



# 3Q21

## Financial Results

as of September 30<sup>th</sup>, 2021



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# INDEX

|      |  |    |
|------|--|----|
| I.   | Executive Summary.....   | 3  |
| II.  | Management’s Discussion & Analysis.....                        | 8  |
|      | Recent Events .....  | 18 |
|      | Bank.....  | 19 |
|      | Long Term Savings .....  | 24 |
|      | Brokerage .....  | 27 |
|      | SOFOM and other Finance Companies .....                        | 28 |
| III. | General Information .....                                      | 29 |
|      | GFNORTE’s Analyst Coverage .....                               | 29 |
|      | Capital Structure .....  | 29 |
| IV.  | Financial Statements.....                                      | 30 |
|      | Grupo Financiero Banorte.....                                  | 30 |
|      | Bank.....  | 36 |
|      | Seguros Banorte .....  | 42 |
|      | Information by Segments .....                                  | 45 |
| V.   | Appendix .....   | 50 |
|      | Accounting & Regulatory Changes .....                          | 50 |
|      | Notes to Financial Statements .....                            | 51 |
|      | Internal Control.....  | 60 |
|      | Financial Situation and Liquidity.....                         | 61 |
|      | Related Parties Loans .....                                    | 61 |
|      | Loan or tax liabilities .....                                  | 62 |
|      | People in Charge .....   | 63 |
|      | Basis for submitting and presenting Financial Statements ..... | 63 |



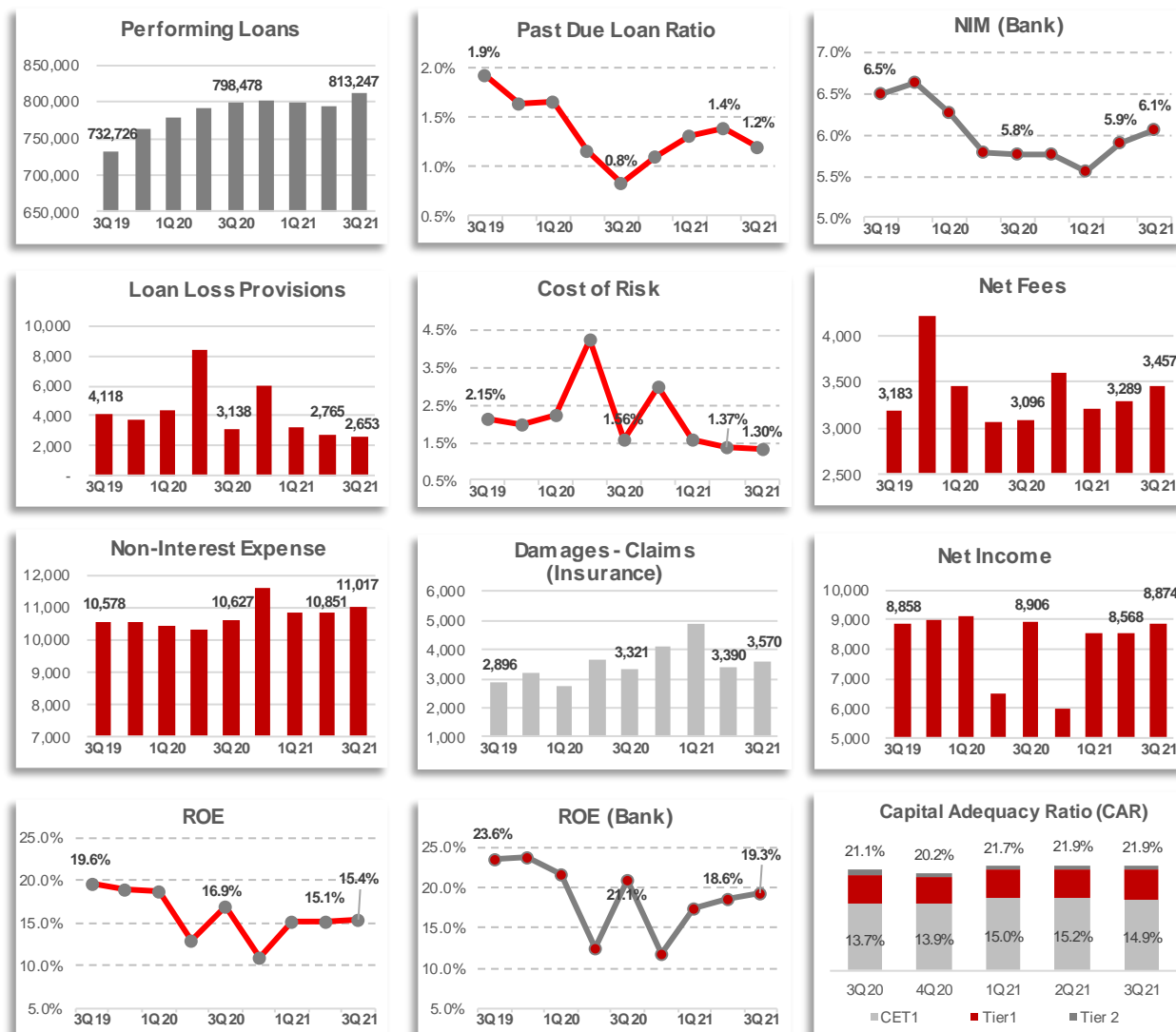
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# I. Executive Summary

Quarter highlights 3Q21 vs. 2Q21

- **Sequential growth in loan portfolio reflects the macroeconomic recovery.**
- **Asset quality and cost of risk better than expected.**
- **NII ex-insurance and annuities increased 3%.**
- **MIN of the Bank increased 18bps, reaching 6.1%.**
- **Net fees were up 5% due to better consumer credit dynamics.**
- **Non-interest expenses under strict control, increased 2% QoQ and 4% YoY.**



- 2Q20 and 4Q20 results reflect the generation of anticipated provisions required for the COVID-19 contingency.

## Sustainability Strategy

### Updates

#### Environmental



- CDP Climate Change Questionnaire – Response 2021
- Greenhouse Gas Emissions Inventory – Third Party Assurance
- SBTI Mexico's Practice Community – Participation
- GEI Mexico Program (GEI2) – Participation

#### Governance



- ESG training for Board Members
- Mobile banking app – Upgrade
- Apple Pay + Visa payment
- Customer satisfaction – NPS: 67.2pts (+2% vs 2Q21 and +10% vs 3Q20)
- Money Laundering Prevention – 99.9% of employees trained

#### Social



- COVID-19 Contribution Report – Launching
- "Banorte Adopts a Community" Reconstruction Program – Closure
- Financial Education Week - Participation
- SDG Young Innovators UN Global Compact- Closure
- External consultant for our diversity and inclusion program

#### Sustainable Finance

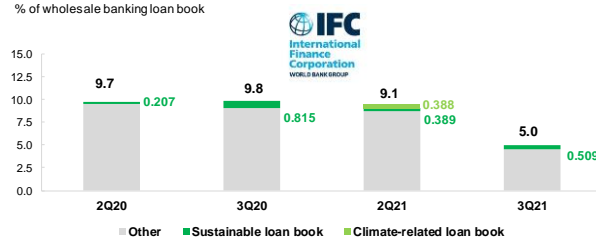


- Net-Zero Banking Alliance (NZBA) – Steering Group Members
- Climate Strategy 2021-2025
- Climate Initiative Investors LatAm (ICIL) – Participation, Operadora de Fondos & Afore XXI Banorte
- Responsible Investment Policy – Update, Operadora de Fondos

## Sustainable Finance

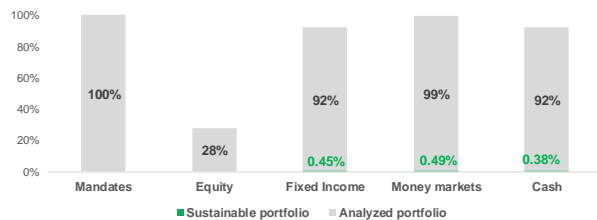
#### Loan book evaluation

% of wholesale banking loan book



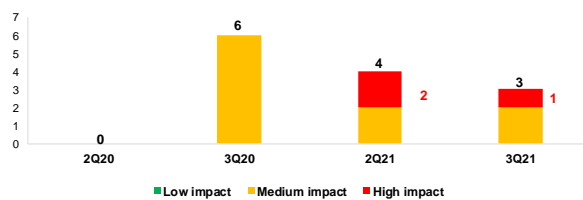
#### Responsible Investments – Mutual Funds

% of share of total analyzed AUM by instrument



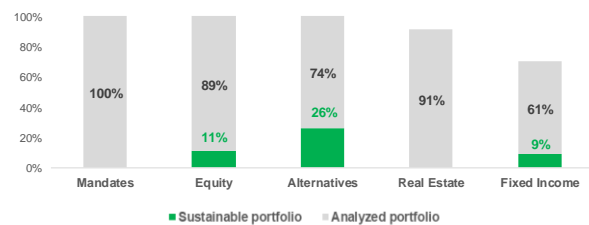
#### Loan book evaluation under Equator Principles

Number of analyzed projects



#### Responsible Investments – Pension Funds

% of share of total analyzed AUM by instrument



\* During 2Q20 the Loan book was not evaluated under Equator Principles

## GFNorte reports Net Income of Ps 8.87 billion in 3Q21, 4% higher than 2Q21, and (0.4%) lower than 3Q20.

(BMV: GFNORTEO; OTCQX: GBOOY; Latibex: XNOR)

The most relevant results for the 3Q21 period ending on September 30<sup>th</sup>, 2021, were:

- **Net Income** for 3Q21 reached **Ps 8.87** billion, a **4% sequential** increase and a **(0.4%) decline vs. 3Q20**.
- **The quality of the loan portfolio stands out once again, and cost of risk below expectations**, with provisions down **(4%) vs. 2Q21, and (15%) lower than 3Q20**. Improvements in loan portfolio quality result from remaining close to our customers and prudent loan origination, resulting in an improved **cost of risk of 1.3%**, which is well below the estimated range of 1.9%-2.1% for the year. The **Coverage ratio** increased to **174%** from 162% in 2Q21.
- **Net Interest Income** (NII) grew 2% sequentially with **good performance in the bank and non-banking subsidiaries**, except for Seguros Banorte which, due to the adverse effects of the pandemic, continues to record higher **claims**.
- **NIM of the Group rose 11bps sequentially reaching 4.9%** despite the effects of Seguros Banorte. The **Bank's NIM stands out, increasing 18bps to reach 6.1%**, underpinned by the strength and diversification of the credit portfolio along with an improvement in cost of funds.
- **Net fees were up 5%** sequentially, driven by better consumer loan dynamics as a result of overall economic improvement; therefore, total **non-Interest income, increased 8%**. On the other hand, **non-interest expense increased 2% sequentially** and only 4% annually.
- **ROE** had a relevant 31bps increase to **15.4% in the quarter**, while **ROA rose 7bps to 2.0%**.
- **Net Income** for **9M21** totaled **Ps 25.99 billion, 6% higher** than 9M20, and (7%) lower compared to the **recurring result** of 9M20, when anticipated additional provisions were registered.
- **Net Interest Income** for **9M21** declined **(6%) YoY**; **NIM** reached **4.9%**, (59bps) below 9M20, a favorable result considering that the average TIE rate dropped (171bps) to 4.43% during the period. **Total Income** for 9M21 was down **(6%)** and **Non-Interest Expense** increased only **4%**, reaching an **efficiency ratio** of **44.0%**.
- **Consumer loans** rose **1%** sequentially, boosted by **2% growth in credit cards** and 1% in both mortgages and payroll loans. Compared to 3Q20, the consumer portfolio grew **5%** driven by: **mortgages up 8%, auto and payroll loans increasing 2% and 4%** respectively, and **credit cards declining (4%)**.
- **Commercial and corporate loans resumed growth with a relevant 3% increase in the quarter, and government loans rose 4%**. Compared to 3Q20, **commercial loans were up 5%, corporate loans declined (7%)**, and the **government portfolio dropped (1%)**. Altogether, **total performing loans increased 2%** both quarterly and annually.
- **NPLs** dropped (Ps 1.25) billion or (11%) in the quarter, reflecting delinquency levels below internal forecasts. Hence, the **NPL ratio** improved to **1.2%** from a previous 1.4%.
- **Core Deposits dropped (2%)** during the quarter: **demand deposits were down (3%)**, whereas **time deposits remained unchanged**. Compared to 3Q20, demand deposits were up 2%, and time deposits declined (3%), totaling a **1% annual growth** in Core Deposits.
- **Capital strength, as well as adequate liquidity management** are top priorities for the Financial Group during this challenging global crisis; the **bank's total Capital Adequacy Ratio (CAR)** reached **21.86%**, **Core Equity Tier 1 (CET1)** **14.86%**, and **Liquidity Coverage Ratio 183.7%**, while **Leverage Ratio** stood at **11.61%**.

| Income Statement Highlights - GFNorte<br>(Million Pesos) | 3Q20         | 2Q21         | 3Q21           | Change    |               | 9M20          | 9M21           | Change<br>9M20 |
|--|--------------|--------------|----------------|-----------|---------------|---------------|----------------|----------------|
|  |              |              |                | 2Q21      | 3Q20          |               |                |                |
| Interest Income  | 33,341       | 31,274       | <b>33,271</b>  | 6%        | (0%)          | 102,917       | <b>97,109</b>  | (6%)           |
| Interest Expense   | 10,430       | 9,467        | <b>10,356</b>  | 9%        | (1%)          | 38,260        | <b>29,613</b>  | (23%)          |
| Technical Results (Insurance & Annuities)                | (2,310)      | (2,158)      | <b>(2,908)</b> | (35%)     | (26%)         | (1,405)       | <b>(7,838)</b> | (458%)         |
| Net Interest Income                                      | 20,601       | 19,649       | <b>20,007</b>  | 2%        | (3%)          | 63,252        | <b>59,658</b>  | (6%)           |
| Net Service Fees   | 3,096        | 3,289        | <b>3,457</b>   | 5%        | 12%           | 9,620         | <b>9,959</b>   | 4%             |
| Trading  | 1,128        | 840          | <b>1,116</b>   | 33%       | (1%)          | 3,996         | <b>2,920</b>   | (27%)          |
| Other Operating Income (Expenses)                        | 656          | 609          | <b>535</b>     | (12%)     | (18%)         | 2,124         | <b>1,967</b>   | (7%)           |
| Non Interest Income                                      | 4,880        | 4,739        | <b>5,108</b>   | 8%        | 5%            | 15,741        | <b>14,847</b>  | (6%)           |
| Total Income   | 25,481       | 24,388       | <b>25,115</b>  | 3%        | (1%)          | 78,992        | <b>74,505</b>  | (6%)           |
| Non Interest Expense                                     | 10,627       | 10,851       | <b>11,017</b>  | 2%        | 4%            | 31,400        | <b>32,751</b>  | 4%             |
| Provisions   | 3,138        | 2,765        | <b>2,653</b>   | (4%)      | (15%)         | 15,938        | <b>8,632</b>   | (46%)          |
| Operating Income   | 11,717       | 10,771       | <b>11,445</b>  | 6%        | (2%)          | 31,654        | <b>33,121</b>  | 5%             |
| Taxes  | 3,178        | 2,756        | <b>2,975</b>   | 8%        | (6%)          | 8,293         | <b>8,409</b>   | 1%             |
| Subsidiaries & Minority Interest                         | 368          | 553          | <b>404</b>     | (27%)     | 10%           | 1,180         | <b>1,275</b>   | 8%             |
| <b>Net Income</b>  | <b>8,906</b> | <b>8,568</b> | <b>8,874</b>   | <b>4%</b> | <b>(0.4%)</b> | <b>24,542</b> | <b>25,987</b>  | <b>6%</b>      |
| Balance Sheet Highlights - GFNorte<br>(Million Pesos)    | 3Q20         | 2Q21         | 3Q21           | Change    |               |               |                |                |
|  |              |              |                | 2Q21      | 3Q20          |               |                |                |
| Asset Under Management                                   | 2,981,568    | 3,101,420    | 3,157,683      | 2%        | 6%            |               |                |                |
| Performing Loans (a)                                     | 798,478      | 794,544      | 813,247        | 2%        | 2%            |               |                |                |
| Past Due Loans (b)                                       | 6,660        | 11,202       | 9,956          | (11%)     | 49%           |               |                |                |
| Total Loans (a+b)  | 805,138      | 805,746      | 823,204        | 2%        | 2%            |               |                |                |
| Total Loans Net (d)                                      | 787,473      | 787,571      | 805,906        | 2%        | 2%            |               |                |                |
| Acquired Collection Rights (e)                           | 1,341        | 1,421        | 1,260          | (11%)     | (6%)          |               |                |                |
| Total Credit Portfolio (d+e)                             | 788,814      | 788,992      | 807,166        | 2%        | 2%            |               |                |                |
| Total Assets   | 1,795,306    | 1,802,363    | 1,803,695      | 0%        | 0%            |               |                |                |
| Total Deposits   | 813,104      | 810,082      | 793,292        | (2%)      | (2%)          |               |                |                |
| Total Liabilities  | 1,577,935    | 1,573,041    | 1,566,755      | (0%)      | (1%)          |               |                |                |
| Equity   | 217,371      | 229,322      | 236,940        | 3%        | 9%            |               |                |                |
| Financial Ratios GFNorte                                 | 3Q20         | 2Q21         | 3Q21           |           |               | 9M20          | 9M21           |                |
| <b>Profitability:</b>                                    |              |              |                |           |               |               |                |                |
| NIM (1)  | 5.1%         | 4.8%         | <b>4.9%</b>    |           |               | 5.4%          | <b>4.9%</b>    |                |
| ROE (2)  | 16.9%        | 15.1%        | <b>15.4%</b>   |           |               | 16.2%         | <b>15.2%</b>   |                |
| ROA (3)  | 2.0%         | 1.9%         | <b>2.0%</b>    |           |               | 1.9%          | <b>1.9%</b>    |                |
| <b>Operation:</b>  |              |              |                |           |               |               |                |                |
| Efficiency Ratio (4)                                     | 41.7%        | 44.5%        | <b>43.9%</b>   |           |               | 39.8%         | <b>44.0%</b>   |                |
| Operating Efficiency Ratio (5)                           | 2.4%         | 2.4%         | <b>2.4%</b>    |           |               | 2.4%          | <b>2.4%</b>    |                |
| CCL Banorte and SOFOM - Basel III (6)                    | 193.6%       | 210.2%       | <b>183.7%</b>  |           |               | 193.6%        | <b>183.7%</b>  |                |
| <b>Asset Quality:</b>                                    |              |              |                |           |               |               |                |                |
| Past Due Loan Ratio                                      | 0.8%         | 1.4%         | <b>1.2%</b>    |           |               | 0.8%          | <b>1.2%</b>    |                |
| Coverage Ratio   | 265.2%       | 162.2%       | <b>173.7%</b>  |           |               | 265.2%        | <b>173.7%</b>  |                |
| Cost of Risk (7)   | 1.6%         | 1.4%         | <b>1.3%</b>    |           |               | 2.7%          | <b>1.4%</b>    |                |
| <b>Market References</b>                                 |              |              |                |           |               |               |                |                |
| Banxico Reference Rate                                   | 4.25%        | 4.25%        | <b>4.50%</b>   |           |               | 4.25%         | <b>4.50%</b>   |                |
| TIE 28 days (Average)                                    | 4.99%        | 4.29%        | <b>4.64%</b>   |           |               | 6.14%         | <b>4.43%</b>   |                |
| Exchange Rate Peso/Dólar (8)                             | 22.14        | 19.91        | <b>20.56</b>   |           |               | 22.91         | <b>20.30</b>   |                |

- 1) NIM= Annualized Net Interest Income / Average Earnings Assets.
- 2) Annualized earnings as a percentage of average quarterly equity over the period, minus minority interest, for the same period.
- 3) Annualized earnings as a percentage of average quarterly assets over the period, minus minority interest, for the same period.
- 4) Non-Interest Expense / Total Income
- 5) Annualized Non-Interest Expense / Average Total Assets.
- 6) Preliminary CCL calculation. To be updated upon publication of Banco de Mexico's official calculations.
- 7) Cost of Risk = Annualized Provisions / Average Total Loans.
- 8) The Exchange Rate Peso/Dollar for the semester is the average.

For more detail on Liquidity Coverage Ratio (LCR)

See Page. 25, 26 y 27 of the [Risk Management Report](#)

| Subsidiaries Net Income<br>(Million Pesos) | 3Q20         | 2Q21         | 3Q21         | Change    |             | 9M20          | 9M21          | Change<br>9M20 |
|--|--------------|--------------|--------------|-----------|-------------|---------------|---------------|----------------|
|  |              |              |              | 2Q21      | 3Q20        |               |               |                |
| Banco Mercantil del Norte                  | 6,518        | 6,408        | <b>6,706</b> | 5%        | 3%          | 16,197        | <b>18,984</b> | 17%            |
| Banorte- Ixe-Broker Dealer                 | 254          | 376          | <b>312</b>   | (17%)     | 23%         | 826           | <b>1,002</b>  | 21%            |
| Operadora de Fondos Banorte-Ixe            | 103          | 107          | <b>90</b>    | (16%)     | (12%)       | 310           | <b>304</b>    | (2%)           |
| Retirement Funds - Afore XXI Banorte       | 454          | 456          | <b>458</b>   | 0%        | 1%          | 1,398         | <b>1,310</b>  | (6%)           |
| Insurance                                  | 745          | 463          | <b>324</b>   | (30%)     | (57%)       | 3,375         | <b>1,645</b>  | (51%)          |
| Annuities                                  | 340          | 494          | <b>472</b>   | (4%)      | 39%         | 1,049         | <b>1,462</b>  | 39%            |
| BAP (Holding)                              | 8            | 9            | <b>12</b>    | 30%       | 47%         | 30            | <b>29</b>     | (4%)           |
| Other Finance Companies                    | 245          | 89           | <b>213</b>   | 140%      | (13%)       | 553           | <b>551</b>    | (0%)           |
| G. F. Banorte (Holding)                    | 238          | 166          | <b>287</b>   | 73%       | 20%         | 804           | <b>700</b>    | (13%)          |
| <b>Total Net Income</b>                    | <b>8,906</b> | <b>8,568</b> | <b>8,874</b> | <b>4%</b> | <b>(0%)</b> | <b>24,542</b> | <b>25,987</b> | <b>6%</b>      |

| Share Data                                | 3Q20    | 2Q21    | 3Q21           | Change |      | 9M20    | 9M21           | Change<br>9M20 |
|---|---------|---------|----------------|--------|------|---------|----------------|----------------|
|   |         |         |                | 2Q21   | 3Q20 |         |                |                |
| Earnings per share (Pesos)                | 3.089   | 2.971   | <b>3.078</b>   | 4%     | (0%) | 8.511   | <b>9.012</b>   | 6%             |
| Earnings per share Basic (Pesos)          | 3.132   | 3.002   | <b>3.111</b>   | 4%     | (1%) | 8.601   | <b>9.108</b>   | 6%             |
| Dividend per Share for the period (Pesos) | 0.00    | 3.17    | <b>0.00</b>    | (100%) | N.A. | 0.00    | <b>3.17</b>    | N.A.           |
| Payout for the period                     | 0.0%    | 25.0%   | <b>0.0%</b>    | (100%) | N.A. | 0.0%    | <b>25.0%</b>   | N.A.           |
| Book Value per Share (Pesos)              | 74.44   | 78.48   | <b>81.17</b>   | 3%     | 9%   | 74.44   | <b>81.17</b>   | 9%             |
| Outstanding Shares - BMV (Million)        | 2,883.5 | 2,883.5 | <b>2,883.5</b> | 0%     | 0%   | 2,883.5 | <b>2,883.5</b> | 0%             |
| Stock Price (Pesos)                       | 76.62   | 128.76  | <b>132.57</b>  | 3%     | 73%  | 76.62   | <b>132.57</b>  | 73%            |
| P/BV (Times)                              | 1.03    | 1.64    | <b>1.63</b>    | (0%)   | 59%  | 1.03    | <b>1.63</b>    | 59%            |
| Market Capitalization (Million Dollars)   | 9,977   | 18,651  | <b>18,590</b>  | (0%)   | 86%  | 9,977   | <b>18,590</b>  | 86%            |
| Market Capitalization (Million Pesos)     | 220,930 | 371,274 | <b>382,260</b> | 3%     | 73%  | 220,930 | <b>382,260</b> | 73%            |

### Share performance





## II. Management's Discussion & Analysis

This report contains references to recurring figures which are related to usual business activities excluding the effect of additional provisions and anticipated write-offs related to COVID-19 in 2Q20 and 4Q20.

For comparison purposes, it is important to consider that GFNorte holds a 98.2618% ownership of the Bank; therefore, some figures may vary as they refer to the Group or the Bank.

| Net Interest Income (NII)<br>(Million Pesos)      | 3Q20           | 2Q21           | 3Q21             | Change       |              | 9M20           | 9M21             | Change<br>9M20 |
|---|----------------|----------------|------------------|--------------|--------------|----------------|------------------|----------------|
|   |                |                |                  | 2Q21         | 3Q20         |                |                  |                |
| Interest Income                                   | 28,508         | 26,783         | <b>28,216</b>    | 5%           | (1%)         | 92,411         | <b>81,808</b>    | (11%)          |
| Interest Expense                                  | 10,149         | 9,155          | <b>10,021</b>    | 9%           | (1%)         | 37,418         | <b>28,651</b>    | (23%)          |
| Loan Origination Fees                             | 354            | 362            | <b>377</b>       | 4%           | 6%           | 1,061          | <b>1,092</b>     | 3%             |
| Fees Paid   | 281            | 313            | <b>335</b>       | 7%           | 19%          | 842            | <b>962</b>       | 14%            |
| <b>NII excluding Insurance and Annuities Co.</b>  | <b>18,432</b>  | <b>17,678</b>  | <b>18,237</b>    | <b>3%</b>    | <b>(1%)</b>  | <b>55,212</b>  | <b>53,286</b>    | <b>(3%)</b>    |
| Premium Income (Net)                              | 7,385          | 8,602          | <b>10,319</b>    | 20%          | 40%          | 27,658         | <b>34,261</b>    | 24%            |
| Technical Reserves                                | 4,262          | 4,983          | <b>7,071</b>     | 42%          | 66%          | 13,425         | <b>23,070</b>    | 72%            |
| Damages, Claims and Other Obligations             | 5,433          | 5,777          | <b>6,157</b>     | 7%           | 13%          | 15,638         | <b>19,030</b>    | 22%            |
| <b>Technical Results</b>                          | <b>(2,310)</b> | <b>(2,158)</b> | <b>(2,908)</b>   | <b>(35%)</b> | <b>(26%)</b> | <b>(1,405)</b> | <b>(7,838)</b>   | <b>(458%)</b>  |
| Interest Income (Expenses) net                    | 4,479          | 4,128          | 4,678            | 13%          | 4%           | 9,445          | 14,210           | 50%            |
| <b>Insurance and Annuities NII</b>                | <b>2,169</b>   | <b>1,971</b>   | <b>1,770</b>     | <b>(10%)</b> | <b>(18%)</b> | <b>8,040</b>   | <b>6,371</b>     | <b>(21%)</b>   |
| <b>GFNORTE's NII</b>                              | <b>20,601</b>  | <b>19,649</b>  | <b>20,007</b>    | <b>2%</b>    | <b>(3%)</b>  | <b>63,252</b>  | <b>59,658</b>    | <b>(6%)</b>    |
| Credit Provisions                                 | 3,138          | 2,765          | <b>2,653</b>     | (4%)         | (15%)        | 15,938         | <b>8,632</b>     | (46%)          |
| <b>NII Adjusted for Credit Risk</b>               | <b>17,463</b>  | <b>16,883</b>  | <b>17,354</b>    | <b>3%</b>    | <b>(1%)</b>  | <b>47,314</b>  | <b>51,025</b>    | <b>8%</b>      |
| Average Earning Assets                            | 1,615,282      | 1,643,243      | <b>1,636,200</b> | (0%)         | 1%           | 1,548,235      | <b>1,638,280</b> | 6%             |
| <b>Net Interest Margin (1)</b>                    | 5.1%           | 4.8%           | <b>4.9%</b>      |              |              | 5.4%           | <b>4.9%</b>      |                |
| <b>NIM after Provisions (2)</b>                   | 4.3%           | 4.1%           | <b>4.2%</b>      |              |              | 4.1%           | <b>4.2%</b>      |                |
| <b>NIM adjusted w/o Insurance &amp; Annuities</b> | 5.2%           | 4.9%           | <b>5.1%</b>      |              |              | 5.4%           | <b>5.0%</b>      |                |
| <b>NIM from loan portfolio (3)</b>                | 7.9%           | 7.6%           | <b>7.8%</b>      |              |              | 8.1%           | <b>7.6%</b>      |                |

1) NIM = Annualized Net Interest Income / Average Interest Earnings Assets.

2) NIM = Annualized Net Interest Income adjusted by Loan Loss Provisions / Average Interest Earnings Assets.

3) NIM = Annualized Net Interest Income from loans / Average Performing Loans

### Net Interest Income

**NII excluding Insurance and Annuities increased 3%** during the quarter, as a result of a 4% increase in NII from the loan portfolio given the expansion of the portfolio and the controlled cost of funds; reflecting in turn a 34bps increase in the 28-day TIIE average rate. On the other hand, higher income from repurchase agreements offset reductions in valuations due to a 3% higher peso-dollar exchange rate. **NIM from the loan portfolio** improved 20bps in the quarter reaching 7.8%, whereas **adjusted NIM excluding Insurance and Annuities** increased 21bps to **5.1%** in 3Q21.

Compared to 9M20, **NII excluding Insurance and Annuities** was down **(3%)** in the year, mainly driven by the (171bps) reduction in the average reference rate (TIIE28d), which went from 6.14% to 4.43% during the period, this was partially offset by lower cost of funds as **interest expense declined (23%)**. **NIM of the loan portfolio dropped (53bps)** in 9M21 to **7.6%** and **NIM excluding Insurance and Annuities**, declined (38bps) to **5.0%** in 9M21.

**NII from Insurance and Annuities** had a **(10%)** sequential decline due to a 42% increase in technical reserves, mainly in Annuities due to the inflation update, in addition to a 7% rise in claims, mostly from Insurance. Compared to 9M20, NII from **Insurance and Annuities dropped (21%)**. Despite a 24% higher premium income mostly due to the Annuities business, **higher** claims and technical reserves from the Covid-19 pandemic are still stressing the bottom line. Reserves increased 72% mainly driven by an update in reserves from the Annuities business, as well as by higher premiums.

Overall, GFNorte's **net interest income increased 2% during the quarter** and **decreased (6%)** annually vs. 9M20. **NIM increased 11bps during the quarter and dropped (59bps) annually** ending at **4.9%**, in line with the 25bps hike in the reference rate, which ended the quarter at 4.50% (4.75% as of October 1, 2021).

For more detail on Margin Sensitivity (Bank):

- 1) Refer to page. 28 of the [Risk Management Report](#)



## Loan Loss Provisions

Compared to the previous quarter, total **provisions were down (4%)**, mainly by a lower non-performing loan portfolio and high prepayments in the corporate portfolio.

From the Ps 2.65 billion provisions recorded in the quarter, 52% correspond to new loans, and the rest to risk and portfolio variations.

Compared to 9M20, accumulated provisions were (46%) lower than the previous year. However, even if no additional anticipated reserves of Ps 3,000 million and anticipated write-offs of Ps 1,868 million had been established during 2Q20, the decrease would have still been (22%).

| Credit Provisions<br>(Million Pesos) | 3Q20         | 2Q21         | 3Q21         | Change      |              | 9M20          | 9M21           | Change<br>9M20 |
|--------------------------------------|--------------|--------------|--------------|-------------|--------------|---------------|----------------|----------------|
|                                      |              |              |              | 2Q21        | 3Q20         |               |                |                |
| Commercial, Corporate & Government   | 236          | 305          | 580          | 90%         | 146%         | 3,692         | <b>1,024</b>   | (72%)          |
| Consumer                             | 2,997        | 2,778        | 2,927        | 5%          | (2%)         | 9,353         | <b>8,893</b>   | (5%)           |
| Charge offs and discounts            | (95)         | (317)        | (855)        | (170%)      | (799%)       | (107)         | <b>(1,284)</b> | (1101%)        |
| Additional Provisions                | -            | -            | -            | N.A.        | N.A.         | 3,000         | -              | (100%)         |
| <b>Credit Provisions</b>             | <b>3,138</b> | <b>2,765</b> | <b>2,653</b> | <b>(4%)</b> | <b>(15%)</b> | <b>15,938</b> | <b>8,632</b>   | <b>(46%)</b>   |

For more detail on Internal Credit Risk Models:

- 1) Page. 16 to 18, and from 35 to 37 of the [Risk Management Report](#)

**Cost of risk for the quarter improved (7bps) sequentially ending at 1.3%, and a (126bps) improvement in 9M21 ending at 1.4%**, below historical levels derived from lower reserve requirements, provisions, and anticipated write-offs in 2020.

