



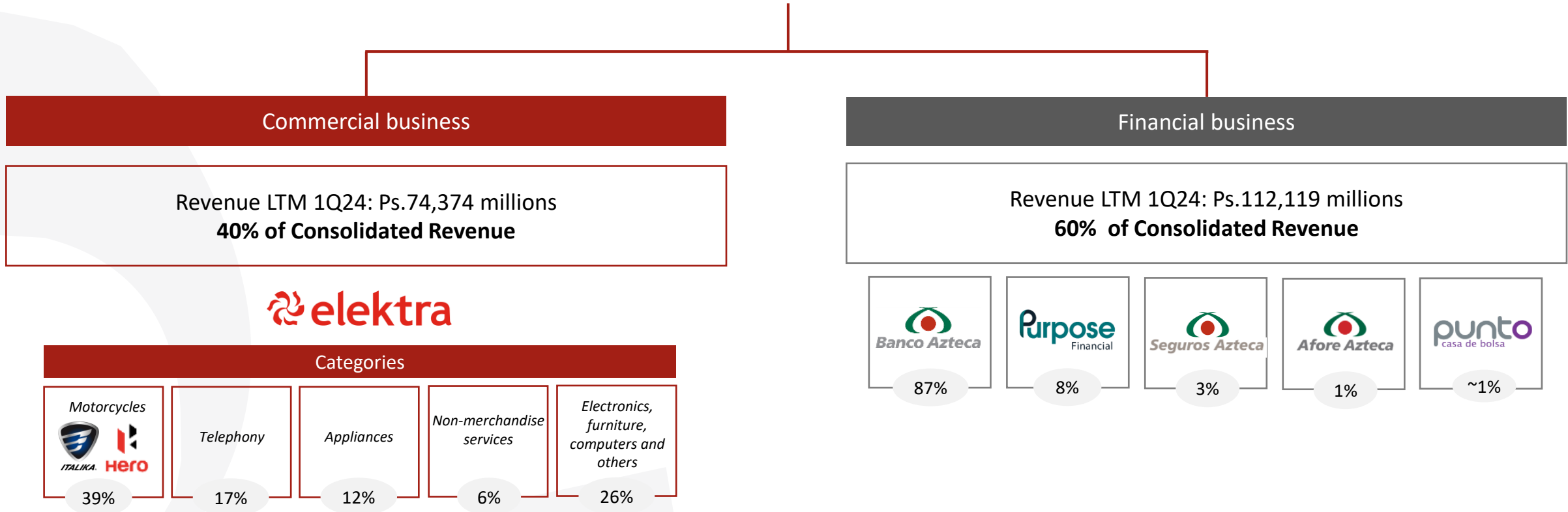
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Follow-up on Grupo Elektra's market positioning, competitiveness, and key market trends in the retail money transfer business in Mexico

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

The following information contains or may be deemed to contain, "forward-looking statements" (as defined by the U.S. Private Securities Litigation Reform Act of 1995). By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The future results of the issuer may vary from the results expressed in, or implied by, the following forward-looking statements, possibly to a material degree. Grupo Elektra undertakes no obligation to update or revise any forward-looking statements.

