

Soriana announces first quarter 2024 financial results.

- Total income of \$41.8 billion pesos
- Total income increase 6.6%
- 6 Soriana stores openings in the last 12 months
- Invested Capex of \$1.815 billion pesos in the quarter

Monterrey, N.L. April 25th, 2024.- Organización Soriana, S.A.B. de C.V. (Soriana) reports financial results for the first quarter 2024. The figures in this report are provided on a nominal basis and in accordance with the International Financial Reporting Standards ("IFRS").

Operational Performance

The Company's Total Income reached \$41.8 billion pesos, which represents an increase of 6.3% vs 1Q23. This increment was mainly supported by Same-Store-Sales outstanding our low-price formats, Mercado and Express, and an increase of 6% in Real State Revenue. Same-Store-Sales for the quarter reached 5.7% and 6.6% for total stores.

Gross Profit reached \$9.738 billion pesos in this quarter, which was equal to 23.3% margin and represents an increase of 3.9% vs. 1Q23 due to a mayor promotional activity.

The **operating expenses** line showed an 6.9% increase vs. 1Q23, this is 16.6% over sales, reaching \$6.961 billion pesos, which represents 10 bps expansion vs. last year quarter. This increment was primarily due to personnel costs as a consequence of a better vacancy coverage during the year, and the effect of 6 new stores and 3 closures, also by a higher expenditure in net cost of advertising campaigns, and the costs of insurance derived from the hurricane Otis.

As a result of the above mentioned, 1Q24 closed with an **EBITDA**⁽¹⁾ of \$2.955 billion pesos, which is equal to 7.1% margin and an increase of 1.7%.

Regarding **financial items**, net financial cost of the quarter closed in \$742 million pesos, showing an increase of 68.9% vs. last year quarter, due to a reduction in the financial product derived from minor average balances in cash and investment and an increase in Debt cost which is directed to the Capex of the investment projects for this 2024.

Finally, **net income** reached \$789 million pesos, equivalent to 1.9% as a percentage of sales.

(1) EBITDA is defined as an operating income before depreciation and amortization.

Debt Behavior

As of the closing of 1Q24, the Company has a total debt of \$17.702 billion pesos.

Operational Information

Below is a comparative table of the number of units in operation by store format at the close of the 1Q24.

Store Format	Units		Sales Floor Area	
	1Q24	1Q23	1Q24	Var vs 1T23
Hiper	368	370	2,646,996	-0.5%
Super	130	127	270,857	4.3%
Mercado	162	163	703,228	-0.6%
Express	106	105	143,744	1.4%
City Club	39	37	312,453	5.7%
Total	805	802	4,077,277	0.3%
Sodimac	13	12	115,122	3.5%

* The information contained in the table was adjusted to reflect the changes derived from: remodeling, store format changes and upgrades of layout made during the year.

The company total investments during this quarter reached \$1.815 billion pesos which includes the process of construction of 6 new stores, remodeling, as well to stores maintenance and equipment reposition, land acquisitions required for future expansion and IT platforms, among others.

Social Responsibilities Activities

As part of our Corporate Social Responsibility strategy, we have 4 pillars that represent a solid platform for our customers, suppliers, collaborators, shareholders and community. These pillars were supported throughout the quarter through the following actions:

a) Soriana Fundación

At the beginning of 2024, Soriana Fundación made an important social investment, with a total amount of \$13.2 million pesos in cash through 44 institutions in several states of the Country. Moreover, goods of consumption with a value of \$19.9 million pesos were distributed. Therefore, there was a social investment of \$33.1 million pesos in total for the quarter.

In January, we concluded with the annual program “Esferas de la Esperanza”, which achieved to make smile 40,000 children and elderly people thanks to the commitment of our collaborators in more than 800 of our stores.

