

## BANORTE REPORTED 15% ANNUAL INCREASE IN LOANS GRANTED TO FAMILIES AS OF 4Q22

- Performing Loan Book reached Ps 919.88 bn, increasing 12% annually.
- As part of the record growth in financing to Mexican families. Banorte registered a 13% annual increase in mortgages, 16% in auto, 14% in credit card, and 22% in payroll.
- Furthermore, the Commercial book increased 13%, Government 11%, and Corporate 5%, compared to the same quarter of the previous year.
- Non-performing Loans Ratio stood at 1.07%, one of the healthiest in the system.
- ROE stood at 19.4% and ROA at 2.3% in the fourth quarter of 2022. In 2022, ROE reached 19.2% and ROA 2.3%.
- At the end of 2022, Capital Adequacy Ratio reached 22.9%, Core Tier 1 15.1%, Leverage ratio 12.7%, and the quarterly average Liquidity Coverage Ratio stood at 154.6%.
- “During 2022, Banorte proved once again to be the ally of Mexican families and companies, supporting them with the credit they need to achieve their goals. Our commitment is to keep growing strong with Mexico and to remain closer than ever”: Carlos Hank González.

Mexico City, January 19th, 2023.— Grupo Financiero Banorte (GFNorte) reported an annual 15% increase in the Consumer portfolio, at the end of 4Q22, driven by a dynamic credit demand of Mexican families.

At the end of 2022, **Capital Adequacy Ratio reached 22.9%**, remaining as one of the best capitalized financial groups in the country, well above regulatory minimums.

Capital strength, as well as liquidity management are still top priorities for GFNorte. **Core Tier 1** reached 15.1%, **Leverage ratio** 12.7%, and the **quarterly average Liquidity Coverage Ratio** stood at **154.6%** at the end of 4Q22.

*Carlos Hank González, Chairman of the Board of Directors of GFNorte, commented: “During 2022, Banorte proved once again to be the ally of Mexican families and companies, supporting them with the credit they need to achieve their goals. Our commitment is to keep growing strong with Mexico and to remain closer than ever”.*

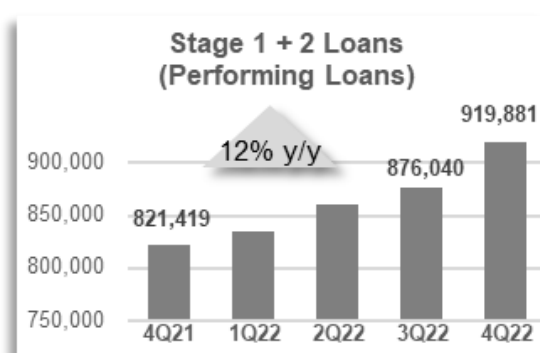
### Increase in Deposits

At the end of 4Q22, **Core Deposits** totaled Ps 839.60bn, **increasing 12%** year over year. In 2022, **Demand Deposits** grew 16%, reaching Ps 622.81bn, while **Time deposits** went up 3%, reaching Ps 216.79bn.

### General increase in all businesses of the Loan Portfolio

Banorte's **Performing Loan Portfolio** totaled Ps 919.88bn at the end of 4Q22, 12% higher compared to the same quarter of the previous year.

**Graph 1. Performing Loans**



The **Consumer Loan Portfolio**, which reflects financing to Mexican families, reached Ps 371.28bn, **up 15%** vs 4Q21.

**Mortgages grew 13%**, reaching Ps 226.93bn and **Auto loans increased 16%** year over year, totaling Ps 32.17bn.

**Credit card** balances totaled Ps 45.13bn, a **14% annual increase**. The **Payroll book** totaled Ps 67.05bn, **22% higher** vs 4Q21.

