes; therefore, changes in fair value are recognized immediately in profit or loss.

The Company has chosen to adopt the hedge accounting model of the Standard IFRS 9. This requires that the Company assure that the hedge accounting relationships are aligned with its objectives and risk management strategy, and that it applies a more qualitative, forward-looking approach for evaluating hedge efficiency.

The policies include the formal documentation of all the transactions between hedge instruments and positions hedged, management's risk objectives, and the strategies to carry out hedge transactions. Derivatives designated as hedges recognize changes in fair value, as follows:

Fair value hedges

The change in fair value of designated hedge instruments is recognized in profit or loss, except when the hedge instrument hedges a designated equity instrument at fair value through other comprehensive income. In that case, it is recognized in other comprehensive income.

The carrying amount of a hedged item that has not been measured at fair value yet is adjusted by the change in fair value attributable to the risk hedged with a corresponding journal entry in profit or loss. When hedge gains or losses are recognized in profit or loss, they are recognized on the same line as the hedged item.

The Company interrupts hedge accounting only when the hedge relationship (or part thereof) no longer meets the designation criteria (after rebalancing, if appropriate). This includes the cases in which the hedge instrument expires or is sold, is cancelled or is exercised. The suspension is recorded prospectively in the accounting. The adjustment of fair value to the carrying value of the hedged item derived from the hedged risk is amortized in profit or loss as of that date.

Cash flow hedges

The effective part of the changes in fair value of derivatives and other designated hedge instruments that are designated and qualify as cash flow hedges are recognized in other comprehensive income, and they are accumulated in the item of the cash flow hedge reserve, limited to the accumulated change in fair value of the hedged item since the inception of the hedge. The gain or loss related to the ineffective portion is recognized immediately in profit or loss, and it is included in the line item of "other gains and losses".

The amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to gain or loss in the periods in which the hedged item affects the gain or loss on the same line as the recognized hedged item. However, when a hedged forecasted transaction gives rise to the recognition of a non-financial asset or a non-financial liability, losses or gains previously recognizing them in other comprehensive income and accrued in stockholders' equity are transferred and included in the initial measurement of the cost of the non-financial asset or the non-financial liability. This transfer does not affect other comprehensive income. In addition, if the Company expects part or the total accumulated loss in the cash flow hedge reserve will not be recovered in the future, that amount will be immediately reclassified to profit or loss.

The Company interrupts hedge accounting only when the hedge relationship (or part thereof) no longer meets the designation criteria (after rebalancing, if appropriate). This includes the cases in which the hedge instrument expires or is sold, is cancelled or is exercised. The suspension is recorded prospectively in the accounting. Any gain or loss recognized in

other comprehensive income and accumulated in the cash flow hedge reserve at that time remains in equity and it is reclassified to profit or loss when the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the accumulated gain or loss in the cash flow hedge reserve is immediately reclassified to profit or loss.

Requirements to comply with hedge accounting

The Company designates certain derivatives as hedge instruments to deal with the foreign currency risk and interest rate risk, by establishing fair value hedge relationships or cash flow hedge relationships. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the item hedged, together with their risk management objectives and strategy to carry out various hedge transactions. In addition, at the inception of the hedge, the Company continuously documents if the hedge instrument is effective to offset the changes in fair value or cash flows of the hedged item attributable to the hedged risk, which is when hedge relationships meet all the following hedge effectiveness requirements:

- There is an economic relationship between the hedge instrument and the hedged item;
- The effect of credit risk does not dominate the value of the changes resulting from the economic relationship; and
- The hedge ratio of the hedge relationships is the same that results from the amount of the hedged item that the Company actually hedges and the amount of the hedged instrument that the Company really uses to hedge that amount of the hedged item.

If a hedge relationship no longer meets the hedge effectiveness requirement related to the hedge relationship, but the risk management objective for that designated hedge relationship continues to be the same, the Company adjusts the hedge relationship of the hedge relationship (that is, it rebalances the hedge) in order for it to meet the designation criteria again.

The Company only designates the intrinsic value of the options contracts as a hedged element, that is, by excluding the time value of the option. Changes in the fair value of the aligned time value of the option are recognized in other comprehensive income, and they are accumulated in the cost of the hedge reserve. If the hedged item is related to the transaction, the time value is reclassified to profit or loss when the hedged item affects profit or loss. If the hedged item is related to the time period, then the amount accumulated in the cost of the hedge reserve is reclassified to profit or loss rationally. The Company applies the amortization on a straight-line. Those reclassified amounts are recognized in profit or loss on the same line as the hedged item. If the hedged item is a non-financial item, the amount accumulated in the cost of the hedge reserve is eliminated from equity, and it is included in the initial carrying amount of the recognized non-financial item. In addition, if the Company expects that part or the total accumulated loss in the cost of the hedge reserve will not be recovered in the future, that amount will be immediately reclassified to profit or loss.