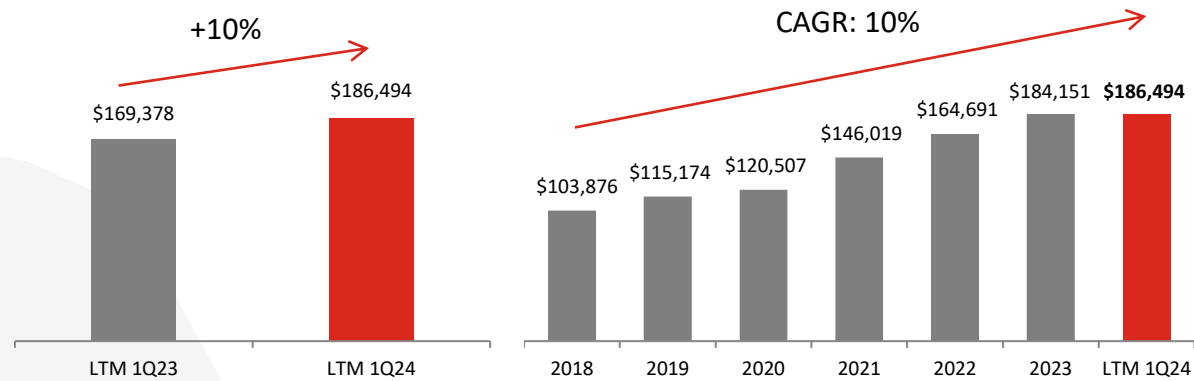
# Business Segments



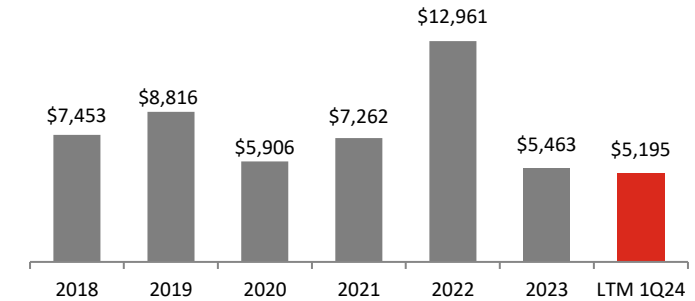
# Consolidated Financial Overview

Ps. Millions

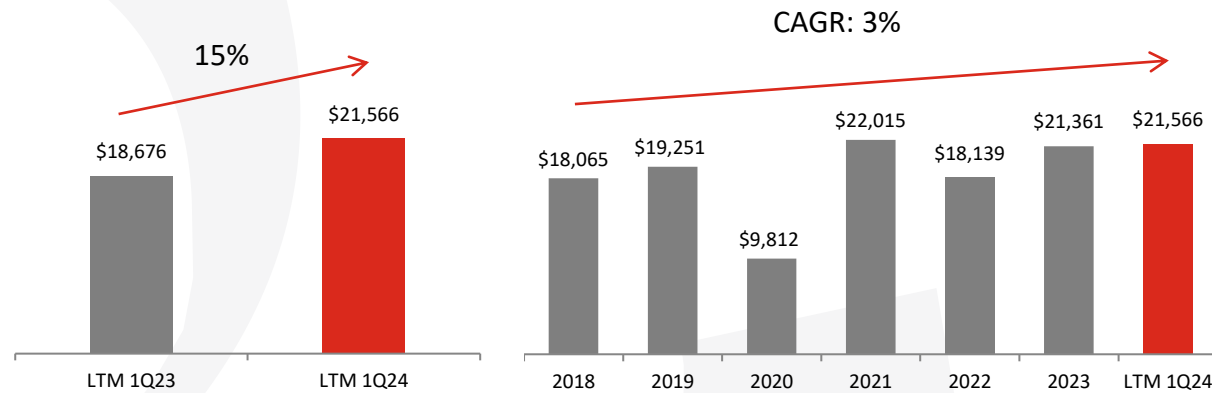
## Consolidated Revenue



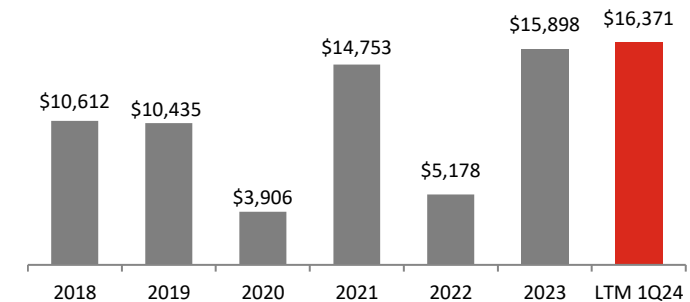
## CAPEX



## Consolidated EBITDA



## Cash Flow<sup>(1)</sup>



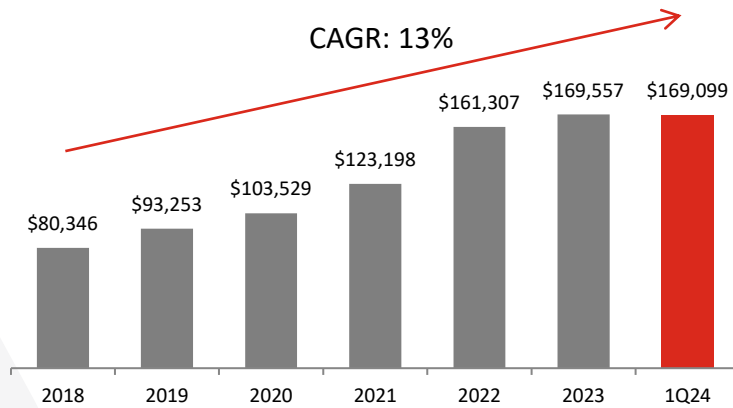
Margin:	2018	2019	2020	2021	2022	2023	LTM 1Q24
	17.4%	16.7%	8.1%	15.1%	11.0%	11.6%	11.6%