## Non-Interest Income

| Non-Interest Income<br>(Million Pesos) | 3Q20         | 2Q21         | 3Q21         | Change    |           | 9M20          | 9M21          | Change<br>9M20 |
|--|--------------|--------------|--------------|-----------|-----------|---------------|---------------|----------------|
|  |              |              |              | 2Q21      | 3Q20      |               |               |                |
| Net Service Fees                       | 3,096        | 3,289        | <b>3,457</b> | 5%        | 12%       | 9,620         | <b>9,959</b>  | 4%             |
| Trading                                | 1,128        | 840          | <b>1,116</b> | 33%       | (1%)      | 3,996         | <b>2,920</b>  | (27%)          |
| Other Operating Income (Expenses)      | 656          | 609          | <b>535</b>   | (12%)     | (18%)     | 2,124         | <b>1,967</b>  | (7%)           |
| <b>Non-Interest Income</b>             | <b>4,880</b> | <b>4,739</b> | <b>5,108</b> | <b>8%</b> | <b>5%</b> | <b>15,741</b> | <b>14,847</b> | <b>(6%)</b>    |

**Non-interest income improved 8%** in the quarter, mainly driven by the recovery in Net Service Fees which grew 5% in the quarter, as well as higher trading income.

## Service Fees

| Service Fees<br>(Million Pesos)     | 3Q20         | 2Q21         | 3Q21         | Change      |            | 9M20          | 9M21          | Change<br>9M20 |
|-------------------------------------|--------------|--------------|--------------|-------------|------------|---------------|---------------|----------------|
|                                     |              |              |              | 2Q21        | 3Q20       |               |               |                |
| Fund Transfers                      | 489          | 530          | 517          | (2%)        | 6%         | 1,365         | 1,521         | 11%            |
| Account Management Fees             | 548          | 491          | 481          | (2%)        | (12%)      | 1,634         | 1,466         | (10%)          |
| Electronic Banking Services         | 2,379        | 3,212        | 3,246        | 1%          | 36%        | 6,742         | 9,374         | 39%            |
| Basic Banking Services Fees         | 3,415        | 4,233        | 4,245        | 0%          | 24%        | 9,742         | 12,361        | 27%            |
| For Commercial and Mortgage Loans * | 129          | 278          | 329          | 18%         | 155%       | 1,018         | 902           | (11%)          |
| For Consumer Loans                  | 1,148        | 1,263        | 1,307        | 3%          | 14%        | 3,439         | 3,734         | 9%             |
| Fiduciary *                         | 113          | 177          | 136          | (23%)       | 21%        | 333           | 419           | 26%            |
| Income from Real Estate Portfolios  | 6            | 23           | 24           | 7%          | 318%       | 22            | 56            | 151%           |
| Mutual Funds                        | 501          | 503          | 507          | 1%          | 1%         | 1,448         | 1,494         | 3%             |
| Trading & Financial Advisory Fees   | 128          | 166          | 137          | (18%)       | 7%         | 400           | 491           | 23%            |
| Other Fees Charged (1)              | 268          | 42           | 51           | 20%         | (81%)      | 825           | 343           | (58%)          |
| <b>Fees Charged on Services</b>     | <b>5,708</b> | <b>6,685</b> | <b>6,736</b> | <b>1%</b>   | <b>18%</b> | <b>17,229</b> | <b>19,801</b> | <b>15%</b>     |
| Interchange Fees                    | 1,228        | 1,911        | 1,923        | 1%          | 57%        | 3,473         | 5,459         | 57%            |
| Insurance Fees                      | 317          | 236          | 295          | 25%         | (7%)       | 1,143         | 871           | (24%)          |
| Other Fees Paid                     | 1,066        | 1,248        | 1,062        | (15%)       | (0%)       | 2,992         | 3,511         | 17%            |
| <b>Fees Paid on Services</b>        | <b>2,611</b> | <b>3,396</b> | <b>3,279</b> | <b>(3%)</b> | <b>26%</b> | <b>7,608</b>  | <b>9,842</b>  | <b>29%</b>     |
| <b>Net Service Fees</b>             | <b>3,096</b> | <b>3,289</b> | <b>3,457</b> | <b>5%</b>   | <b>12%</b> | <b>9,620</b>  | <b>9,959</b>  | <b>4%</b>      |

1) Includes fees from transactions with pension funds, warehousing services, financial advisory services, and securities trading, among others.

**Fees charged on services increased 1% sequentially**, resulting from the recovery in fees from consumer loan origination. Compared to 9M20, commissions for services grew 15% due to the lower comparable base reflecting the effects of the pandemic, and with an evident recovery in commissions from consumer loans.

**Fees paid on services were down (3%) sequentially** on lower loan origination fees, while with accumulated figures for **9M21 they were up 29%** due to higher Interchange fees (as a result of better dynamics in the acquiring business), an increase in auto and mortgage loan origination, and an increase in fees paid from guarantees.

Altogether, **net service fees were up 5%** vs. the previous quarter, and **4%** above 9M20.

## Trading

| Trading Income<br>(Million Pesos) | 3Q20         | 2Q21         | 3Q21         | Change        |               | 9M20         | 9M21         | Change<br>9M20 |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|--------------|--------------|----------------|
|                                   |              |              |              | 2Q21          | 3Q20          |              |              |                |
| Currency and Metals               | (309)        | (453)        | 357          | 179%          | 216%          | 425          | 479          | 13%            |
| Derivatives                       | 531          | 164          | 123          | (25%)         | (77%)         | 433          | 398          | (8%)           |
| Negotiable Instruments            | 80           | 122          | 636          | 421%          | 698%          | (198)        | 179          | 190%           |
| <b>Valuation</b>                  | <b>302</b>   | <b>(167)</b> | <b>1,116</b> | <b>767%</b>   | <b>270%</b>   | <b>660</b>   | <b>1,056</b> | <b>60%</b>     |
| Currency and Metals               | 464          | 838          | 399          | (52%)         | (14%)         | 376          | 2,001        | 432%           |
| Derivatives                       | 2            | (10)         | (121)        | (1160%)       | N.A.          | 1,422        | (126)        | (109%)         |
| Negotiable Instruments            | 359          | 180          | (278)        | (254%)        | (177%)        | 1,538        | (11)         | (101%)         |
| <b>Trading</b>                    | <b>826</b>   | <b>1,008</b> | <b>0</b>     | <b>(100%)</b> | <b>(100%)</b> | <b>3,336</b> | <b>1,865</b> | <b>(44%)</b>   |
| <b>Trading Income</b>             | <b>1,128</b> | <b>840</b>   | <b>1,116</b> | <b>33%</b>    | <b>(1%)</b>   | <b>3,996</b> | <b>2,920</b> | <b>(27%)</b>   |

**Trading income** increased sequentially but reflected an annual (1%) contraction vs. 3Q20, and down (27%) vs. 9M20 due to the combined effect of positive valuation and lower transactions.

## Other Operating Income (Expenses)

| Other Operating Income (Expenses)<br>(Million Pesos) | 3Q20       | 2Q21       | 3Q21       | Change       |              | 9M20         | 9M21         | Change<br>9M20 |
|--|------------|------------|------------|--------------|--------------|--------------|--------------|----------------|
|  |            |            |            | 2Q21         | 3Q20         |              |              |                |
| Loan Portfolios                                      | 90         | 85         | 91         | 7%           | 2%           | 233          | 275          | 18%            |
| Income from Foreclosed Assets                        | 165        | 132        | 87         | (34%)        | (47%)        | 385          | 307          | (20%)          |
| Impairment of Assets                                 | -          | -          | -          | N.A.         | N.A.         | (55)         | -            | 100%           |
| Lease Income   | 11         | 57         | 45         | (21%)        | 320%         | 188          | 165          | (12%)          |
| From Insurance                                       | 198        | 195        | 252        | 29%          | 27%          | 731          | 722          | (1%)           |
| Securitization Operation Valuation Result            | 15         | 0          | -          | (100%)       | (100%)       | 52           | 0            | (100%)         |
| Others   | 178        | 141        | 60         | (57%)        | (66%)        | 590          | 499          | (16%)          |
| <b>Other Operating Income (Expenses)</b>             | <b>656</b> | <b>609</b> | <b>535</b> | <b>(12%)</b> | <b>(18%)</b> | <b>2,124</b> | <b>1,967</b> | <b>(7%)</b>    |

**Other Operating Income (expenses) declined (12%)** in the quarter and (7%) against 9M21 in both cases explained by lower Income from Foreclosed Assets and Others.

## Non-Interest Expense

| Non-Interest Expense<br>(Million Pesos)               | 3Q20          | 2Q21          | 3Q21          | Change    |           | 9M20          | 9M21          | Change<br>9M20 |
|---|---------------|---------------|---------------|-----------|-----------|---------------|---------------|----------------|
|   |               |               |               | 2Q21      | 3Q20      |               |               |                |
| Personnel   | 4,037         | 4,273         | 4,368         | 2%        | 8%        | 11,857        | 12,647        | 7%             |
| Professional Fees                                     | 861           | 808           | 820           | 1%        | (5%)      | 2,411         | 2,433         | 1%             |
| Administrative and Promotional                        | 2,075         | 1,914         | 1,982         | 4%        | (4%)      | 6,489         | 6,119         | (6%)           |
| Rents, Depreciation & Amortization                    | 2,074         | 2,240         | 2,237         | (0%)      | 8%        | 6,068         | 6,720         | 11%            |
| Taxes other than income tax & non deductible expenses | 496           | 589           | 581           | (1%)      | 17%       | 1,478         | 1,723         | 17%            |
| Contributions to IPAB                                 | 951           | 889           | 889           | (0%)      | (7%)      | 2,699         | 2,691         | (0%)           |
| Employee Profit Sharing (PTU)                         | 133           | 139           | 141           | 1%        | 6%        | 398           | 419           | 5%             |
| <b>Non-Interest Expense</b>                           | <b>10,627</b> | <b>10,851</b> | <b>11,017</b> | <b>2%</b> | <b>4%</b> | <b>31,400</b> | <b>32,751</b> | <b>4%</b>      |

**Non-interest expenses increased 1.5%** sequentially, primarily due to higher personnel and administrative expenses. Compared to **9M21, they were up 4%** in line with internal estimations. The main changes of the latter were higher personnel expenses and amortization of capitalized projects. Thus, **efficiency ratio for the quarter stood at 43.9%** improving (63bps) sequentially, reaching 44.0% for 9M21.

## Net Income

| Net Income<br>(Million Pesos) | 3Q20          | 2Q21          | 3Q21          | Change    |             | 9M20          | 9M21          | Change<br>9M20 |
|-------------------------------|---------------|---------------|---------------|-----------|-------------|---------------|---------------|----------------|
|                               |               |               |               | 2Q21      | 3Q20        |               |               |                |
| <b>Operating Income</b>       | <b>11,717</b> | <b>10,771</b> | <b>11,445</b> | <b>6%</b> | <b>(2%)</b> | <b>31,654</b> | <b>33,121</b> | <b>5%</b>      |
| Subsidiaries' Net Income      | 492           | 675           | 532           | (21%)     | 8%          | 1,493         | 1,636         | 10%            |
| <b>Pre-Tax Income</b>         | <b>12,208</b> | <b>11,446</b> | <b>11,977</b> | <b>5%</b> | <b>(2%)</b> | <b>33,147</b> | <b>34,757</b> | <b>5%</b>      |
| Taxes                         | 3,178         | 2,756         | 2,975         | 8%        | (6%)        | 8,293         | 8,409         | 1%             |
| Discontinued Operations       | -             | -             | -             | N.A.      | N.A.        | -             | -             | N.A.           |
| Minority Interest             | (124)         | (122)         | (128)         | (4%)      | (3%)        | (313)         | (361)         | (16%)          |
| <b>Net Income</b>             | <b>8,906</b>  | <b>8,568</b>  | <b>8,874</b>  | <b>4%</b> | <b>(0%)</b> | <b>24,542</b> | <b>25,987</b> | <b>6%</b>      |

**Net Operating Income increased 6%** in the quarter, reflecting sound results of the bank, but still reflecting the impact on the insurance technical result brought by the COVID-19 contingency. In the annual comparison, it decreased (2%) and with accumulated figures for **9M21 it grew 5%**, benefiting from a lower comparative base which reflects the creation of additional reserves in 2Q20.

**Taxes increased 8% compared to 2Q21**, and 1% compared to 9M20, generating an effective tax rate of 24.8% in 3Q21.

**Earnings per share** for the quarter totaled **Ps 3.078**.

## Profitability

|   | 3Q20         | 2Q21         | 3Q21         | 9M20         | 9M21         |
|---|--------------|--------------|--------------|--------------|--------------|
| <b>ROE</b>                              | <b>16.9%</b> | <b>15.1%</b> | <b>15.4%</b> | <b>16.2%</b> | <b>15.2%</b> |
| Goodwill & Intangibles (billion pesos)  | 39.2         | 54.4         | 54.5         | 39.2         | 54.5         |
| Average Tangible Equity (billion pesos) | 156.7        | 180.7        | 180.4        | 156.7        | 180.4        |
| <b>ROTE</b>                             | <b>20.9%</b> | <b>19.1%</b> | <b>20.2%</b> | <b>20.9%</b> | <b>19.2%</b> |

In the quarter, the **ROE** improved 31bps reaching 15.4%. Compared to 9M20, the ROE was down (94bps), reaching **15.2%**. ROE continues to reflect capital accumulation, until dividend payments are fully resumed.

**ROTE improved 113bps in the quarter and reached 20.2%** due to a larger numerator effect, while ROTE for 9M21 declined (168bps) by higher tangible equity due to the reclassification of some accounts in 2Q21 corresponding to the reclassification of the core software from the Bank.

|  | 3Q20        | 2Q21        | 3Q21        | 9M20        | 9M21        |
|--|-------------|-------------|-------------|-------------|-------------|
| <b>ROA</b>                                   | <b>2.0%</b> | <b>1.9%</b> | <b>2.0%</b> | <b>1.9%</b> | <b>1.9%</b> |
| Average Risk Weighted Assets (billion pesos) | 856.1       | 894.0       | 879.8       | 856.1       | 879.8       |
| <b>RRWA</b>                                  | <b>3.9%</b> | <b>3.6%</b> | <b>3.6%</b> | <b>3.9%</b> | <b>3.6%</b> |

The **ROA** increased 7bps and stood at **2.0%** in 3Q21. ROA as of 9M21 stood stable at 1.9%.

## Deposits

| Deposits<br>(Million Pesos)          | 3Q20             | 2Q21             | 3Q21             | Change |       |
|--------------------------------------|------------------|------------------|------------------|--------|-------|
|                                      |                  |                  |                  | 2Q21   | 3Q20  |
| Non-Interest Bearing Demand Deposits | 308,843          | 344,653          | <b>353,815</b>   | 3%     | 15%   |
| Interest Bearing Demand Deposits     | 200,234          | 192,348          | <b>165,569</b>   | (14%)  | (17%) |
| <b>Total Dem and Deposits</b>        | <b>509,077</b>   | <b>537,001</b>   | <b>519,385</b>   | (3%)   | 2%    |
| <b>Time Deposits – Retail</b>        | <b>219,636</b>   | <b>213,819</b>   | <b>213,598</b>   | (0%)   | (3%)  |
| <b>Core Deposits</b>                 | <b>728,713</b>   | <b>750,820</b>   | <b>732,983</b>   | (2%)   | 1%    |
| <b>Money Market</b>                  | <b>105,423</b>   | <b>64,569</b>    | <b>66,400</b>    | 3%     | (37%) |
| <b>Total Bank Deposits</b>           | <b>834,137</b>   | <b>815,389</b>   | <b>799,383</b>   | (2%)   | (4%)  |
| <b>GFNorte's Total Deposits</b>      | <b>813,104</b>   | <b>810,082</b>   | <b>793,292</b>   | (2%)   | (2%)  |
| <b>Third Party Deposits</b>          | <b>181,291</b>   | <b>235,688</b>   | <b>275,639</b>   | 17%    | 52%   |
| <b>Total Assets Under Management</b> | <b>1,015,428</b> | <b>1,051,077</b> | <b>1,075,022</b> | 2%     | 6%    |

**Core deposits dropped (2%)** in the quarter, driven by a reduction in interest-bearing demand deposits. When compared to 3Q20, core deposits **increased 1%** due to higher non-interest bearing demand deposits; both cases explained by strategic efforts to improve the cost of deposits.

**Money market operations and securities issued increased 3% in the quarter** and decreased (37%) annually. Altogether, **GFNorte's Total Bank Deposits** dropped (2%) in the quarter and (4%) in the year.

## Loans

| Performing Loan Portfolio<br>(Million Pesos) | 3Q20           | 2Q21           | 3Q21           | Change    |             |
|--|----------------|----------------|----------------|-----------|-------------|
|  |                |                |                | 2Q21      | 3Q20        |
| Mortgages                                    | 182,685        | 196,125        | <b>197,737</b> | 1%        | 8%          |
| Auto Loans                                   | 27,394         | 28,138         | <b>27,914</b>  | (1%)      | 2%          |
| Credit Card                                  | 38,585         | 36,334         | <b>37,065</b>  | 2%        | (4%)        |
| Payroll                                      | 52,342         | 53,850         | <b>54,532</b>  | 1%        | 4%          |
| <b>Consumer</b>                              | <b>301,005</b> | <b>314,447</b> | <b>317,247</b> | <b>1%</b> | <b>5%</b>   |
| <b>Commercial</b>                            | <b>188,237</b> | <b>193,287</b> | <b>198,258</b> | <b>3%</b> | <b>5%</b>   |
| <b>Corporate</b>                             | <b>146,626</b> | <b>132,162</b> | <b>136,343</b> | <b>3%</b> | <b>(7%)</b> |
| <b>Government</b>                            | <b>162,609</b> | <b>154,649</b> | <b>161,400</b> | <b>4%</b> | <b>(1%)</b> |
| <b>Total</b>                                 | <b>798,478</b> | <b>794,544</b> | <b>813,247</b> | <b>2%</b> | <b>2%</b>   |

Further detail on Performing, Past due and Distressed loan portfolios in the [Risk Management Report](#):

- 1) displayed by Sector and Subsidiary, page 9
- 2) displayed by Federal Entities and Subsidiary, page 10
- 3) displayed by Remaining Term, page 10

The performing loan portfolio is recovering after moderate growth in the previous quarters, showing an evident but gradual reactivation in the different sectors of the economy. The performing loan portfolio **grew 2%** in the quarter and annually, which reflects greater dynamism in consumer and commercial portfolios, as anticipated.

**Consumer loans** grew **1% in the quarter** and **5% in the year**, in which the mortgage portfolio stood out with an 8% annual growth, followed by a 4% increase in the payroll portfolio and a 2% increase in the auto loan portfolio. Regarding **credit cards**, they had a decent **2% increase in the quarter**, reflecting the economic reactivation, although the annual comparison still registers a (4%) reduction. The **commercial portfolio**, reflects better dynamics, growing **3% sequentially** and 5% annually, while the **corporate and government portfolios** had a sequential reactivation, but still lag compared to the annual comparison.

Within the commercial portfolio, **SMEs loans** marginally increased compared to the previous period, and declined (1%) vs. 3Q20. NPL ratio improved (90bps) in the quarter ending at 2.5%.

| SME's Loans<br>(Million Pesos)              | 3Q20   | 2Q21   | 3Q21   | Change  |          |
|---|--------|--------|--------|---------|----------|
|   |        |        |        | 2Q21    | 3Q20     |
| <b>Performing Portfolio</b>                 | 37,237 | 36,616 | 36,717 | 0%      | (1%)     |
| <b>% of Performing Commercial Portfolio</b> | 19.8%  | 18.9%  | 18.5%  | (42 bp) | (126 bp) |
| <b>% of Total Performing Portfolio</b>      | 4.7%   | 4.6%   | 4.5%   | (9 bp)  | (15 bp)  |
| <b>NPL Ratio</b>                            | 1.9%   | 3.4%   | 2.5%   | (90 bp) | 60 bp    |

**The corporate portfolio** grew 3% vs. the previous quarter due to the reactivation of certain economic sectors, and declined (7%) annually mainly because of relevant prepayments given current market conditions. GFNorte's corporate loan book is well diversified by industry and by region, showing low concentration risk. The 20 main private sector corporate borrowers accounted for 21.7% of the group's total portfolio. The group's largest corporate exposure represented 1.0% of the total performing book, whereas number 20 represented 0.4%. Out of these 20 borrowers, all 20 corporates have an A1 credit rating.

**The infrastructure book** was slightly down by Ps. (103) million and down **Ps. (2.41) billion** or **(5%)** compared to 3Q20.

| Infrastructure Loans<br>(Million Pesos) | 3Q20   | 2Q21   | 3Q21   | Change  |       |
|---|--------|--------|--------|---------|-------|
|   |        |        |        | 2Q21    | 3Q20  |
| Performing Portfolio                    | 48,746 | 46,433 | 46,330 | (0%)    | (5%)  |
| % of Total Performing Portfolio         | 5.7%   | 5.8%   | 5.7%   | (15 bp) | 1 bp  |
| NPL Ratio                               | 0.6%   | 1.3%   | 1.3%   | (1 bp)  | 70 bp |

The **government book** totaled **Ps 161.40 billion, 4% above the previous quarter** and (1%) below annually. GFNorte's government portfolio is well diversified by region, showing adequate concentration risk, given that 36.5% of the portfolio is Federal Government exposure and 96.8% of municipal and state government loans are backed by fiduciary guarantees.

#### Market share position (using CNBV records as of August 2021):

The system's tendency reflects overall improvement but still keeps a (3.3%) decline in annual growth. **Banorte's performing loan portfolio rose 0.05%**, and gained **51bps** in market share **in the year**, reaching 15.0%.

- **Mortgages:** Banorte holds a 19.4% market share, slightly **down (10bps) annually**, but holding on to second place in the system. **Credit Cards:** Banorte holds a **10.3% market share, reducing (19bps)** in the year.
- **Auto Loans:** The market reflects a general slowdown regarding new cars sales. However, Banorte **increased its market share by 118bps** to 19.5%, keeping its second position in the market.
- **Payroll Loans:** Banorte holds a 20.5% market share, up 23bps in the year, ranking second in the market.
- **Commercial:** Market share totaled 11.8%, including corporate and SMEs according to the CNBV classification. Market share went **up 100bps** in the last 12 months, ranking third in the system.
- **Government:** Banorte's market share **dropped** (404bps) to 25.8%, still ranking second in the banking system.

## Past Due Loans

**In the quarter, Past due loans decreased by (Ps 1.25) billion**, mainly driven by corporates and credit cards.

| Past Due Loans<br>(Million Pesos) | 3Q20         | 2Q21          | 3Q21         | Change         |              |
|-----------------------------------|--------------|---------------|--------------|----------------|--------------|
|                                   |              |               |              | 2Q21           | 3Q20         |
| Credit Cards                      | 1,246        | 1,879         | <b>1,485</b> | (394)          | 239          |
| Payroll                           | 910          | 1,364         | <b>1,452</b> | 89             | 542          |
| Auto Loans                        | 194          | 308           | <b>254</b>   | (54)           | 60           |
| Mortgages                         | 1,811        | 1,966         | <b>2,135</b> | 169            | 325          |
| Commercial                        | 1,768        | 3,779         | <b>3,914</b> | 135            | 2,146        |
| Corporate                         | 444          | 1,719         | <b>558</b>   | (1,162)        | 114          |
| Government                        | 288          | 186           | <b>159</b>   | (27)           | (129)        |
| <b>Total</b>                      | <b>6,660</b> | <b>11,202</b> | <b>9,956</b> | <b>(1,246)</b> | <b>3,296</b> |

**NPL ratio** decreased (18bps) to **1.2%**, still below normal pre-pandemic levels of around 1.8%. Compared to the same period in 2020, it rose 38bps.

| Past Due Loans Ratios | 3Q20        | 4Q20        | 1Q21        | 2Q21        | 3Q21        |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| Credit Cards          | 3.1%        | 7.8%        | 7.2%        | 4.9%        | <b>3.9%</b> |
| Payroll               | 1.7%        | 2.7%        | 2.9%        | 2.5%        | <b>2.6%</b> |
| Auto Loans            | 0.7%        | 0.6%        | 1.3%        | 1.1%        | <b>0.9%</b> |
| Mortgages             | 1.0%        | 0.9%        | 1.1%        | 1.0%        | <b>1.1%</b> |
| Commercial            | 0.9%        | 1.2%        | 1.7%        | 1.9%        | <b>1.9%</b> |
| SMEs                  | 1.9%        | 2.0%        | 3.4%        | 3.4%        | <b>2.5%</b> |
| Commercial            | 0.7%        | 1.0%        | 1.3%        | 1.6%        | <b>1.8%</b> |
| Corporate             | 0.3%        | 0.1%        | 0.2%        | 1.3%        | <b>0.4%</b> |
| Government            | 0.2%        | 0.0%        | 0.1%        | 0.1%        | <b>0.1%</b> |
| <b>Total</b>          | <b>0.8%</b> | <b>1.1%</b> | <b>1.3%</b> | <b>1.4%</b> | <b>1.2%</b> |

**Expected loss for Banco Mercantil del Norte**, the group's largest subsidiary, was 1.7%, and the unexpected loss was 3.9%, both with respect to the total portfolio as of 3Q21. In 2Q21 these same ratios were 1.9% and 3.9%, respectively, and they were 1.7% and 4.1% twelve months ago. In addition, Banco Mercantil del Norte's **Net Credit Losses (NCL)**, including write-offs, was 1.8%, down (7bps) compared to 2Q21.

Quarterly changes in accounts that affect Non-performing Loan balance for the Financial Group were:

| Past Due Loan Variations                         |               |
|--|---------------|
| <i>(Million Pesos)</i>                           |               |
| <b>Balance as of June' 2021</b>                  | <b>11,202</b> |
| Transfer from Performing Loans to Past Due Loans | 6,633         |
| Portfolio Purchase                               | -             |
| Renewals   | (160)         |
| Settlements                                      | (2,242)       |
| Discounts  | (290)         |
| Charge Offs                                      | (3,726)       |
| Foreclosures                                     | (106)         |
| Transfer from Past Due Loans to Performing Loans | (1,370)       |
| Loan Portfolio Sale                              | -             |
| Foreign Exchange Adjustments                     | 12            |
| <b>Balance as of September' 2021</b>             | <b>9,956</b>  |



Regarding risk ratings, 89% of the **total loan portfolio** was rated as Risk A, 7% as Risk B, and 4% were Risk C, D and E altogether.

**Risk Rating of Performing Loans as of 3Q21 - GFNorte**  
(Million Pesos)

| CATEGORY                   | LOANS          | LOAN LOSS RESERVES      |                     |                          |              |              |               |
|----------------------------|----------------|-------------------------|---------------------|--------------------------|--------------|--------------|---------------|
|                            |                | COMMERCIAL              |                     |                          | CONSUMER     | MORTGAGES    | TOTAL         |
|                            |                | MIDDLE MARKET COMPANIES | GOVERNMENT ENTITIES | FINANCIAL INTERMEDIARIES |              |              |               |
| A1                         | 733,761        | 1,087                   | 553                 | 77                       | 654          | 252          | <b>2,623</b>  |
| A2                         | 30,519         | 172                     | 51                  | 0                        | 250          | 24           | <b>497</b>    |
| B1                         | 33,855         | 63                      | 79                  | 4                        | 834          | 16           | <b>996</b>    |
| B2                         | 14,564         | 57                      | 3                   | 0                        | 538          | 21           | <b>618</b>    |
| B3                         | 13,124         | 119                     | 78                  | 7                        | 423          | 14           | <b>641</b>    |
| C1                         | 10,980         | 86                      | 101                 | 0                        | 567          | 79           | <b>834</b>    |
| C2                         | 10,900         | 176                     | -                   | 0                        | 1,384        | 168          | <b>1,728</b>  |
| D                          | 9,685          | 1,681                   | 70                  | -                        | 1,009        | 479          | <b>3,239</b>  |
| E                          | 3,932          | 130                     | -                   | -                        | 2,532        | 86           | <b>2,749</b>  |
| <b>Total</b>               | <b>861,319</b> | <b>3,571</b>            | <b>934</b>          | <b>88</b>                | <b>8,192</b> | <b>1,138</b> | <b>13,925</b> |
| Not Classified             | (1,174)        |                         |                     |                          |              |              |               |
| Exempt                     | -              |                         |                     |                          |              |              |               |
| <b>Total</b>               | <b>860,145</b> | <b>3,571</b>            | <b>934</b>          | <b>88</b>                | <b>8,192</b> | <b>1,138</b> | <b>13,925</b> |
| <b>Reserves</b>            |                |                         |                     |                          |              |              | <b>17,297</b> |
| <b>Preventive Reserves</b> |                |                         |                     |                          |              |              | <b>3,373</b>  |

Notes:

- Figures for reserve creation and rating are as of September 30<sup>th</sup>, 2021.
- The loan portfolio is rated pursuant to rules issued by the CNBV, in Chapter V, Second Title of General Provisions Applicable to Credit Institutions, and it can also be rated according to internal methodologies authorized by this same regulator.  
The Institution uses regulatory methodologies to rate all credit portfolios. The Institution uses internal methodologies authorized by the CNBV according to the following: for the Revolving Consumption portfolio as of January 2018, for the Auto (Individuals) portfolio as of January 2020, and for the portfolio commercial of borrowers with sales or income greater than or equal to 14 million UDIs, from January 2019 in the Banco Mercantil del Norte subsidiary and from February 2019 in the subsidiaries Arrendadora and Factor Banorte and Sólida Administradora de Portafolios.  
The Institution uses risk ratings: A1, A2, B1, B2, B3, C1, C2, D and E to classify provisions according to the portfolio segment and percentage of the provisions representing the outstanding balance of the loan, and which are set forth in Fifth Section of the "Reserve creation and their classification by degree of risk" contained in Chapter 5, Second Title of the aforementioned regulation.
- The constituted complementary reserves follow the general provisions applicable to credit institutions, and they contemplate the additional reserves created to anticipate portfolio impairment effects due to COVID-19 previously described in "Provisions for Credit".

Based on B6 Credit Portfolio criterion from the CNBV, **Distressed Portfolio** is defined as the pool of commercial loans that, based on current information and facts, as well as the credit review process; have a considerable probability that they will not be fully recoverable, both in principal and interest, based on the terms and conditions that were originally agreed upon. Such determination is made based on actual information and data as well as on the loan review process. **Performing loans and past-due loans** are susceptible of being identified as Distressed Portfolios. The D and E risk degrees of the commercial loan rating were as follows:

| (Million Pesos)                           | 3Q21        |
|---|-------------|
| Distressed Portfolio                      | 3,971       |
| Total Loans                               | 826,703     |
| <b>Distressed Portfolio / Total Loans</b> | <b>0.5%</b> |

## Loan Loss Reserves and Loan Loss Provisions

| Loan Loss Reserves<br><i>(Million Pesos)</i> | 3Q21          |
|--|---------------|
| <b>Previous Period Ending Balance</b>        | <b>18,175</b> |
| Provisions charged to results                | 3,294         |
| Provisions charged to retained earnings      | 0             |
| Created with profitability margin            | 0             |
| Reserve Portfolio Sold                       | 0             |
| Other items                                  | 0             |
| <u>Charge offs and discounts:</u>            |               |
| Commercial Loans                             | (561)         |
| Consumer Loans                               | (2,875)       |
| Mortgage Loans                               | (748)         |
| Foreclosed assets                            | 0             |
|  | (4,184)       |
| Cost of debtor support programs              | (2)           |
| Valorization and Others                      | 15            |
| Adjustments                                  | 0             |
| <b>Loan Loss Reserves at Period End</b>      | <b>17,297</b> |

**Loan Loss Reserves** as of 3Q21 totaled **Ps 17.30 billion**, down (4.8%) vs. the previous quarter. **Charge-offs and discounts** decreased (15%) in the quarter.