2.9 Cash and cash equivalents

Cash and cash equivalents are valued at their nominal value, which include: (i) cash, (ii) readily realizable deposits and temporary investments in Mexican pesos and in other currencies held at banks and other financial institutions in Mexico and abroad, (iii) the amount of short-term interbank loans known as "call money", provided they do not exceed three days, (iv) deposits from monetary regulations issued by Banxico and local banking authorities from Central and South America, and (v) the commitments of purchase and sale of currency forward transactions to be settled within 24 and 48 hours. These assets are subject to an insignificant risk of changes in fair value, and are used by the Company in the management of short-term commitments.

2.10 Restricted cash

Restricted cash includes: (i) monetary regulation deposits granted as a guaranty to Banxico, Central Banks of Central and South America and certain regulatory entities in the USA; (ii) interbank loans, known as "call money"; and (iii) currencies and collaterals granted for derivative transactions.

2.11 Investments in securities

Investments in securities and other contracts that give rise to a financial asset or liability are recognized in accordance with the business model as follows:

a. Financial instruments at amortized cost

Securities at amortized cost are those securities held for collecting contractual cash flows, which give rise to cash flows on certain dates, which are only payments of principal and interest on the amount of the unpaid principal, which are initially recorded at their acquisition cost, and are subsequently measured by using the effective interest rate method and are subject to impairment. Gains and losses are recognized in the profit or loss when the asset is derecognized, modified or impaired.

b. Financial instruments at fair value with changes in other comprehensive income (debt instruments)

They are the instruments that hold a business model to collect contractual cash flows and/or sell them, and the contractual terms give rise to cash flows on certain dates that are only payments of principal and interest on the amount of the unpaid principal.

For debt instruments at fair value with changes in other comprehensive income, interest income, exchange fluctuation and impairment losses or their reversals, are recognized in the income statement and calculated as the financial assets measured at amortized cost. Changes in the remaining fair value are recognized in other comprehensive income. After they are derecognized, the fair value recognized in other comprehensive income is reclassified to profit or loss.

c. Financial instruments designated at fair value with changes in other comprehensive income (equity instruments)

After initial recognition, the Company can choose to classify irrevocably its equity instruments investments as equity instruments designated at fair value with changes in other comprehensive income and they are not held for trading. The classification is determined instrument by instrument.

Gains and losses in these financial instruments are never reclassified as profit or loss. Dividends are recognized as other revenues in profit or loss when the right of payment has been established, except when the Company benefits from such revenues as a recovery of a part of the cost of the financial asset, in which case, those gains are recorded in other comprehensive income. Equity instruments designated at fair value with changes in other comprehensive income are not subject to an impairment testing.

The Company does not present equity instruments in this category.

d. Financial instruments measured at fair value with changes in profit or loss

Financial assets at fair value with changes in profit or loss include instruments held for trading, (acquired for selling or buyback purposes in the short-term), designated in the initial recognition at fair value with changes in profit or loss or mandatorily required to be measured at fair value. Financial instruments with cash flows that are not only payments of principal and interest are classified and measured at fair value with changes in profit or loss. Without prejudice to the criteria for which debt instruments are classified at amortized cost or at fair value with changes in other comprehensive income, as described above, debt instruments can be designated at fair value with changes in profit or loss in the initial recognition.

These financial instruments are recorded in the financial position statement at their fair value with net changes in the fair value recognized in profit or loss.

This category includes investments in listed equity instruments that the Company has not irrevocably chosen to classify at fair value with changes in other comprehensive income, as well as debt instruments at fair value are required to be at fair value with changes in profit or loss, due to their business model. Dividends from investments in listed equity instruments are also recognized as other revenues in profit or loss when the right of payment has been established.

2.12 Repurchase transactions

For legal purposes these are considered a sale where a repurchase agreement is established for the financial assets transferred. The recognition is made on the basis of the economic substance of these transactions, which is a financing with collateral, in which the buyer delivers cash as financing in exchange for the obtainment of financial assets that can be used as a guaranty in the event of default.

Acting as seller, the cash inflow is recognized, as well as an account payable, initially measured at the agreed price, and it represents the obligation to return the cash to the buyer. The liability is subsequently measured at its amortized cost through the recognition of the interest in the consolidated statement of comprehensive income as it is accrued.