(1) Cash Flow = EBITDA - CAPEX

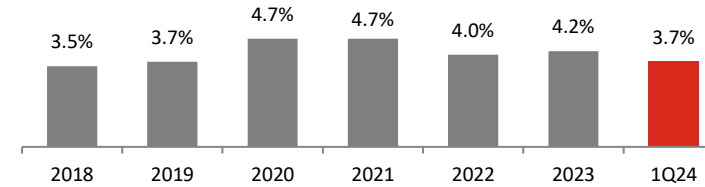
# Banco Azteca Highlights

Ps. Millions

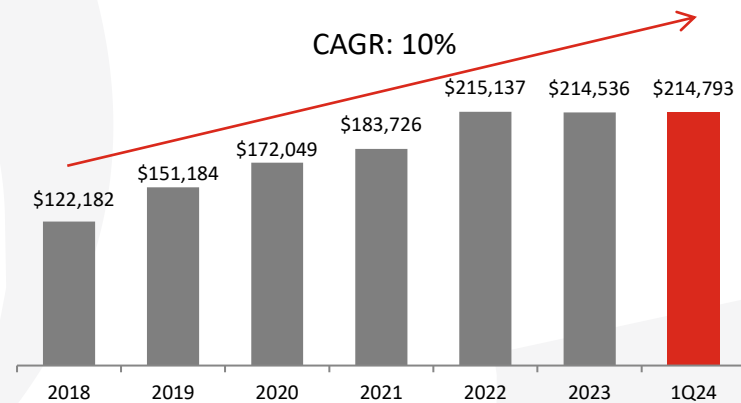
## Gross Loan Portfolio



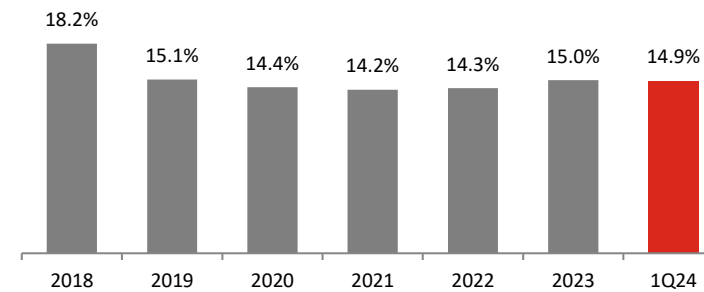
## Delinquency Rate



## Demand Deposits

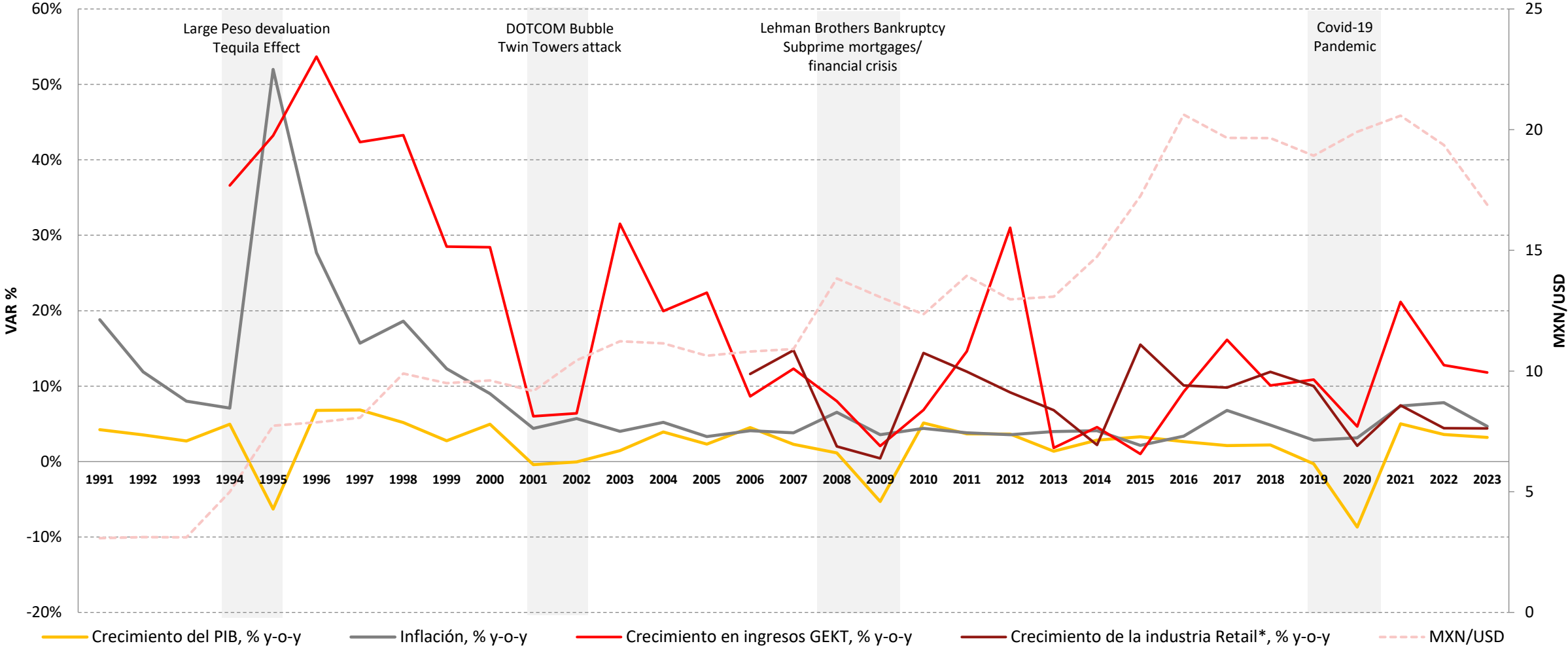


## Capitalization Index



Deposits to Gross Loan Portfolio: 1.5x 1.6x 1.7x 1.5x 1.3x 1.3x 1.3x

Historically, Grupo Elektra's consolidated revenues have demonstrated growth even during GDP contractions and adverse economic conditions.