For third year in a row, Gillette (Procter & Gamble) and Soriana Fundación renovated their strategic alliance. This alliance implements **#conectasegurx**, a preventive information campaign, through the civil association SinTrata, A.C., with the aim to prevent the violence and risks that face teenagers on internet in Mexico. This collaboration is to the benefit of more than 3,000 teenagers in the state of Mexico, online and in person. Besides, teachers and parents will receive training through a digital guideline with tools to prevent and report this kind of problematic.

b) Soriana Universidad

Through Soriana Universidad we seek to have a positive impact in the academic development of our collaborators, thanks to our allied institutions with official value. During this first quarter, we launched calls to support new students in this 2024. We are glad to share the results of this process:

Middle-school and Secondary-school: 145 new students. High school: 759 new students.

Likewise, we are committed with the development of our university students that follow a traditional plan of studies. As for today, in Soriana Universidad we have a community of 1,078 students in total in several academic programs.

c) Environment

Committed to the environmental care, we are looking for opportunities to develop projects that impact positively our planet, we continue with the transition of LP Gas to Natural Gas in the stores. These actions let us to reduce the CO₂ emissions and decrease 50% of the expenses.

d) Rankings and Recognitions

In this 1Q24, Soriana stands out taking the 43rd place as one of the most responsible Companies in environmental, social, and corporate governance terms (ESG) in Mexico, as it was showed by Merco in its ranking in 2023. This achievement reflects the commitment of Soriana with sustainable and transparent business practices, strengthening its position as a leader in promoting a responsible and ethical business culture in the Mexican market.

It is also important to highlight that Soriana has been recognized as Top Employers, which outstands our commitment to the development and wellness of our collaborators. This achievement strengthens our position as a preferred employer and shows our commitment with the excellency in the management of our human resources.

These recognitions are a testimony of our hard work and dedication to the whole Soriana team to continue straightforward to a more sustainable and equitable future.

Organización Soriana, S.A.B. de C.V. and Subsidiaries
Consolidated Statements of Income

Millions pesos

	First Quarter				
	1Q2024	%	1Q2023	%	Var. %
Net Sales	41,879	100	39,409	100	6.3
Cost of Sales	32,142	76.8	30,040	76.2	7.0
Gross Income	9,738	23.3	9,369	23.8	3.9
Operating Expenses	6,961	16.6	6,509	16.5	6.9
Income before other expenses, net	2,777	6.6	2,860	7.3	(2.9)
Other Income and (Expenses), Net	178	0.4	47	0.1	282.7
EBITDA	2,955	7.1	2,906	7.4	1.7
Depreciation and Amortization	966	2.3	812	2.1	18.9
Operating Income	1,989	4.8	2,094	5.3	(5.0)
Interest Income (Expenses), Net	(789)	(1.9)	(701)	(1.8)	12.6
Foreign Exchange Gain (Losses)	75	0.2	272	0.7	(72.5)
Utility (Loss) Exchange	(27)	(0.1)	(10)	(0.0)	172.8
Comprehensive Financing Income	(742)	(1.8)	(439)	(1.1)	68.9
Minority Interest	(40)	(0.1)	(60)	(0.2)	(33.2)
Earnings Before Tax & Profit Sharing	1,207	2.9	1,595	4.1	(24.3)
Tax Provision	418	1.0	525	1.3	(20.3)
Net Income	789	1.9	1,070	2.7	(26.3)
Controlling interest	783	1.9	1,064	2.7	(26.4)
Non-controlling interest	6	0.0	7	0.0	(4.7)
Cash Net Profit	1,724	4.1	1,834	4.7	(6.0)

Organización Soriana, S.A.B. de C.V. and Subsidiaries
Consolidated Balance Sheets