In the case that financial assets recorded in the balance sheet been surrendered as collateral, these are classified as restricted assets, following the corresponding rules of valuation. Regarding operations for which collateral is delivered, these are controlled in memorandum accounts under the caption of the collaterals received, sold or delivered.

As purchaser, the cash outflow is recognized by recording an account receivable, initially measured at the agreed price, which represents the right to recover the delivered amount. Subsequently, it is measured at amortized cost, through the recognition of the interest from repurchase operations in the consolidated statement of comprehensive income as it is accrued.

Financial assets received as collateral are recognized in memorandum accounts in the item of collateral received by the Company, by following the standards relative to custody operations.

2.13 Loan portfolio

The Company manages the loan portfolio to obtain contractual cash flows, and it has drawn up SPPI tests; therefore, amortized cost is used as a valuation method. Amortized cost is defined as the present value of contractual cash flows receivable of the loan portfolio, plus unamortized transaction costs, which uses the effective interest rate and reduces the preventive estimate for credit risks.

The effective interest rate is the rate that discounts estimated future cash flows accurately, which will be collected over the expected life of a credit in the determination of its amortized cost. Its calculation must consider contractual cash flows and the relative transaction costs.

The loan portfolio is classified as follows:

Loan portfolio with stage 1 credit risk includes all those credits whose credit risk has not increased significantly from their initial recognition up to the date of the closing date of the financial statements, and which are not in the assumptions to be considered as stage 2 or 3 in terms of IFRS 9.

Loan portfolio with stage 2 credit risk includes those credits that have shown a significant increase in credit risk from their initial recognition up to the closing date of the financial statements, in conformity with the provisions in the calculation models for the preventive estimate for credit risks.

Loan portfolio with stage 3 credit risk includes those credits with credit impairment due to when one or more events take place that have a negative impact on the future cash flows of those credits, in accordance with the provisions set forth in the standards.

Credit is granted based on the analysis of the payment capacity of borrowers, in conformity with corporate policies set forth relative to a credit study, based on the information furnished by the borrower and the statistics of its credit history, which are documented in the Credit institutional manual" approved by the Board of Directors.

Credits are considered as a loan portfolio with a stage 3 credit risk on the total unpaid balance thereof, when the following periods are fulfilled of not having received the payment of interest or any amortization:

- Amortizations of non-revolving consumer credits, microcredits, and housing credits that have been paid partially, provided that the debts correspond to:

Credits with	Calendar days in stage 3
Sole payment of principal and interest when due	30 or more days on capital and interest
Sole payment on principal when due and with periodic payments on interest	90 or more days on interest, or 3 or more days on capital
Partial periodic payments on principal and interest	90 or more days on capital or interest

- Amortizations of credits that are not considered in the above chart, whose amortizations have not been totally liquidated in the terms originally agreed upon, provided that the debts correspond to:

Credits with	Calendar days in stage 3
Sole payment of principal and interest when due	30 or more days on capital and interest
Sole payment on principal when due and with periodic payments on interest	90 or more days on interest, or 3 or more days on capital

Partial periodic payments on principal and interest	90 or more days on capital or interest
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Loan portfolio write-offs will be realized in accordance with the provisions of the write-off Manual and Deductibility of Bad Loans, and the internal portfolio rating methodology.

The portfolio write-off process (write-off) is carried out by credit, which considers the consumer loan portfolio, mortgage loan portfolio, and commercial loan portfolio. Toward this end, the entity periodically (monthly) evaluates if a Credit risk stage 3 loan must remain on the balance sheet or be written off.

The book portfolio write-off policy defines that loans to be written off must be provided for at 100%. The book write-off of loans will be carried out by writing off the balance of the loan against the allowance for loan losses. When the balance of the loan to be written off exceeds that balance of its allowance, the allowance must be increased up to the amount of the difference before carrying out the write-off. The loans cannot be written off if the missing allowance is not created.

In the cases in which there is evidence that a borrower may not comply with his payments and the Bank decides to write it off, it will have to refer to the above paragraph:

In accordance with the guidelines established by Company Management, loans should be provided for at 100%, in accordance with the following classification:

- Non-revolving consumer loans billed weekly or group credits when the credit shows 29 or more weeks in arrears.
- Non-revolving consumer loans billed every fifteen days when the loan shows 20 defaulted payments or more at the date of the rating.
- Non-revolving consumer loans billed monthly or at the maturity, when the loan shows 10 defaulted payments or more at the date of the rating.
- Credit card consumer credits and other revolving credits when the credit shows 10 or more payment defaults in consecutive periods.
- Mortgage loans when the loan shows 48 or more defaults observed at the date when allowances for loan losses are calculated.
- Commercial loan portfolio when the loan reports 18 or more months of default in the payment of the amount due in the original terms agreed upon.