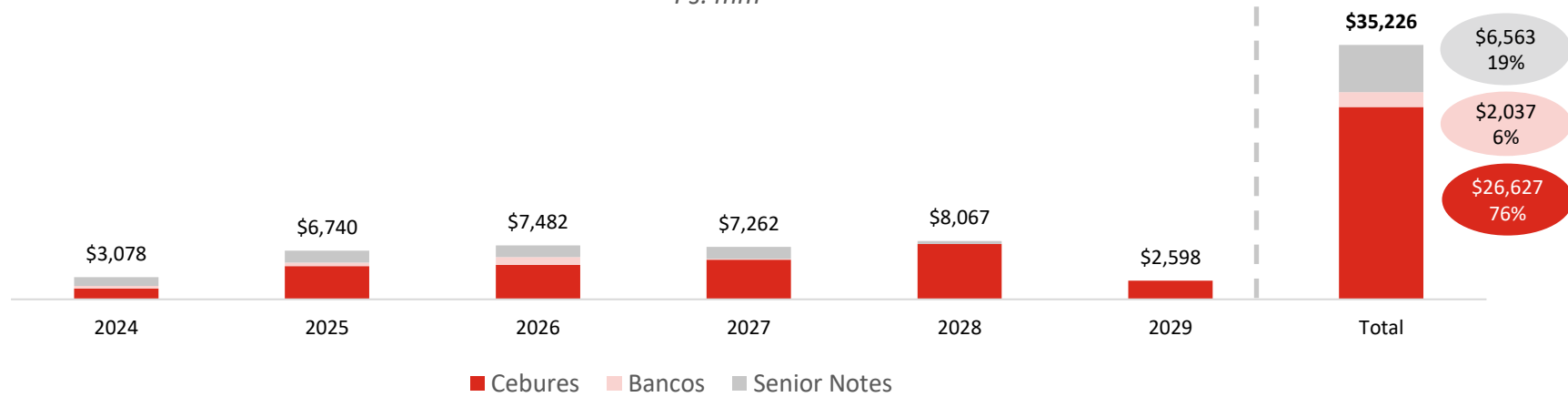


\*Industria de tiendas departamentales en México, Harbor Economics, diciembre 2023.

# Debt Profile as of March 31, 2024

## Annual Amortization Schedule

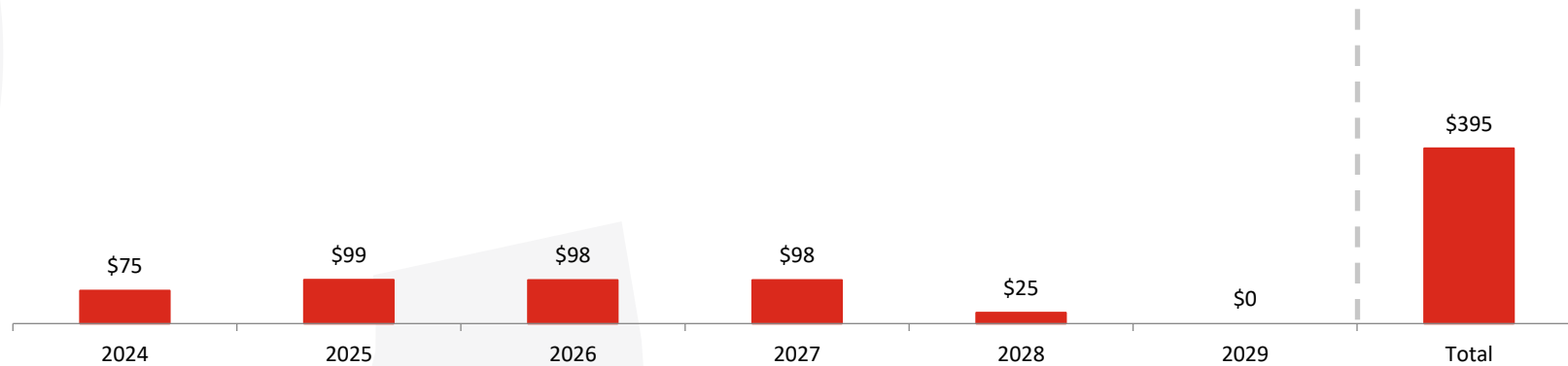
*Ps. mm*



## Annual Amortization Schedule

*US\$ mm*

(included in the graph above)





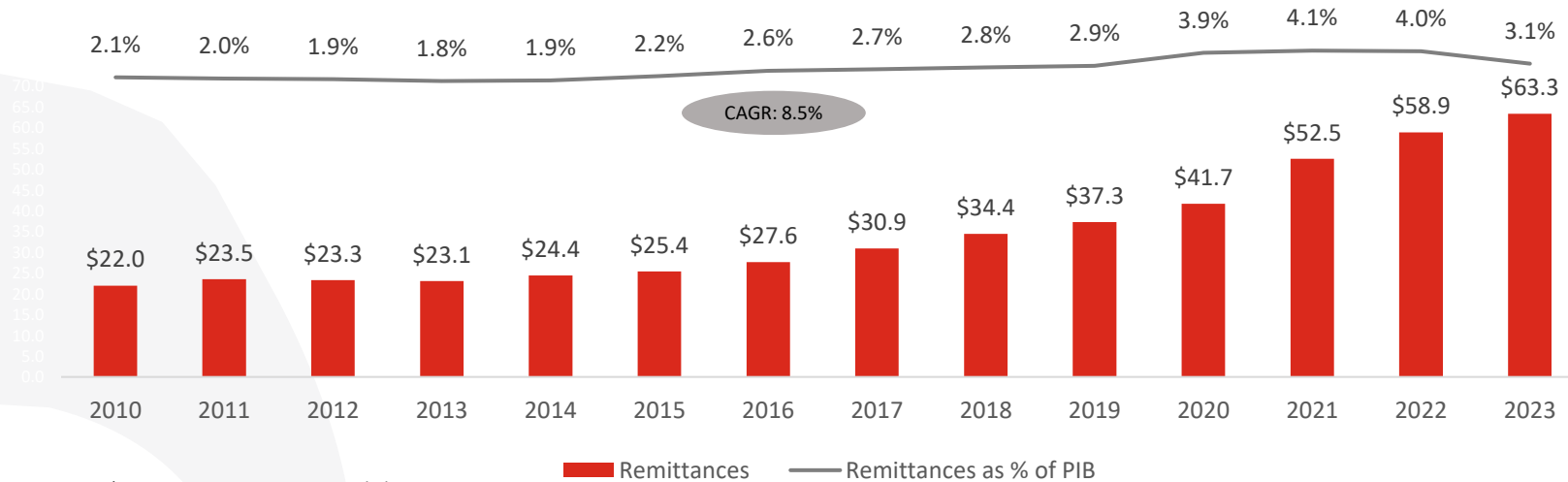
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Money Transfer Business