**Loan loss reserve coverage ratio** totaled **174%** in the quarter; an increase compared to a 162% from the previous quarter.

### Capital

**Shareholders' equity** totaled **Ps 236.94 billion, up Ps 7.62 billion vs. the previous quarter**. The main changes during the quarter were: an Ps 8.87 billion increase in net income; a Ps 174 million increase from stock compensation plan; a Ps (930) million reduction due to interest payments of subordinated notes; a Ps (359) million decline from valuation of cash flow hedging instruments, a Ps (187) million decrease from valuation of available-for-sale securities, and a reduction of Ps (128) million owed to minority interests.

## Current Events

### 1. GFNORTE WAS INCLUDED FOR THE FOURTH CONSECUTIVE YEAR IN THE FTSE4GOOD EMERGING MARKET SUSTAINABILITY INDEX

In June 2021, GFNorte was once again within the FTSE4Good Index Series, considering itself as a company that meets the highest sustainability standards dictated by the FTSE London Stock Exchange. This index is made up of 557 companies where 15 of them are Mexican companies. The companies were evaluated in areas of climate change, biodiversity, labor standards, health and safety, and risk management and corporate governance. GFNorte is ranked number 5 in market capitalization in the "Emerging Latin America" division, ranking two places above from last year's rankings.

### 2. GFNORTE SUCCESSFULLY CONCLUDES THE "BANORTE ADOPTS A COMMUNITY" RECONSTRUCTION PROGRAM AND EXCEEDS THE SET GOALS

On September 20, 2021, Grupo Financiero Banorte (GFNorte) delivered 650 houses to families affected by the earthquakes in 2017, surpassing its original goal of 600 houses. In addition, it developed 9 social infrastructure projects in communities to improve their quality of life: commercial markets, community centers, school equipment, and a water treatment plant. More than 28,000 actions related to health, food, education, and culture were carried out. During the pandemic, 6,500 pantries were delivered. Carlos Hank González stated "We have stood next to the communities affected by the earthquakes over the course of 4 years in order to empower them, providing them with tools to achieve a state of well-being in a sustained way. Our commitment is with Mexico and the Mexican families".

### 3. GFNORTE IS RECOGNIZED BY THE INSTITUTIONAL INVESTOR MAGAZINE

In July 2021, Grupo Financiero Banorte (GFNorte) was ranked as the best Mexican financial institution and was positioned among the top 3 in the "Executive Team of Latin America 2021" rankings from the prestigious international publication "Institutional Investor". To prepare the rankings, Institutional Investor conducted a study with 534 portfolio managers and 231 stock market analysts. The evaluation considered factors such as consistency, granularity, market timing, authority and credibility, market knowledge, performance conferences, responsiveness, virtual meetings, and presentations. For the eleventh consecutive year, the GFNorte Executive Team remained on the top positions among a total of 341 nominated companies from the Latin American region, acquiring the following recognitions:

- Best CEO - First place (Sell-side).
- Best CFO - First place.
- Best IRO - Third Place (Sell Side)
- Best IR team - Third place.

Additionally, awards were given to the Group for:

- Best management of the COVID-19 crisis - Second Place.
- Best disclosure of ESG financial information - Second Place.
- Best virtual event - Third Place.

## Bank

| Income Statement and Balance Sheet<br>(Million Pesos)                  | 3Q20             | 2Q21             | 3Q21             | Change      |             | 9M20             | 9M21             | Change<br>9M20 |
|--|------------------|------------------|------------------|-------------|-------------|------------------|------------------|----------------|
|  |                  |                  |                  | 2Q21        | 3Q20        |                  |                  |                |
| Net Interest Income  | 17,501           | 16,884           | <b>17,068</b>    | 1%          | (2%)        | 52,439           | <b>50,123</b>    | (4%)           |
| Non-Interest Income  | 4,603            | 4,083            | <b>4,825</b>     | 18%         | 5%          | 14,598           | <b>13,827</b>    | (5%)           |
| Total Income   | 22,105           | 20,967           | <b>21,893</b>    | 4%          | (1%)        | 67,037           | <b>63,950</b>    | (5%)           |
| Non-Interest Expense   | 9,853            | 9,972            | <b>10,104</b>    | 1%          | 3%          | 29,150           | <b>30,111</b>    | 3%             |
| Provisions *   | 3,122            | 2,584            | <b>2,598</b>     | 1%          | (17%)       | 15,911           | <b>8,413</b>     | (47%)          |
| Operating Income   | 9,129            | 8,411            | <b>9,191</b>     | 9%          | 1%          | 21,976           | <b>25,426</b>    | 16%            |
| Taxes  | 2,522            | 2,103            | <b>2,430</b>     | 16%         | (4%)        | 5,568            | <b>6,411</b>     | 15%            |
| Discontinued Operations  | -                | -                | -                | -           | -           | -                | -                | N.A.           |
| Subsidiaries & Minority Interest                                       | 27               | 213              | <b>64</b>        | (70%)       | 141%        | 75               | <b>306</b>       | 306%           |
| <b>Net Income</b>  | <b>6,634</b>     | <b>6,522</b>     | <b>6,825</b>     | <b>5%</b>   | <b>3%</b>   | <b>16,483</b>    | <b>19,320</b>    | <b>17%</b>     |
| <b>Balance Sheet</b>   |                  |                  |                  |             |             |                  |                  |                |
| Performing Loans (a)   | 786,350          | 775,873          | <b>795,967</b>   | 3%          | 1%          | 786,350          | <b>795,967</b>   | 1%             |
| Past Due Loans (b)   | 6,307            | 10,862           | <b>9,311</b>     | (14%)       | 48%         | 6,307            | <b>9,311</b>     | 48%            |
| Total Loans (a+b)  | 792,658          | 786,735          | <b>805,278</b>   | 2%          | 2%          | 792,658          | <b>805,278</b>   | 2%             |
| Total Loans Net (d)  | 775,489          | 768,993          | <b>788,461</b>   | 3%          | 2%          | 775,489          | <b>788,461</b>   | 2%             |
| Acquired Collection Rights ( e)  | 1,341            | 1,421            | <b>1,260</b>     | (11%)       | (6%)        | 1,341            | <b>1,260</b>     | (6%)           |
| Total Loans (d+e)  | 776,830          | 770,414          | <b>789,721</b>   | 3%          | 2%          | 776,830          | <b>789,721</b>   | 2%             |
| <b>Total Assets</b>  | <b>1,277,593</b> | <b>1,234,286</b> | <b>1,199,275</b> | <b>(3%)</b> | <b>(6%)</b> | <b>1,277,593</b> | <b>1,199,275</b> | <b>(6%)</b>    |
| Total Deposits   | 834,137          | 815,389          | <b>799,383</b>   | (2%)        | (4%)        | 834,137          | <b>799,383</b>   | (4%)           |
| Demand Deposits  | 506,588          | 534,257          | <b>516,559</b>   | (3%)        | 2%          | 506,588          | <b>516,559</b>   | 2%             |
| Time Deposits  | 327,548          | 281,132          | <b>282,823</b>   | 1%          | (14%)       | 327,548          | <b>282,823</b>   | (14%)          |
| <b>Total Liabilities</b>   | <b>1,148,153</b> | <b>1,090,870</b> | <b>1,060,251</b> | <b>(3%)</b> | <b>(8%)</b> | <b>1,148,153</b> | <b>1,060,251</b> | <b>(8%)</b>    |
| <b>Equity</b>  | <b>129,440</b>   | <b>143,416</b>   | <b>139,024</b>   | <b>(3%)</b> | <b>7%</b>   | <b>129,440</b>   | <b>139,024</b>   | <b>7%</b>      |
| <b>Financial Ratios - Bank</b>   |                  |                  |                  |             |             |                  |                  |                |
|  | <b>3Q20</b>      | <b>2Q21</b>      | <b>3Q21</b>      |             |             | <b>9M20</b>      | <b>9M21</b>      |                |
| <b>Profitability:</b>  |                  |                  |                  |             |             |                  |                  |                |
| NIM (1)  | 5.8%             | 5.9%             | <b>6.1%</b>      |             |             | 6.0%             | <b>5.8%</b>      |                |
| NIM after Provisions (2)   | 4.7%             | 5.0%             | <b>5.1%</b>      |             |             | 4.2%             | <b>4.9%</b>      |                |
| ROE (3)  | 21.1%            | 18.6%            | <b>19.3%</b>     |             |             | 18.3%            | <b>18.6%</b>     |                |
| ROA (4)  | 2.0%             | 2.1%             | <b>2.2%</b>      |             |             | 1.7%             | <b>2.1%</b>      |                |
| <b>Operation:</b>  |                  |                  |                  |             |             |                  |                  |                |
| Efficiency Ratio (5)   | 44.6%            | 47.6%            | <b>46.2%</b>     |             |             | 43.5%            | <b>47.1%</b>     |                |
| Operating Efficiency Ratio (6)   | 3.0%             | 3.2%             | <b>3.3%</b>      |             |             | 3.1%             | <b>3.3%</b>      |                |
| Average Liquidity Coverage Ratio for Banorte and SOFOM - Basel III (7) | 193.6%           | 210.2%           | <b>183.7%</b>    |             |             | 193.6%           | <b>183.7%</b>    |                |
| <b>Asset Quality:</b>  |                  |                  |                  |             |             |                  |                  |                |
| Past Due Loan Ratio  | 0.8%             | 1.4%             | <b>1.2%</b>      |             |             | 0.8%             | <b>1.2%</b>      |                |
| Coverage Ratio   | 272.2%           | 163.3%           | <b>180.6%</b>    |             |             | 272.2%           | <b>180.6%</b>    |                |
| <b>Capitalization:</b>   |                  |                  |                  |             |             |                  |                  |                |
| Net Capital/ Credit Risk Assets  | 27.6%            | 31.0%            | <b>30.7%</b>     |             |             | 27.6%            | <b>30.7%</b>     |                |
| Total Capitalization Ratio   | 21.1%            | 21.9%            | <b>21.9%</b>     |             |             | 21.1%            | <b>21.9%</b>     |                |
| <b>Leverage</b>  |                  |                  |                  |             |             |                  |                  |                |
| Basic Capital/ Adjusted Assets   | 12.1%            | 11.7%            | <b>11.6%</b>     |             |             | 12.1%            | <b>11.6%</b>     |                |

1) NIM = Annualized Net Interest Income for the quarter / Average of Performing Assets.

2) NIM = Annualized Net Interest Income for the quarter adjusted for Credit Risks / Average of Performing Assets.

3) Net Income of the period annualized as a percentage of the quarterly average of Equity (excluding minority interest) for the same period.

4) Net Income of the period annualized as a percentage of the quarterly average of Total Assets (excluding minority interest) for the same period.

5) Non-Interest Expenses / Total Income.

6) Annualized Non-Interest Expenses of the quarter / Average of Total Assets.

7) CCL calculation is preliminary and will be updated once Banco de Mexico publishes official indicators.

## Changes vs. the previous quarter

**Net interest income (NII) increased 1% sequentially**, presenting a 4% NII portfolio increase compared to that in the previous quarter. There's a higher impact on valuation and the cost of funding is under control, the latter already reflected the recent reference rate hike effect. Therefore, **NIM increased 18bps sequentially reaching 6.1%**.

**Non-interest income presented strong sequential growth of 18%**, a better level of income was presented mainly due to a reactivation in net fees.

**Fees charged were up 1%** sequentially driven by better dynamics in consumer loans, reflecting the economic reactivation after the pandemic. Similarly, **fees paid** decreased (5%) due to lower loan origination fees paid to third parties for auto and mortgage loans, as these were reclassified from fees paid to expenses. In sum, **Net Fees** reflected a significant growth of **7%**.

**Trading income increased 62%** quarterly, reflecting favorable effects on the valuation result and a lower result in foreign exchange, derivatives, and securities operations.

**Other operating income (expenses)** increased Ps 59 million or 83%, due to higher income from liabilities cleanup.

**Non-Interest Expense** increased slightly by 1% sequentially, highlighting that administrative services charged to subsidiaries was lower in this quarter, in addition to the increase in fees paid for different services related to the operation of the business. Consequently, **efficiency ratio for the quarter improved sequentially** from 47.6% in the previous quarter to **46.2% at the end of 3Q21**.

In the quarter, **provisions increased by Ps 14 million**, similar to the provisions of the previous quarter due to lower provision requirements, as the portfolio improved in quality.

**NIM adjusted for credit risks** reached **5.1%** from 5.0%, reflecting a 16bps sequential increase.

Altogether, **net income rose 5%** sequentially, reaching Ps 6.82 billion. Thus, **ROE increased 74bps** in the quarter ending at **19.3%**, and **ROA** ended the quarter at **2.2%**, **up 13bps** in 3Q21.

## Accumulated changes vs. the previous year (2020)

**Net interest income (NII) fell (4%) with accumulated figures in 9M21**, mainly driven by lower income across its constituents, while the cost of funding remained under control, but already reflecting the recent increase in the reference rate. Thus, **NIM with accumulated figures of 9M21 was down (15bps)**, reaching 5.8%. During the year, average TIIE28d reference rate was adjusted downward (171bps), from 6.14% to 4.43%.

**Non-interest income increased 5%** compared to 3Q20, due to higher trading and fee income recovery on greater activity in some economic sectors. With accumulated figures as of 9M21, it decreased (5%), primarily by lower trading income.

**Fees charged increased 18% compared to 3Q20** because of improved commissions for consumer loans. Additionally, **9M21 figures increased 16% annually** due to better dynamics in electronic banking services and reactivation of consumer loans. **Fees paid** compared to 3Q20, grew 31% mainly from higher transaction volumes, compared to the 9M21 period, in addition to the dynamics of the acquiring business. This increase is also related to mortgages and auto loans origination fees. Overall, **net fees improved 9%** compared to 3Q20, and 2% vs. of 9M20.

**Trading income grew 10%** compared to 3Q20 but decreased significantly by (13%) with accumulated figures of 9M21. Both cases present favorable valuation results, but lower currency derivatives, and securities operations due to volatility in the markets.

**Other operating income (expense)** declined Ps (190) million vs. 3T20, largely driven by lower income from recoveries, and lower liabilities cleanup. Accumulated other operating income for 9M21, was down Ps (488) million, mostly because of lower income from tax recoveries.

**Non-interest expense remained under control and in line with expectations. Compared to 3Q20, it grew 2.5% and increased 3.3% vs. 9M20.** In both cases, the main drivers were personnel expenses and professional fees, as well as the amortization of capitalizable projects. In sum, **efficiency ratio** rose 360bps and stood at **47.1%** as of 9M21.

**Provisions were down by Ps (524) million** vs. 3Q20, reflecting growth in the loan portfolio, coupled with improvements in its credit quality that generated lower provision requirements. With 9M21 figures, the provisions decreased is Ps (7.50) billion, which is explained by the creation of additional anticipated reserves of Ps 3.00 billion and charge-offs of Ps 1.87

billion in 2Q20, as well as by higher prepayments in the commercial portfolio and moderate portfolio growth, which implies lower creation of provisions. **NIM adjusted for credit risks** stood at **4.9%**, reflecting an improvement of 69bps in 9M21.

**Net income grew 3%** compared to 3Q20 showing **strong growth of 17%** or **+Ps 2.85 billion** in accumulated figures for 9M21. **ROE** for 9M21 was **18.6%**, increasing 26bps. Additionally, **ROA increased 36bps** ending at **2.1%**.

## Capital

**Shareholders' equity** totaled **Ps 139.02 billion**, down (3%) in the quarter. The main sequential changes were a Ps 6.82 billion increase in net income; a Ps 204 million increase on the executive share compensation plan; a reduction of Ps (10.0) billion related to the dividend payment approved in the July 23, 2021 shareholder meeting; a Ps (930) million decline by interest paid on subordinated obligations; a Ps (187) million loss in valuation of available-for-sale securities, and a Ps (365) million loss in the valuation of cash flow hedging instruments.

## Regulatory Capital (Banco Mercantil del Norte)

Banorte has fully adopted the capital requirements established to date by Mexican authorities and international standards, so-called Basel III, which came into effect in January 2013.

In 2021, Banorte was confirmed as Level II - Systemically Important Financial Institution, which implies that Banorte must maintain a 0.90 pp capital buffer. Therefore, **starting on December 2019, the minimum Capital Adequacy Ratio required for Banorte is 11.40%** (corresponding to the regulatory minimum of 10.5% plus the 0.90 pp capital supplement), which includes a minimum requirement of Core Equity Tier 1 (CET1) of 7.90%.

| Capitalization<br>(Million Pesos) | 3Q20          | 2Q21          | 3Q21          | Change    |          |
|-----------------------------------|---------------|---------------|---------------|-----------|----------|
|                                   |               |               |               | 2Q21      | 3Q20     |
| Core Tier 1                       | 124,312       | 130,003       | 125,976       | (3.1%)    | 1.3%     |
| Tier 1 Capital                    | 179,672       | 179,769       | 177,381       | (1.3%)    | (1.3%)   |
| Tier 2 Capital                    | 11,365        | 7,955         | 7,909         | (0.6%)    | (30.4%)  |
| Net Capital                       | 191,036       | 187,724       | 185,291       | (1.3%)    | (3.0%)   |
| Credit Risk Assets                | 690,977       | 606,089       | 604,525       | (0.3%)    | (12.5%)  |
| Net Capital / Credit Risk Assets  | 27.6%         | 31.0%         | 30.7%         | (0.3 pp)  | 3.0 pp   |
| Total Risk Assets                 | 904,682       | 856,393       | 847,792       | (1.0%)    | (6.3%)   |
| Core Tier 1                       | 13.74%        | 15.18%        | 14.86%        | (0.3 pp)  | 1.1 pp   |
| Tier 1                            | 19.86%        | 20.99%        | 20.92%        | (0.1 pp)  | 1.1 pp   |
| Tier 2                            | 1.26%         | 0.93%         | 0.93%         | 0.0 pp    | (0.3 pp) |
| <b>Capitalization Ratio</b>       | <b>21.12%</b> | <b>21.92%</b> | <b>21.86%</b> | (0.07 pp) | 0.74 pp  |

(\*) The reported capitalization ratio of the period is submitted to the Central Bank of México.

**At the end of 3Q21 the estimated Capital Adequacy Ratio (CAR)** for Banorte was **21.86%** considering credit market and operational risks, and 30.65% considering only CAR risk. Moreover, the Core Equity Tier 1 reached 14.86% as of 3Q21, a level corresponding to a Systemically Important Institution Level I under CNBV classification. Had additional reserves not been constituted in December 2020, CAR in 3Q21 would have been 22.03% and Core Tier 1 Capital 15.03%.

CAR decreased -0.06pp vs. 2Q21 due to the following effects:

|   | 3Q21 vs<br>2Q21        |
|---|------------------------|
|   | <b><u>-0.06 pp</u></b> |
| 1. Net Income in 3Q21   | +0.81 pp               |
| 2. Growth in Risk Assets – Credit (Others)                        | +0.27 pp               |
| 3. Growth in Risk Assets – Market                                 | +0.20 pp               |
| 4. Capital Notes  | +0.11 pp               |
| 5. Permanent Investments and Intangibles*                         | -0.01 pp               |
| 6. Securities' mark-to-market valuation and Hedging Derivatives** | -0.01 pp               |
| 7. Growth in Risk Assets – Operation                              | -0.02 pp               |
| 8. Growth in Risk Assets – Credit                                 | -0.23 pp               |
| 9. Dividend payment to the Financial Group                        | -1.18 pp               |

\* Actuarial changes from employee liability, and variation of permanent and intangible investments.

\*\* Includes derivatives for hedging positions not valued with market prices.

The CAR increased +0.74 pp vs. 3Q20 mostly driven by:

|   | With<br>Additional<br>Reserves | Without<br>Additional<br>Reserves |
|---|--------------------------------|-----------------------------------|
|   | <b><u>+0.74pp</u></b>          | <b><u>+0.91 pp</u></b>            |
| 1. Net Income growth  | +2.93 pp                       | +2.93 pp                          |
| 2. Growth in Risk Assets – Credit***                              | +0.90 pp                       | +0.92 pp                          |
| 3. Growth in Risk Assets – Credit (Others)                        | +0.89 pp                       | +0.89 pp                          |
| 4. Securities' mark-to-market valuation and Hedging Derivatives** | +0.08 pp                       | +0.08 pp                          |
| 5. Growth in Risk Assets – Operation                              | -0.15 pp                       | -0.15 pp                          |
| 6. Additional loan loss provisions                                | -0.19 pp                       | -0.00 pp                          |
| 7. Permanent and Intangible Investments****                       | -0.26 pp                       | -0.26 pp                          |
| 8. Growth in Risk Assets – Market                                 | -0.53 pp                       | -0.55 pp                          |
| 9. Intangible effect on Equity*                                   | -0.67 pp                       | -0.67 pp                          |
| 10. Capital Notes   | -1.04 pp                       | -1.04 pp                          |
| 11. Dividend paid to the Financial Group                          | -1.18 pp                       | -1.18pp                           |

\* In 3Q20 an investment in software was registered in fixed assets, therefore the adjustment to equity did not applied as of that date.

\*\* Includes derivatives for hedging positions not valued with market prices.

\*\*\* Includes benefits for internal model calibration.

\*\*\*\* Includes actuarial changes from employee liability, and the additional reserves effect.



## Evolution of Risk Assets

In compliance with capitalization requirements established to date by Mexican authorities and the International Standards Basel III, Banorte classifies its Risk Assets as Credit, Market, and Operational, which are actively managed by the Institution to monitor its quality.

Total Risk Assets as of September 2021 reached Ps 847.79 billion, down Ps 8.60 billion vs. June 2021, and Ps 56.89 billion below those of September 2020.

The evolution of Risk Assets is presented below:

| Risk Assets<br>(Million Pesos) | 3Q20           | 2Q21           | 3Q21           | Change        |                |
|--------------------------------|----------------|----------------|----------------|---------------|----------------|
|                                |                |                |                | 2Q21          | 3Q20           |
| <b>Total Credit</b>            | <b>690,977</b> | <b>606,089</b> | <b>604,525</b> | <b>(0.3%)</b> | <b>(12.5%)</b> |
| Credit (Loan Portfolio)        | 548,959        | 501,006        | 510,021        | 1.8%          | (7.1%)         |
| Credit (Others)                | 142,019        | 105,083        | 94,504         | (10.1%)       | (33.5%)        |
| <b>Total Market</b>            | <b>144,284</b> | <b>175,500</b> | <b>167,798</b> | <b>(4.4%)</b> | <b>16.3%</b>   |
| <b>Total Operational</b>       | <b>69,421</b>  | <b>74,804</b>  | <b>75,469</b>  | <b>0.9%</b>   | <b>8.7%</b>    |
| <b>Total</b>                   | <b>904,682</b> | <b>856,393</b> | <b>847,792</b> | <b>(1.0%)</b> | <b>(6.3%)</b>  |

The main quarterly changes in RWA vs. 2Q21 were:

- An increase in Credit Risk Weighted Assets (Loan Portfolio) explained by the quarterly growth dynamics in wholesale and retail credit portfolio.
- A decline in Credit Risk Weighted Assets (Others) driven by the effect of the interest rate increase on the Credit Valuation Adjustment requirement for derivative operations.

The main annual changes in RWA vs. 3Q20 were:

- A decline in Credit Risk Weighted Assets (Loan Portfolio) explained by the annual calibration of internal models as well as by the growth dynamics in the wholesale and retail credit portfolio.
- A decline in Credit Risk Weighted Assets (Others) guided by the effect of the rate hike in the Credit Valuation Adjustment requirement for derivative operations.
- An increase in Market Risk Weighted Assets due to the effect of the balance sheet evolution, mismatches between active and passive positions in the balance sheet for regulatory purposes, exchange rate volatility, and a decrease in APRs in the internal balance models, especially because they have a maximum benefit as a percentage of the APRs, as established in the regulation.

## Leverage Ratio (Banco Mercantil del Norte)

**Leverage Ratio**, according to CNBV's regulation, is presented below:

| Leverage<br>(Million Pesos) | 3Q20          | 2Q21          | 3Q21          | Change        |                |
|-----------------------------|---------------|---------------|---------------|---------------|----------------|
|                             |               |               |               | 2Q21          | 3Q20           |
| Tier 1 Capital              | 179,672       | 179,769       | 177,381       | (1.3%)        | (1.3%)         |
| Adjusted Assets             | 1,480,394     | 1,536,418     | 1,528,104     | (0.5%)        | 3.2%           |
| <b>Leverage Ratio</b>       | <b>12.14%</b> | <b>11.70%</b> | <b>11.61%</b> | <b>(9 bp)</b> | <b>(53 bp)</b> |

*Adjusted Assets are defined according to the General Provisions applicable to Credit Institutions.*

## Long Term Savings

### Seguros Banorte

| Income Statement and Balance Sheet Highlights - Insurance - Seguros Banorte<br>(Million Pesos) | 3Q20         | 2Q21         | 3Q21          | Change       |              | 9M20         | 9M21           | Change<br>9M20 |
|--|--------------|--------------|---------------|--------------|--------------|--------------|----------------|----------------|
|  |              |              |               | 2Q21         | 3Q20         |              |                |                |
| <b>Interest Income (Net)</b>   | 396          | 329          | <b>381</b>    | 16%          | (4%)         | 1,556        | <b>968</b>     | (38%)          |
| Premium Income (Net)   | 3,792        | 2,817        | <b>4,239</b>  | 51%          | 12%          | 18,379       | <b>18,141</b>  | (1%)           |
| Net Increase in Technical Reserves   | (875)        | (1,525)      | <b>(78)</b>   | 95%          | 91%          | 3,195        | <b>2,934</b>   | (8%)           |
| Damages, Claims and Other Obligations  | 3,321        | 3,390        | <b>3,570</b>  | 5%           | 8%           | 9,761        | <b>11,844</b>  | 21%            |
| <b>Technical Results</b>   | 1,346        | 951          | <b>748</b>    | (21%)        | (44%)        | 5,423        | <b>3,363</b>   | (38%)          |
| <b>Net Interest Income (NII)</b>   | <b>1,742</b> | <b>1,280</b> | <b>1,129</b>  | <b>(12%)</b> | <b>(35%)</b> | <b>6,979</b> | <b>4,331</b>   | <b>(38%)</b>   |
| Other Fees (acquisition costs)   | (555)        | (485)        | <b>(550)</b>  | (13%)        | 1%           | (1,780)      | <b>(1,663)</b> | 7%             |
| Securities-Realized Gains  | 33           | 42           | <b>8</b>      | (81%)        | (76%)        | 141          | <b>87</b>      | (38%)          |
| Other Operating Income (Expenses)  | 182          | 192          | <b>213</b>    | 11%          | 17%          | 542          | <b>674</b>     | 24%            |
| <b>Total Operating Income</b>  | <b>1,402</b> | <b>1,029</b> | <b>800</b>    | <b>(22%)</b> | <b>(43%)</b> | <b>5,882</b> | <b>3,429</b>   | <b>(42%)</b>   |
| Non Interest Expense   | 339          | 381          | <b>339</b>    | (11%)        | (0%)         | 1,059        | 1,099          | 4%             |
| <b>Operating Income</b>  | <b>1,062</b> | <b>649</b>   | <b>461</b>    | <b>(29%)</b> | <b>(57%)</b> | <b>4,822</b> | <b>2,330</b>   | <b>(52%)</b>   |
| Taxes  | 316          | 184          | <b>136</b>    | (26%)        | (57%)        | 1,443        | 681            | (53%)          |
| Subsidiaries' Net Income   | 463          | 465          | <b>467</b>    | 0%           | 1%           | 1,424        | 1,335          | (6%)           |
| Minority Interest  | (10)         | (10)         | <b>(10)</b>   | 8%           | 6%           | (31)         | <b>(29)</b>    | 6%             |
| <b>Net Income</b>  | <b>1,200</b> | <b>919</b>   | <b>782</b>    | <b>(15%)</b> | <b>(35%)</b> | <b>4,773</b> | <b>2,955</b>   | <b>(38%)</b>   |
| Shareholder's Equity   | 27,391       | 30,608       | <b>21,488</b> | (30%)        | (22%)        | 27,391       | <b>21,488</b>  | (22%)          |
| Total Assets   | 65,143       | 70,125       | <b>59,797</b> | (15%)        | (8%)         | 65,143       | <b>59,797</b>  | (8%)           |
| Technical Reserves   | 30,257       | 33,217       | <b>32,309</b> | (3%)         | 7%           | 30,257       | <b>32,309</b>  | 7%             |
| Premiums sold  | 4,272        | 3,465        | <b>4,825</b>  | 39%          | 13%          | 21,807       | <b>21,887</b>  | 0%             |
| Coverage ratio of technical reserves   | 1.29         | 1.29         | <b>1.09</b>   | (0.20 pp)    | (0.20 pp)    | 1.29         | <b>1.09</b>    | (0.2 pp)       |
| Solvency capital requirement coverage ratio  | 8.63         | 10.73        | <b>3.86</b>   | (6.9 pp)     | (4.8 pp)     | 8.63         | <b>3.86</b>    | (4.8 pp)       |
| Coverage ratio of minimum capital  | 247.0        | 267.5        | <b>186.9</b>  | (80.6 pp)    | (60.0 pp)    | 247.0        | <b>186.9</b>   | (60.0 pp)      |
| Claims ratio   | 71%          | 78%          | <b>83%</b>    | 4.6 pp       | 11.4 pp      | 65%          | 78%            | 13.4 pp        |
| Combined ratio   | 89%          | 98%          | <b>97%</b>    | (1.1 pp)     | 8.7 pp       | 76%          | 88%            | 12.4 pp        |
| ROE  | 18.2%        | 12.4%        | <b>12.2%</b>  | (0.2 pp)     | (6.0 pp)     | 25.6%        | <b>14.5%</b>   | (11.1 pp)      |
| ROE ex-Afore   | 30.3%        | 14.8%        | <b>14.4%</b>  | (0.4 pp)     | (15.8 pp)    | 51.8%        | <b>21.6%</b>   | (30.2 pp)      |

**Interest income (Net)** increased 16% **sequentially** explained by the recovery in premium income, and on the accumulated 9M21, they were down **(38%)** on lower Interest income from invested assets caused by their valuation effect, given interest rate volatility.

**Premium Income (Net)** grew Ps 1.42 billion or **51% sequentially**, while technical reserves reflected a lower release by Ps (1.45) billion in the quarter; claims were up 5% vs. 2Q21. Therefore, **technical result for the quarter decreased by Ps (204) million or (21%) sequentially**.

With accumulated figures for **9M21, premium income was down (1%)** following the cancellation of a business line in the life segment during the previous quarter. Consequently, **reserves decreased (8%)**, offset by **claims which increased significantly, 21%** still owed to the pandemic effects. Therefore, with accumulated figures from 9M21 **technical result dropped (38%)**.

**Acquisition costs were down (13%) sequentially** and reached Ps (550) million, in line with the seasonality of the business, and practically unchanged compared to **3Q20. With accumulated figures for 9M21, they were down (7%)**.

The **Net Operating Income** totaled **Ps 461 million in 3Q21, down (29%)** sequentially and (52%) vs. 9M20 mainly due to the COVID-19 pandemic effect.

**Net Income** for the quarter totaled **Ps 782 million, down (15%)** vs. **2Q21**, and **(38%)** lower than 9M20. The **Net Income** for Seguros Banorte, **excluding its subsidiary Afore XXI Banorte**, totaled **Ps 324 million** for the quarter, and represented Ps 1.65 billion on the 9M21 period, reflecting a (51%) contraction.

Net Income for the quarter from Seguros Banorte, excluding its subsidiary Afore XXI Banorte, contributed with 3.7% of GFNorte's net income on 3Q21, and represented 6.3% of the Group's net income on the 9M21 period.