Collection procedures will continue after the loan is written off in the accounting. Any recovery is recorded by making a credit entry to the preventive estimate for loan risks and, therefore, they are accrued for purposes of the Income Tax Law.

With respect to the credit lines that Banco Azteca has granted in which the amount has not been totally exercised, the unused part is maintained in memorandum accounts as "loan commitments".

Regarding the cash advances granted by PF in the USA, each new client must present certain personal information. Such information is uploaded into the PF information system, or the third party who grants the loan (when applicable). The

identification, earnings or employment proof, bank account statements are corroborated, and it is determined if the cash advance is approved, as well as the amount of the loan, based on the client's income.

The Company do not make credit check through credit verifying agencies in the USA but use eligibility assessment models that use attributes to detect frauds jointly with the information presented by the client, in order to take proper decisions regarding new clients and to reduce the fraudulent loan rate. This helps PF to comply with the standards denominated "Fair Lending and Equal Credit Opportunity" in the USA.

2.14 Allowance for credit risks

Based on what is indicated in Note 2.7. Impairment of financial assets, the Company follows the following methodology:

A methodology was developed on which the determination of the amount of impairment of the loan portfolio under an expected loss model, in accordance with the requirements and guidelines set forth in IFRS 9, which adheres to the best international practices, which give continuity to the internal model currently implemented in Banco Azteca, which gives greater strength to the allowances.

The standard IFRS 9 prescribes a three-stage model for recognizing credit default, based on changes in the quality of the credit since its initial recognition.

Stage 1

Stage 1 includes financial instruments that have not had an increase in the credit risk since the initial recognition or that have had a low credit risk on the date of analysis. ECLs at 12 months ("ECL12m") are recognized for these assets where interest is calculated on the gross carrying value of the asset. The ECL12m are the expected credit losses that are the result of the events by defect that are possible within 12 months after the date of presentation of the financial statements.

Stage 2

Stage 2 includes financial instruments that have had a significant increase in the credit risk since their initial recognition (unless they have a low credit risk on the date of presentation), but they do not have objective impairment Indicators ("OII"). The lifetime expected credit loss ("LECL") is recognized for these assets, but interest income is still calculated on the gross carrying value of the asset. LECLs are expected credit losses that result from all possible credit events during the expected lifetime of the financial instrument. ECLs are the weighted average credit losses with the probability of default (PD) as the weighting factor.

Obtaining the PD is based on the historical analysis of defaults of operations at different due date terms, in order to obtain an accumulated default curve.

Once accumulated default curves are built, the marginal default curve is then estimated which corresponds to the probability of unconditional default in the exact period with regard to the due date. Thus, the marginal PD can be obtained from each one of the future cash flows of a credit.

Stage 3

Stage 3 includes financial assets that have ECL (≥ 90 days) on the date of presentation. The LECL is recognized and interest is calculated on the net carrying value (that is, net of the credit allowance) for these assets.

The methodology of the current allowance model is applied to credits in Stage 3. A 100% probability of default is contemplated in this case, and an allowance is created for the amount exposed pursuant to the Severity of the Loss obtained.

2.15 Transactions with financial derivative instruments

a. Derivatives for trading purposes

Regarding on trading operations, the objective is to take advantage of the possibilities of arbitration that arise on the main financial markets within the authorized global risk limits.

All derivatives are recognized in the consolidated financial position statement as assets or liabilities, depending on the rights or obligations that they contain, initially at fair value, which corresponds to the agreed upon price of the transaction. They are subsequently recognized at fair value, and the effect of valuation is recognized in profit or loss.

b. Derivatives for hedging purposes

As regards the transactions for hedging purposes, see what is indicated in Note 2.8.

2.16 Other receivables

The Company recognizes as other receivables the collection rights arising from services rendered in the ordinary course of business. If the collection is expected to realize in a year or less are classified as short-term, otherwise presented as noncurrent assets.

The amounts corresponding to other receivables that are not recovered within 90 days after their initial journal entry, they are provided for with a charge to income for the year, irrespective of the possibility of recovering them, except those relative to recoverable tax balances and creditable value added tax.

2.17 Inventories

Inventories are initially recognized at cost and subsequently, whichever is the lower of cost and net realizable value using the weighted average cost formula. Cost comprises all costs of purchase, assembly and other costs incurred in bringing the inventories to their present location and condition.

2.18 Prepayments

They are represented by the face value of various advances for services, rents, advertising, tax advances, among others.