# 2023 Market Overview

**Total Remittances to México (US\$ B)**



\*Source: Banxico; Banco Mundial

Moderate US economic cycle and high base of remittances moderating flows into 2024



- 2010 – 2023 CAGR of 8.5%
- 2023 Mexico GDP: +3.2% vs Remittances +7.6%
- 2023 Remittances historic record of US\$63.3 B

## In USA:

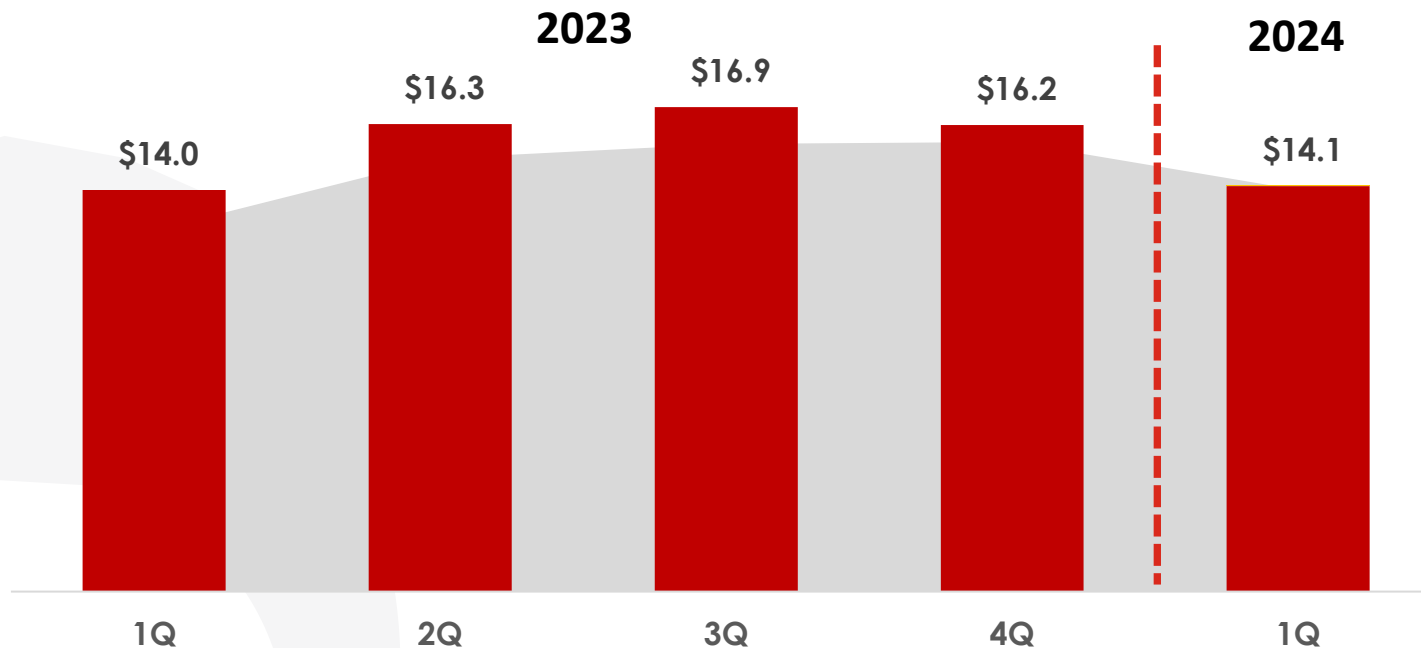
- Slightly slower employment and wage growth
- Remitters holding for favorable USD/MXN FX rate
- Cooling demand in US housing industry (construction)
- Cumulative inflation

## In Mexico:

- Moderate economic growth, fiscal discipline
- Tight labor market
- Strong consumption
- Rising government spending (due to increased debt)
- Inflation above central bank's target range
- Election cycle

# Q1 2024 Remittance Market Overview

Total Remittances México (US\$ B)

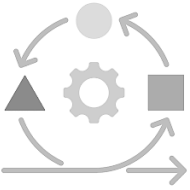


- Remittances back to the US\$5 B monthly level (-3.3% YoY) in March, albeit below consensus
- Measured in USD, remittances grew just 1% YoY in Q1 2024; -8.2% in local currency
- Considering the MXN 9.3% appreciation vs the USD from March 2023, when measured in local currency, remittances declined 11.5% YoY (-15.2% YoY in real local currency terms)

Despite the MXN appreciation and the market slowdown/contraction, Grupo Elektra was able to gain remittances market share in Q1 2024

# Micro Update

## Adjusting our economic model to changing competitive landscape:



- Models based on transaction growth or nominal ranges
- From fixed to variable commission, based on sequential principal amounts
- From channel or service schedule, to aggregated goals

## Competitive advantage through digital transformation and efficiency gains:



- Readily supporting growth and migration into account based and digital channels
- Forging direct relationships with relevant strategic partners
- Ubiquitous payments

## Addressing prevailing external conditions



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

# Participants Update

## Strong focus on bond MT participants



### Western Union

- Full participation on all digital channels
- Transitioning bank deposit service into direct relationship
- Promoting the WU branded direct sends to Elektra
- Investment in marketing initiatives
- Sequential improved trends on will call service
- Contractual renegotiation/terms update