**ROE** for the Insurance business ex-Afore XXI had a sharp sequential decline reaching **14.4% in 3Q21**.

Regarding the disclosure requested by the General Provisions applicable to the Financial Groups' holding companies, the following was presented for this reporting period:

- i. Risks assumed through the issuance of insurance premiums and bonds, with respect to operations and authorized branches of cancelled operations:
  - *No cancellations were registered during 3Q21 that involved any technical risk.*
- ii. Damages and claims, as well as compliance of reinsurers and bonding companies with their obligations:
  - *In 3Q21 damage ratios remained under control and reinsurers complied with their obligations.*
- iii. Costs generated from issuance of insurance policies and bonds:
  - *There were no relevant events to disclose in 3Q21.*
- iv. Transfer of risks through reinsurance and bonding contracts:
  - *In the Life and Damages book, risks were transferred to reinsurers, for the most part to foreign reinsurers, under which there were 5 relevant exposures: 2 related to the government, 1 related to financial services, 1 related to retail industry, and 1 related to the construction sector.*
- v. Contingencies arising from non-compliance of reinsurers and bonding companies:
  - *There were no relevant issues related to non-compliance during 3Q21.*

## Afore XXI Banorte

| Afore XXI Banorte<br>(Million Pesos) | 3Q20    | 2Q21      | 3Q21             | Change   |        | 9M20    | 9M21             | Change<br>9M20 |
|--------------------------------------|---------|-----------|------------------|----------|--------|---------|------------------|----------------|
|                                      |         |           |                  | 2Q21     | 3Q20   |         |                  |                |
| Net Income                           | 925     | 929       | <b>933</b>       | 0%       | 1%     | 2,846   | <b>2,668</b>     | (6%)           |
| Shareholder's Equity                 | 24,582  | 23,840    | <b>24,773</b>    | 4%       | 1%     | 24,582  | <b>24,773</b>    | 1%             |
| Total Assets                         | 26,983  | 26,144    | <b>27,019</b>    | 3%       | 0%     | 26,983  | <b>27,019</b>    | 0%             |
| AUM (SIEFORE)                        | 975,338 | 1,044,901 | <b>1,065,791</b> | 2%       | 9%     | 975,338 | <b>1,065,791</b> | 9%             |
| ROE                                  | 15.3%   | 15.9%     | <b>15.3%</b>     | (0.5 pp) | 0.1 pp | 15.7%   | <b>14.7%</b>     | (1.0 pp)       |

In 3Q21, Afore XXI Banorte reported **net income of Ps 933 million**, unchanged vs. 2Q21, explained by a 3% higher income and slightly lower expenses in the period. Compared to 9M20, it decreased (6%) primarily driven by an increase of 6% in operating costs that were partially offset by higher income.

**ROE** reached **15.3%** in 3Q21, down **(0.5pp)** during the quarter, and down (1.0pp) vs. 3Q20. Excluding goodwill, **Return on Tangible Equity (ROTE)** reached **47.4% in 9M21**.

Afore XXI Banorte represented 5.2% of the Financial Group's net income in 3Q21.

Afore XXI Banorte's **assets under management**, as of September 2021, totaled **Ps 1.07 trillion**; representing an increase of **2%** in the quarter and a **9%** increase compared to the 3Q20 period.

## Pensiones Banorte

| Income Statement and Balance Sheet Highlights -<br>Annuities - Pensiones Banorte<br>(Million Pesos) | 3Q20       | 2Q21       | 3Q21           | Change      |            | 9M20         | 9M21            | Change<br>9M20 |
|---|------------|------------|----------------|-------------|------------|--------------|-----------------|----------------|
|   |            |            |                | 2Q21        | 3Q20       |              |                 |                |
| <b>Interest Income (Net)</b>  | 4,083      | 3,799      | <b>4,297</b>   | 13%         | 5%         | 7,889        | <b>13,242</b>   | 68%            |
| Premium Income (Net)  | 3,736      | 5,912      | <b>6,201</b>   | 5%          | 66%        | 9,719        | <b>16,480</b>   | 70%            |
| Net Increase in Technical Reserves  | 5,137      | 6,508      | <b>7,149</b>   | 10%         | 39%        | 10,230       | <b>20,136</b>   | 97%            |
| Claims and Other Obligations  | 2,112      | 2,409      | <b>2,587</b>   | 7%          | 22%        | 5,877        | <b>7,209</b>    | 23%            |
| <b>Technical Results</b>  | (3,514)    | (3,005)    | <b>(3,534)</b> | (18%)       | (1%)       | (6,388)      | <b>(10,865)</b> | (70%)          |
| <b>Net Interest Income (NII)</b>  | <b>569</b> | <b>794</b> | <b>763</b>     | <b>(4%)</b> | <b>34%</b> | <b>1,501</b> | <b>2,378</b>    | <b>58%</b>     |
| Net Fees  | -          | -          | -              | N.A.        | N.A.       | (1)          | -               | 100%           |
| Securities-Realized Gains   | 24         | 27         | <b>2</b>       | (91%)       | (90%)      | 146          | <b>35</b>       | (76%)          |
| Other Operating Income (Expenses)   | 4          | (2)        | <b>36</b>      | N.A.        | N.A.       | 152          | <b>40</b>       | (73%)          |
| <b>Total Operating Income</b>   | <b>598</b> | <b>820</b> | <b>801</b>     | <b>(2%)</b> | <b>34%</b> | <b>1,798</b> | <b>2,453</b>    | <b>36%</b>     |
| Non Interest Expense  | 113        | 116        | <b>128</b>     | 10%         | 13%        | 304          | 369             | 21%            |
| <b>Operating Income</b>   | <b>485</b> | <b>704</b> | <b>674</b>     | <b>(4%)</b> | <b>39%</b> | <b>1,494</b> | <b>2,084</b>    | <b>40%</b>     |
| Taxes   | 146        | 212        | <b>202</b>     | (4%)        | 39%        | 449          | 626             | 39%            |
| Subsidiaries' Net Income  | 1          | 1          | <b>1</b>       | (32%)       | (35%)      | 4            | 4               | (12%)          |
| Minority Interest   | -          | -          | -              | N.A.        | N.A.       | -            | -               | N.A.           |
| <b>Net Income</b>   | <b>340</b> | <b>494</b> | <b>472</b>     | <b>(4%)</b> | <b>39%</b> | <b>1,049</b> | <b>1,462</b>    | <b>39%</b>     |
| Shareholder's Equity  | 5,946      | 7,425      | <b>7,898</b>   | 6%          | 33%        | 5,946        | <b>7,898</b>    | 33%            |
| Total Assets  | 161,830    | 181,419    | <b>198,386</b> | 9%          | 23%        | 161,830      | <b>198,386</b>  | 23%            |
| Technical Reserves  | 153,532    | 170,960    | <b>186,969</b> | 9%          | 22%        | 153,532      | <b>186,969</b>  | 22%            |
| Premiums sold   | 3,736      | 5,912      | <b>6,201</b>   | 5%          | 66%        | 9,719        | <b>16,480</b>   | 70%            |
| Coverage ratio of technical reserves  | 1.0        | 1.0        | <b>1.0</b>     | 0.0 pp      | 0.0 pp     | 1.0          | <b>1.0</b>      | 0.0 pp         |
| Solvency capital requirement coverage ratio   | 27.7       | 7.6        | <b>7.1</b>     | (0.4 pp)    | (20.6 pp)  | 27.7         | <b>7.1</b>      | (20.6 pp)      |
| Coverage ratio of minimum capital   | 33.2       | 40.15      | <b>42.7</b>    | 2.6 pp      | 9.5 pp     | 33.2         | <b>42.7</b>     | 9.5 pp         |
| ROE   | 23.6%      | 27.5%      | <b>24.7%</b>   | (2.9 pp)    | 1.1 pp     | 25.9%        | <b>27.2%</b>    | 1.2 pp         |

In the 3Q21 period, **net interest income (Net)** stood at **Ps 4.30 billion**, reflecting a **13% increase** vs. the previous quarter, driven primarily by the positive effect in UDIS updates. Compared to 9M20, net interest income **increased 68%** or Ps 5.35 billion, Ps 4.43 billion related to the valuation effect, and Ps 836 million due to earned interests.

**Technical Results decreased Ps (529) million sequentially**, given a Ps 641 million increase in technical reserves and a Ps 178 million increase in claims, which could not be offset by the Ps 289 million increase in premium income. Therefore, **net interest income decreased (4%) at the close of 3T21**.

Compared to **9M20**, total premium issuance increased; technical reserves rose 97% where Ps 6.53 billion correspond to the issuance itself, and Ps 2.98 billion to the inflation update; claims grew 23%. In sum, **net interest income for 9M21 improved by 58%**.

Other Operating Income (Expenses) includes the gain from the acquisition of HSBC's annuity portfolio, while in 2020 SURA's portfolio acquisition was registered.

**Net income** for Pensiones Banorte **contracted (4%) sequentially and** compared to 9M20 it improved **Ps 413 million or 39%**, of which Ps 400 million are explained by the reserves release associated to the incremental mortality of Covid-19.

At the end of 3Q21, net income of **Pensiones Banorte represented 5.3% of the Financial Group's net income**.

**ROE** was **24.7% in the quarter, down by (286bps)** with respect to the previous quarter, and up 123bps compared to 9M20, reaching 27.2% in 9M21 compared to last year's 25.9%.

## Brokerage

| Brokerage Sector<br>(Million Pesos) | 3Q20    | 2Q21    | 3Q21           | Change   |          | 9M20    | 9M21           | Change<br>9M20 |
|-------------------------------------|---------|---------|----------------|----------|----------|---------|----------------|----------------|
|                                     |         |         |                | 2Q21     | 3Q20     |         |                |                |
| Net Income                          | 356     | 484     | <b>402</b>     | (17%)    | 13%      | 1,136   | <b>1,306</b>   | 15%            |
| Shareholder's Equity                | 5,799   | 7,100   | <b>7,326</b>   | 3%       | 26%      | 5,799   | <b>7,326</b>   | 26%            |
| Assets Under Custody                | 907,018 | 972,226 | <b>983,675</b> | 1%       | 8%       | 907,018 | <b>983,675</b> | 8%             |
| Total Assets                        | 249,498 | 284,782 | <b>310,373</b> | 9%       | 24%      | 249,498 | <b>310,373</b> | 24%            |
| ROE                                 | 25.4%   | 28.2%   | <b>22.3%</b>   | (5.9 pp) | (3.1 pp) | 29.0%   | <b>25.6%</b>   | (3.4 pp)       |
| Net Capital (1)                     | 4,276   | 5,263   | <b>5,586</b>   | 6%       | 31%      | 4,276   | <b>5,586</b>   | 31%            |

1) Net capital structure: Core Equity =Ps 5.59 billion, Additional Capital= Ps 0 million.

The **Brokerage business** (Casa de Bolsa Banorte and Operadora de Fondos) reported **net income of Ps 402 million in 3Q21**, representing a (17%) sequential decline, mainly due to lower security transactions and (3%) lower fee income. In 9M21, net income increased 15% vs. the previous year due to higher fee income and strong growth in other non-interest expenses.

Net income from the brokerage business in 3Q21 accounted for 4.5% of the group's net income.

### Assets Under Management

At the end of 3Q21, AUMs totaled **Ps 984 billion**, representing a **1% increase** during the quarter and 8% annual increase.

Assets under management by mutual funds **totaled Ps 233 billion, presenting a (0.2%) annual decrease**. Assets held in **fixed income funds** totaled **Ps 208 billion, 0.35% higher in the quarter**, and (2.5%) lower in the year. Assets held in **equity funds** amounted to **Ps 25 billion**, up 2.8% in the quarter and 23.4% higher in the year.

As of 3Q21, Banorte held an 8.5% share of the mutual fund market: 11.2% share of fixed income funds and 2.8% of equity funds.

## SOFOM and other Finance Companies

| SOFOM & Other Finance Companies<br>(Million Pesos)                           | 3Q20   | 2Q21    | 3Q21   | Change  |           | 9M20   | 9M21    | Change<br>9M20 |
|--|--------|---------|--------|---------|-----------|--------|---------|----------------|
|  |        |         |        | 2Q21    | 3Q20      |        |         |                |
| <b>Warehousing</b>   |        |         |        |         |           |        |         |                |
| Net Income   | 9      | 4       | 5      | 45%     | (38%)     | 27     | 18      | (33%)          |
| Shareholder's Equity   | 273    | 296     | 301    | 2%      | 10%       | 273    | 301     | 10%            |
| Inventories  | 1,053  | 611     | 960    | 57%     | (9%)      | 1,053  | 960     | (9%)           |
| Total Assets   | 1,255  | 764     | 1,167  | 53%     | (7%)      | 1,255  | 1,167   | (7%)           |
| ROE  | 12.9%  | 5.1%    | 7.2%   | 2.2 pp  | (5.7 pp)  | 14.0%  | 8.3%    | (5.7 pp)       |
| <b>Arrendadora y Factor (previous Sólida Administradora de Portafolios*)</b> |        |         |        |         |           |        |         |                |
| Net Income   | 684    | 88      | 208    | 136%    | (70%)     | 527    | 555     | 5%             |
| Shareholder's Equity   | 9,220  | 9,682   | 9,889  | 2%      | 7%        | 9,220  | 9,889   | 7%             |
| Loan Portfolio (1)   | 32,594 | 35,322  | 36,603 | 4%      | 12%       | 32,594 | 36,603  | 12%            |
| Past Due Loans   | 353    | 340     | 646    | 90%     | 83%       | 353    | 646     | 83%            |
| Loan Loss Reserves   | 497    | 433     | 481    | 11%     | (3%)      | 497    | 481     | (3%)           |
| Total Assets   | 39,964 | 42,174  | 43,204 | 2%      | 8%        | 39,964 | 43,204  | 8%             |
| ROE  | 45.9%  | 3.7%    | 8.6%   | 4.9 pp  | (37.2 pp) | 15.8%  | 7.8%    | (8.0 pp)       |
| <b>Sólida AyF Merger (Historic Consolidation Exercise)</b>                   |        |         |        |         |           |        |         |                |
| Net Income   | 237    | 88      | 208    | 136%    | (12%)     | 527    | 555     | 5%             |
| Shareholder's Equity   | 9,220  | 9,682   | 9,889  | 2%      | 7%        | 9,220  | 9,889   | 7%             |
| Loan Portfolio (1)   | 32,594 | 35,322  | 36,603 | 4%      | 12%       | 32,594 | 36,603  | 12%            |
| Past Due Loans   | 353    | 340     | 646    | 90%     | 83%       | 353    | 646     | 83%            |
| Past Due Loan Ratio  | 1.1%   | 1.0%    | 1.8%   | 0.8 pp  | 0.6 pp    | 1.1%   | 1.8%    | 0.6 pp         |
| Loan Loss Reserves   | 497    | 433     | 481    | 11%     | (3%)      | 497    | 481     | (3%)           |
| Total Assets   | 39,964 | 42,174  | 43,204 | 2%      | 8%        | 39,964 | 43,204  | 8%             |
| ROE  | 10.4%  | 3.7%    | 8.6%   | 1.3 pp  | (0.2 pp)  | 7.8%   | 7.8%    | 0.0 pp         |
| <b>Ixe Servicios</b>   |        |         |        |         |           |        |         |                |
| Net Income   | (0.7)  | (3.1)   | 0.0    | 101%    | 104%      | (1.4)  | (21.8)  | (1410%)        |
| Shareholder's Equity   | 136    | 113     | 113    | 0%      | (16%)     | 136    | 113     | (16%)          |
| Total Assets   | 136    | 332     | 889    | 168%    | 554%      | 136    | 889     | 554%           |
| ROE  | (2.1%) | (10.7%) | 0.1%   | 10.8 pp | 2.2 pp    | (1.4%) | (24.3%) | (22.8 pp)      |

1) Includes operating lease portfolio of Ps 1.96 billion, and proprietary fixed assets of Ps 1.29 billion, both registered in property, plant, and equipment (net).

\*For informational purposes.

### Leasing and Factoring (Merger between Sólida and Arrendadora)

Results shown result from the merger that took place on July 1<sup>st</sup>, 2020 and from a historic exercise for comparison purposes.

**Net income** in 3Q21 totaled **Ps 208 million**, reflecting a 136% sequential increase derived from an 8% increase in net interest income (NII), (70%) lower credit provisions and (3%) lower non-interest expenses. In addition, it improved 5% in the accumulated annual comparison, attributed to 20% higher NII and a 16% increment in other operating income.

**The Past due loan ratio reached 1.8%**, reporting an improvement vs. the previous quarter. The Coverage ratio totaled 74.5% and dropped (52.9p.p.) in the quarter. The **Capital ratio for 3Q21** totaled 23.74%, considering total risk weighted assets of Ps 33.99 billion. Leverage ratio as of June and September 2021, reached 17.74% and 17.71%, considering adjusted assets of Ps 44.68 billion and Ps 45.57 billion pesos, respectively.

In 3Q21, Net Income from Leasing and Factoring represented 2.3% of the group's total results. As of June 2021, Arrendadora y Factor Banorte continues to rank second in terms of portfolio size among the 63 companies in this sector, according to the Asociación Mexicana de Sociedades Financieras de Arrendamiento, Crédito y Factoraje, A.C. (AMSOFAC).

### Warehouse

In 3Q21, the Warehousing business reported net income of Ps 5 million, 45% higher than 2Q21, explained by a 20% higher income in services and a 16% increase in non-interest income. The net income from 9M21 decreased (33%) in the year. ROE reached 7.2% and capital ratio totaled 234%, considering a Ps 253 million net capital base, and a Ps 2.17 billion in negotiable certificates of deposit issued in active warehouses.

As of March 2021, Almacenadora Banorte has ranked third among the warehousing businesses in the sector in terms of net income.

## III. General Information

### GFNORTE's Analyst Coverage

In compliance with the requirements of BOLSA MEXICANA DE VALORES, S.A.B. DE C.V, we present the list of brokers who provide an analysis coverage for GFNORTEO.

| BROKER               | ANALYST                  | RECOMMENDATION | DATE      |
|----------------------|--------------------------|----------------|-----------|
| Actinver             | Lilian Ochoa             | Buy            | 23-Jul-21 |
| Autonomous           | Geoffrey Elliott         | Buy            | 22-Jul-21 |
| Barclays             | Gilberto García          | Buy            | 10-Aug-21 |
| BBVA                 | Rodrigo Ortega           | Buy            | 16-Aug-21 |
| BOFA - Merrill Lynch | M. Pierry / E. Gabilondo | Buy            | 2-Aug-21  |
| BTG Pactual          | Eduardo Rosman           | Buy            | 22-Apr-21 |
| Citi                 | Jorg Friedman            | Buy            | 22-Jul-21 |
| Credit Suisse        | M. Telles / A. García    | Buy            | 23-Jul-21 |
| GBM                  | Carlos de Legarreta      | Buy            | 29-Oct-20 |
| Goldman Sachs        | Tito Labarta             | Buy            | 25-Jul-21 |
| Intercam             | Alejandro González       | Buy            | 22-Jul-21 |
| JP Morgan            | Domingos Falavina        | Buy            | 22-Jul-21 |
| Scotia               | Jason Mollin             | Buy            | 23-Jul-21 |
| UBS                  | Thiago Batista           | Buy            | 25-Aug-21 |
| Vector               | Marco Montañez           | Buy            | 22-Jul-21 |
| HSBC                 | Carlos Gómez             | Hold           | 28-Sep-21 |
| Invex                | Montserrat Antón         | Hold           | 4-Aug-21  |
| Itaú BBA             | Arturo Langa             | Hold           | 22-Jul-21 |
| Monex                | Verónica Uribe           | Hold           | 22-Jul-21 |
| Morgan Stanley       | Jorge Kuri               | Hold           | 22-Jul-21 |
| Nau                  | Iñigo Vega               | Hold           | 29-Mar-21 |
| Santander            | Claudia Benavente        | Hold           | 18-Aug-21 |

### Capital Structure

#### Holding Company Capital Structure

| Number of Shares (Million)                    | SERIES O<br>As of September 2021 |
|---|----------------------------------|
| Number of Issued , Subscribed and Paid Shares | 2,883,456,594                    |
| Number of Shares Outstanding                  | 2,883,456,594                    |



# IV. Financial Statements

## Grupo Financiero Banorte

| Income Statement -GFNorte<br>(Million Pesos)              | 1Q20          | 2Q20          | 3Q20          | 4Q20           | 1Q21          | 2Q21          | 3Q21          |
|---|---------------|---------------|---------------|----------------|---------------|---------------|---------------|
| Interest Income   | 36,519        | 32,350        | 32,987        | 30,296         | 32,212        | 30,911        | 32,894        |
| Interest Expense  | 14,237        | 13,032        | 10,149        | 9,324          | 9,475         | 9,155         | 10,021        |
| Charged Fees  | 360           | 346           | 354           | 380            | 352           | 362           | 377           |
| Fees Paid   | 291           | 270           | 281           | 314            | 314           | 313           | 335           |
| <b>Net Interest Income from interest &amp; fees (NII)</b> | <b>22,351</b> | <b>19,395</b> | <b>22,911</b> | <b>21,038</b>  | <b>22,775</b> | <b>21,806</b> | <b>22,915</b> |
| Premium Income (Net)                                      | 12,155        | 8,118         | 7,385         | 9,192          | 15,340        | 8,602         | 10,319        |
| Net Increase in Technical Reserves                        | 7,946         | 1,216         | 4,262         | 4,368          | 11,016        | 4,983         | 7,071         |
| Damages, Claims and Other Obligations                     | 4,592         | 5,613         | 5,433         | 6,281          | 7,097         | 5,777         | 6,157         |
| <b>Net Interest Income (NII)</b>                          | <b>21,968</b> | <b>20,683</b> | <b>20,601</b> | <b>19,580</b>  | <b>20,002</b> | <b>19,649</b> | <b>20,007</b> |
| Preventive Provisions for Loan Losses                     | 4,344         | 8,456         | 3,138         | 5,993          | 3,215         | 2,765         | 2,653         |
| <b>Net Interest Income Adjusted for Credit Risk</b>       | <b>17,623</b> | <b>12,227</b> | <b>17,463</b> | <b>13,587</b>  | <b>16,788</b> | <b>16,883</b> | <b>17,354</b> |
| Fund Transfers  | 400           | 476           | 489           | 513            | 473           | 530           | 517           |
| Account Management Fees                                   | 578           | 508           | 548           | 529            | 494           | 491           | 481           |
| Electronic Banking Services                               | 2,336         | 2,027         | 2,379         | 3,033          | 2,916         | 3,212         | 3,246         |
| For Commercial and Mortgage Loans                         | 495           | 394           | 129           | 366            | 296           | 278           | 329           |
| For Consumer and Credit Card Loans                        | 1,242         | 1,049         | 1,148         | 1,292          | 1,164         | 1,263         | 1,307         |
| Fiduciary   | 119           | 102           | 113           | 153            | 106           | 177           | 136           |
| Income from Real Estate Portfolios                        | 5             | 11            | 6             | 19             | 10            | 23            | 24            |
| Mutual Funds  | 461           | 486           | 501           | 504            | 484           | 503           | 507           |
| Trading & Financial Advising Fees                         | 147           | 126           | 128           | 142            | 188           | 166           | 137           |
| Other Fees Charged  | 331           | 226           | 268           | 223            | 250           | 42            | 51            |
| <b>Fees Charged on Services</b>                           | <b>6,115</b>  | <b>5,406</b>  | <b>5,708</b>  | <b>6,775</b>   | <b>6,380</b>  | <b>6,685</b>  | <b>6,736</b>  |
| Interchange Fees  | 1,226         | 1,018         | 1,228         | 1,684          | 1,625         | 1,911         | 1,923         |
| Insurance Fees  | 473           | 353           | 317           | 227            | 339           | 236           | 295           |
| Other Fees Paid   | 961           | 966           | 1,066         | 1,264          | 1,202         | 1,248         | 1,062         |
| <b>Fees Paid on Services</b>                              | <b>2,660</b>  | <b>2,337</b>  | <b>2,611</b>  | <b>3,176</b>   | <b>3,166</b>  | <b>3,396</b>  | <b>3,279</b>  |
| <b>Net Service Fees</b>                                   | <b>3,455</b>  | <b>3,069</b>  | <b>3,096</b>  | <b>3,599</b>   | <b>3,214</b>  | <b>3,289</b>  | <b>3,457</b>  |
| Currency and Metals                                       | 1,235         | (501)         | (309)         | (1,483)        | 575           | (453)         | 357           |
| Derivatives   | (1,238)       | 1,139         | 531           | 309            | 111           | 164           | 123           |
| Negotiable Instruments                                    | (166)         | (111)         | 80            | 92             | (579)         | 122           | 636           |
| <b>Valuation</b>  | <b>(169)</b>  | <b>527</b>    | <b>302</b>    | <b>(1,083)</b> | <b>107</b>    | <b>(167)</b>  | <b>1,116</b>  |
| Currency and Metals                                       | (862)         | 774           | 464           | 1,930          | 64            | 838           | 399           |
| Derivatives   | 1,742         | (323)         | 2             | (169)          | 5             | (10)          | (121)         |
| Negotiable Instruments                                    | 455           | 724           | 359           | 180            | 87            | 180           | (278)         |
| <b>Trading</b>  | <b>1,335</b>  | <b>1,175</b>  | <b>826</b>    | <b>1,941</b>   | <b>857</b>    | <b>1,008</b>  | <b>0</b>      |
| <b>Trading Income</b>                                     | <b>1,166</b>  | <b>1,703</b>  | <b>1,128</b>  | <b>858</b>     | <b>964</b>    | <b>840</b>    | <b>1,116</b>  |
| Loan Recovery   | -             | -             | -             | -              | -             | -             | -             |
| Loan Portfolios   | 80            | 63            | 90            | 69             | 99            | 85            | 91            |
| Income from foreclosed assets                             | 88            | 132           | 165           | 129            | 87            | 132           | 87            |
| Provisions Release  | -             | -             | -             | -              | -             | -             | -             |
| Impairment of Assets                                      | (55)          | -             | -             | -              | -             | -             | -             |
| Lease Income  | 100           | 77            | 11            | 62             | 64            | 57            | 45            |
| From Insurance  | 211           | 322           | 198           | 317            | 275           | 195           | 252           |
| Securitization Operation Valuation Result                 | 31            | 6             | 15            | (36)           | 0             | 0             | -             |
| Other Operating Expense                                   | (128)         | 541           | 178           | 319            | 298           | 141           | 60            |
| <b>Total Other Operating Income (Expense)</b>             | <b>327</b>    | <b>1,140</b>  | <b>656</b>    | <b>859</b>     | <b>822</b>    | <b>609</b>    | <b>535</b>    |
| <b>Total Non Interest Income</b>                          | <b>4,949</b>  | <b>5,911</b>  | <b>4,880</b>  | <b>5,315</b>   | <b>5,000</b>  | <b>4,739</b>  | <b>5,108</b>  |
| <b>Total Operating Income</b>                             | <b>22,572</b> | <b>18,139</b> | <b>22,343</b> | <b>18,903</b>  | <b>21,788</b> | <b>21,622</b> | <b>22,462</b> |
| Personnel   | 3,930         | 3,891         | 4,037         | 4,660          | 4,006         | 4,273         | 4,368         |
| Employee Profit Sharing (PTU)                             | 133           | 133           | 133           | 136            | 139           | 139           | 141           |
| Professional Fees   | 749           | 801           | 861           | 962            | 806           | 808           | 820           |
| Administrative and Promotional Expenses                   | 2,382         | 2,032         | 2,075         | 2,141          | 2,223         | 1,914         | 1,982         |
| Rents, Depreciation & Amortization                        | 1,946         | 2,047         | 2,074         | 2,136          | 2,243         | 2,240         | 2,237         |
| Taxes other than income tax & non deductible expenses     | 498           | 483           | 496           | 648            | 553           | 589           | 581           |
| Contributions to IPAB/Fobaproa                            | 828           | 919           | 951           | 931            | 912           | 889           | 889           |
| <b>Total Non Interest Expense</b>                         | <b>10,466</b> | <b>10,307</b> | <b>10,627</b> | <b>11,612</b>  | <b>10,883</b> | <b>10,851</b> | <b>11,017</b> |
| <b>Operating Income</b>                                   | <b>12,106</b> | <b>7,832</b>  | <b>11,717</b> | <b>7,290</b>   | <b>10,905</b> | <b>10,771</b> | <b>11,445</b> |
| Subsidiaries' Net Income                                  | 353           | 648           | 492           | 509            | 429           | 675           | 532           |
| <b>Pre-Tax Income</b>                                     | <b>12,459</b> | <b>8,480</b>  | <b>12,208</b> | <b>7,800</b>   | <b>11,334</b> | <b>11,446</b> | <b>11,977</b> |
| Income Tax  | 3,555         | 947           | 2,477         | 2,268          | 1,909         | 1,738         | 2,295         |
| Tax on Assets   | -             | -             | -             | -              | -             | -             | -             |
| Deferred Income Tax                                       | (328)         | 939           | 702           | (511)          | 769           | 1,017         | 680           |
| <b>Taxes</b>  | <b>3,228</b>  | <b>1,886</b>  | <b>3,178</b>  | <b>1,757</b>   | <b>2,678</b>  | <b>2,756</b>  | <b>2,975</b>  |
| <b>Net Income from Continuous Operations</b>              | <b>9,231</b>  | <b>6,593</b>  | <b>9,030</b>  | <b>6,043</b>   | <b>8,656</b>  | <b>8,690</b>  | <b>9,002</b>  |
| Discontinued Operations                                   | -             | -             | -             | -              | -             | -             | -             |
| Minority Interest   | (113)         | (75)          | (124)         | (77)           | (112)         | (122)         | (128)         |
| <b>Net Income</b>   | <b>9,118</b>  | <b>6,518</b>  | <b>8,906</b>  | <b>5,966</b>   | <b>8,544</b>  | <b>8,568</b>  | <b>8,874</b>  |