2.19 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation as well as impairment losses. The cost includes the purchase price and the direct cost attributable to the acquisition of the asset.

Subsequent costs, which represents a capacity increase and hence an extension of the useful life of the goods, are also capitalized. All other repair and maintenance costs are recognized in the statement of comprehensive income in the period they are incurred.

Land is not depreciated. The depreciation on assets under construction does not start but until they are completed and are available for use. The depreciation is registered in all the other property, plant and equipment items, with the purpose of cancelling its value in books during its economic useful life and it is calculated by the straight-line method over the initial monthly balances. See Note 14.

When significant parts of a property, plant and equipment element have different useful life, these are registered as separated component, and its depreciation is also calculated separately.

The useful life of all the property, plant and equipment elements are reviewed and are adjusted if necessary at the end of each period.

The Company periodically evaluates the recovery value of its property, plant and equipment to determine the existence of any indication that those values exceed its recovery value. If it is determined that the book values are excessive the Company records the necessary estimates to reduce them to their recovery value.

In order to conduct its operations, the Company leases commercial premises, which involve payment of rent previously established or determined (fixed rents), or as a percentage of each store's monthly sales (variable rents). Up to December 31, 2018, rent payments were expensed by using the straight-line method, during the corresponding lease period.

Beginning January 1, 2019, leases are recognized as a right-of-use asset and a lease liability on the date on which the leased asset is available to be used by the Company.

Assets and liabilities arising from a lease are initially measured based on present value.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed lease payments), less lease incentives receivable;
- variable lease payments based on an index or a rate, initially measured by using the index or rate on the date of inception;
- amounts that are expected to be paid by the company as a guarantee of scrap value;
- the exercise price of a call option if the company were reasonably certain of exercising that option; and
- the payment of penalties for rescinding the lease agreement if the lease period considers that the company would exercise that option.

Lease payments considered low with reasonable certainty of exercising extension options would also be included in the measurement of the liability.

Lease payments are discounted by using the discount rate of the implicit interest rate in the lease.

In the determination of the implicit interest rate in real property lease agreements, the Company:

- Uses rates based on market benchmarks for comparable asset, arising from debt issues that have been made by various Investment Trusts and Real Estate ("FIBRAs" or "REITS") recently on the Mexican market.
- FIBRAs were selected with properties for commercial use, offices and mixed-use properties, with current public debt instruments, in pesos and with a validity similar to that of lease agreements.
- A market yield curve demanded by investors is constructed for real estate assets in periods ranging from 3 u to 10 years.
- Finally, a premium is added by size. The lessor base is medium-sized companies on the average.
- The same methodology is used in the determination of foreign rates, but based on REITs issued in the U.S., plus the corresponding country risk (EMBIG, Div. of JP Morgan).

The Company is exposed to possible future increases in variable lease payments, based on an index or rate, which are not included in the lease liability until those increases go into effect.

When adjustments to lease payments based on an index or rate go into effect, the lease liability is reevaluated and the right-of-use asset is adjusted.

Lease payments are allocated between the principal and the financial cost. The financial cost is charged to income during the lease period to generate a constant periodic interest rate on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost, which is comprised of the following:

- the amount of the initial measurement of the lease liability;
- any lease payment made on or before the inception date, less any lease incentive received;

- any direct initial cost; and
- restoration costs.

Right-of-use assets are generally depreciated on a straight-line basis during the shortest period existing between the useful life of the asset and the lease term. In the event that the Company should be reasonably certain of exercising a call option, the right-of-use asset is depreciated during the useful life of the underlying asset.

Payments associated with short-term leases and all leases of right-of-use assets are recognized on a straight-line as an expense in profit or loss.

- Short-term leases are leases with a lease period of 12 months or less.
- Low value assets consist of small office furniture items.

Variable payments. Some local leases contain variable payment terms that are linked to sales generated at a point of sale. Lease payments for certain points of sale up to 100% are based on variable payment terms. Variable payment terms are used for various reasons, including the minimization of the base of fixed costs for recently established stores. Variable lease payments that depend on sales are recognized in the period in which the condition takes place that gives rise to those payments.

Extension option and termination in the determination of the lease period. The Company considers all the events and circumstances that give rise to an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options will only be included in the termination of the lease agreement if it is considered to be reasonably certain that the lease agreement will be extended (or it will not be terminated).

As of March 31, 2025, the Company has not executed scrap value guarantees in connection with the leases of equipment.

2.21 Investment properties

The investment properties are those that the Company has to obtain rents, and are recognized as assets whenever it is probable that the future economic benefits associated with such properties flow towards the company and its cost can be measured in a reliable manner.