### Remitly

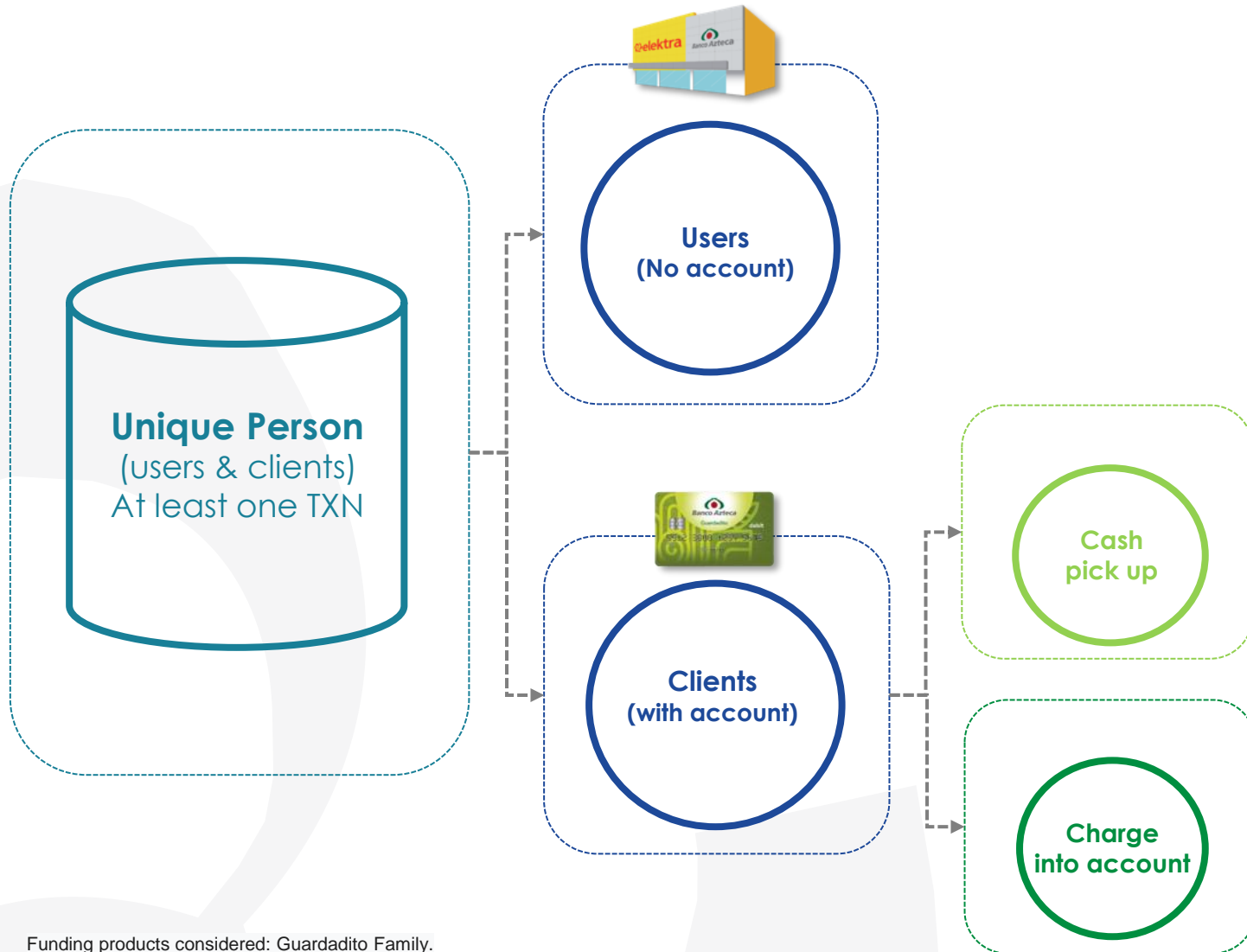
- Fastest growing partner
- Continued adoption and expansion
- Digital to digital model



### PNC/TransNetwork

- Merge/integration process
- Solid performance

# Financial Inclusion



- **Remittance frequency increases** when the receiver is a **banked customer**
- **Access to savings, credit**
- **~1/3** of our transactions are received directly into accounts or converted into such:
  - *D2B*
  - *App*
  - *Others*

# Customer Experience Enhancements



## Service

- **Continuous customer experience improvements** throughout our multichannel options:
  - ✓ D2B
  - ✓ ATM
  - ✓ App
  - ✓ Superapp
  - ✓ WhatsApp
- **Ensuring payment** on first attempt, currently at 94% success rate (99% in bank deposits)



## Technology

- **Transforming**  
Migrate remittance operations to the cloud
- **Use of QR codes** to expedite customer interaction, promotion info and redemption
- **WhatsApp remittance bot** in languages: English and Haitian Creole



## Compliance

- **Real Time Compliance**
- **Customized transaction limits** (more to those who need it most)
- **Adjustment of limits** for Haitian, Colombian, Guatemalan, Honduran, Cuban, Ecuadorian, Ecuadorian and Venezuelan migrants

# Mother's Day Campaign



**May 8 - 11**

Or while supplies last

## Goal

- Reward customers during peak season
- Strengthen Elektra and Banco Azteca leadership position

## Message

Everybody wins 15 days of free WA calls or messages!