| <b>GFNorte - Balance Sheet</b>  | <b>1Q20</b>      | <b>2Q20</b>      | <b>3Q20</b>      | <b>4Q20</b>      | <b>1Q21</b>      | <b>2Q21</b>      | <b>3Q21</b>      |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <i>(Million Pesos)</i>  |                  |                  |                  |                  |                  |                  |                  |
| <b>ASSETS</b>   |                  |                  |                  |                  |                  |                  |                  |
| <b>Cash and Due from Banks</b>  | <b>90,877</b>    | <b>106,047</b>   | <b>100,081</b>   | <b>109,306</b>   | <b>116,394</b>   | <b>110,852</b>   | <b>67,769</b>    |
| <b>Margin Accounts</b>  | <b>9,701</b>     | <b>18,353</b>    | <b>16,312</b>    | <b>18,099</b>    | <b>11,012</b>    | <b>8,703</b>     | <b>8,268</b>     |
| Negotiable Instruments  | 238,956          | 243,834          | 223,752          | 223,390          | 260,030          | 252,901          | 260,759          |
| Securities Available for Sale   | 204,963          | 231,114          | 251,225          | 244,823          | 236,274          | 231,710          | 234,479          |
| Securities Held to Maturity   | 156,631          | 169,514          | 189,366          | 193,652          | 207,858          | 215,382          | 233,050          |
| <b>Investment in Securities</b>   | <b>600,550</b>   | <b>644,463</b>   | <b>664,342</b>   | <b>661,865</b>   | <b>704,162</b>   | <b>699,992</b>   | <b>728,289</b>   |
| <b>Non-assigned Securities for Settlement</b>                                 | -                | -                | -                | -                | -                | -                | -                |
| <b>Debtor Balance in Repo Trans, net</b>                                      | <b>2,810</b>     | <b>1,928</b>     | <b>3,797</b>     | <b>4,036</b>     | <b>3,148</b>     | <b>2,928</b>     | <b>2,957</b>     |
| <b>Securities Lending</b>   | -                | -                | -                | -                | -                | -                | -                |
| For trading purposes  | 48,940           | 61,705           | 53,819           | 48,233           | 28,458           | 24,423           | 25,999           |
| For hedging purposes  | 1,292            | 2,384            | 1,885            | 2,043            | 609              | 648              | 753              |
| Operations w/Derivatives & Securities   |                  |                  |                  |                  |                  |                  |                  |
| <b>Transactions with Derivatives</b>  | <b>50,232</b>    | <b>64,089</b>    | <b>55,704</b>    | <b>50,277</b>    | <b>29,068</b>    | <b>25,072</b>    | <b>26,751</b>    |
| <b>Operations w/Derivatives &amp; Securities</b>                              | <b>53,042</b>    | <b>66,017</b>    | <b>59,500</b>    | <b>54,313</b>    | <b>32,215</b>    | <b>28,000</b>    | <b>29,709</b>    |
| <b>Valuation adjustments for Asset Coverage</b>                               | <b>65</b>        | <b>62</b>        | <b>58</b>        | <b>54</b>        | <b>51</b>        | <b>47</b>        | <b>43</b>        |
| Commercial Loans  | 318,439          | 326,535          | 324,981          | 325,183          | 324,529          | 316,575          | 326,413          |
| Financial Intermediaries' Loans   | 9,067            | 9,502            | 9,882            | 11,172           | 8,445            | 8,873            | 8,188            |
| Consumer Loans  | 117,537          | 115,601          | 118,321          | 116,484          | 116,092          | 118,322          | 119,510          |
| Mortgage Loans  | 173,226          | 177,282          | 182,685          | 187,736          | 191,220          | 196,125          | 197,737          |
| Medium and Residential  | 170,143          | 174,331          | 179,791          | 184,980          | 188,529          | 193,554          | 195,245          |
| low income housing  | 8                | 5                | 5                | 4                | 4                | 3                | 3                |
| Loans acquired from INFONAVIT or FOVISSSTE                                    | 3,075            | 2,946            | 2,889            | 2,752            | 2,687            | 2,567            | 2,489            |
| Restructuring or improvement guaranteed by development banks or public trusts | -                | -                | -                | -                | -                | -                | -                |
| Government Entities' Loans  | 161,549          | 162,717          | 162,609          | 161,563          | 160,042          | 154,649          | 161,400          |
| <b>Performing Loans</b>   | <b>779,818</b>   | <b>791,637</b>   | <b>798,478</b>   | <b>802,138</b>   | <b>800,328</b>   | <b>794,544</b>   | <b>813,247</b>   |
| Commercial PDL's  | 7,047            | 2,604            | 2,212            | 2,530            | 3,649            | 5,498            | 4,471            |
| Financial Intermediaries PDL's  | 4                | -                | -                | -                | -                | -                | -                |
| Consumer PDL's  | 4,052            | 4,229            | 2,350            | 4,706            | 4,694            | 3,551            | 3,191            |
| Mortgage PDL's  | 2,070            | 2,305            | 1,811            | 1,658            | 2,071            | 1,966            | 2,135            |
| Medium and Residential  | 1,834            | 2,025            | 1,612            | 1,429            | 1,819            | 1,709            | 1,859            |
| low income housing  | 0                | 1                | 1                | 1                | 0                | 0                | 0                |
| Loans acquired from INFONAVIT or FOVISSSTE                                    | 235              | 279              | 198              | 228              | 252              | 258              | 277              |
| Restructuring or improvement guaranteed by development banks or public trusts | -                | -                | -                | -                | -                | -                | -                |
| Government Entities PDL's   | 40               | 115              | 288              | 38               | 192              | 186              | 159              |
| <b>Past Due Loans</b>   | <b>13,212</b>    | <b>9,254</b>     | <b>6,660</b>     | <b>8,931</b>     | <b>10,607</b>    | <b>11,202</b>    | <b>9,956</b>     |
| <b>Gross Loan Portfolio</b>   | <b>793,030</b>   | <b>800,891</b>   | <b>805,138</b>   | <b>811,070</b>   | <b>810,935</b>   | <b>805,746</b>   | <b>823,204</b>   |
| Preventive Loan Loss Reserves   | 18,504           | 18,555           | 17,666           | 20,004           | 19,670           | 18,175           | 17,297           |
| <b>Net Loan Portfolio</b>   | <b>774,525</b>   | <b>782,337</b>   | <b>787,473</b>   | <b>791,066</b>   | <b>791,265</b>   | <b>787,571</b>   | <b>805,906</b>   |
| Acquired Collection Rights  | 1,500            | 1,438            | 1,341            | 1,617            | 1,529            | 1,421            | 1,260            |
| <b>Total Credit Portfolio</b>   | <b>776,025</b>   | <b>783,774</b>   | <b>788,814</b>   | <b>792,682</b>   | <b>792,794</b>   | <b>788,992</b>   | <b>807,166</b>   |
| Account Receivables from Insurance and Annuities                              | 2,205            | 2,432            | 2,591            | 2,756            | 3,157            | 2,806            | 3,039            |
| Premium Debtors (Net)   | 8,003            | 9,196            | 7,032            | 4,353            | 11,144           | 8,638            | 7,016            |
| Account Receivables from Reinsurance  | 8,162            | 8,872            | 7,924            | 7,269            | 7,521            | 7,707            | 7,981            |
| Benef. receivab. securization transactions                                    | 161              | 156              | 151              | 110              | 2                | -                | -                |
| Sundry Debtors & Other Accs Rec, Net  | 85,131           | 50,981           | 55,704           | 42,481           | 37,992           | 49,790           | 46,593           |
| Inventories   | 758              | 1,299            | 1,053            | 945              | 832              | 611              | 960              |
| Foreclosed Assets, Net  | 1,096            | 1,075            | 976              | 1,553            | 1,552            | 1,953            | 1,949            |
| Real Estate, Furniture & Equipment, Net                                       | 19,833           | 31,151           | 31,682           | 32,627           | 32,806           | 20,502           | 20,803           |
| Investment in Subsidiaries  | 13,489           | 13,894           | 14,368           | 14,804           | 13,511           | 14,155           | 14,476           |
| Long-term assets held for sale  | -                | -                | -                | -                | -                | -                | -                |
| Deferred Taxes, Net   | 3,742            | 201              | 0                | 0                | (0)              | 0                | 0                |
| Goodwill and Intangibles  | 51,139           | 40,257           | 39,203           | 39,439           | 39,790           | 54,416           | 54,533           |
| Other Assets Short and Long Term  | 5,300            | 5,351            | 5,515            | 5,247            | 5,272            | 5,198            | 5,101            |
| Other Assets  |                  |                  |                  |                  |                  |                  |                  |
|   | 199,020          | 164,866          | 166,199          | 151,585          | 153,579          | 165,777          | 162,451          |
| <b>TOTAL ASSETS</b>   | <b>1,729,280</b> | <b>1,783,581</b> | <b>1,795,306</b> | <b>1,787,904</b> | <b>1,810,207</b> | <b>1,802,363</b> | <b>1,803,695</b> |

| <b>GFNorte - Balance Sheet</b><br><i>(Million Pesos)</i>                     | <b>1Q20</b>      | <b>2Q20</b>      | <b>3Q20</b>      | <b>4Q20</b>      | <b>1Q21</b>      | <b>2Q21</b>      | <b>3Q21</b>      |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>LIABILITIES</b>   |                  |                  |                  |                  |                  |                  |                  |
| Demand Deposits  | 433,849          | 469,861          | 496,641          | 520,283          | 541,002          | 529,030          | 511,091          |
| Time Deposits-Retail   | 274,681          | 265,100          | 251,418          | 252,271          | 246,883          | 243,038          | 246,329          |
| Time Deposits-Money Market   | 26,894           | 28,433           | 26,741           | 14,248           | 8,069            | 3,364            | 3,261            |
| Global Account of deposits without movements                                 | 2,213            | 2,368            | 2,489            | 2,585            | 2,639            | 2,744            | 2,825            |
| Senior Unsecured Debt  | 35,355           | 35,386           | 35,815           | 32,325           | 31,937           | 31,907           | 29,786           |
| <b>Deposits</b>  | <b>772,993</b>   | <b>801,148</b>   | <b>813,104</b>   | <b>821,712</b>   | <b>830,531</b>   | <b>810,082</b>   | <b>793,292</b>   |
| Demand Loans   | 5,000            | 0                | 0                | 0                | 0                | 0                | 0                |
| Short Term Loans   | 20,824           | 47,365           | 22,185           | 22,499           | 20,054           | 19,531           | 16,829           |
| Long Term Loans  | 11,675           | 14,452           | 13,223           | 13,522           | 13,962           | 14,223           | 13,952           |
| <b>Due to Banks &amp; Correspondents</b>                                     | <b>37,499</b>    | <b>61,817</b>    | <b>35,408</b>    | <b>36,021</b>    | <b>34,016</b>    | <b>33,754</b>    | <b>30,780</b>    |
| Technical Reserves   | 162,887          | 179,930          | 183,866          | 187,846          | 200,479          | 204,291          | 219,403          |
| Non-assigned Securities for Settlement                                       | -                | -                | -                | -                | -                | -                | -                |
| Creditor Balance in Repo Trans, Net  | 354,238          | 353,211          | 352,628          | 353,094          | 371,414          | 382,616          | 374,310          |
| Secs to be received in Repo Trans, Net                                       | -                | -                | 0                | 0                | 0                | 0                | 0                |
| Repos (Credit Balance)   | 16               | 8                | 2                | 13               | 19               | 55               | 36               |
| Securities' Loans  | -                | -                | 0                | 8                | 13               | 22               | 6                |
| Transactions with Derivatives  | -                | -                | -                | -                | -                | -                | -                |
| Other sold collateral  | -                | -                | -                | -                | -                | -                | -                |
| <b>Total Collateral sold</b>   | <b>16</b>        | <b>8</b>         | <b>2</b>         | <b>21</b>        | <b>31</b>        | <b>77</b>        | <b>43</b>        |
| For trading purposes   | 50,574           | 58,754           | 50,121           | 44,097           | 24,508           | 20,011           | 21,637           |
| For hedging purposes   | 10,487           | 7,682            | 7,189            | 4,990            | 5,566            | 5,623            | 6,565            |
| Operations w/ Derivatives & Securities                                       |                  |                  |                  |                  |                  |                  |                  |
| <b>Transactions with Derivatives</b>   | <b>61,062</b>    | <b>66,436</b>    | <b>57,310</b>    | <b>49,087</b>    | <b>30,073</b>    | <b>25,634</b>    | <b>28,202</b>    |
| <b>Total Operations w/ Derivatives &amp; Securities</b>                      | <b>415,316</b>   | <b>419,655</b>   | <b>409,939</b>   | <b>402,202</b>   | <b>401,518</b>   | <b>408,328</b>   | <b>402,555</b>   |
| Valuation adjustments for financial liability coverage                       | -                | -                | -                | -                | -                | -                | -                |
| Obligations in securitization transactions                                   | -                | -                | -                | -                | -                | -                | -                |
| Payable Accounts for Reinsurance   | 2,311            | 3,159            | 2,918            | 2,269            | 3,145            | 2,790            | 2,501            |
| Income Tax Payable   | 3,538            | 2,718            | 3,521            | 4,365            | 1,895            | 1,660            | 2,407            |
| Profit Sharing Payable   | 639              | 280              | 407              | 538              | 187              | 297              | 433              |
| Provision for future capital increase not formalized by its governing entity | -                | -                | -                | -                | -                | -                | -                |
| Creditors for settlement of transactions                                     | 31,188           | 4,621            | 11,182           | 4,892            | 4,020            | 8,282            | 6,837            |
| Margin Accounts Payable  | -                | -                | -                | -                | -                | -                | -                |
| Other Creditors & Accounts Payable   | 46,614           | 44,126           | 50,021           | 42,775           | 43,030           | 42,812           | 45,420           |
| <b>Other Payable Accounts</b>  | <b>81,979</b>    | <b>51,745</b>    | <b>65,131</b>    | <b>52,570</b>    | <b>49,132</b>    | <b>53,051</b>    | <b>55,097</b>    |
| Subordinated Non Convertible Debt  | 58,423           | 57,321           | 66,241           | 57,152           | 58,759           | 57,243           | 59,186           |
| Deferred Taxes, Net  | (0)              | 0                | 897              | 1,618            | 1,139            | 2,242            | 2,694            |
| Deferred Credits   | 382              | 462              | 430              | 1,411            | 1,346            | 1,260            | 1,248            |
| <b>TOTAL LIABILITIES</b>   | <b>1,531,790</b> | <b>1,575,237</b> | <b>1,577,935</b> | <b>1,562,801</b> | <b>1,580,066</b> | <b>1,573,041</b> | <b>1,566,755</b> |
| <b>EQUITY</b>  |                  |                  |                  |                  |                  |                  |                  |
| Paid-in Capital  | 14,944           | 14,901           | 14,901           | 14,919           | 14,936           | 14,936           | 14,939           |
| Provision for future capital increase not formalized by its governing entity | -                | -                | -                | -                | -                | -                | -                |
| Share Subscription Premiums  | 48,091           | 48,316           | 48,509           | 48,269           | 47,863           | 48,283           | 48,491           |
| Subordinated Convertible Debentures  | -                | -                | -                | -                | -                | -                | -                |
| <b>Subscribed Capital</b>  | <b>63,034</b>    | <b>63,217</b>    | <b>63,410</b>    | <b>63,188</b>    | <b>62,799</b>    | <b>63,219</b>    | <b>63,430</b>    |
| Capital Reserves   | 5,418            | 8,746            | 8,753            | 9,215            | 9,719            | 8,415            | 8,451            |
| Retained Earnings  | 125,934          | 120,910          | 119,734          | 118,773          | 148,359          | 139,558          | 138,647          |
| Surplus (Deficit) of Secs Available for Sale                                 | (2,851)          | 574              | 1,771            | 3,801            | 2,199            | 2,615            | 2,424            |
| Results from Valuation of Hedging Secs                                       | (3,895)          | (1,398)          | (1,677)          | (887)            | (2,214)          | (2,451)          | (2,810)          |
| Result in the valuation reserve for unexpired risks variations in rates      | 1                | (184)            | (190)            | (231)            | (110)            | (103)            | (85)             |
| Results from Conversions   | 348              | 326              | 269              | 134              | 166              | 132              | 173              |
| Remeasurements defined benefits for employees                                | (1,894)          | (1,927)          | (1,960)          | (2,259)          | (2,229)          | (2,199)          | (2,174)          |
| Surplus (Deficit) in Capital Restatement                                     | -                | -                | -                | -                | -                | -                | -                |
| Adjustments in the Employee's Pensions                                       | -                | -                | -                | -                | -                | -                | -                |
| Accumulated Effect of Deferred Taxes   | -                | -                | -                | -                | -                | -                | -                |
| Net Income   | 9,118            | 15,636           | 24,542           | 30,508           | 8,544            | 17,112           | 25,987           |
| <b>Earned Capital</b>  | <b>132,179</b>   | <b>142,684</b>   | <b>151,242</b>   | <b>159,053</b>   | <b>164,434</b>   | <b>163,079</b>   | <b>170,613</b>   |
| Minority Interest  | 2,277            | 2,443            | 2,719            | 2,862            | 2,908            | 3,025            | 2,897            |
| <b>Total Equity</b>  | <b>197,490</b>   | <b>208,344</b>   | <b>217,371</b>   | <b>225,103</b>   | <b>230,142</b>   | <b>229,322</b>   | <b>236,940</b>   |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>  | <b>1,729,280</b> | <b>1,783,581</b> | <b>1,795,306</b> | <b>1,787,904</b> | <b>1,810,207</b> | <b>1,802,363</b> | <b>1,803,695</b> |

| <b>GFNorte - Memorandum Accounts</b><br><i>(Million Pesos)</i> | <b>1Q20</b>      | <b>2Q20</b>      | <b>3Q20</b>      | <b>4Q20</b>      | <b>1Q21</b>      | <b>2Q21</b>      | <b>3Q21</b>      |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>On behalf of Third Parties</b>                              |                  |                  |                  |                  |                  |                  |                  |
| Customer's Banks   | 85               | 24               | 21               | 62               | 49               | 18               | 13               |
| Dividends Receivable from Customers                            | -                | -                | -                | -                | -                | -                | -                |
| Interest Receivable from Customers                             | -                | -                | -                | -                | -                | -                | -                |
| Settlement of Customer Transactions                            | 208              | (270)            | 123              | (30)             | 47               | 12,022           | 9,823            |
| Customer Premiums  | -                | -                | -                | -                | -                | -                | -                |
| Settlement with Clients' Foreign Currency                      | -                | -                | -                | -                | -                | -                | -                |
| Margin Accounts in Futures' Operations                         | -                | -                | -                | -                | -                | -                | -                |
| Other Current Accounts   | -                | -                | -                | -                | -                | -                | -                |
| <b>Customers' Current Account</b>                              | <b>293</b>       | <b>(245)</b>     | <b>145</b>       | <b>32</b>        | <b>97</b>        | <b>12,039</b>    | <b>9,836</b>     |
| Client Securities Received in Custody                          | 605,481          | 641,824          | 670,163          | 669,495          | 720,880          | 740,294          | 750,150          |
| Securities and Documents Received in Guarantee                 | -                | -                | -                | -                | -                | -                | -                |
| Client Securities Abroad                                       | -                | -                | -                | -                | -                | -                | -                |
| <b>Clients' Securities</b>                                     | <b>605,481</b>   | <b>641,824</b>   | <b>670,163</b>   | <b>669,495</b>   | <b>720,880</b>   | <b>740,294</b>   | <b>750,150</b>   |
| Clients' Repurchase Operations                                 | 179,276          | 163,653          | 240,237          | 238,032          | 277,305          | 261,799          | 290,366          |
| Clients' Repo Transactions w/ Securities                       | -                | -                | -                | -                | -                | -                | -                |
| Collateral received in guarantee for customer accounts         | 179,276          | 163,653          | 240,237          | 238,040          | 277,318          | 261,821          | 290,372          |
| Purchase of Futures & Forward Contracts, national              | -                | -                | -                | -                | -                | 9,345            | 9,268            |
| Sale of Futures and Forward Contracts, national                | -                | -                | -                | -                | -                | -                | -                |
| Clients' Option Purchase Operations                            | -                | -                | -                | -                | -                | -                | -                |
| Clients' Option Sales Operations                               | -                | -                | -                | -                | -                | -                | -                |
| Purchase Operations of derivatives                             | -                | -                | -                | -                | -                | 9,345            | 9,268            |
| Clients' Sales Operations of derivatives                       | -                | -                | -                | -                | -                | -                | -                |
| Trusts under Management  | 1,036            | 1,054            | 1,066            | 204              | 187              | 129              | 177              |
| <b>Transactions On Behalf of Clients</b>                       | <b>359,588</b>   | <b>328,360</b>   | <b>481,539</b>   | <b>476,276</b>   | <b>554,810</b>   | <b>533,094</b>   | <b>590,183</b>   |
| <b>Investment Bank Trans. on behalf of Third</b>               | <b>87,728</b>    | <b>88,149</b>    | <b>100,948</b>   | <b>97,374</b>    | <b>127,770</b>   | <b>127,426</b>   | <b>151,464</b>   |
| <b>TOTAL ON BEHALF OF THIRD PARTIES</b>                        | <b>1,053,090</b> | <b>1,058,087</b> | <b>1,252,794</b> | <b>1,243,176</b> | <b>1,403,556</b> | <b>1,412,853</b> | <b>1,501,633</b> |
| <b>Endorsement Guarantees Granted</b>                          | -                | -                | -                | -                | -                | -                | 182              |
| Loan Obligations   | 294,733          | 293,470          | 292,420          | 292,701          | 276,976          | 282,098          | 298,397          |
| Trusts   | 422,525          | 319,659          | 308,883          | 308,516          | 309,954          | 319,065          | 292,739          |
| Mandates   | 7,326            | 7,645            | 7,786            | 7,472            | 7,024            | 6,860            | 7,129            |
| <b>Properties in Trusts and Warrant</b>                        | <b>429,851</b>   | <b>327,304</b>   | <b>316,669</b>   | <b>315,988</b>   | <b>316,978</b>   | <b>325,925</b>   | <b>299,868</b>   |
| Properties in Custody or Management                            | 660,642          | 669,104          | 677,620          | 633,424          | 632,974          | 635,708          | 654,080          |
| Collateral Received  | 163,758          | 240,920          | 289,443          | 282,054          | 384,942          | 398,517          | 445,082          |
| Collateral Received or sold or delivered                       | 247,107          | 307,649          | 432,443          | 421,090          | 543,789          | 548,764          | 606,470          |
| Drafts in Transit  | -                | -                | -                | -                | -                | -                | -                |
| Assets' Deposit  | 2,766            | 2,867            | 2,101            | 3,325            | 2,482            | 2,150            | 2,512            |
| Letters of Credit to the Corporation as Guarantee              | -                | -                | -                | -                | -                | -                | -                |
| Securities to the Corporation for Custody                      | -                | -                | -                | -                | -                | -                | -                |
| Government Secs of the Corp under Custody                      | -                | -                | -                | -                | -                | -                | -                |
| Securities of the Corp given as Guarantee                      | -                | -                | -                | -                | -                | -                | -                |
| Securities of the Corp Abroad                                  | -                | -                | -                | -                | -                | -                | -                |
| Settlement with FX of the Corp Abroad                          | -                | -                | -                | -                | -                | -                | -                |
| Debts with the Contingency Fund                                | -                | -                | -                | -                | -                | -                | -                |
| Contingent assets & Liabilities                                | 79               | 79               | 109              | 167              | 122              | 155              | 207              |
| Uncollected Accrued Interest from Past Due Loans               | 295              | 289              | 180              | 178              | 286              | 242              | 221              |
| Investments of Retirement Savings Funds                        | -                | -                | -                | -                | -                | -                | -                |
| Integration of the Credit Portfolio                            | -                | -                | -                | -                | -                | -                | -                |
| Miscellaneous accounts   | 292,976          | 289,983          | 304,055          | 295,069          | 324,592          | 323,288          | 355,335          |
| <b>Proprietary Transactions</b>                                | <b>2,092,207</b> | <b>2,131,665</b> | <b>2,315,039</b> | <b>2,243,996</b> | <b>2,483,140</b> | <b>2,516,847</b> | <b>2,662,353</b> |
| Repo Securities to be Received                                 | -                | -                | -                | -                | -                | -                | -                |
| (Minus) Repo Creditors   | -                | -                | -                | -                | -                | -                | -                |
| <b>Net Repo Transactions</b>                                   | -                | -                | -                | -                | -                | -                | -                |
| Repo Debtors   | -                | -                | -                | -                | -                | -                | -                |
| (Minus) Repo Securities to be Delivered                        | -                | -                | -                | -                | -                | -                | -                |
| <b>Net Repo Transactions</b>                                   | -                | -                | -                | -                | -                | -                | -                |
| <b>TOTAL PROPRIETARY</b>                                       | <b>2,092,207</b> | <b>2,131,665</b> | <b>2,315,039</b> | <b>2,243,996</b> | <b>2,483,140</b> | <b>2,516,847</b> | <b>2,662,353</b> |

**GFNORTE - CONSOLIDATED STATEMENT OF CASH FLOW****JANUARY 1, 2021 – SEPTEMBER 30, 2021***(Million Pesos)*

|  |                 |
|--|-----------------|
| <b>Net Income</b>  | <b>25,987</b>   |
| <b>Items charged to results that do not generate or require use of resources</b> |                 |
| Depreciation   | 1,914           |
| Technical Reserves   | 23,070          |
| Provisions   | 521             |
| Income taxes and deferred  | 8,409           |
| Minority Interest  | (1,276)         |
|  | <b>32,638</b>   |
|  | <b>58,625</b>   |
| <b>Change in items related to operations</b>                                     |                 |
| Change in Margin Accounts  | 9,831           |
| Change in Investment in Securities   | (66,216)        |
| Change in repo debtors   | 1,079           |
| Change in derivatives (assets)   | 22,246          |
| Change in Loan Portfolio (net)   | (14,841)        |
| Change in purchased receivables (net)  | 357             |
| Change in accounts receivable insurance and bonding institutions (net)           | (283)           |
| Change in debtor premiums (net)  | (2,664)         |
| Change in Reinsurance (net)  | (712)           |
| Change in benefits to receive from securitizations                               | 110             |
| Change in foreclosed assets (net)  | (396)           |
| Change in other operating assets (net)   | (10,815)        |
| Change in core deposits  | (28,420)        |
| Change in interbank loans and other entities                                     | (5,241)         |
| Change in repo creditors   | 21,216          |
| Change in collateral pledged sold  | 21              |
| Change in derivatives (liability)  | (22,460)        |
| Change in Technical Reserves (net)   | 8,487           |
| Change in Reinsurance (net) (liability)  | 232             |
| Change in subordinated debt with characteristics of liabilities                  | 2,034           |
| Change in other operating liabilities  | 4,479           |
| Change in hedging instruments (the related hedged transaction activities)        | 2,866           |
| Income Tax Payments  | (9,299)         |
| <b>Net cash generated or used from operations</b>                                | <b>(29,764)</b> |
| <b>Investment Activities</b>   |                 |
| Charges for disposal of property, furniture and equipment                        | 1,179           |
| Payments for acquisition of property, furniture and equipment                    | (2,859)         |
| Charges for cash dividends   | 1,754           |
| <b>Net cash generated or used from investment activities</b>                     | <b>74</b>       |
| <b>Financing Activities</b>  |                 |
| Payments of cash dividends   | (9,132)         |
| Payments of interests of subordinated debentures                                 | (2,744)         |
| <b>Net cash flows from financing activities</b>                                  | <b>(11,876)</b> |
| <b>Net Cash Increase (decrease) and equivalents value</b>                        | <b>(41,566)</b> |
| <b>Effects for changes in cash and equivalents value</b>                         | <b>29</b>       |
| <b>Cash and cash equivalents at beginning of period</b>                          | <b>109,306</b>  |
| <b>Cash and cash equivalents at end of period</b>                                | <b>67,769</b>   |

## GFNORTE - CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

JANUARY 1, 2021 – SEPTEMBER 30, 2021

(Million Pesos)

|   | CONTRIBUTED CAPITAL   |                                 | EARNED CAPITAL   |                   |  |  |   |                          |   |                 |                   |                            |
|---|-----------------------|---------------------------------|------------------|-------------------|--|--|---|--------------------------|---|-----------------|-------------------|----------------------------|
|   | Fixed Paid-in Capital | Premium from sale of securities | Capital Reserves | Retained Earnings | Valuation Effects of Securities Available for Sale | Results from val. of Instrum. Cash flow hedges | Results in the val. reserve for unexpired risks variations in rates | Results from Conversions | Remeasurements defined benefits for employees | Net Income      | Minority Interest | Total Stockholders' Equity |
| <b>Balance as of December 31, 2020</b>  | <b>14,919</b>         | <b>48,269</b>                   | <b>9,215</b>     | <b>118,773</b>    | <b>3,801</b>                                       | <b>(887)</b>                                   | <b>(231)</b>  | <b>134</b>               | <b>(2,259)</b>                                | <b>30,508</b>   | <b>2,862</b>      | <b>225,104</b>             |
| <b>Changes stemming from stockholders' decisions</b>                                |                       |                                 |                  |                   |  |  |   |                          |   |                 |                   |                            |
| Repurchase of payment plan based on shares payable                                  | 20                    | 174                             | 540              |                   |  | (22)   |   |                          |   |                 |                   | 712                        |
| Capitalization of profits   |                       |                                 |                  | 30,508            |  |  |   |                          |   | (30,508)        |                   | 0                          |
| Dividends Declared by the Ordinary General Shareholders' Meeting on April 23, 2021) |                       |                                 |                  | (9,132)           |  |  |   |                          |   |                 |                   | (9,132)                    |
| Reserve release for share repurchase  |                       |                                 | (1,304)          | 1,304             |  |  |   |                          |   |                 |                   | 0                          |
| <b>Total</b>  | <b>20</b>             | <b>174</b>                      | <b>(764)</b>     | <b>22,680</b>     | <b>(22)</b>  | <b>0</b>                                       | <b>0</b>  | <b>0</b>                 | <b>0</b>                                      | <b>(30,508)</b> | <b>0</b>          | <b>(8,420)</b>             |
| <b>Changes stemming from profits</b>  |                       |                                 |                  |                   |  |  |   |                          |   |                 |                   |                            |
| <b>Total profits:</b>   |                       |                                 |                  |                   |  |  |   |                          |   |                 |                   |                            |
| Net Income  |                       |                                 |                  |                   |  |  |   |                          |   | 25,987          |                   | 25,987                     |
| Result from valuation of securities available for sale                              |                       |                                 |                  |                   | (1,355)  |  |   |                          |   |                 |                   | (1,355)                    |
| Effect of subsidiaries, associates and mutual funds                                 |                       | 48                              |                  | (62)              |  |  |   |                          | 39  |                 |                   | 25                         |
| Result from valuation of instruments of cash flow hedges                            |                       |                                 |                  |                   |  | (1,923)  |   |                          |   |                 |                   | (1,923)                    |
| Result in valuation of current risk reserve due to changes in rates                 |                       |                                 |                  |                   |  |  | 146   |                          |   |                 |                   | 146                        |
| Remeasurements defined benefits for employees                                       |                       |                                 |                  |                   |  |  |   |                          | 85  |                 |                   | 85                         |
| Interest of subordinated debentures   |                       |                                 |                  | (2,744)           |  |  |   |                          |   |                 |                   | (2,744)                    |
| <b>Total</b>  | <b>0</b>              | <b>48</b>                       | <b>0</b>         | <b>(2,806)</b>    | <b>(1,355)</b>                                     | <b>(1,923)</b>                                 | <b>146</b>  | <b>39</b>                | <b>85</b>                                     | <b>25,987</b>   | <b>0</b>          | <b>20,221</b>              |
| <b>Recognition of minority interest</b>   |                       |                                 |                  |                   |  |  |   |                          |   |                 | <b>35</b>         | <b>35</b>                  |
| <b>Balance as of September 30, 2021</b>   | <b>14,939</b>         | <b>48,491</b>                   | <b>8,451</b>     | <b>138,647</b>    | <b>2,424</b>                                       | <b>(2,810)</b>                                 | <b>(85)</b>   | <b>173</b>               | <b>(2,174)</b>                                | <b>25,987</b>   | <b>2,897</b>      | <b>236,940</b>             |