Investment properties are initially recorded at their acquisition cost, which comprises its purchase price and any disbursement directly attributable, and subsequently through the cost model, which includes the cost less the accrued depreciation and any impairment losses. The depreciation of investment properties is recognized in the results of the period over its estimated useful life using the straight-line method.

The income from rents originating from the investment properties are recognized in the statement of comprehensive position in the line "other income", using the straight-line method during the period corresponding to the leasing.

2.22 Goodwill and intangible assets

When the acquisition cost exceeds the fair value attributable to the Company's share in the net assets acquired, the difference is treated as goodwill. The goodwill generated from acquisitions prior to the adoption of the IFRS was measured at its deemed cost.

The intangible assets which are considered to have a limited economic life are amortized in straight line over such lives and are tested for impairment when the events or circumstances indicate that their carrying value cannot be recoverable. The goodwill and the intangible assets that have indefinite economic useful life are not amortized. Such assets are tested for impairment at least annually or when there is an indicator that the assets could be impaired. To assure that the assets are not recorded in excess of their recovery values, the impairment analysis compares the carrying amounts with the recoverable value, being the recoverable value the value in use. The amortization and impairment are charged to the operation results in the statement of comprehensive income.

For business combinations completed prior to January 1, 2010, cost comprised the fair value of assets given, liabilities assumed and equity instruments issued, plus any direct costs of acquisition. Changes in the estimated value of contingent

consideration arising on business combinations completed by this date were treated as an adjustment to cost and, in consequence, resulted in a change in the carrying value of goodwill.

For business combinations completed on or after January 1, 2010, cost comprises the fair value of assets given, liabilities assumed and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquired. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, re-measured subsequently through profit or loss. Direct costs of acquisition are recognized immediately as an expense. See Note 16.

2.23 Review of long-lived assets values

The Company periodically evaluates the recovery value of its tangible and intangible long-lived assets, including goodwill, to determine the existence of any indication that those values exceed their recoverable value. The recovery value represents the amount of the potential revenues reasonably expected to be obtained as a result of the use of such assets. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If it is determined that the carrying amounts are excessive, the Company records the necessary estimates to reduce them to their recovery value.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ("CGUs"). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from the synergies of the combination giving rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognized in other comprehensive income. An impairment loss recognized for goodwill is not reversed.

2.24 Non-current assets held for sale

The non-current assets and the group of assets for disposal are classified as held for sale, when the recorded amount will be recoverable mainly through a sale transaction, and this, is highly probable.

Immediately before being classified as held for sale, these assets are measured to the lesser between their carrying amount and their fair value less cost of sales. Once they are classified as held for sale, the non-current assets are no longer depreciated.

2.25 Demand and term deposits

The liabilities for this item consist of demand deposits and term deposits. Demand deposits consist of concentration accounts, savings and investment accounts, while term deposits consist of deposits obtained from the public in general and the money market. These liabilities are recorded at their cost of deposit-taking plus accrued interest, determined on the basis of the number of days elapsed at the end of each month, which is debited to results for the period as they are accrued.

2.26 Bank Credits and other loans

These are initially recognized at fair value net of any operation cost attributable directly to the issuance of the instrument. Liabilities that bear interests are subsequently measured at amortized cost, using the effective interest rate method, which assures that any interest expense during the period up until the complete payment is at a constant rate applied at the balance of the liability registered in the financial position statement. The interest expense includes the initial transaction costs, premiums payable at the time of the amortization, as well as any interest or payable coupon while the liability is outstanding.

2.27 Suppliers

The liability for this concept represents the obligation payment for the goods or services that have been acquired from suppliers during the normal course of the business.

2.28 Other accounts payable

The other commercial accounts payable and other short-term monetary liabilities are initially recognized at a fair value and are recorded later at amortized cost, using the effective interest rate method.

2.29 Provisions

The provisions are recognized when the Company has a current or assumed legal obligation as a result of past events; it is probable that the exit of cash flows being required in order to pay for the obligation; and the amount can be reliably estimated.

2.30 Income tax

Income tax of the period comprises current and deferred tax. The incurred tax, determined on the basis of the tax provisions in force, is recorded in the results for the year to which it is attributable. The deferred income tax is determined based on the assets and liabilities method with comprehensive approach.

The deferred tax assets and liabilities are recognized when the carrying amount of an asset or liability in the financial position statement differs from its tax base. The value of the deferred tax asset or liability is determined using the tax rates that have been made public or are substantively enacted at the date of reporting and that are expected to be applied when the deferred tax assets or liabilities are settled or recovered.