## Channels

Participate in domestic and international wires and payments

- Teller / cash
- Bank deposits
- ATM
- App BAZ
- WhatsApp

## POP



Walking Boards



Vallas Móviles  
+perifoneo



Bus



Bardas

# Our Differentiators



## Service

- **Tropicalization of our services** in a variety of dialects
- Extended service hours **everyday from 9 a.m. to 9 p.m.**
- Cash availability nationwide
- Free theft or loss insurance
- **Account and digital payment channels: Banco Azteca App, ATM, WhatsApp, Direct to account, etc.**



## Technology

- **Use of QR code** for more efficient remittance disbursements and promotions
- Capture of **ID data with OCR**

Payer  
**#1 in  
México**

**30  
years**  
of  
experience



**Recibe tu dinero**  
todos los días del año  
de 9 a 9 en Elektra





Grupo Elektra has been acknowledged in the 2024 Cross-Border Payment top 100 companies worldwide





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Annexes

# Strengths of Grupo Elektra

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



# Balanced Portfolio of Partnerships

Global



Mid-Size



Local/Niche



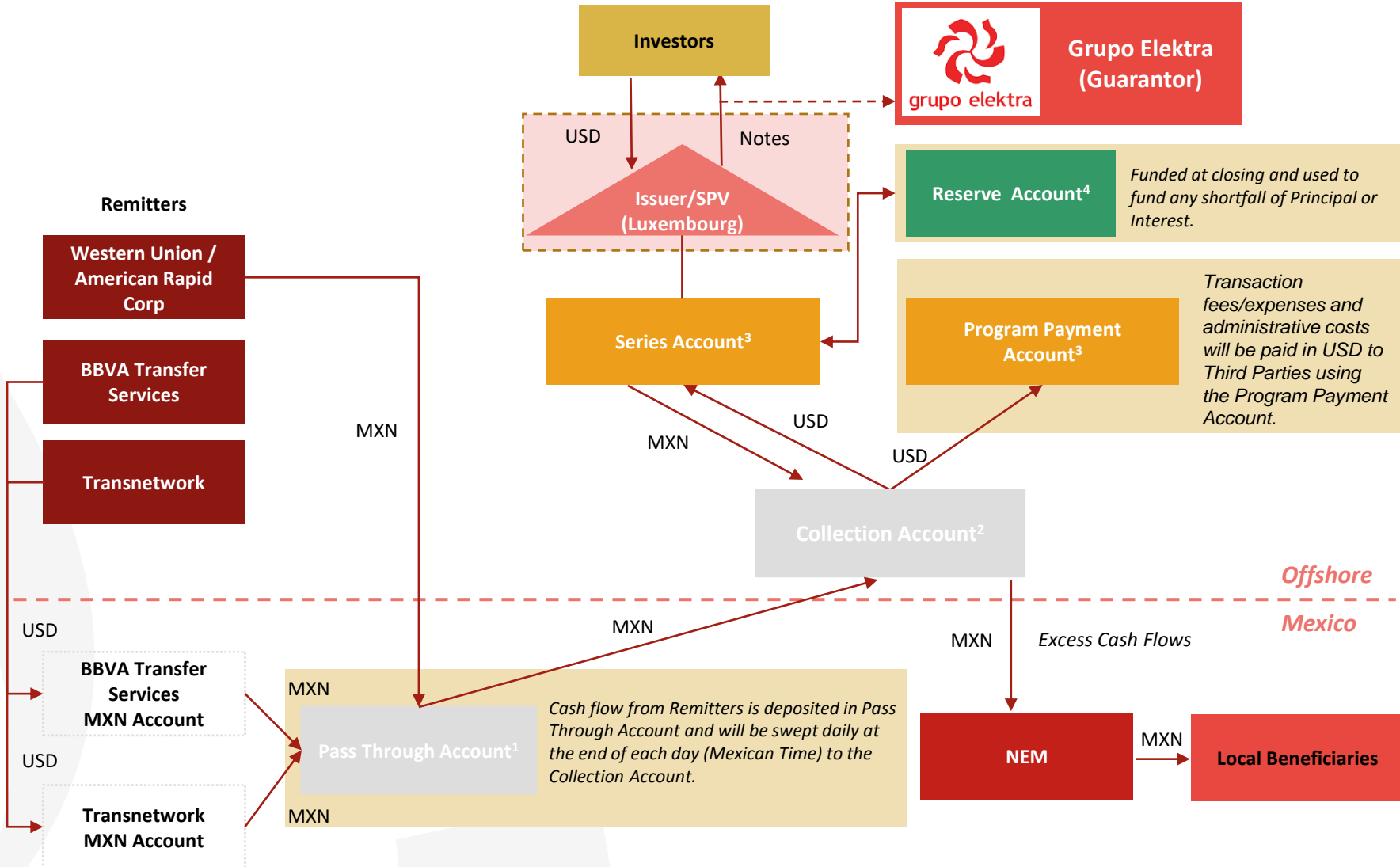
Digital



Aggregators



# Transaction Structure Overview

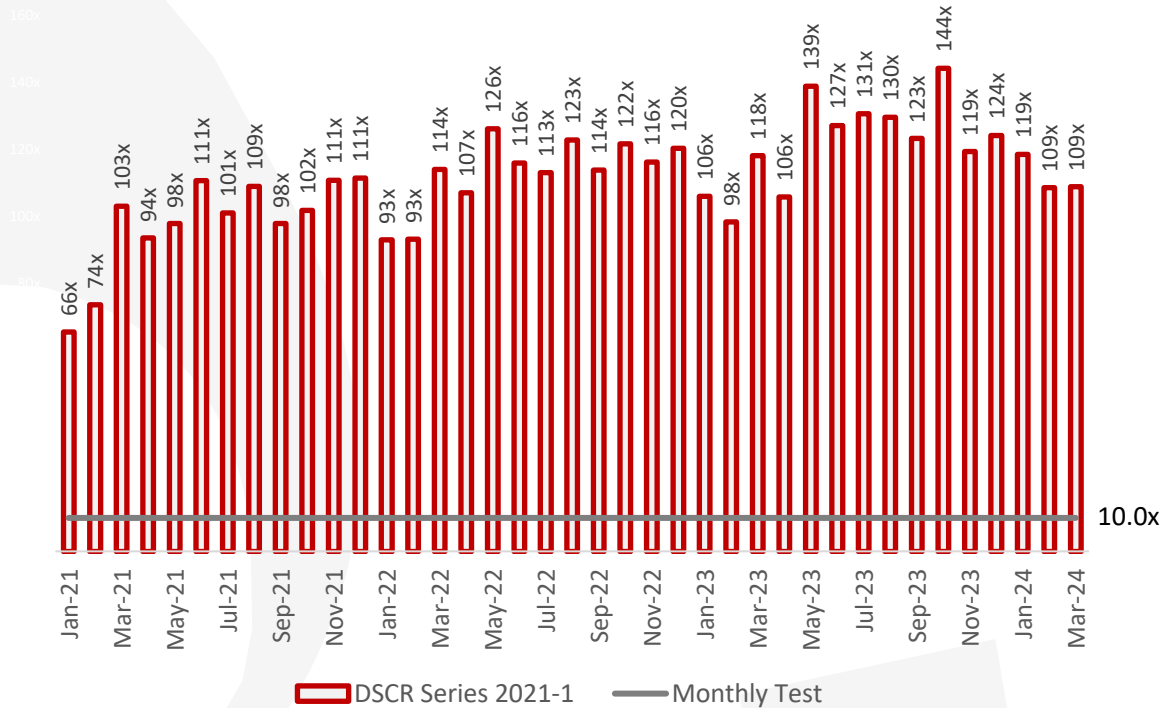


1. Pass Through Account will be established with Citibanamex in Mexico (rated BBB+ by Fitch), by Citibank N.A. as Collateral Agent, and will be MXN-denominated.
2. Collection Account is MXN-denominated, located in London, and in the name of the SPV; SPV is the Mexican Remittances Funding Fiduciary Estate.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

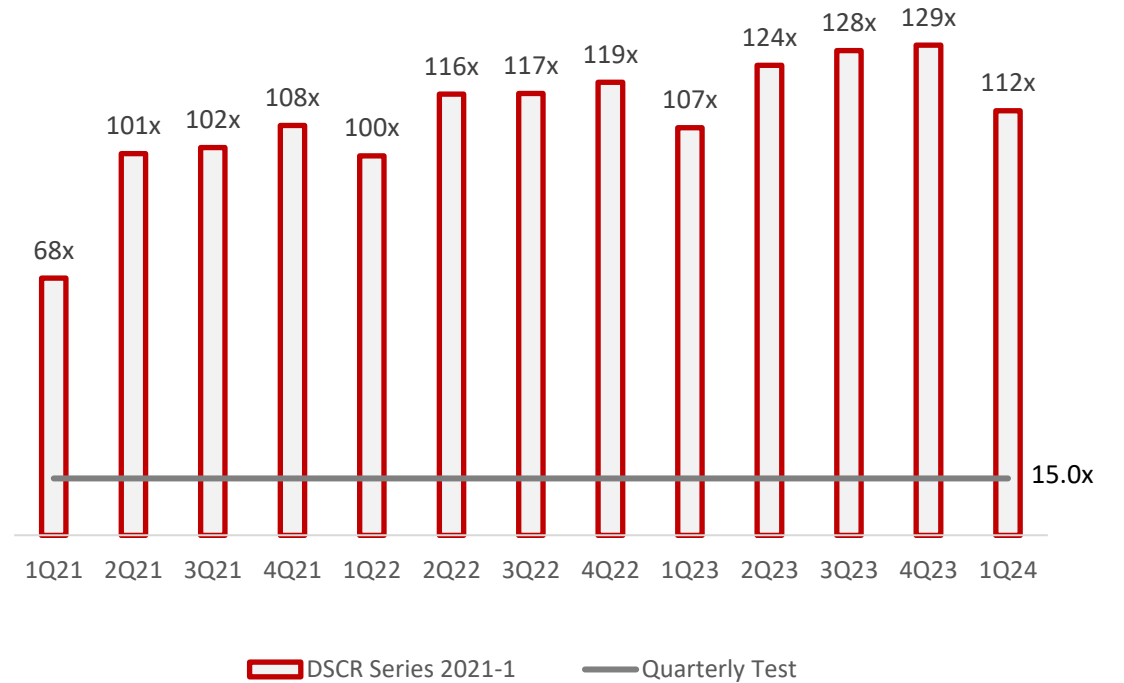
# DPR Monthly & Quarterly DSCR

- Reimbursement flows were securitized in January 2021, totaling ~US\$14,952 million LTM as of March 2024.
- Series 2021-1 Monthly and Quarterly DSCR was 123x (average over the past 12 months).

Monthly Debt Service Coverage Ratio



Quarterly Debt Service Coverage Ratio



# AML Risk-based approach

What the regulation and International Standards consider



Our Risk Based Approach



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



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