## Bank

| Income Statement - Bank<br>(Million Pesos)            | 1Q20          | 2Q20          | 3Q20          | 4Q20          | 1Q21          | 2Q21          | 3Q21          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Interest Income                                       | 29,491        | 28,517        | 26,257        | 24,971        | 24,491        | 24,957        | 26,270        |
| Interest Expense                                      | 12,042        | 11,172        | 8,829         | 8,094         | 8,357         | 8,122         | 9,243         |
| Charged Fees  | 358           | 346           | 354           | 380           | 352           | 362           | 377           |
| Fees Paid   | 291           | 270           | 281           | 314           | 314           | 313           | 335           |
| <b>Net Interest Income (NII)</b>                      | <b>17,517</b> | <b>17,421</b> | <b>17,501</b> | <b>16,942</b> | <b>16,171</b> | <b>16,884</b> | <b>17,068</b> |
| Preventive Provisions for Loan Losses                 | 4,262         | 8,527         | 3,122         | 5,953         | 3,231         | 2,584         | 2,598         |
| <b>Net Interest Income Adjusted for Credit Risk</b>   | <b>13,254</b> | <b>8,895</b>  | <b>14,379</b> | <b>10,989</b> | <b>12,940</b> | <b>14,300</b> | <b>14,469</b> |
| Fund Transfers  | 400           | 476           | 489           | 513           | 473           | 530           | 517           |
| Account Management Fees                               | 598           | 526           | 564           | 543           | 509           | 508           | 498           |
| Electronic Banking Services                           | 2,336         | 2,027         | 2,379         | 3,033         | 2,916         | 3,212         | 3,246         |
| For Commercial and Mortgage Loans                     | 495           | 394           | 129           | 366           | 277           | 261           | 323           |
| For Consumer Loans                                    | 1,241         | 1,048         | 1,148         | 1,292         | 1,164         | 1,263         | 1,307         |
| Fiduciary   | 118           | 102           | 112           | 153           | 106           | 176           | 136           |
| Income from Real Estate Portfolios                    | 2             | 3             | 2             | 12            | 6             | 7             | 4             |
| Trading & Financial Advising Fees                     | -             | -             | -             | -             | -             | -             | -             |
| Trading & Financial Advising Fees                     | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| Other Fees Charged                                    | 592           | 540           | 651           | 598           | 670           | 438           | 441           |
| <b>Fees Charged on Services</b>                       | <b>5,782</b>  | <b>5,116</b>  | <b>5,475</b>  | <b>6,511</b>  | <b>6,122</b>  | <b>6,394</b>  | <b>6,473</b>  |
| Interchange Fees                                      | 1,226         | 1,018         | 1,228         | 1,684         | 1,625         | 1,911         | 1,923         |
| Insurance Fees  | -             | -             | -             | -             | -             | -             | -             |
| Other Fees Paid                                       | 909           | 918           | 998           | 1,194         | 1,118         | 1,176         | 996           |
| <b>Fees Paid on Services</b>                          | <b>2,135</b>  | <b>1,936</b>  | <b>2,226</b>  | <b>2,879</b>  | <b>2,743</b>  | <b>3,087</b>  | <b>2,919</b>  |
| <b>Net Fees</b>                                       | <b>3,647</b>  | <b>3,180</b>  | <b>3,248</b>  | <b>3,633</b>  | <b>3,379</b>  | <b>3,307</b>  | <b>3,554</b>  |
| Foreign Exchange                                      | 1,219         | (500)         | (306)         | (1,476)       | 574           | (449)         | 353           |
| Derivatives   | (1,238)       | 1,139         | 531           | 309           | 111           | 95            | 123           |
| Negotiable Instruments                                | (119)         | (75)          | 65            | 56            | (264)         | 102           | 498           |
| Valuation   | (137)         | 565           | 291           | (1,111)       | 420           | (253)         | 974           |
| Currency and Metals                                   | (862)         | 774           | 464           | 1,930         | 764           | 838           | 399           |
| Derivatives   | 1,742         | (323)         | 2             | (169)         | 5             | (10)          | (121)         |
| Negotiable Instruments                                | 305           | 385           | 277           | 84            | 3             | 128           | (112)         |
| Trading   | 1,185         | 836           | 743           | 1,845         | 772           | 956           | 165           |
| <b>Trading Income</b>                                 | <b>1,048</b>  | <b>1,402</b>  | <b>1,034</b>  | <b>734</b>    | <b>1,193</b>  | <b>703</b>    | <b>1,139</b>  |
| Loan Recovery   | -             | -             | -             | -             | -             | -             | -             |
| Loan Portfolios                                       | 67            | 52            | 76            | 54            | 85            | 68            | 71            |
| Income from foreclosed assets                         | 92            | 121           | 178           | 189           | 86            | 132           | 101           |
| Provisions Release                                    | -             | -             | -             | -             | -             | -             | -             |
| Losses and Estimates                                  | (319)         | (162)         | (167)         | (136)         | (168)         | (168)         | (134)         |
| Impairment of Assets                                  | -             | -             | -             | -             | -             | -             | -             |
| Lease Income  | 18            | 19            | (26)          | 4             | 2             | 2             | 3             |
| From Insurance  | -             | -             | -             | -             | -             | -             | -             |
| Other Operating Expense                               | 173           | 658           | 260           | 399           | 342           | 38            | 90            |
| <b>Total Other Operating Income (Expenses)</b>        | <b>31</b>     | <b>687</b>    | <b>321</b>    | <b>510</b>    | <b>348</b>    | <b>72</b>     | <b>132</b>    |
| <b>Total Non-Interest Income</b>                      | <b>4,726</b>  | <b>5,268</b>  | <b>4,603</b>  | <b>4,876</b>  | <b>4,919</b>  | <b>4,083</b>  | <b>4,825</b>  |
| <b>Total Operating Income</b>                         | <b>17,980</b> | <b>14,163</b> | <b>18,983</b> | <b>15,865</b> | <b>17,860</b> | <b>18,383</b> | <b>19,294</b> |
| Personnel   | 3,755         | 3,704         | 3,846         | 4,477         | 3,823         | 4,089         | 3,964         |
| Employee Profit Sharing (PTU)                         | 131           | 131           | 131           | 131           | 138           | 137           | 139           |
| Professional Fees                                     | 624           | 650           | 731           | 888           | 699           | 701           | 727           |
| Administrative and Promotional Expenses               | 2,091         | 1,789         | 1,773         | 1,796         | 1,859         | 1,538         | 1,790         |
| Rents, Depreciation & Amortization                    | 1,862         | 1,967         | 1,993         | 2,053         | 2,152         | 2,141         | 2,134         |
| Taxes other than income tax & non-deductible expenses | 428           | 419           | 428           | 556           | 453           | 477           | 461           |
| Contributions to IPAB/Fobaproa                        | 828           | 919           | 951           | 931           | 912           | 889           | 889           |
| <b>Total Non-Interest Expense</b>                     | <b>9,718</b>  | <b>9,579</b>  | <b>9,853</b>  | <b>10,832</b> | <b>10,036</b> | <b>9,972</b>  | <b>10,104</b> |
| <b>Operating Income</b>                               | <b>8,263</b>  | <b>4,584</b>  | <b>9,129</b>  | <b>5,034</b>  | <b>7,824</b>  | <b>8,411</b>  | <b>9,191</b>  |
| Subsidiaries' Net Income                              | 29            | 19            | 27            | 28            | 28            | 213           | 65            |
| <b>Pre-Tax Income</b>                                 | <b>8,292</b>  | <b>4,603</b>  | <b>9,156</b>  | <b>5,062</b>  | <b>7,852</b>  | <b>8,624</b>  | <b>9,255</b>  |
| Income Tax  | 2,576         | 317           | 2,004         | 1,912         | 1,285         | 1,376         | 1,923         |
| Tax on Assets   | -             | -             | -             | -             | -             | -             | -             |
| Deferred Income Tax                                   | (465)         | 617           | 518           | (750)         | 593           | 727           | 507           |
| <b>Taxes</b>  | <b>2,112</b>  | <b>934</b>    | <b>2,522</b>  | <b>1,161</b>  | <b>1,879</b>  | <b>2,103</b>  | <b>2,430</b>  |
| <b>Net Income from Continuous Operations</b>          | <b>6,180</b>  | <b>3,669</b>  | <b>6,634</b>  | <b>3,900</b>  | <b>5,974</b>  | <b>6,522</b>  | <b>6,825</b>  |
| Discontinued Operations                               | -             | -             | -             | -             | -             | -             | -             |
| Minority Interest                                     | (0)           | (0)           | (0)           | 0             | 0             | (0)           | (0)           |
| <b>Net Income</b>                                     | <b>6,180</b>  | <b>3,669</b>  | <b>6,634</b>  | <b>3,901</b>  | <b>5,974</b>  | <b>6,522</b>  | <b>6,825</b>  |



| <b>Bank - Balance Sheet</b><br><i>(Million Pesos)</i>                         | <b>1Q20</b>      | <b>2Q20</b>      | <b>3Q20</b>      | <b>4Q20</b>      | <b>1Q21</b>      | <b>2Q21</b>      | <b>3Q21</b>      |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>ASSETS</b>   |                  |                  |                  |                  |                  |                  |                  |
| <b>Cash and Due from Banks</b>  | <b>88,668</b>    | <b>105,537</b>   | <b>99,615</b>    | <b>108,743</b>   | <b>115,954</b>   | <b>110,407</b>   | <b>67,251</b>    |
| <b>Margin Accounts</b>  | <b>9,701</b>     | <b>18,353</b>    | <b>16,312</b>    | <b>18,099</b>    | <b>11,012</b>    | <b>8,703</b>     | <b>8,268</b>     |
| Negotiable Instruments  | 79,968           | 95,379           | 36,918           | 41,432           | 39,609           | 43,914           | 30,280           |
| Securities Available for Sale   | 157,021          | 184,050          | 163,887          | 153,063          | 142,487          | 140,484          | 142,115          |
| Securities Held to Maturity   | 19,711           | 19,497           | 33,379           | 33,277           | 40,044           | 42,292           | 44,099           |
| <b>Investment in Securities</b>   | <b>256,700</b>   | <b>298,926</b>   | <b>234,184</b>   | <b>227,772</b>   | <b>222,139</b>   | <b>226,690</b>   | <b>216,494</b>   |
| <b>Non-assigned Securities for Settlement</b>                                 | -                | -                | -                | -                | -                | -                | -                |
| <b>Debtor Balance in Repo Trans.,net</b>                                      | <b>1,930</b>     | <b>1,928</b>     | <b>2,297</b>     | <b>3,036</b>     | <b>2,848</b>     | <b>2,928</b>     | <b>2,957</b>     |
| <b>Securities Lending</b>   | -                | -                | -                | -                | -                | -                | -                |
| For trading purposes  | 48,940           | 61,705           | 53,819           | 48,233           | 28,458           | 24,346           | 25,999           |
| For hedging purposes  | 1,292            | 2,384            | 1,885            | 2,043            | 609              | 648              | 753              |
| Operations w/Derivatives & Securities   | -                | -                | -                | -                | -                | -                | -                |
| <b>Transactions with Derivatives</b>  | <b>50,232</b>    | <b>64,089</b>    | <b>55,704</b>    | <b>50,277</b>    | <b>29,068</b>    | <b>24,995</b>    | <b>26,751</b>    |
| <b>Operations w/Derivatives &amp; Securities</b>                              | <b>52,162</b>    | <b>66,017</b>    | <b>58,000</b>    | <b>53,313</b>    | <b>31,915</b>    | <b>27,923</b>    | <b>29,709</b>    |
| <b>Valuation adjustments for Asset Coverage</b>                               | <b>65</b>        | <b>62</b>        | <b>58</b>        | <b>54</b>        | <b>51</b>        | <b>47</b>        | <b>43</b>        |
| Commercial Loans  | 288,409          | 300,483          | 299,343          | 297,305          | 295,257          | 290,040          | 298,331          |
| Financial Intermediaries' Loans   | 24,011           | 23,733           | 24,763           | 24,898           | 22,723           | 20,689           | 22,647           |
| Consumer Loans  | 116,200          | 115,593          | 118,314          | 116,477          | 116,085          | 118,317          | 119,506          |
| Mortgage Loans  | 173,226          | 177,282          | 182,685          | 187,736          | 191,220          | 196,125          | 197,737          |
| Medium and Residential  | 170,143          | 174,331          | 179,791          | 184,980          | 188,529          | 193,554          | 195,245          |
| low income housing  | 8                | 5                | 5                | 4                | 4                | 3                | 3                |
| Loans acquired from INFONAVIT or FOVISSSTE                                    | 3,075            | 2,946            | 2,889            | 2,752            | 2,687            | 2,567            | 2,489            |
| Restructuring or improvement guaranteed by development banks or public trusts | -                | -                | -                | -                | -                | -                | -                |
| Government Entities' Loans  | 161,246          | 161,457          | 161,247          | 156,115          | 156,941          | 150,703          | 157,746          |
| Loans granted as Federal Agent  | -                | -                | -                | -                | -                | -                | -                |
| <b>Performing Loans</b>   | <b>763,091</b>   | <b>778,548</b>   | <b>786,350</b>   | <b>782,532</b>   | <b>782,226</b>   | <b>775,873</b>   | <b>795,967</b>   |
| Commercial PDL's  | 6,700            | 2,240            | 1,864            | 2,183            | 3,303            | 5,163            | 3,830            |
| Financial Intermediaries PDL's  | 4                | -                | -                | -                | -                | -                | -                |
| Consumer PDL's  | 4,018            | 4,229            | 2,349            | 4,705            | 4,694            | 3,551            | 3,191            |
| Mortgage PDL's  | 2,070            | 2,305            | 1,811            | 1,658            | 2,071            | 1,966            | 2,135            |
| Medium and Residential  | 1,834            | 2,025            | 1,612            | 1,429            | 1,819            | 1,709            | 1,859            |
| low income housing  | 0                | 1                | 1                | 1                | 0                | 0                | 0                |
| Loans acquired from INFONAVIT or FOVISSSTE                                    | 235              | 279              | 198              | 228              | 252              | 258              | 277              |
| Restructuring or improvement guaranteed by development banks or public trusts | -                | -                | -                | -                | -                | -                | -                |
| Government Entities PDL's   | 35               | 111              | 284              | 33               | 188              | 182              | 154              |
| <b>Past Due Loans</b>   | <b>12,827</b>    | <b>8,885</b>     | <b>6,307</b>     | <b>8,580</b>     | <b>10,257</b>    | <b>10,862</b>    | <b>9,311</b>     |
| <b>Gross Loan Portfolio</b>   | <b>775,918</b>   | <b>787,433</b>   | <b>792,658</b>   | <b>791,112</b>   | <b>792,483</b>   | <b>786,735</b>   | <b>805,278</b>   |
| Preventive Loan Loss Reserves   | 17,932           | 18,075           | 17,169           | 19,464           | 19,145           | 17,741           | 16,816           |
| <b>Net Loan Portfolio</b>   | <b>757,986</b>   | <b>769,358</b>   | <b>775,489</b>   | <b>771,648</b>   | <b>773,339</b>   | <b>768,993</b>   | <b>788,461</b>   |
| Acquired Collection Rights  | 1,261            | 1,438            | 1,341            | 1,617            | 1,529            | 1,421            | 1,260            |
| <b>Total Credit Portfolio</b>   | <b>759,247</b>   | <b>770,796</b>   | <b>776,830</b>   | <b>773,264</b>   | <b>774,867</b>   | <b>770,414</b>   | <b>789,721</b>   |
| Benef. receivab. securization transactions                                    | 161              | 156              | 151              | 110              | 2                | -                | -                |
| Sundry Debtors & Other Accs Rec, Net  | 83,264           | 48,306           | 53,442           | 40,495           | 35,643           | 45,600           | 43,590           |
| Inventories   | -                | -                | -                | -                | -                | -                | -                |
| Foreclosed Assets, Net  | 818              | 800              | 722              | 1,384            | 1,406            | 1,812            | 1,835            |
| Real Estate, Furniture & Equipment, Net                                       | 15,167           | 26,482           | 27,277           | 28,289           | 28,638           | 16,588           | 16,941           |
| Investment in Subsidiaries  | 468              | 491              | 564              | 519              | 552              | 734              | 588              |
| Long-term assets held for sale  | -                | -                | -                | -                | -                | -                | -                |
| Deferred Taxes, Net   | 4,351            | 1,126            | 214              | -                | 422              | -                | 0                |
| Goodwill and Intangibles  | 22,727           | 11,470           | 10,111           | 9,929            | 11,211           | 25,177           | 24,669           |
| Other Assets Short and Long Term  | 146              | 106              | 112              | 213              | 208              | 191              | 165              |
|   | 127,103          | 88,937           | 92,593           | 80,939           | 78,082           | 90,101           | 87,788           |
| <b>TOTAL ASSETS</b>   | <b>1,293,647</b> | <b>1,348,628</b> | <b>1,277,593</b> | <b>1,262,185</b> | <b>1,234,021</b> | <b>1,234,286</b> | <b>1,199,275</b> |

| <b>Bank - Balance Sheet</b><br><i>(Million Pesos)</i>                        | <b>1Q20</b>      | <b>2Q20</b>      | <b>3Q20</b>      | <b>4Q20</b>      | <b>1Q21</b>      | <b>2Q21</b>      | <b>3Q21</b>      |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>LIABILITIES</b>   |                  |                  |                  |                  |                  |                  |                  |
| Demand Deposits  | 451,842          | 479,142          | 506,588          | 530,747          | 545,953          | 534,257          | 516,559          |
| Time Deposits-Retail   | 275,566          | 265,347          | 251,496          | 252,331          | 246,944          | 243,118          | 246,951          |
| Time Deposits-Money Market   | 26,894           | 28,433           | 26,741           | 14,248           | 8,069            | 3,364            | 3,261            |
| Global Account of deposits without movements                                 | 2,213            | 2,368            | 2,489            | 2,585            | 2,639            | 2,744            | 2,825            |
| Senior Unsecured Debt  | 35,355           | 46,430           | 46,823           | 43,342           | 31,937           | 31,907           | 29,786           |
| <b>Deposits</b>  | <b>791,870</b>   | <b>821,721</b>   | <b>834,137</b>   | <b>843,253</b>   | <b>835,542</b>   | <b>815,389</b>   | <b>799,383</b>   |
| Demand Loans   | 5,000            | 0                | 0                | 0                | 0                | 0                | 0                |
| Short Term Loans   | 8,332            | 40,754           | 16,672           | 8,261            | 8,224            | 8,155            | 6,721            |
| Long Term Loans  | 4,197            | 4,156            | 4,073            | 6,404            | 6,632            | 6,599            | 6,325            |
| <b>Due to Banks &amp; Correspondents</b>                                     | <b>17,529</b>    | <b>44,910</b>    | <b>20,745</b>    | <b>14,665</b>    | <b>14,856</b>    | <b>14,754</b>    | <b>13,047</b>    |
| Non-assigned Securities for Settlement                                       | -                | -                | -                | -                | -                | -                | -                |
| Creditor Balance in Repo Trans, Net  | 175,685          | 190,404          | 113,037          | 115,962          | 113,047          | 119,110          | 100,565          |
| Secs to be received in Repo Trans, Net                                       | -                | -                | -                | -                | -                | -                | -                |
| Repos (Credit Balance)   | 16               | 8                | 2                | 13               | 19               | 55               | 36               |
| Securities' Loans  | -                | -                | -                | -                | -                | -                | -                |
| Transactions with Derivatives  | -                | -                | -                | -                | -                | -                | -                |
| Other sold collateral  | -                | -                | -                | -                | -                | -                | -                |
| <b>Total Collateral sold</b>   | <b>16</b>        | <b>8</b>         | <b>2</b>         | <b>13</b>        | <b>19</b>        | <b>55</b>        | <b>36</b>        |
| For trading purposes   | 50,574           | 58,754           | 50,121           | 44,097           | 24,508           | 20,003           | 21,703           |
| For hedging purposes   | 10,487           | 7,682            | 7,189            | 4,990            | 5,566            | 5,623            | 6,565            |
| Operations w/ Derivatives & Securities                                       | -                | -                | -                | -                | -                | -                | -                |
| <b>Transactions with Derivatives</b>   | <b>61,062</b>    | <b>66,436</b>    | <b>57,310</b>    | <b>49,087</b>    | <b>30,073</b>    | <b>25,626</b>    | <b>28,269</b>    |
| <b>Total Operations w/ Derivatives &amp; Securities</b>                      | <b>236,763</b>   | <b>256,847</b>   | <b>170,348</b>   | <b>165,062</b>   | <b>143,139</b>   | <b>144,792</b>   | <b>128,870</b>   |
| Valuation adjustments for financial liability coverage                       | -                | -                | -                | -                | -                | -                | -                |
| Obligations in securitization transactions                                   | -                | -                | -                | -                | -                | -                | -                |
| Income Tax Payable   | 2,402            | 1,204            | 1,714            | 2,388            | 1,220            | 930              | 1,449            |
| Profit Sharing Payable   | 639              | 280              | 407              | 538              | 187              | 297              | 433              |
| Provision for future capital increase not formalized by its governing entity | -                | -                | -                | -                | -                | -                | -                |
| Creditors for settlement of transactions                                     | 29,983           | 3,524            | 8,670            | 4,251            | 3,140            | 17,474           | 15,254           |
| Margin Accounts Payable  | -                | -                | -                | -                | -                | -                | -                |
| Other Creditors & Accounts Payable   | 42,155           | 39,933           | 45,620           | 38,353           | 38,753           | 38,489           | 40,838           |
| <b>Other Payable Accounts</b>  | <b>75,179</b>    | <b>44,941</b>    | <b>56,412</b>    | <b>45,530</b>    | <b>43,300</b>    | <b>57,190</b>    | <b>57,974</b>    |
| Subordinated Non Convertible Debt  | 58,423           | 57,321           | 66,241           | 57,152           | 58,759           | 57,243           | 59,186           |
| Deferred Taxes, Net  | -                | -                | -                | 265              | -                | 395              | 668              |
| Deferred Credits   | 221              | 304              | 271              | 1,211            | 1,183            | 1,107            | 1,124            |
| <b>TOTAL LIABILITIES</b>   | <b>1,179,984</b> | <b>1,226,044</b> | <b>1,148,153</b> | <b>1,127,138</b> | <b>1,096,778</b> | <b>1,090,870</b> | <b>1,060,251</b> |
| <b>EQUITY</b>  |                  |                  |                  |                  |                  |                  |                  |
| Paid-in Capital  | 18,794           | 18,794           | 18,795           | 18,795           | 18,795           | 18,795           | 18,795           |
| Provision for future capital increase not formalized by its governing entity | -                | -                | -                | -                | -                | -                | -                |
| Share Subscription Premiums  | 2,336            | 2,546            | 2,747            | 2,964            | 3,076            | 3,442            | 3,646            |
| Subordinated Convertible Debentures  | -                | -                | -                | -                | -                | -                | -                |
| <b>Subscribed Capital</b>  | <b>21,131</b>    | <b>21,340</b>    | <b>21,541</b>    | <b>21,759</b>    | <b>21,871</b>    | <b>22,237</b>    | <b>22,440</b>    |
| Capital Reserves   | 17,330           | 18,959           | 18,959           | 18,959           | 18,959           | 18,959           | 18,959           |
| Retained Earnings  | 77,595           | 75,094           | 74,280           | 73,302           | 92,748           | 91,819           | 80,892           |
| Surplus (Deficit) of Secs Available for Sale                                 | (2,824)          | 597              | 1,796            | 3,871            | 2,213            | 2,666            | 2,479            |
| Results from Valuation of Hedging Secs                                       | (3,965)          | (1,423)          | (1,707)          | (905)            | (2,255)          | (2,496)          | (2,861)          |
| Result in the valuation reserve for unexpired risks variations in rates      | -                | -                | -                | -                | -                | -                | -                |
| Results from Conversions   | 177              | 160              | 115              | 7                | 32               | 5                | 38               |
| Remeasurements defined benefits for employees                                | (1,963)          | (1,997)          | (2,031)          | (2,333)          | (2,303)          | (2,272)          | (2,247)          |
| Surplus (Deficit) in Capital Restatement                                     | -                | -                | -                | -                | -                | -                | -                |
| Adjustments in the Employee's Pensions                                       | -                | -                | -                | -                | -                | -                | -                |
| Accumulated Effect of Deferred Taxes   | -                | -                | -                | -                | -                | -                | -                |
| Net Income   | 6,180            | 9,849            | 16,483           | 20,384           | 5,974            | 12,495           | 19,320           |
| <b>Earned Capital</b>  | <b>92,529</b>    | <b>101,240</b>   | <b>107,895</b>   | <b>113,285</b>   | <b>115,368</b>   | <b>121,176</b>   | <b>116,580</b>   |
| Minority Interest  | 3                | 3                | 3                | 3                | 3                | 4                | 4                |
| <b>Total Equity</b>  | <b>113,663</b>   | <b>122,583</b>   | <b>129,440</b>   | <b>135,047</b>   | <b>137,242</b>   | <b>143,416</b>   | <b>139,024</b>   |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>  | <b>1,293,647</b> | <b>1,348,628</b> | <b>1,277,593</b> | <b>1,262,185</b> | <b>1,234,021</b> | <b>1,234,286</b> | <b>1,199,275</b> |

| <b>Bank - Memorandum Accounts</b><br><i>(Million Pesos)</i> | <b>1Q20</b>      | <b>2Q20</b>      | <b>3Q20</b>      | <b>4Q20</b>      | <b>1Q21</b>      | <b>2Q21</b>      | <b>3Q21</b>      |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Investment Banking transactions for third parties, net      | 87,728           | 88,149           | 100,948          | 97,374           | 127,770          | 127,426          | 151,464          |
| <b>TOTAL ON BEHALF OF THIRD PARTIES</b>                     | <b>87,728</b>    | <b>88,149</b>    | <b>100,948</b>   | <b>97,374</b>    | <b>127,770</b>   | <b>127,426</b>   | <b>151,464</b>   |
| <b>Proprietary Transactions</b>                             |                  |                  |                  |                  |                  |                  |                  |
| Endorsement Guarantees Granted                              | -                | -                | -                | -                | -                | -                | 182              |
| Loan Obligations  | 254,795          | 251,928          | 250,998          | 256,306          | 242,137          | 239,502          | 256,608          |
| Trusts  | 422,525          | 319,659          | 308,883          | 308,516          | 309,954          | 319,065          | 292,739          |
| Mandates  | 7,326            | 7,645            | 7,786            | 7,472            | 7,024            | 6,860            | 7,129            |
| Properties in Trusts and Warrant                            | 429,851          | 327,304          | 316,669          | 315,988          | 316,978          | 325,925          | 299,868          |
| Properties in Custody or Management                         | 401,255          | 398,204          | 390,787          | 370,011          | 363,861          | 359,884          | 376,668          |
| Collateral Received   | 160,559          | 217,035          | 283,231          | 280,054          | 365,480          | 386,121          | 415,353          |
| Collateral Received or sold                                 | 66,285           | 120,962          | 188,150          | 183,050          | 266,471          | 284,928          | 313,091          |
| Drafts in Transit   | -                | -                | -                | -                | -                | -                | -                |
| Deposits of assets  | -                | -                | -                | -                | -                | -                | -                |
| Letters of Credit to the Corporation as Guarantee           | -                | -                | -                | -                | -                | -                | -                |
| Securities to the Corporation for Custody                   | -                | -                | -                | -                | -                | -                | -                |
| Government Secs of the Corp under Custody                   | -                | -                | -                | -                | -                | -                | -                |
| Securities of the Corp given as Guarantee                   | -                | -                | -                | -                | -                | -                | -                |
| Securities of the Corp Abroad                               | -                | -                | -                | -                | -                | -                | -                |
| Settlement with FX of the Corp Abroad                       | -                | -                | -                | -                | -                | -                | -                |
| Debts with the Contingency Fund                             | -                | -                | -                | -                | -                | -                | -                |
| Contingent assets & liabilities                             | 79               | 79               | 109              | 167              | 122              | 155              | 207              |
| Uncollected Accrued Interest from Past Due Loans            | 294              | 289              | 180              | 178              | 286              | 242              | 221              |
| Investments of Retirement Savings Funds                     | -                | -                | -                | -                | -                | -                | -                |
| Integration of the Credit Portfolio                         | -                | -                | -                | -                | -                | -                | -                |
| Miscellaneous accounts                                      | 265,946          | 265,147          | 276,898          | 267,726          | 303,489          | 300,947          | 332,623          |
| <b>Proprietary Transactions</b>                             | <b>1,579,063</b> | <b>1,580,948</b> | <b>1,707,021</b> | <b>1,673,480</b> | <b>1,858,824</b> | <b>1,897,705</b> | <b>1,994,821</b> |
| Repo Securities to be Received                              | -                | -                | -                | -                | -                | -                | -                |
| (Minus) Repo Creditors                                      | -                | -                | -                | -                | -                | -                | -                |
| <b>Net Repo Transactions</b>                                | -                | -                | -                | -                | -                | -                | -                |
| Repo Debtors  | -                | -                | -                | -                | -                | -                | -                |
| (Minus) Repo Securities to be Delivered                     | -                | -                | -                | -                | -                | -                | -                |
| <b>Net Repo Transactions</b>                                | -                | -                | -                | -                | -                | -                | -                |
| <b>TOTAL PROPRIETARY</b>                                    | <b>1,579,063</b> | <b>1,580,948</b> | <b>1,707,021</b> | <b>1,673,480</b> | <b>1,858,824</b> | <b>1,897,705</b> | <b>1,994,821</b> |

**BANORTE - CONSOLIDATED STATEMENT OF CASH FLOW**

JANUARY 1, 2021 – SEPTEMBER 30, 2021

*(Million Pesos)*

|  |                 |
|--|-----------------|
| <b>Net Income</b>  | <b>19,320</b>   |
| <b>Items charged to results that do not generate or require use of resources</b> |                 |
| Depreciation   | 1,755           |
| Provisions   | 543             |
| Income taxes and deferred  | 6,412           |
| Minority Interest  | (306)           |
|  | <b>8,404</b>    |
|  | <b>27,724</b>   |
| <b>Change in items related to operations</b>                                     |                 |
| Change in Margin Accounts  | 9,831           |
| Change in Investment in Securities   | 10,095          |
| Change in repo debtors   | 79              |
| Change in derivatives (assets)   | 22,246          |
| Change in Loan Portfolio (net)   | (16,814)        |
| Change in purchased receivables (net)  | 357             |
| Change in benefits to receive from securitizations                               | 110             |
| Change in foreclosed assets (net)  | (452)           |
| Change in other operating assets (net)   | (6,164)         |
| Change in core deposits  | (43,871)        |
| Change in interbank loans and other entities                                     | (1,618)         |
| Change in repo creditors   | (15,396)        |
| Change in collateral pledged sold  | 23              |
| Change in derivatives (liability)  | (22,394)        |
| Change in subordinated debt with characteristics of liabilities                  | 2,034           |
| Change in other operating liabilities  | 13,495          |
| Change in hedging instruments (the related hedged transaction activities)        | 910             |
| Income Tax Payments  | (6,957)         |
| <b>Net cash generated or used from operations</b>                                | <b>(26,762)</b> |
| <b>Investment Activities</b>   |                 |
| Charges for disposal of property, furniture and equipment                        | 440             |
| Payments for acquisition of property, furniture and equipment                    | (2,436)         |
| Charges for cash dividends   | 31              |
| <b>Net cash generated or used from investment activities</b>                     | <b>(1,965)</b>  |
| <b>Financing Activities</b>  |                 |
| Payments of cash dividends   | (10,000)        |
| Payments of interests of subordinated debentures                                 | (2,793)         |
| <b>Net cash flows from financing activities</b>                                  | <b>(12,793)</b> |
| <b>Net Cash Increase (decrease) and equivalents value</b>                        | <b>(41,520)</b> |
| <b>Effects for changes in cash and equivalents value</b>                         | <b>28</b>       |
| <b>Cash and cash equivalents at beginning of period</b>                          | <b>108,743</b>  |
| <b>Cash and cash equivalents at end of period</b>                                | <b>67,251</b>   |

## BANORTE - CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

JANUARY 1, 2021 – SEPTEMBER 30, 2021

(Million Pesos)

|   | CONTRIBUTED CAPITAL   |                                 | EARNED CAPITAL   |                   |  |  |                          |   |                 |                   | Total Stockholders' Equity |
|---|-----------------------|---------------------------------|------------------|-------------------|--|--|--------------------------|---|-----------------|-------------------|----------------------------|
|   | Fixed Paid-in Capital | Premium from sale of securities | Capital Reserves | Retained Earnings | Valuation Effects of Securities Available for Sale | Results from val of instrum Cash flow hedges | Results from Conversions | Remeasurements defined benefits for employees | Net Income      | Minority Interest |                            |
| <b>Balance as of December 31, 2020</b>                                      | <b>18,795</b>         | <b>2,964</b>                    | <b>18,959</b>    | <b>73,302</b>     | <b>3,871</b>                                       | <b>(905)</b>                                 | <b>7</b>                 | <b>(2,333)</b>                                | <b>20,384</b>   | <b>3</b>          | <b>135,047</b>             |
| <b>Changes stemming from stockholders' decisions</b>                        |                       |                                 |                  |                   |  |  |                          |   |                 |                   |                            |
| Capitalization of profits   |                       |                                 |                  | 20,384            |  |  |                          |   | (20,384)        |                   | 0                          |
| Dividends declared by the General Assembly of Shareholders on July 23, 2021 |                       |                                 |                  | (10,000)          |  |  |                          |   |                 |                   | (10,000)                   |
| Payment plan based on equity-settle shares in equity instruments            |                       | 682                             |                  |                   |  |  |                          |   |                 |                   | 682                        |
| <b>Total</b>  | <b>0</b>              | <b>682</b>                      | <b>0</b>         | <b>10,384</b>     | <b>0</b>   | <b>0</b>                                     | <b>0</b>                 | <b>0</b>                                      | <b>(20,384)</b> | <b>0</b>          | <b>(9,318)</b>             |
| <b>Changes stemming from profits</b>  |                       |                                 |                  |                   |  |  |                          |   |                 |                   |                            |
| <b>Total profits:</b>   |                       |                                 |                  |                   |  |  |                          |   |                 |                   |                            |
| Net Income  |                       |                                 |                  |                   |  |  |                          |   | 19,320          |                   | 19,320                     |
| Result from valuation of securities available for sale                      |                       |                                 |                  |                   | (1,392)  |  |                          |   |                 |                   | (1,392)                    |
| Effect of subsidiaries, associates and mutual funds                         |                       |                                 |                  | (1)               |  |  |                          | (5)   |                 |                   | (6)                        |
| Conversion accumulated effect   |                       |                                 |                  |                   |  |  | 30                       |   |                 |                   | 30                         |
| Result from valuation of instruments of cash flow hedges                    |                       |                                 |                  |                   |  | (1,956)                                      |                          |   |                 |                   | (1,956)                    |
| Remeasurements defined benefits for employees                               |                       |                                 |                  |                   |  |  |                          | 91  |                 |                   | 91                         |
| Interest of subordinated debentures   |                       |                                 |                  | (2,793)           |  |  |                          |   |                 |                   | (2,793)                    |
| <b>Total</b>  | <b>0</b>              | <b>0</b>                        | <b>0</b>         | <b>(2,794)</b>    | <b>(1,392)</b>                                     | <b>(1,956)</b>                               | <b>30</b>                | <b>86</b>                                     | <b>19,320</b>   | <b>0</b>          | <b>13,294</b>              |
| Recognition of minority interest  |                       |                                 |                  |                   |  |  |                          |   |                 | 1                 | 1                          |
| <b>Balance as of September 30, 2021</b>                                     | <b>18,795</b>         | <b>3,646</b>                    | <b>18,959</b>    | <b>80,892</b>     | <b>2,479</b>                                       | <b>(2,861)</b>                               | <b>37</b>                | <b>(2,247)</b>                                | <b>19,320</b>   | <b>4</b>          | <b>139,024</b>             |