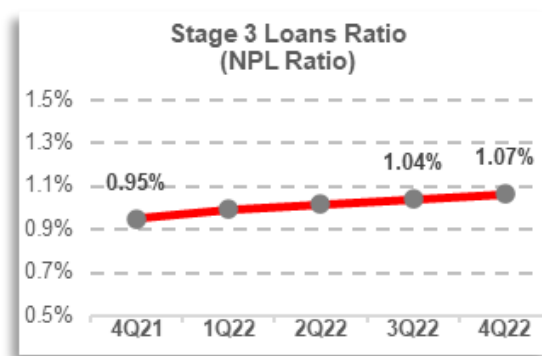
**Table 1. Performing Loan Portfolio**

Stage 1 + 2 loans , Performing Loan Portfolio (Million Pesos)	4Q21	4Q22	Change 4Q21
<b>Stage 1 + 2 loans, Performing Loan Portfolio</b>			
Mortgages	200,551	<b>226,932</b>	13%
Auto Loans	27,800	<b>32,173</b>	16%
Credit Card	39,536	<b>45,127</b>	14%
Payroll	55,034	<b>67,051</b>	22%
<b>Consumer</b>	322,920	<b>371,283</b>	15%
<b>Commercial</b>	203,256	<b>229,126</b>	13%
<b>Corporate</b>	140,925	<b>147,752</b>	5%
<b>Government</b>	154,318	<b>171,720</b>	11%
<b>Stage 1 + 2 loans, Performing Loan Portfolio</b>	<b>821,419</b>	<b>919,881</b>	<b>12%</b>

The **Commercial portfolio** amounted to Ps 229.13bn, growing **13%** annually; **Corporate loans** reached Ps 147.75bn, a **5%** increase vs 4Q21, and **Government loans** at Ps 171.72bn, **11% higher** compared to the same period of 2021.

**Non-performing loans ratio** reached **1.07%**, one of the healthiest in the system.

**Graph 2. Non-Performing Loans ratio**

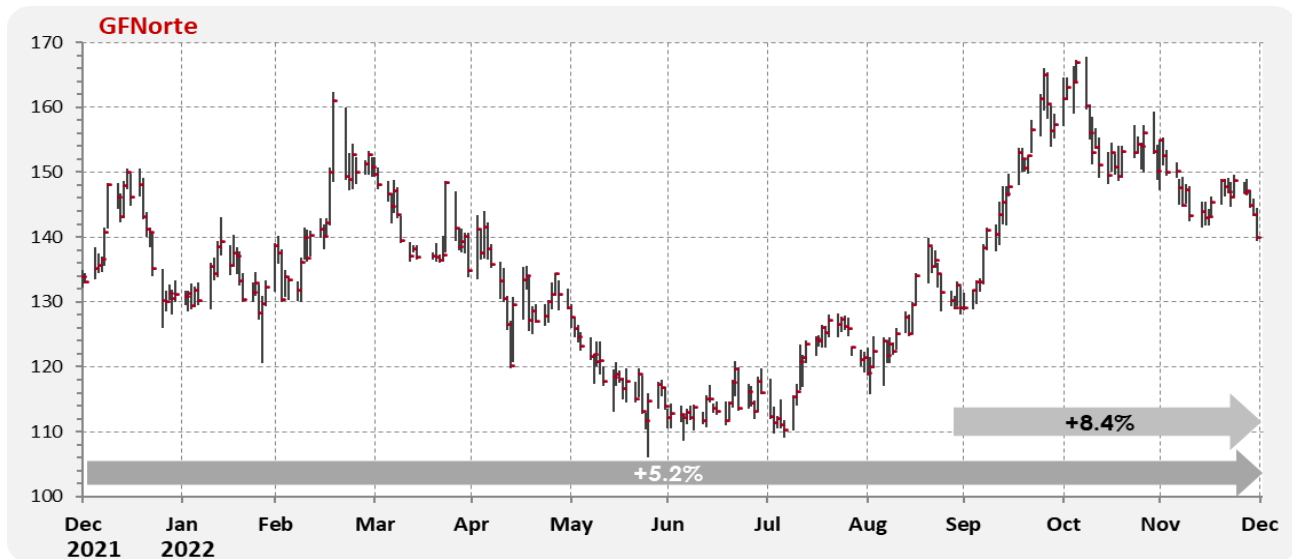


**Main Financial Results**

GFNorte's **2022 Net Income** amounted to **Ps 45.40bn**, increasing 30% vs 2021. **4Q22 Net Income** reached Ps 11.59bn, a 28% increase compared to 4Q21.