The deferred tax assets or liabilities are compensated when the Company has an enforceable legal right to compensate the current assets and liabilities and the deferred tax assets and liabilities are related with the taxes applied by the same tax authority. Deferred tax assets are recognized only to the extent that it is probable that the tax benefits will be realized.

2.31 Employee benefits

The liabilities derived from benefits granted by the Company to its employees are determined as follows:

- a. Liabilities for direct short-term benefits are recognized as they are earned, based on the present salaries, expressed at their nominal value.
- b. The retirement benefits under the defined benefits scheme require actuarial assumptions to measure the obligations contracted and the expense corresponding to each period, and also there is the possibility of obtaining actuarial profits or losses. They are measured using the projected unit credit method by considering the present value of the obligation to the date of the statement of consolidated financial position.

2.32 Earnings per share

Basic earnings per share are calculated by dividing the controlling interest by the weighted average number of outstanding ordinary shares during the year. The diluted earnings per share are determined by adjusting the controlling interest and the common shares under the assumption that there would be the entity's commitments to issue or exchange its own shares. Basic earnings are equal to diluted earnings because there are no transactions that may potentially dilute income.

2.33 Revenue

Interest income

Interest of the loan portfolio is recognized as income when accrued by using the effective interest rate method, whereby interest is distributed and recognized throughout the corresponding period. However, the recognition of interest is suspended at the time when loans are transferred to the nonperforming portfolio stage 3.

With respect to uncollected ordinary accrued interest corresponding to loans classified in the past-due portfolio stage 3, a doubtful account allowance is created for an amount equivalent to the total amount thereof at the time the loan is reclassified into the past-due portfolio stage 3.

Fees on the initial granting of the loan on loans are recorded as a deferred credit and amortized against income stage 3, in the item of portfolio interest throughout the duration of the loan.

The commissions for the initial granting of the loan are recorded as a deferred loan and are amortized against results, under interest on the loan portfolio during the life of the loan.

Interests generated due to investments in securities and operations, the returns generated by the disposals as well as the effects of valuation of foreign currency are recognized as interests' revenues as they are earned in profit or loss.

Revenue by goods

Revenues from sales of products are recognized when all the significant risks and benefits inherent to the ownership of the merchandise are transferred to customers, and there is no unsatisfied obligation that can affect the acceptance of the products by the customer. The discounts granted, as well as returns carried out are presented by reducing revenues on this line item.

Internet sales

Revenues on Internet product sales are recognized in the accounting period in which they are considered realized effectively, that is, up to the time at which the risks and benefits are transferred to the customer with the delivery of the product. Since there is a time difference between the time at which the customer makes the payment for the goods and the time at which the product is delivered, revenue recognition is deferred and a contractual liability is recognized in that amount, as well as an adjustment to the cost of sales for merchandise in transit of the delivery to the customer.

Purchase prices agreed upon with the customer are set and charged prior to the delivery of the product. In the event of granting a discount, they are presented by reducing revenues for this item.

Revenue from extended warranty services

At the time of the sale, the Company offers the customer the possibility of extending the warranty period of its products by contracting extended warranty service. At the time of collecting the warranty, the Company recognizes a customer contract liability in the amount of the payment received, which represents the obligation to render repair services or replace the product in the future in the terms of the contract. The purchase price agreed upon with customers is fixed and it does not include future variable considerations. The extended warranty service revenue is recognized during the validity of the warranty (1 to 5 year terms). The customer contract liability is reduced based on revenue recognition. However, in those cases in which the guaranteed product is replaced, the obligation with the customer will be considered as satisfied and, therefore, the total unrecognized revenue at that date is recognized.

Money transfer revenues

Money transfer revenues represent the fees derived from the transfer service of local and international funds rendered to customers through points of sale of the Company and certain authorized distributors.

Fee revenue is recognized in the accounting period in which the service is rendered. Each remittance has a fixed price determined based on the amount remitted by the customer, and it is charged in case at the time at which the service is rendered.

The Company occasionally operates loyalty program in which customers accrue electronic money in a prepaid card for remittances made, which entitles the customer to a discount on future remittances. In these cases, a performance obligation is considered in addition to the original remittance of money, and part of the revenue is allocated thereto in order to recognize it thereafter. Revenues from prepaid cards are recognized when the electronic money is exchanged or when the 12 months expire after the last remittance.

Receipt of various services payments

The Company offers customers the receipt of various service payments, and the company receives a consideration in exchange for this service, which is charged shortly thereafter. This type of revenues is recognized in the accounting period in which the service is rendered and liabilities are recognized with customers in the amount of the service collected per order and account for others.