## Seguros Banorte

| <b>Income Statement - Insurance - Seguros Banorte</b><br><i>(Million Pesos)</i> | <b>1Q20</b>  | <b>2Q20</b>  | <b>3Q20</b>  | <b>4Q20</b>  | <b>1Q21</b>  | <b>2Q21</b>  | <b>3Q21</b>  |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Interest Income   | 517          | 643          | 396          | 340          | 257          | 329          | 381          |
| Interest Expense  | -            | -            | -            | -            | -            | -            | -            |
| Premium Income (Net)  | 8,815        | 5,772        | 3,792        | 4,575        | 11,085       | 2,817        | 4,239        |
| Net Increase in Technical Reserves  | 3,304        | 765          | (875)        | (248)        | 4,537        | (1,525)      | (78)         |
| Damages, Claims and Other Obligations   | 2,767        | 3,674        | 3,321        | 4,119        | 4,884        | 3,390        | 3,570        |
| <b>Net Interest Income</b>  | <b>3,261</b> | <b>1,976</b> | <b>1,742</b> | <b>1,044</b> | <b>1,921</b> | <b>1,280</b> | <b>1,129</b> |
| <b>Fees Charged on Services</b>   | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     |
| <b>Fees Paid on Services</b>  | <b>706</b>   | <b>519</b>   | <b>555</b>   | <b>480</b>   | <b>627</b>   | <b>485</b>   | <b>550</b>   |
| Securities-Valuation Gains  | -            | -            | -            | -            | -            | -            | -            |
| Securities Trading  | 50           | 58           | 33           | 43           | 37           | 42           | 8            |
| <b>Trading Income</b>   | <b>50</b>    | <b>58</b>    | <b>33</b>    | <b>43</b>    | <b>37</b>    | <b>42</b>    | <b>8</b>     |
| From Insurance  | 203          | 167          | 191          | 302          | 270          | 195          | 211          |
| Losses and Estimates  | (6)          | (10)         | (11)         | (3)          | (1)          | (3)          | 1            |
| Other Operating Income (Expense)  | 3            | 3            | 2            | (0)          | 0            | 0            | 1            |
| <b>Total Other Operating Income (Expenses)</b>                                  | <b>200</b>   | <b>160</b>   | <b>182</b>   | <b>299</b>   | <b>269</b>   | <b>192</b>   | <b>213</b>   |
| <b>Total Non-Interest Income</b>  | <b>(456)</b> | <b>(301)</b> | <b>(340)</b> | <b>(138)</b> | <b>(321)</b> | <b>(251)</b> | <b>(329)</b> |
| <b>Total Operating Income</b>   | <b>2,805</b> | <b>1,675</b> | <b>1,402</b> | <b>906</b>   | <b>1,600</b> | <b>1,029</b> | <b>800</b>   |
| Personnel   | 105          | 112          | 107          | 110          | 107          | 109          | 115          |
| Employee Profit Sharing (PTU)   | 1            | 1            | 1            | 5            | 1            | 1            | 1            |
| Professional Fees   | 78           | 70           | 71           | 9            | 63           | 51           | 37           |
| Administrative and Promotional Expenses   | 117          | 96           | 87           | 47           | 130          | 123          | 81           |
| Rents, Depreciation & Amortization  | 45           | 44           | 46           | 48           | 45           | 46           | 48           |
| Taxes other than income tax & non-deductible expenses                           | 22           | 27           | 28           | 29           | 34           | 50           | 57           |
| Contributions to IPAB/Fobaproa  | -            | -            | -            | -            | -            | -            | -            |
| <b>Total Non-Interest Expense</b>   | <b>368</b>   | <b>351</b>   | <b>339</b>   | <b>247</b>   | <b>380</b>   | <b>381</b>   | <b>339</b>   |
| <b>Operating Income</b>   | <b>2,436</b> | <b>1,324</b> | <b>1,062</b> | <b>659</b>   | <b>1,220</b> | <b>649</b>   | <b>461</b>   |
| Subsidiaries' Net Income  | 332          | 630          | 463          | 485          | 404          | 465          | 467          |
| <b>Pre-Tax Income</b>   | <b>2,768</b> | <b>1,953</b> | <b>1,525</b> | <b>1,143</b> | <b>1,624</b> | <b>1,113</b> | <b>928</b>   |
| Income Tax  | 736          | 399          | 319          | 227          | 364          | 188          | 140          |
| Deferred Income Tax   | (4)          | (4)          | (4)          | (41)         | (4)          | (4)          | (4)          |
| <b>Taxes</b>  | <b>732</b>   | <b>395</b>   | <b>316</b>   | <b>186</b>   | <b>361</b>   | <b>184</b>   | <b>136</b>   |
| <b>Net Income from Continuous Operations</b>                                    | <b>2,036</b> | <b>1,558</b> | <b>1,210</b> | <b>957</b>   | <b>1,263</b> | <b>929</b>   | <b>792</b>   |
| Discontinued Operations   | -            | -            | -            | -            | -            | -            | -            |
| Minority Interest   | (7)          | (13)         | (10)         | (11)         | (9)          | (10)         | (10)         |
| <b>Net Income</b>   | <b>2,029</b> | <b>1,545</b> | <b>1,200</b> | <b>946</b>   | <b>1,254</b> | <b>919</b>   | <b>782</b>   |

| <b>Insurance - Seguros Banorte - Balance Sheet</b><br><i>(Million Pesos)</i> | <b>1Q20</b>   | <b>2Q20</b>   | <b>3Q20</b>   | <b>4Q20</b>   | <b>1Q21</b>   | <b>2Q21</b>   | <b>3Q21</b>   |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>ASSETS</b>  |               |               |               |               |               |               |               |
| <b>Cash and Due from Banks</b>   | <b>1,765</b>  | <b>2,861</b>  | <b>3,014</b>  | <b>2,973</b>  | <b>86</b>     | <b>143</b>    | <b>82</b>     |
| <b>Margin Accounts</b>   | -             | -             | -             | -             | -             | -             | -             |
| Negotiable Instruments   | 24,424        | 26,497        | 27,705        | 29,869        | 32,163        | 30,642        | 23,366        |
| Securities Available for Sale  | 554           | 596           | 600           | 602           | 551           | 1,720         | 2,969         |
| Securities Held to Maturity  | (0)           | (0)           | (0)           | (0)           | (0)           | (0)           | (0)           |
| <b>Investment in Securities</b>  | <b>24,978</b> | <b>27,094</b> | <b>28,306</b> | <b>30,471</b> | <b>32,714</b> | <b>32,362</b> | <b>26,336</b> |
| Debtor Balance in Repo Trans.net   | 1,654         | 851           | 2,157         | 2,000         | 5,337         | 5,315         | 2,098         |
| Securities Lending   | -             | -             | -             | -             | -             | -             | -             |
| Transactions w ith Derivatives   | -             | -             | -             | -             | -             | -             | -             |
| <b>Operations w /Derivatives &amp; Securities</b>                            | <b>1,654</b>  | <b>851</b>    | <b>2,157</b>  | <b>2,000</b>  | <b>5,337</b>  | <b>5,315</b>  | <b>2,098</b>  |
| <b>Valuation adjustments for Asset Coverage</b>                              | -             | -             | -             | -             | -             | -             | -             |
| Acquired Collection Rights   | -             | -             | -             | -             | -             | -             | -             |
| Account Receivables  | 289           | 346           | 405           | 448           | 284           | 311           | 434           |
| Premium Debtors (Net)  | 7,581         | 8,937         | 6,392         | 3,986         | 10,876        | 8,028         | 5,765         |
| Account Receivables from Reinsurance   | 8,162         | 8,872         | 7,924         | 7,269         | 7,521         | 7,707         | 7,981         |
| Benef. receivab.securization transactions                                    | -             | -             | -             | -             | -             | -             | -             |
| Sundry Debtors & Other Accs Rec, Net   | -             | -             | -             | -             | -             | -             | -             |
| Inventories  | -             | -             | -             | -             | -             | -             | -             |
| Real Estate, Furniture & Equipment, Net                                      | 346           | 342           | 416           | 413           | 414           | 334           | 330           |
| Investment in Subsidiaries   | 12,849        | 13,241        | 13,620        | 14,104        | 12,785        | 13,249        | 13,715        |
| Long-term assets held for sale   | -             | -             | -             | -             | -             | -             | -             |
| Deferred Taxes, Net  | 298           | 298           | 298           | 335           | 335           | 335           | 335           |
| Goodw ill and Intangibles  | 1,710         | 2,322         | 2,517         | 2,943         | 1,857         | 2,246         | 2,624         |
| Other Assets Short and Long Term   | 91            | 93            | 94            | 95            | 95            | 95            | 96            |
| <b>TOTAL ASSETS</b>  | <b>59,723</b> | <b>65,256</b> | <b>65,143</b> | <b>65,038</b> | <b>72,304</b> | <b>70,125</b> | <b>59,797</b> |



| <b>Insurance - Seguros Banorte - Balance Sheet</b><br><i>(Million Pesos)</i> | <b>1Q20</b>   | <b>2Q20</b>   | <b>3Q20</b>   | <b>4Q20</b>   | <b>1Q21</b>   | <b>2Q21</b>   | <b>3Q21</b>   |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>LIABILITIES</b>   |               |               |               |               |               |               |               |
| Technical Reserves   | 28,696        | 31,526        | 30,257        | 29,897        | 36,094        | 33,217        | 32,309        |
| <b>Total Operations w/ Derivatives &amp; Securities</b>                      | -             | -             | -             | -             | -             | -             | -             |
| Valuation adjustments for financial liability coverage                       | -             | -             | -             | -             | -             | -             | -             |
| Obligations in securitization transactions                                   | -             | -             | -             | -             | -             | -             | -             |
| Payable Accounts for Reinsurance   | 2,311         | 3,159         | 2,918         | 2,269         | 3,145         | 2,790         | 2,501         |
| Income Tax Payable   | 754           | 1,146         | 1,460         | 1,675         | 368           | 550           | 686           |
| Profit Sharing Payable   | -             | -             | -             | -             | -             | -             | -             |
| Provision for future capital increase not formalized by its governing entity | -             | -             | -             | -             | -             | -             | -             |
| Creditors for settlement of transactions                                     | -             | -             | -             | -             | -             | -             | -             |
| Margin Accounts Payable  | -             | -             | -             | -             | -             | -             | -             |
| Other Creditors & Accounts Payable   | 2,800         | 2,834         | 2,713         | 2,475         | 2,624         | 2,570         | 2,426         |
| <b>Other Payable Accounts</b>  | <b>3,554</b>  | <b>3,980</b>  | <b>4,173</b>  | <b>4,150</b>  | <b>2,992</b>  | <b>3,121</b>  | <b>3,113</b>  |
| Subordinated Non Convertible Debt  | -             | -             | -             | -             | -             | -             | -             |
| Deferred Taxes, Net  | 354           | 351           | 347           | 343           | 340           | 336           | 333           |
| Deferred Credits   | 61            | 56            | 57            | 53            | 56            | 53            | 53            |
| <b>TOTAL LIABILITIES</b>   | <b>34,977</b> | <b>39,072</b> | <b>37,752</b> | <b>36,712</b> | <b>42,627</b> | <b>39,517</b> | <b>38,309</b> |
| <b>EQUITY</b>  |               |               |               |               |               |               |               |
| Paid-in Capital  | 13,928        | 13,928        | 13,928        | 13,928        | 13,928        | 13,928        | 13,928        |
| Provision for future capital increase not formalized by its governing entity | -             | -             | -             | -             | -             | -             | -             |
| Share Subscription Premiums  | -             | -             | -             | -             | -             | -             | -             |
| Subordinated Convertible Debentures  | -             | -             | -             | -             | -             | -             | -             |
| <b>Subscribed Capital</b>  | <b>13,928</b> | <b>13,928</b> | <b>13,928</b> | <b>13,928</b> | <b>13,928</b> | <b>13,928</b> | <b>13,928</b> |
| Capital Reserves   | 2,716         | 3,268         | 3,268         | 3,268         | 3,268         | 3,840         | 3,840         |
| Retained Earnings  | 5,600         | 5,047         | 5,047         | 5,046         | 10,765        | 10,193        | 343           |
| Surplus (Deficit) of Secs Available for Sale                                 | 107           | 172           | 175           | 196           | 164           | 160           | 141           |
| Results from Valuation of Hedging Secs                                       | -             | -             | -             | -             | -             | -             | -             |
| Result in the valuation reserve for unexpired risks variations in rates      | 2             | (182)         | (188)         | (229)         | (108)         | (101)         | (83)          |
| Results from Conversions   | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| Remeasurements defined benefits for employees                                | 12            | 12            | 12            | 10            | 10            | 10            | 10            |
| Surplus (Deficit) in Capital Restatement                                     | -             | -             | -             | -             | -             | -             | -             |
| Adjustments in the Employee's Pensions                                       | -             | -             | -             | -             | -             | -             | -             |
| Accumulated Effect of Deferred Taxes   | -             | -             | -             | -             | -             | -             | -             |
| Net Income   | 2,029         | 3,573         | 4,773         | 5,719         | 1,254         | 2,173         | 2,955         |
| <b>Earned Capital</b>  | <b>10,466</b> | <b>11,890</b> | <b>13,087</b> | <b>14,011</b> | <b>15,354</b> | <b>16,274</b> | <b>7,206</b>  |
| Minority Interest  | 352           | 366           | 376           | 386           | 395           | 406           | 355           |
| <b>Total Equity</b>  | <b>24,746</b> | <b>26,184</b> | <b>27,391</b> | <b>28,325</b> | <b>29,677</b> | <b>30,608</b> | <b>21,488</b> |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>  | <b>59,723</b> | <b>65,256</b> | <b>65,143</b> | <b>65,038</b> | <b>72,304</b> | <b>70,125</b> | <b>59,797</b> |

## Information by Segments

### GFNorte - Income Statement as of September 30 '21

(Million Pesos)

|   | Holding       | Banorte       | Ahorro y Previsión | Arrendadora y Factor | Almacenadora | Casa de Bolsa Banorte |
|---|---------------|---------------|--------------------|----------------------|--------------|-----------------------|
| Interest Income                                     | 407           | 76,809        | 14,244             | 1,770                | 45           | 10,040                |
| Premium Income (Net)                                | -             | -             | 34,584             | -                    | -            | -                     |
| Interest Expense                                    | -             | 26,685        | -                  | 1,045                | 1            | 8,614                 |
| Net Increase in Technical Reserves                  | -             | -             | 23,070             | -                    | -            | -                     |
| Damages, Claims and Other Obligations               | -             | -             | 19,053             | -                    | -            | -                     |
| <b>Net Interest Income (NII)</b>                    | <b>407</b>    | <b>50,123</b> | <b>6,706</b>       | <b>726</b>           | <b>44</b>    | <b>1,426</b>          |
| Preventive Provisions for Loan Losses               | -             | 8,413         | -                  | 219                  | -            | -                     |
| <b>Net Interest Income Adjusted for Credit Risk</b> | <b>407</b>    | <b>41,710</b> | <b>6,706</b>       | <b>507</b>           | <b>44</b>    | <b>1,426</b>          |
| Loan Origination Fees                               | -             | 18,989        | -                  | 86                   | -            | 1,028                 |
| Fees Paid   | -             | 8,749         | 1,671              | 56                   | 0            | 126                   |
| Trading Income                                      | -             | 3,035         | 122                | 2                    | -            | (239)                 |
| Other Operating Income (Expenses)                   | 11            | 551           | 715                | 549                  | 22           | 140                   |
| <b>Non Interest Income</b>                          | <b>11</b>     | <b>34,360</b> | <b>2,630</b>       | <b>696</b>           | <b>22</b>    | <b>815</b>            |
| <b>Total Operating Income</b>                       | <b>418</b>    | <b>76,070</b> | <b>9,336</b>       | <b>1,202</b>         | <b>66</b>    | <b>2,241</b>          |
| Administrative and Promotional Expenses             | 107           | 30,111        | 1,432              | 462                  | 40           | 845                   |
| <b>Operating Income</b>                             | <b>310</b>    | <b>25,426</b> | <b>4,440</b>       | <b>625</b>           | <b>26</b>    | <b>1,384</b>          |
| Subsidiaries' Net Income                            | 25,638        | 306           | 1,335              | (11)                 | -            | 0                     |
| <b>Pre-Tax Income</b>                               | <b>25,948</b> | <b>25,732</b> | <b>5,775</b>       | <b>614</b>           | <b>26</b>    | <b>1,384</b>          |
| Income Tax  | -             | 4,584         | 825                | 0                    | 8            | 410                   |
| Deferred Income Tax                                 | (23)          | 1,827         | 480                | 59                   | (0)          | (27)                  |
| <b>Net Income from Continuous Operations</b>        | <b>25,971</b> | <b>19,320</b> | <b>4,470</b>       | <b>555</b>           | <b>18</b>    | <b>1,002</b>          |
| Discontinued Operations                             | -             | -             | -                  | -                    | -            | -                     |
| Minority Interest                                   | -             | (0)           | (25)               | (0)                  | (0)          | -                     |
| <b>Net Income</b>                                   | <b>25,971</b> | <b>19,320</b> | <b>4,445</b>       | <b>555</b>           | <b>18</b>    | <b>1,002</b>          |

### GFNorte - Income Statement as of September 30 '21

(Million Pesos)

|   | Operadora de Fondos Banorte | IXE Servicios | Total         | Charges Intercompany Eliminations | Credits Intercompany Eliminations | Final Balance |
|---|-----------------------------|---------------|---------------|-----------------------------------|-----------------------------------|---------------|
| Interest Income                                     | 43                          | 2             | 103,360       | 6,874                             | 623                               | 97,109        |
| Premium Income (Net)                                | -                           | -             | 34,584        | 323                               | -                                 | 34,261        |
| Interest Expense                                    | -                           | -             | 36,345        | -                                 | 6,731                             | 29,613        |
| Net Increase in Technical Reserves                  | -                           | -             | 23,070        | -                                 | -                                 | 23,070        |
| Damages, Claims and Other Obligations               | -                           | -             | 19,053        | -                                 | 23                                | 19,030        |
| <b>Net Interest Income (NII)</b>                    | <b>43</b>                   | <b>2</b>      | <b>59,477</b> | <b>-</b>                          | <b>-</b>                          | <b>59,658</b> |
| Preventive Provisions for Loan Losses               | -                           | -             | 8,632         | -                                 | -                                 | 8,632         |
| <b>Net Interest Income Adjusted for Credit Risk</b> | <b>43</b>                   | <b>2</b>      | <b>50,845</b> | <b>-</b>                          | <b>-</b>                          | <b>51,025</b> |
| Loan Origination Fees                               | 1,494                       | -             | 21,597        | 1,796                             | -                                 | 19,801        |
| Fees Paid   | 1,083                       | -             | 11,685        | -                                 | 1,843                             | 9,842         |
| Trading Income                                      | -                           | 0             | 2,920         | -                                 | -                                 | 2,920         |
| Other Operating Income (Expenses)                   | 9                           | (18)          | 1,979         | 41                                | 29                                | 1,967         |
| <b>Non Interest Income</b>                          | <b>2,586</b>                | <b>(18)</b>   | <b>41,101</b> | <b>1,837</b>                      | <b>1,872</b>                      | <b>37,450</b> |
| <b>Total Operating Income</b>                       | <b>2,628</b>                | <b>(15)</b>   | <b>91,946</b> | <b>1,837</b>                      | <b>1,872</b>                      | <b>88,476</b> |
| Administrative and Promotional Expenses             | 47                          | 6             | 33,053        | 623                               | 924                               | 32,751        |
| <b>Operating Income</b>                             | <b>415</b>                  | <b>(22)</b>   | <b>32,604</b> | <b>-</b>                          | <b>-</b>                          | <b>33,121</b> |
| Subsidiaries' Net Income                            | 6                           | -             | 27,275        | 25,638                            | -                                 | 1,636         |
| <b>Pre-Tax Income</b>                               | <b>420</b>                  | <b>(22)</b>   | <b>59,878</b> | <b>-</b>                          | <b>-</b>                          | <b>34,757</b> |
| Income Tax  | 116                         | 0             | 5,943         | -                                 | -                                 | 5,943         |
| Deferred Income Tax                                 | 0                           | -             | 2,316         | 151                               | -                                 | 2,466         |
| <b>Net Income from Continuous Operations</b>        | <b>304</b>                  | <b>(22)</b>   | <b>51,620</b> | <b>-</b>                          | <b>-</b>                          | <b>26,348</b> |
| Discontinued Operations                             | -                           | -             | -             | -                                 | -                                 | -             |
| Minority Interest                                   | -                           | -             | (25)          | 336                               | -                                 | (361)         |
| <b>Net Income</b>                                   | <b>304</b>                  | <b>(22)</b>   | <b>51,594</b> | <b>35,631</b>                     | <b>9,528</b>                      | <b>25,987</b> |

## GFNorte - Balance Sheet as of September 30 '21

(Million Pesos)

| ASSETS   | Holding        | Banorte          | Ahorro y Previsión | Arrendadora y Factor | Almacenadora | Casa de Bolsa Banorte |
|--|----------------|------------------|--------------------|----------------------|--------------|-----------------------|
| Cash and Due from Banks                            | 5              | 67,251           | 123                | 168                  | 11           | 4,244                 |
| Margin Accounts                                    | -              | 8,268            | -                  | -                    | -            | -                     |
| Investment in Securities                           | -              | 216,494          | 220,259            | -                    | -            | 292,012               |
| Negotiable Instruments                             | -              | 30,280           | 28,720             | -                    | -            | 201,759               |
| Securities Available for Sale                      | -              | 142,115          | 3,079              | -                    | -            | 89,415                |
| Securities Held to Maturity                        | -              | 44,099           | 188,460            | -                    | -            | 839                   |
| Debtor Balance in Repo Trans, net                  | 24,583         | 2,957            | 2,141              | -                    | -            | -                     |
| Transactions with Derivatives For trading purposes | -              | 25,999           | -                  | -                    | -            | 106                   |
| Transactions with Derivatives For hedging purposes | -              | 753              | -                  | -                    | -            | -                     |
| Valuation adjustments for Asset Coverage           | -              | 43               | -                  | -                    | -            | -                     |
| Gross Loan Portfolio                               | -              | 789,721          | -                  | 32,876               | -            | -                     |
| Net Loan Portfolio                                 | -              | 788,461          | -                  | 32,876               | -            | -                     |
| Performing Loans                                   | -              | 795,967          | -                  | 32,711               | -            | -                     |
| Commercial Loans                                   | -              | 298,331          | -                  | 28,001               | -            | -                     |
| Financial Intermediaries' Loans                    | -              | 22,647           | -                  | 637                  | -            | -                     |
| Government Entities' Loans                         | -              | 157,746          | -                  | 4,069                | -            | -                     |
| Consumer Loans                                     | -              | 119,506          | -                  | 4                    | -            | -                     |
| Mortgage Loans                                     | -              | 197,737          | -                  | -                    | -            | -                     |
| Medium and Residential                             | -              | 195,245          | -                  | -                    | -            | -                     |
| Low income housing                                 | -              | 3                | -                  | -                    | -            | -                     |
| Loans acquired from INFONAVIT or FOVISSSTE         | -              | 2,489            | -                  | -                    | -            | -                     |
| Past Due Loans                                     | -              | 9,311            | -                  | 646                  | -            | -                     |
| Commercial PDL's                                   | -              | 3,830            | -                  | 641                  | -            | -                     |
| Financial Intermediaries PDL's                     | -              | -                | -                  | -                    | -            | -                     |
| Government Entities PDL's                          | -              | 154              | -                  | 4                    | -            | -                     |
| Consumer PDL's                                     | -              | 3,191            | -                  | 0                    | -            | -                     |
| Mortgage PDL's                                     | -              | 2,135            | -                  | -                    | -            | -                     |
| Medium and Residential                             | -              | 1,859            | -                  | -                    | -            | -                     |
| Low income housing                                 | -              | 0                | -                  | -                    | -            | -                     |
| Loans acquired from INFONAVIT or FOVISSSTE         | -              | 277              | -                  | -                    | -            | -                     |
| Preventive Loan Loss Reserves                      | -              | 16,816           | -                  | 481                  | -            | -                     |
| Acquired Collection Rights                         | -              | 1,260            | -                  | -                    | -            | -                     |
| Account Receivables from Insurance and Annuities   | -              | -                | 3,039              | -                    | -            | -                     |
| Premium Debtors (Net)                              | -              | -                | 7,016              | -                    | -            | -                     |
| Account Receivables from Reinsurance               | -              | -                | 7,981              | -                    | -            | -                     |
| Benef. receivab. securization transactions         | -              | -                | -                  | -                    | -            | -                     |
| Sundry Debtors & Other Accs Rec, Net               | 740            | 43,590           | 4                  | 789                  | 119          | 12,127                |
| Inventories  | -              | -                | -                  | -                    | 960          | -                     |
| Foreclosed Assets, Net                             | -              | 1,835            | -                  | 114                  | -            | -                     |
| Real Estate, Furniture & Equipment, Net            | -              | 16,941           | 342                | 3,247                | 53           | 61                    |
| Investment in Subsidiaries                         | 182,827        | 588              | 13,715             | 57                   | -            | 2                     |
| Long-term assets held for sale                     | -              | -                | -                  | -                    | -            | -                     |
| Deferred Taxes, Net                                | 34             | (0)              | -                  | 1,001                | 5            | -                     |
| Total other Assets                                 | 25,872         | 24,834           | 3,476              | 4,953                | 18           | 243                   |
| Goodwill   | 25,329         | 1,404            | -                  | -                    | -            | -                     |
| Intangible   | 543            | 23,265           | 3,379              | 328                  | 2            | 46                    |
| Other Assets                                       | -              | 165              | 97                 | 4,625                | 16           | 198                   |
| <b>TOTAL ASSETS</b>                                | <b>234,061</b> | <b>1,199,275</b> | <b>258,097</b>     | <b>43,204</b>        | <b>1,167</b> | <b>308,796</b>        |

## GFNorte - Balance Sheet as of September 30 '21

(Million Pesos)

| ASSETS   | Operadora de Fondos Banorte | IXE Servicios | Total            | Charges Intercompany Eliminations | Credits Intercompany Eliminations | Final Balance    |
|--|-----------------------------|---------------|------------------|-----------------------------------|-----------------------------------|------------------|
| Cash and Due from Banks                            | 1,283                       | 603           | 73,688           | 172                               | 6,091                             | 67,769           |
| Margin Accounts                                    | -                           | -             | 8,268            | -                                 | -                                 | 8,268            |
| Investment in Securities                           | -                           | -             | 728,765          | -                                 | 476                               | 728,289          |
| Negotiable Instruments                             | -                           | -             | 260,759          | -                                 | -                                 | 260,759          |
| Securities Available for Sale                      | -                           | -             | 234,608          | -                                 | 129                               | 234,479          |
| Securities Held to Maturity                        | -                           | -             | 233,398          | -                                 | 347                               | 233,050          |
| Debtor Balance in Repo Trans, net                  | -                           | -             | 29,681           | -                                 | 26,724                            | 2,957            |
| Transactions with Derivatives For trading purposes | -                           | -             | 26,104           | -                                 | 106                               | 25,999           |
| Transactions with Derivatives For hedging purposes | -                           | -             | 753              | -                                 | -                                 | 753              |
| Valuation adjustments for Asset Coverage           | -                           | -             | 43               | -                                 | -                                 | 43               |
| Gross Loan Portfolio                               | -                           | -             | 822,597          | 3,304                             | 18,735                            | 807,166          |
| Net Loan Portfolio                                 | -                           | -             | 821,337          | 3,304                             | 18,735                            | 805,906          |
| Performing Loans                                   | -                           | -             | 828,678          | 3,304                             | 18,735                            | 813,247          |
| Commercial Loans                                   | -                           | -             | 326,332          | 604                               | 524                               | 326,413          |
| Financial Intermediaries' Loans                    | -                           | -             | 23,284           | -                                 | 15,096                            | 8,188            |
| Government Entities' Loans                         | -                           | -             | 161,815          | 2,700                             | 3,115                             | 161,400          |
| Consumer Loans                                     | -                           | -             | 119,510          | -                                 | -                                 | 119,510          |
| Mortgage Loans                                     | -                           | -             | 197,737          | -                                 | -                                 | 197,737          |
| Medium and Residential                             | -                           | -             | 195,245          | -                                 | -                                 | 195,245          |
| Low income housing                                 | -                           | -             | 3                | -                                 | -                                 | 3                |
| Loans acquired from INFONAVIT or FOVISSSTE         | -                           | -             | 2,489            | -                                 | -                                 | 2,489            |
| Past Due Loans                                     | -                           | -             | 9,956            | -                                 | -                                 | 9,956            |
| Commercial PDL's                                   | -                           | -             | 4,471            | -                                 | -                                 | 4,471            |
| Financial Intermediaries PDL's                     | -                           | -             | -                | -                                 | -                                 | -                |
| Government Entities PDL's                          | -                           | -             | 159              | -                                 | -                                 | 159              |
| Consumer PDL's                                     | -                           | -             | 3,191            | -                                 | -                                 | 3,191            |
| Mortgage PDL's                                     | -                           | -             | 2,135            | -                                 | -                                 | 2,135            |
| Medium and Residential                             | -                           | -             | 1,859            | -                                 | -                                 | 1,859            |
| Low income housing                                 | -                           | -             | 0                | -                                 | -                                 | 0                |
| Loans acquired from INFONAVIT or FOVISSSTE         | -                           | -             | 277              | -                                 | -                                 | 277              |
| Preventive Loan Loss Reserves                      | -                           | -             | 17,297           | -                                 | -                                 | 17,297           |
| Acquired Collection Rights                         | -                           | -             | 1,260            | -                                 | -                                 | 1,260            |
| Account Receivables from Insurance and Annuities   | -                           | -             | 3,039            | -                                 | -                                 | 3,039            |
| Premium Debtors (Net)                              | -                           | -             | 7,016            | -                                 | -                                 | 7,016            |
| Account Receivables from Reinsurance               | -                           | -             | 7,981            | -                                 | -                                 | 7,981            |
| Benef. receivab. securization transactions         | -                           | -             | -                | -                                 | -                                 | -                |
| Sundry Debtors & Other Accs Rec, Net               | 201                         | 85            | 57,657           | -                                 | 11,064                            | 46,593           |
| Inventories  | -                           | -             | 960              | -                                 | -                                 | 960              |
| Foreclosed Assets, Net                             | -                           | -             | 1,949            | -                                 | -                                 | 1,949            |
| Real Estate, Furniture & Equipment, Net            | 0                           | -             | 20,644           | 203                               | 44                                | 20,803           |
| Investment in Subsidiaries                         | 114                         | -             | 197,304          | 2,901                             | 185,728                           | 14,476           |
| Long-term assets held for sale                     | -                           | -             | -                | -                                 | -                                 | -                |
| Deferred Taxes, Net                                | 0                           | -             | 1,041            | -                                 | 1,041                             | -                |
| Total other Assets                                 | 36                          | 202           | 59,634           | -                                 | -                                 | 59,634           |
| Goodwill   | -                           | -             | 26,733           | -                                 | -                                 | 26,733           |
| Intangible   | 36                          | 202           | 27,800           | -                                 | -                                 | 27,800           |
| Other Assets                                       | 0                           | -             | 5,101            | -                                 | -                                 | 5,101            |
| <b>TOTAL ASSETS</b>                                | <b>1,634</b>                | <b>889</b>    | <b>2,047,124</b> | <b>6,579</b>                      | <b>250,008</b>                    | <b>1,803,695</b> |