The financial group reported **Earnings Per Share of** Ps 15.748 in 2022 and Ps 4.020 in 4Q22.

**Graph 3. Annual Stock Performance**



At the close of 2022, **ROE** stood at 19.2%, whereas in 4Q22 it reached 19.4%. **ROA** reached **2.3%** in 2022, at the same level as that of 4Q22.

**NIM** of the year ended at 6.3%, whereas at the end of 4Q22 totaled 6.6%.

**Efficiency Ratio** stood at 38.0% in 2022 and 41.4% during 4Q22.

## Digital transformation

### **Banorte introduced "Maya", the virtual assistant, in its mobile app**

On November 28, 2022, and in line with its vision of being the best financial group doing banking in a digital world, Banorte announced the incorporation of Maya, the most complete artificial intelligence assistant in the market, to its mobile banking app. It is the only assistant of its kind, capable of performing 17 monetary operations. Besides, it can handle 300 product and service queries via chat and will continue to add functionalities to its service through intelligent learning.

### **Banorte incorporated Google wallet for its credit and debit card customers**

As of November 15, 2022, in line with its digital transformation and service personalization strategy, Banorte allows its customers with Android and WearOS devices, to make contactless payments directly from Google Wallet. Through this secure and accessible payment method, our customers will be able to add Banorte's credit and debit cards from the Google Wallet app or Banorte Móvil app. Moreover, the wallet allows the storage and usage of benefit cards, and transportation and event passes.

**Banorte launched a complete digital process to onboard customers directly from Banorte Móvil app**

On November 9, 2022, Banorte launched a process that allows any customer to open a limitless deposit account directly from Banorte's mobile app, without the need to visit a branch. The account opening includes a unique security mechanism to verify the identity of the hiring person, directly from the National Electoral Institute's database.

**Banorte presents branch appointments' service through WhatsApp, a unique modality in Mexico**

In line with its innovation commitment to offer personalized experiences and services, as of October 31, 2022, Banorte launched an appointment service model for branches via WhatsApp; a unique service modality in Mexico that enable the customer to schedule nine different services on the date and time of their preference in its more than 1,100 branches. Available services include account openings, loans, mutual funds, promissory notes and insurance, among others.

**Awards**

**Banorte awarded "Bank of the Year 2022 in Mexico" by The Banker magazine**

On December 5, 2022, Banorte was recognized as "Bank of the Year 2022" in Mexico by the prestigious international publication The Banker, due to its digital transformation strategy and its vision of placing the customer at the core of products and services' design.

**Global Finance recognizes Banorte as the "Best Bank in Mexico for SMEs"**

In December 2022, and for the second consecutive year, Global Finance Magazine recognized Banorte as "Best Bank in Mexico for SMEs", for better meeting and understanding the specialized needs of these companies.

**Banorte was recognized by LatinFinance as the "Best Infrastructure Financing of the year in Mexico"**

On November 25, 2022, LatinFinance, the renowned publication specializing in capital markets, finance, and economy in the region, awarded Banorte the prize for "Best Infrastructure Financing of the Year in Mexico" for the Mante-Ocampo-Tula highway project, where Banorte acted as leading structuring bank and syndication agent.

**Current events**

**UNESCO and Fundación Banorte sign an alliance to strengthen social inclusion in Mexico**

On December 14, 2022, UNESCO's representative in Mexico, Frédéric Vacheron, and Fundación Banorte Director, Jimena Prado Lebrija, signed a collaboration agreement to formalize a series of joint projects that will be carried out from now and until 2030. This

agreement aims to improve economic and social conditions of women artisans in the textile sector and their communities in 12 municipalities in Yucatán.

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### **About Banorte**

Grupo Financiero Banorte (GFNorte) is the largest Mexican financial institution. It offers financial services to individuals and companies through its businesses: banking, brokerage house, fund operator, insurer, pensions, leasing and factoring company, warehousing, portfolio manager and Uniteller remittance company.

GFNorte also integrates Afore XXI Banorte, the largest in the country by asset management. GFNorte is a public company listed on the main indicator of the Mexican Stock Exchange, and has more than 30,000 employees, 1,100 branches, 9,900 ATMs, 167,00 point of sale terminals and 19,500 correspondents.

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