Millions pesos

	2024	%	2023	%	Var. %
ASSETS					
Current Assets					
Cash and Cash Equivalents	4,817	3.2	3,485	2.5	38.2
Trade	905	0.6	480	0.3	88.6
Other Accounts Receivable	7,015	4.7	5,277	3.7	32.9
Inventories	33,729	22.4	31,539	22.3	6.9
Other Current Assets	542	0.4	439	0.3	23.4
Total Current Asset	47,008	31.2	41,220	29.1	14.0
Property, Equipment and Use Rights, Net	77,748	51.6	74,887	52.9	3.8
Intangible Assets	20,847	13.8	20,658	14.6	0.9
Deferred taxes	871	0.6	801	0.6	8.8
Other Assets	4,106	2.7	3,886	2.7	5.7
Total Assets	150,580	100	141,452	100	6.5
LIABILITIES					
Current Liabilities					
Suppliers	25,407	16.9	23,751	16.8	7.0
Short Term Debt	4,900	3.3	2,700	1.9	81.5
Other Accounts Payable	2,749	1.8	2,332	1.6	17.9
Short Term Lease Liabilities	605	0.4	610	0.4	(0.8)
Other Liabilities without cost	1,710	1.1	1,555	1.1	10.0
Total Current Liabilities	35,370	23.5	30,948	21.9	14.3
Deferred Taxes	9,797	6.5	10,238	7.2	(4.3)
Long Term Debt	12,802	8.5	10,014	7.1	27.8
Long Term Lease Liabilities	10,097	6.7	10,178	7.2	(0.8)
Other Liabilities	2,930	1.9	3,151	2.2	(7.0)
Total Long Term Liabilities	35,625	23.7	33,581	23.7	6.1
Total Liabilities	70,996	47.1	64,529	45.6	10.0
Stockholders' Equity					
Paid-In Capital Stock	83	0.1	83	0.1	0.0
Restatement of Paid-In Capital Stock	1,170	0.8	1,170	0.8	0.0
Premium on Sales of Shares	977	0.6	977	0.7	0.0
Repurchase Fund of Shares	566	0.4	537	0.4	5.5
Other Capital Accounts	(729)	(0.5)	(586)	(0.4)	24.6
Accumulated Earnings	77,518	51.5	74,742	52.8	3.7
Total Stockholders' Equity	79,585	52.9	76,922	54.4	3.5
Total Liabilities and Stockholders' Equity	150,580	100	141,452	100	6.5

Organización Soriana, S.A.B. de C.V. and Subsidiaries
Consolidated Cash Flow Statements

Millions pesos

	2024	2023	Var. %
<u>OPERATING ACTIVITIES</u>			
Income before Income Tax	1,207	1,595	(24.3)
<u>Adjustments by:</u>			
Depreciation & Amortization	966	812	18.9
Sales of property and equipment	(39)	(105)	(63.1)
Participation in the Results of Associates and Joint Ventures	40	60	(33.2)
Labor cost	40	38	6.0
Interest accrued in favor	(75)	(270)	(72.2)
Interest accrued in charge	789	701	12.6
Others	15	10	49.1
Sum	2,944	2,841	3.6
Clients	131	341	(61.6)
Inventories	137	(1,854)	(107.4)
Suppliers	(6,697)	(5,239)	27.8
Payable and receivable accounts	(255)	(428)	(40.4)
Income Tax Paid	(488)	(659)	(25.9)
Net cash flow from operating activities	(4,228)	(4,997)	(15.4)
<u>INVESTING ACTIVITIES</u>			
Acquisitions of property and equipment	(1,815)	(1,061)	71.1
Sale of Fixed Assets	177	6	2,884.5
Contribution of share capital in joint ventures	(135)	(200)	(32.5)
Interest charged	75	270	(72.2)
Others	1	(5)	(110.7)
Net Cash flow from investing activities	(1,698)	(990)	71.4
Cash receivable from financing activities	(5,926)	(5,988)	(1.0)
<u>FINANCING ACTIVITIES</u>			
Financing Obtained	25,000	0	*
Financing Repaid	(20,100)	0	*
Interest Paid	(739)	(660)	12.0
Finance lease liability	(165)	(148)	11.4
Net cash flow from financing activities	3,997	(807)	(595.0)
Net increase (decrease) in cash and cash equivalents	(1,929)	(6,795)	(71.6)
Cash and cash equivalents at beginning of period	6,746	10,280	(34.4)
Cash and cash equivalents at end period	4,817	3,485	38.2