Income from telephone services

This type of revenues includes services related to telephony (data, sms, and voice), under the OUI trademark, and taken as a whole, they are considered as a unique performance obligation. The amounts of the plans are fixed and recognized during the period of time for which the customer is entitled to receive the benefits of those services or consumes the amount pre-established in each plan, whichever occurs first. The payments corresponding to each one of the plans does not include any telephone equipment, but rather such equipment is acquired by the customer in independent operations of telephony service.

Revenues on motorcycle sales

The Company recognizes revenues on motorcycle sales when control over the goods is transferred to the customer, that is, when the motorcycles are delivered to the customer, and there is no unsatisfied obligation that can affect the acceptance of the products by the customer.

The delivery is effective when the products are sent to a specific location, and the risks of obsolescence and loss are transferred to the customer.

These retail sales are made with volume discounts, based on total sales during a period of time. Revenues from these sales are recognized based on the price set forth in the contract, net of volume discounts, promotions, consideration paid to the customer, and other variable considerations that are estimated through accumulated experience, by recognizing a liability that is expected to be paid to customers and effectively applied when the conditions required by contract have materialized.

A receivable is recognized when the goods are delivered, since this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Moreover, it does not contain significant financing component, since sales are made with 60 to 90 days of credit terms.

Commissions and fees charged

Commissions and fees collected other than those relative to granting credit are recognized when the service is rendered or the terms are complied with for its collection.

Account managing fees, fiduciary activities, fund transfers, letters of credit, and others are recognized with the service is rendered, the amounts are fixed and collected only in cash thereafter.

AAZ fee revenues represent fee revenues for services rendered by the Pension Fund Manager (Afore) to workers as manager of their contributions to the fund for their retirement. They are recognized daily when the service is rendered. The amounts are fixed and collected only in cash thereafter.

Revenues from insurance premium and reinsurance premiums

Revenues from damage, life and casualty and illness operations are recorded based on the premiums corresponding to policies contracted, which are reduced by the reinsurance premiums, net of the reinsurance commission.

Insurance premiums corresponding to such transactions that have not been paid by the insured within the term set forth by the Insurance Law are cancelled, releasing the current risk reserve. In the case of rehabilitations, this reserve is reconstituted starting in the month in which the effectiveness of such insurance is restored. Premium revenues from life operations are recorded based on receipts issued upon collection, reduced by premiums given for reinsurance.

Rights on insurance policies and surcharges on premiums

Revenues from rights on insurance policies correspond to the recovery of the costs of issuing such policies and are recognized directly as income on the date such policy is issued.

Revenues from premium surcharges correspond to the financing derived from policies with installment payments and are recognized an income as they accrue.

Explanation of seasonality or cyclicity of interim operations

Historically, the demand for Grupo Elektra's products and services tends to increase during the second and fourth quarters of the year due to the increase in consumer spending associated with Mothers' Day in Mexico in May, the annual nationwide shopping event "El Buen Fin" (The Good Weekend) in November and the Christmas holiday season. As a result, Grupo Elektra's quarterly operating results are not indicative of its results for a full year.

Explanation of nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature size or incidence

Not applicable.

Explanation of nature and amount of changes in estimates of amounts reported in prior interim periods or prior financial years

There are no changes in the estimates presented on interim previous periods or previous fiscal years.

Explanation of issues, repurchases and repayments of debt and equity securities

The consideration paid/received for the purchase-sale of treasury shares is recognized directly in the equity. The cost of maintained treasury shares held is presented as a reserve separately (treasury share repurchase). Any excess of the amount received for the sale of treasury shares over the average cost from the sold shares is credited to the premium on the sale of stock. During the quarter, the trading of the treasury shares represented a net purchase of 4,316,732 titles amounting \$1,429,024,000.

Dividends paid, ordinary shares:	0
Dividends paid, other shares:	0
Dividends paid, ordinary shares per share:	0
Dividends paid, other shares per share:	0

Explanation of events after interim period that have not been reflected

Not applicable.

Explanation of effect of changes in composition of entity during interim period

There were no changes in the entity's composition during the interim period reported.

Description of compliance with IFRSs if applied for interim financial report

The accompanying interim consolidated financial statements have been prepared in accordance with the international accounting standard (IAS) 34 "Interim Financial Reporting", because of that they do not include all the required information for annual financial statements in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB), so it is recommended to read altogether the annual financial statements as of December 31, 2024.

Description of nature and amount of change in estimate during final interim period

Not applicable.

Footnotes

[1] ↑

This amount consists mainly to the immediate demand and term deposits of Banco Azteca México.

[2] ↑

This amount consists to the immediate demand and term deposits of Banco Azteca in Central America.