## GFNorte - Balance Sheet as of September 30 '21

(Million Pesos)

| LIABILITIES & EQUITY  | Holding        | Banorte          | Ahorro y Previsión | Arrendadora y Factor | Almacenadora | Casa de Bolsa Banorte |
|---|----------------|------------------|--------------------|----------------------|--------------|-----------------------|
| <b>Deposits</b>   | -              | <b>799,383</b>   | -                  | -                    | -            | -                     |
| <b>Demand Deposits</b>  | -              | <b>516,559</b>   | -                  | -                    | -            | -                     |
| <b>Time Deposits</b>  | -              | <b>250,212</b>   | -                  | -                    | -            | -                     |
| Time Deposits-Retail  | -              | 246,951          | -                  | -                    | -            | -                     |
| Time Deposits-Money Market  | -              | 3,261            | -                  | -                    | -            | -                     |
| <b>Senior Unsecured Debt</b>  | -              | <b>29,786</b>    | -                  | -                    | -            | -                     |
| <b>Cuenta global de captación sin movimientos</b>                       | -              | <b>2,825</b>     | -                  | -                    | -            | -                     |
| <b>Due to Banks &amp; Correspondents</b>                                | -              | <b>13,047</b>    | -                  | <b>31,987</b>        | <b>842</b>   | -                     |
| Immediate Redemption Loans  | -              | 0                | -                  | -                    | -            | -                     |
| Short Term Loans  | -              | 6,721            | -                  | 24,361               | 842          | -                     |
| Long Term Loans   | -              | 6,325            | -                  | 7,626                | -            | -                     |
| <b>Technical Reserves</b>   | -              | -                | <b>219,279</b>     | -                    | -            | -                     |
| <b>Non-assigned Securities for Settlement</b>                           | -              | -                | -                  | -                    | -            | -                     |
| <b>Creditor Balance in Repo Trans, Net</b>                              | -              | <b>100,565</b>   | -                  | -                    | -            | <b>300,469</b>        |
| <b>Collateral sold or pledged as collateral</b>                         | -              | <b>36</b>        | -                  | -                    | -            | <b>6</b>              |
| <b>Transactions with Derivatives for trading purposes</b>               | -              | <b>21,703</b>    | -                  | -                    | -            | <b>39</b>             |
| <b>Transactions with Derivatives for hedging purposes</b>               | -              | <b>6,565</b>     | -                  | -                    | -            | -                     |
| <b>Valuation adjustments for financial liability coverage</b>           | -              | -                | -                  | -                    | -            | -                     |
| <b>Payable Accounts for Reinsurance</b>                                 | -              | -                | <b>2,501</b>       | -                    | -            | -                     |
| <b>Other Payable Accounts</b>   | <b>0</b>       | <b>57,974</b>    | <b>3,817</b>       | <b>1,258</b>         | <b>23</b>    | <b>2,236</b>          |
| Income Tax Payable  | -              | 1,449            | 819                | 0                    | 2            | 137                   |
| Profit Sharing Payable  | -              | 433              | -                  | -                    | -            | -                     |
| Creditors for settlement of transactions                                | 0              | 15,254           | -                  | -                    | -            | 1,641                 |
| Creditors for collateral received in cash                               | -              | 6,723            | -                  | -                    | -            | -                     |
| Other Creditors & Accounts Payable                                      | 0              | 34,115           | 2,997              | 1,258                | 21           | 458                   |
| <b>Subordinated Non Convertible Debt</b>                                | -              | <b>59,186</b>    | -                  | -                    | -            | -                     |
| <b>Deferred Taxes, Net</b>  | -              | <b>668</b>       | <b>2,895</b>       | -                    | -            | <b>172</b>            |
| <b>Deferred Credits</b>   | -              | <b>1,124</b>     | <b>53</b>          | <b>70</b>            | -            | <b>0</b>              |
| <b>TOTAL LIABILITIES</b>  | <b>0</b>       | <b>1,060,251</b> | <b>228,544</b>     | <b>33,315</b>        | <b>866</b>   | <b>302,923</b>        |
| <b>EQUITY</b>   |                |                  |                    |                      |              |                       |
| <b>Subscribed Capital</b>   | <b>63,362</b>  | <b>22,440</b>    | <b>21,370</b>      | <b>12,310</b>        | <b>87</b>    | <b>2,061</b>          |
| Paid-in Capital   | 14,943         | 18,795           | 15,776             | 12,294               | 87           | 1,985                 |
| Share Subscription Premiums   | 48,420         | 3,646            | 5,594              | 16                   | -            | 77                    |
| Contributions for future capital increases agreed by the governing body | -              | -                | -                  | -                    | -            | -                     |
| <b>Earned Capital</b>   | <b>170,699</b> | <b>116,580</b>   | <b>7,899</b>       | <b>(2,605)</b>       | <b>214</b>   | <b>3,812</b>          |
| Capital Reserves  | 8,451          | 18,959           | 1,278              | 703                  | 59           | 350                   |
| Retained Earnings   | 138,703        | 80,892           | 2,198              | (3,863)              | 136          | 2,238                 |
| Surplus (Deficit) of Secs Available for Sale                            | 2,469          | 2,479            | 52                 | -                    | -            | 85                    |
| Results from Valuation of Hedging Secs                                  | (2,810)        | (2,861)          | -                  | -                    | -            | -                     |
| Result in the valuation reserve for unexpired risks variations in rates | (85)           | -                | (84)               | -                    | -            | -                     |
| Results from Conversions  | 173            | 38               | -                  | -                    | -            | 137                   |
| Surplus (Deficit) in Capital Restatement                                | -              | -                | -                  | -                    | -            | -                     |
| Remeasurements defined benefits for employees                           | (2,174)        | (2,247)          | 10                 | -                    | -            | -                     |
| Net Income  | 25,971         | 19,320           | 4,445              | 555                  | 18           | 1,002                 |
| Capital Mayoritario   | 234,061        | 139,020          | 29,269             | 9,705                | 301          | 5,873                 |
| Minority Interest   | -              | 4                | 283                | 184                  | 0            | -                     |
| <b>Total Equity</b>   | <b>234,061</b> | <b>139,024</b>   | <b>29,553</b>      | <b>9,889</b>         | <b>301</b>   | <b>5,873</b>          |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>                                   | <b>234,061</b> | <b>1,199,275</b> | <b>258,097</b>     | <b>43,204</b>        | <b>1,167</b> | <b>308,796</b>        |

## GFNorte - Balance Sheet as of September 30 '21

(Million Pesos)

| LIABILITIES & EQUITY  | Operadora de Fondos Banorte | IXE Servicios | Total            | Charges Intercompany Eliminations | Credits Intercompany Eliminations | Final Balance    |
|---|-----------------------------|---------------|------------------|-----------------------------------|-----------------------------------|------------------|
| <b>Deposits</b>   | -                           | -             | <b>799,383</b>   | <b>6,091</b>                      | -                                 | <b>793,292</b>   |
| <b>Demand Deposits</b>  | -                           | -             | <b>516,559</b>   | <b>5,468</b>                      | -                                 | <b>511,091</b>   |
| <b>Time Deposits</b>  | -                           | -             | <b>250,212</b>   | <b>623</b>                        | -                                 | <b>249,589</b>   |
| Time Deposits-Retail  | -                           | -             | 246,951          | 623                               | -                                 | 246,329          |
| Time Deposits-Money Market  | -                           | -             | 3,261            | -                                 | -                                 | 3,261            |
| <b>Senior Unsecured Debt</b>  | -                           | -             | <b>29,786</b>    | -                                 | -                                 | <b>29,786</b>    |
| <b>Cuenta global de captación sin movimientos</b>                       | -                           | -             | <b>2,825</b>     | -                                 | -                                 | <b>2,825</b>     |
| <b>Due to Banks &amp; Correspondents</b>                                | -                           | -             | <b>45,876</b>    | <b>15,096</b>                     | -                                 | <b>30,780</b>    |
| Immediate Redemption Loans  | -                           | -             | 0                | -                                 | -                                 | 0                |
| Short Term Loans  | -                           | -             | 31,925           | 15,096                            | -                                 | 16,829           |
| Long Term Loans   | -                           | -             | 13,952           | -                                 | -                                 | 13,952           |
| <b>Technical Reserves</b>   | -                           | -             | <b>219,279</b>   | -                                 | <b>124</b>                        | <b>219,403</b>   |
| <b>Non-assigned Securities for Settlement</b>                           | -                           | -             | -                | -                                 | -                                 | -                |
| <b>Creditor Balance in Repo Trans, Net</b>                              | -                           | -             | <b>401,034</b>   | <b>26,724</b>                     | -                                 | <b>374,310</b>   |
| <b>Collateral sold or pledged as collateral</b>                         | -                           | -             | <b>43</b>        | -                                 | -                                 | <b>43</b>        |
| <b>Transactions with Derivatives for trading purposes</b>               | -                           | -             | <b>21,743</b>    | <b>106</b>                        | -                                 | <b>21,637</b>    |
| <b>Transactions with Derivatives for hedging purposes</b>               | -                           | -             | <b>6,565</b>     | -                                 | -                                 | <b>6,565</b>     |
| <b>Valuation adjustments for financial liability coverage</b>           | -                           | -             | -                | -                                 | -                                 | -                |
| <b>Payable Accounts for Reinsurance</b>                                 | -                           | -             | <b>2,501</b>     | -                                 | -                                 | <b>2,501</b>     |
| <b>Other Payable Accounts</b>   | <b>181</b>                  | <b>776</b>    | <b>66,265</b>    | <b>11,216</b>                     | <b>48</b>                         | <b>55,097</b>    |
| Income Tax Payable  | -                           | 0             | 2,407            | -                                 | -                                 | 2,407            |
| Profit Sharing Payable  | -                           | -             | 433              | -                                 | -                                 | 433              |
| Creditors for settlement of transactions                                | -                           | -             | 16,895           | 10,058                            | -                                 | 6,837            |
| Creditors for collateral received in cash                               | -                           | -             | 6,723            | -                                 | -                                 | 6,723            |
| Other Creditors & Accounts Payable                                      | 181                         | 776           | 39,807           | 1,158                             | 48                                | 38,697           |
| <b>Subordinated Non Convertible Debt</b>                                | -                           | -             | <b>59,186</b>    | -                                 | -                                 | <b>59,186</b>    |
| <b>Deferred Taxes, Net</b>  | -                           | -             | <b>3,735</b>     | <b>1,041</b>                      | -                                 | <b>2,694</b>     |
| <b>Deferred Credits</b>   | -                           | -             | <b>1,248</b>     | -                                 | -                                 | <b>1,248</b>     |
| <b>TOTAL LIABILITIES</b>  | <b>181</b>                  | <b>776</b>    | <b>1,626,856</b> | <b>60,273</b>                     | <b>172</b>                        | <b>1,566,755</b> |
| <b>EQUITY</b>   |                             |               |                  |                                   |                                   |                  |
| <b>Subscribed Capital</b>   | <b>170</b>                  | <b>144</b>    | <b>121,945</b>   | <b>58,840</b>                     | <b>324</b>                        | <b>63,430</b>    |
| Paid-in Capital   | 170                         | 144           | 64,193           | 49,254                            | -                                 | 14,939           |
| Share Subscription Premiums   | -                           | -             | 57,752           | 9,585                             | 324                               | 48,491           |
| Contributions for future capital increases agreed by the governing body | -                           | -             | -                | -                                 | -                                 | -                |
| <b>Earned Capital</b>   | <b>1,283</b>                | <b>(31)</b>   | <b>297,851</b>   | <b>127,580</b>                    | <b>343</b>                        | <b>170,613</b>   |
| Capital Reserves  | 34                          | 2             | 29,837           | 21,386                            | -                                 | 8,451            |
| Retained Earnings   | 945                         | (11)          | 221,237          | 82,914                            | 325                               | 138,647          |
| Surplus (Deficit) of Secs Available for Sale                            | -                           | -             | 5,086            | 2,663                             | -                                 | 2,424            |
| Results from Valuation of Hedging Secs                                  | -                           | -             | (5,671)          | (2,861)                           | -                                 | (2,810)          |
| Result in the valuation reserve for unexpired risks variations in rates | -                           | -             | (169)            | (84)                              | -                                 | (85)             |
| Results from Conversions  | -                           | -             | 347              | 174                               | -                                 | 173              |
| Surplus (Deficit) in Capital Restatement                                | -                           | -             | -                | -                                 | -                                 | -                |
| Remeasurements defined benefits for employees                           | -                           | -             | (4,411)          | (2,237)                           | -                                 | (2,174)          |
| Net Income  | 304                         | (22)          | 51,594           | 25,626                            | 18                                | 25,987           |
| Capital Mayoritario   | 1,453                       | 113           | 419,796          | 186,420                           | 667                               | 234,043          |
| Minority Interest   | -                           | -             | 472              | -                                 | 2,426                             | 2,897            |
| <b>Total Equity</b>   | <b>1,453</b>                | <b>113</b>    | <b>420,268</b>   | <b>186,420</b>                    | <b>3,092</b>                      | <b>236,940</b>   |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>                                   | <b>1,634</b>                | <b>889</b>    | <b>2,047,124</b> | <b>246,693</b>                    | <b>3,264</b>                      | <b>1,803,695</b> |

## V. Appendix

### Accounting & Regulatory Changes

*Numbers in this section are stated in million pesos.*

#### Early termination of support programs for mortgage loan debtors

On June 30<sup>th</sup>, 2010, the Federal Government, through the SHCP (Tax and Credit Institutions Authority), signed an agreement to early terminate the support programs for the mortgage loan debtors. Therefore, as of January 1, 2011, the Holding entity absorbed the discount that was early applied to the mortgage loan debtors enrolled in the program.

The agreement established a set of payment obligations by the Federal Government payable in 5 equal annual payments ending on June 1, 2015; day in which the bank received Ps 29 million including a monthly interest from the day after the cutoff date until the ending month before the payment date.

As of September 30<sup>th</sup>, 2021, the remaining balance of CETES ESPECIALES which have not been repurchased by the Federal Government, totaled Ps 610 million, with maturities between 2022 and 2027.

#### New Financial Reporting Standards

In accordance with the resolution that modifies the general regulation applicable to Financial Institutions published on December 4, 2020, in the Official Gazette of the Federation (DOF), about rules published on March 13<sup>th</sup>, 2020, regarding the Financial Reporting Standards (NIF) issued by the Mexican Council of Financial Information Standards (CINIF), referred to in paragraph 3 of Criterion A-2 "Application of particular standards" of Annex 33, will enter into force on January 1<sup>st</sup>, 2022.

Up until now, we are in the process of analyzing the impact that such NIF regulations might have on the financial statements.

The NIFs issued and applicable as of January 1<sup>st</sup>, 2022, are:

- NIF B-17 "Determination of Reasonable Value".
- NIF C-3 "Accounts Receivable".
- NIF C-9 "Provisions, contingencies and commitments".
- NIF C-16 "Impairment of financial instruments receivable".
- NIF C-19 "Financial instruments payable".
- NIF C-20 "Financial instruments receivable principal and interest".
- NIF D-1 "Income from contracts with customers".
- NIF D-2 "Costs for contracts with customers", disclose for each one of them.
- NIF D-5 "Leases"
- NIF B-5 "Financial information by segments".
- NIF B-12 "Compensation of financial assets and financial liabilities".
- NIF C-2 "Investment in financial assets".
- NIF C-10 "Derivative and hedging financial instruments".
- NIF C-13 "Related parties".
- NIF C-14 "Transfer and derecognition of financial assets".
- NIF C-22 "Cryptocurrencies"



## Notes to Financial Statements

### FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q21

(Million Pesos)

| Negotiable Instruments                   | Book Value     | Interest     | Unrealized gain (loss) | Market Value   |
|--|----------------|--------------|------------------------|----------------|
| <b>Government Securities</b>             | <b>230,506</b> | <b>1,401</b> | <b>21</b>              | <b>231,928</b> |
| <b>Unrestricted</b>                      | <b>16,632</b>  | <b>368</b>   | <b>64</b>              | <b>17,063</b>  |
| BONDES D                                 | -              | -            | -                      | -              |
| BONDES M                                 | (1,174)        | 1            | (2)                    | (1,175)        |
| BPA                                      | -              | -            | -                      | -              |
| BREMS                                    | -              | -            | -                      | -              |
| Government Securities                    | 12             | 0            | 2                      | 14             |
| Municipalities Securities                | 0              | 0            | 0                      | 0              |
| UDI Securities                           | -              | -            | -                      | -              |
| CETES                                    | 12,917         | 336          | (34)                   | 13,219         |
| CETES (Special)                          | -              | -            | -                      | -              |
| Government Eurobonds                     | 137            | 1            | (3)                    | 136            |
| Udibonds                                 | 4,740          | 30           | 100                    | 4,870          |
| Treasury Notes                           | -              | -            | -                      | -              |
| <b>Restricted</b>                        | <b>213,874</b> | <b>1,033</b> | <b>(42)</b>            | <b>214,865</b> |
| BONDES D                                 | 49,501         | 78           | 6                      | 49,585         |
| BONDES M                                 | 2,148          | 20           | (15)                   | 2,153          |
| BPA                                      | 159,193        | 927          | (29)                   | 160,091        |
| BREMS                                    | -              | -            | -                      | -              |
| Government Securities                    | 2,147          | 4            | 1                      | 2,152          |
| Municipalities Securities                | -              | -            | -                      | -              |
| UDI Securities                           | 0              | 0            | (0)                    | 0              |
| CETES                                    | 399            | -            | (2)                    | 397            |
| CETES (Special)                          | -              | -            | -                      | -              |
| Government Eurobonds                     | 26             | -            | (0)                    | 26             |
| Udibonds                                 | 459            | 5            | (3)                    | 461            |
| <b>Banking Securities</b>                | <b>15,961</b>  | <b>31</b>    | <b>9</b>               | <b>16,001</b>  |
| <b>Unrestricted</b>                      | <b>1,699</b>   | <b>0</b>     | <b>0</b>               | <b>1,699</b>   |
| Bank Acceptances                         | 4              | -            | -                      | 4              |
| Bank Bonds                               | -              | -            | -                      | -              |
| Development Bank Securities              | 3              | 0            | 0                      | 3              |
| Bank Securities                          | 7              | 0            | 0                      | 7              |
| Deposit Certificates                     | 106            | -            | -                      | 106            |
| Structured Notes                         | -              | -            | -                      | -              |
| Other Banking Securities                 | 176            | 0            | 0                      | 176            |
| Promissory Notes                         | 1,402          | (0)          | (0)                    | 1,402          |
| <b>Restricted</b>                        | <b>14,262</b>  | <b>31</b>    | <b>9</b>               | <b>14,302</b>  |
| Bank Acceptances                         | -              | -            | -                      | -              |
| Bank Bonds                               | -              | -            | -                      | -              |
| Development Bank Securities              | 2,394          | 7            | 1                      | 2,402          |
| Bank Securities                          | 3,216          | 6            | 3                      | 3,226          |
| Deposit Certificates                     | 7,812          | 16           | 0                      | 7,828          |
| Structured Notes                         | -              | -            | -                      | -              |
| Other Banking Securities                 | 839            | 2            | 4                      | 845            |
| Promissory Notes                         | -              | -            | -                      | -              |
| <b>Private Securities</b>                | <b>11,607</b>  | <b>16</b>    | <b>1,208</b>           | <b>12,830</b>  |
| <b>Unrestricted</b>                      | <b>10,661</b>  | <b>16</b>    | <b>1,209</b>           | <b>11,886</b>  |
| Shares                                   | (230)          | -            | 881                    | 652            |
| Investment Company Shares                | 8,669          | -            | 186                    | 8,855          |
| ADRs                                     | -              | -            | -                      | -              |
| Stock Certificates BORHIS                | -              | -            | -                      | -              |
| Corporate Stock Certificates             | 1,140          | 3            | 14                     | 1,157          |
| Trust Stock Certificates                 | -              | -            | -                      | -              |
| Private Eurobonds                        | 1,082          | 12           | 127                    | 1,222          |
| Infrastructure and Real Estate Trusts    | -              | -            | -                      | -              |
| Subordinated Debt                        | -              | -            | -                      | -              |
| Other Banking Securities                 | -              | -            | -                      | -              |
| CP                                       | -              | -            | -                      | -              |
| <b>Restricted</b>                        | <b>945</b>     | <b>-</b>     | <b>(2)</b>             | <b>944</b>     |
| Shares                                   | 945            | -            | (2)                    | 944            |
| Stock Certificates BORHIS                | -              | -            | -                      | -              |
| Corporate Stock Certificates             | -              | -            | -                      | -              |
| Trust Stock Certificates                 | -              | -            | -                      | -              |
| Private Eurobonds                        | -              | -            | -                      | -              |
| Other Banking Securities                 | -              | -            | -                      | -              |
| Reasonable value adjustment lxe Bank Acq | -              | -            | -                      | -              |
| <b>Total</b>                             | <b>258,073</b> | <b>1,448</b> | <b>1,238</b>           | <b>260,759</b> |

## FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q21

(Million Pesos)

| Securities Held for Sale                 | Book Value     | Interest     | Unrealized gain (loss) | Market Value   |
|--|----------------|--------------|------------------------|----------------|
| <b>Government Securities</b>             | <b>181,129</b> | <b>1,376</b> | <b>3,513</b>           | <b>186,018</b> |
| <b>Unrestricted</b>                      | <b>32,213</b>  | <b>330</b>   | <b>736</b>             | <b>33,279</b>  |
| BONDES D                                 | -              | -            | -                      | -              |
| BONDES M                                 | 714            | 16           | (5)                    | 725            |
| BPA                                      | -              | -            | -                      | -              |
| BREMS                                    | 7,778          | -            | -                      | 7,778          |
| Government Securities                    | 1,706          | 9            | (6)                    | 1,709          |
| Municipalities Securities                | 176            | 2            | 33                     | 211            |
| UDI Securities                           | -              | -            | -                      | -              |
| CETES                                    | 6,581          | -            | (3)                    | 6,578          |
| CETES (Special)                          | -              | -            | -                      | -              |
| Government Eurobonds                     | 13,770         | 289          | 703                    | 14,761         |
| Udibonds                                 | 1,488          | 15           | 14                     | 1,518          |
| Treasury Notes                           | -              | -            | -                      | -              |
| <b>Restricted</b>                        | <b>148,916</b> | <b>1,046</b> | <b>2,776</b>           | <b>152,739</b> |
| BONDES D                                 | 3,029          | 8            | 2                      | 3,039          |
| BONDES M                                 | 2,065          | 17           | (141)                  | 1,941          |
| BPA                                      | 102,161        | 837          | 128                    | 103,126        |
| BREMS                                    | -              | -            | -                      | -              |
| Government Securities                    | 2,747          | 6            | (18)                   | 2,735          |
| Municipalities Securities                | 2,534          | 2            | 21                     | 2,558          |
| UDI Securities                           | -              | -            | -                      | -              |
| CETES                                    | 2,345          | -            | (19)                   | 2,326          |
| CETES (Special)                          | -              | -            | -                      | -              |
| Government Eurobonds                     | 30,223         | 137          | 2,812                  | 33,172         |
| Udibonds                                 | 3,813          | 39           | (10)                   | 3,842          |
| <b>Banking Securities</b>                | <b>23,947</b>  | <b>83</b>    | <b>(18)</b>            | <b>24,012</b>  |
| <b>Unrestricted</b>                      | <b>17,166</b>  | <b>73</b>    | <b>(31)</b>            | <b>17,209</b>  |
| Bank Acceptances                         | -              | -            | -                      | -              |
| Bank Bonds                               | -              | -            | -                      | -              |
| Development Bank Securities              | 2,345          | 27           | (65)                   | 2,306          |
| Bank Securities                          | 1,200          | 23           | 23                     | 1,246          |
| Deposit Certificates                     | 11,801         | 21           | (4)                    | 11,818         |
| Structured Notes                         | 561            | -            | 9                      | 570            |
| Other Banking Securities                 | 1,260          | 3            | 7                      | 1,270          |
| Promissory Notes                         | -              | -            | -                      | -              |
| <b>Restricted</b>                        | <b>6,781</b>   | <b>9</b>     | <b>13</b>              | <b>6,804</b>   |
| Bank Acceptances                         | -              | -            | -                      | -              |
| Bank Bonds                               | -              | -            | -                      | -              |
| Development Bank Securities              | -              | -            | -                      | -              |
| Bank Securities                          | 6,781          | 9            | 13                     | 6,804          |
| Deposit Certificates                     | -              | -            | -                      | -              |
| Structured Notes                         | -              | -            | -                      | -              |
| Other Banking Securities                 | -              | -            | -                      | -              |
| Promissory Notes                         | -              | -            | -                      | -              |
| <b>Private Securities</b>                | <b>24,330</b>  | <b>267</b>   | <b>(148)</b>           | <b>24,449</b>  |
| <b>Unrestricted</b>                      | <b>21,958</b>  | <b>237</b>   | <b>(141)</b>           | <b>22,054</b>  |
| Shares                                   | 32             | -            | 54                     | 86             |
| Investment Company Shares                | 5,960          | -            | 56                     | 6,017          |
| ADRs                                     | -              | -            | -                      | -              |
| Stock Certificates BORHIS                | 77             | -            | (77)                   | 0              |
| Corporate Stock Certificates             | 6,300          | 23           | (342)                  | 5,981          |
| Trust Stock Certificates                 | -              | -            | -                      | -              |
| Private Eurobonds                        | 9,589          | 214          | 168                    | 9,971          |
| Infrastructure and Real Estate Trusts    | -              | -            | -                      | -              |
| Subordinated Debt                        | -              | -            | -                      | -              |
| Other Banking Securities                 | -              | -            | -                      | -              |
| CP                                       | -              | -            | -                      | -              |
| <b>Restricted</b>                        | <b>2,373</b>   | <b>29</b>    | <b>(7)</b>             | <b>2,395</b>   |
| Shares                                   | -              | -            | -                      | -              |
| Stock Certificates BORHIS                | -              | -            | -                      | -              |
| Corporate Stock Certificates             | 671            | 1            | 6                      | 678            |
| Trust Stock Certificates                 | -              | -            | -                      | -              |
| Private Eurobonds                        | 1,702          | 29           | (13)                   | 1,718          |
| Other Banking Securities                 | -              | -            | -                      | -              |
| Reasonable value adjustment lxe Bank Acq | -              | -            | -                      | -              |
| <b>Total</b>                             | <b>229,407</b> | <b>1,725</b> | <b>3,347</b>           | <b>234,479</b> |

## FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q21

(Million Pesos)

| Securities Held to Maturity              | Book Value     | Interest     | Unrealized gain (loss) | Market Value   |
|--|----------------|--------------|------------------------|----------------|
| <b>Government Securities</b>             | <b>225,717</b> | <b>2,573</b> | -                      | <b>228,290</b> |
| <b>Unrestricted</b>                      | <b>210,273</b> | <b>2,326</b> | -                      | <b>212,599</b> |
| BONDES D                                 | -              | -            | -                      | -              |
| BONDES M                                 | 243            | 4            | -                      | 248            |
| BPA                                      | -              | -            | -                      | -              |
| BREMS                                    | -              | -            | -                      | -              |
| Government Securities                    | 1,571          | 2            | -                      | 1,573          |
| Municipalities Securities                | 2,128          | 17           | -                      | 2,145          |
| UDI Securities                           | 228            | 4            | -                      | 232            |
| CETES                                    | -              | -            | -                      | -              |
| CETES (Special)                          | 608            | -            | -                      | 608            |
| Government Eurobonds                     | 25,393         | 219          | -                      | 25,612         |
| Udibonds                                 | 180,102        | 2,079        | -                      | 182,181        |
| Treasury Notes                           | -              | -            | -                      | -              |
| <b>Restricted</b>                        | <b>15,444</b>  | <b>247</b>   | -                      | <b>15,691</b>  |
| BONDES D                                 | -              | -            | -                      | -              |
| BONDES M                                 | 12,546         | 242          | -                      | 12,788         |
| BPA                                      | -              | -            | -                      | -              |
| BREMS                                    | -              | -            | -                      | -              |
| Government Securities                    | -              | -            | -                      | -              |
| Municipalities Securities                | 2,898          | 5            | -                      | 2,903          |
| UDI Securities                           | -              | -            | -                      | -              |
| CETES                                    | -              | -            | -                      | -              |
| CETES (Special)                          | -              | -            | -                      | -              |
| Government Eurobonds                     | -              | -            | -                      | -              |
| Udibonds                                 | -              | -            | -                      | -              |
| <b>Banking Securities</b>                | <b>1,022</b>   | <b>215</b>   | -                      | <b>1,238</b>   |
| <b>Unrestricted</b>                      | <b>1,022</b>   | <b>215</b>   | -                      | <b>1,238</b>   |
| Bank Acceptances                         | -              | -            | -                      | -              |
| Bank Bonds                               | -              | -            | -                      | -              |
| Development Bank Securities              | -              | -            | -                      | -              |
| Bank Securities                          | 842            | 8            | -                      | 850            |
| Deposit Certificates                     | -              | -            | -                      | -              |
| Structured Notes                         | 180            | 208          | -                      | 388            |
| Other Banking Securities                 | -              | -            | -                      | -              |
| Promissory Notes                         | -              | -            | -                      | -              |
| <b>Restricted</b>                        | -              | -            | -                      | -              |
| Bank Acceptances                         | -              | -            | -                      | -              |
| Bank Bonds                               | -              | -            | -                      | -              |
| Development Bank Securities              | -              | -            | -                      | -              |
| Bank Securities                          | -              | -            | -                      | -              |
| Deposit Certificates                     | -              | -            | -                      | -              |
| Structured Notes                         | -              | -            | -                      | -              |
| Other Banking Securities                 | -              | -            | -                      | -              |
| Promissory Notes                         | -              | -            | -                      | -              |
| <b>Private Securities</b>                | <b>2,956</b>   | <b>913</b>   | -                      | <b>3,870</b>   |
| <b>Unrestricted</b>                      | <b>2,956</b>   | <b>913</b>   | -                      | <b>3,870</b>   |
| Shares                                   | -              | -            | -                      | -              |
| Investment Company Shares                | -              | -            | -                      | -              |
| ADRs                                     | -              | -            | -                      | -              |
| Stock Certificates BORHIS                | 2              | 0            | -                      | 2              |
| Corporate Stock Certificates             | 993            | 908          | -                      | 1,901          |
| Trust Stock Certificates                 | -              | -            | -                      | -              |
| Private Eurobonds                        | 700            | 5            | -                      | 705            |
| Infrastructure and Real Estate Trusts    | -              | -            | -                      | -              |
| Subordinated Debt                        | -              | -            | -                      | -              |
| Other Banking Securities                 | 1,261          | -            | -                      | 1,261          |
| CP                                       | -              | -            | -                      | -              |
| <b>Restricted</b>                        | -              | -            | -                      | -              |
| Shares                                   | -              | -            | -                      | -              |
| Stock Certificates BORHIS                | -              | -            | -                      | -              |
| Corporate Stock Certificates             | -              | -            | -                      | -              |
| Trust Stock Certificates                 | -              | -            | -                      | -              |
| Private Eurobonds                        | -              | -            | -                      | -              |
| Other Banking Securities                 | -              | -            | -                      | -              |
| Reasonable value adjustment lxe Bank Acq | (347)          | -            | -                      | (347)          |
| <b>Total</b>                             | <b>229,349</b> | <b>3,702</b> | -                      | <b>233,050</b> |

### REPURCHASE AGREEMENT OPERATIONS 3Q21

(Million Pesos)

|                       | Repo Debtors    |   |                | Repo Creditors   |                   |
|-----------------------|-----------------|---|----------------|------------------|-------------------|
|                       | MV Repo Debtors | VM Collateral received sold in Repo Trans | Debtor Balance | Creditor Balance | MV Repo Creditors |
| Government securities | 307,356         | 304,434                                   | 2,957          | 35               | 349,480           |
| Banking securities    | 7,265           | 7,265                                     | -              | -                | 18,708            |
| Private Securities    | 3,366           | 3,367                                     | -              | 1                | 6,122             |
| <b>Total</b>          | <b>317,987</b>  | <b>315,066</b>                            | <b>2,957</b>   | <b>36</b>        | <b>374,310</b>    |

### DERIVATES FINANCIAL INSTRUMENTS OPERATIONS 3Q21

(Million Pesos)

| Creditor Balance        |               |
|-------------------------|---------------|
| Instrument              | Fair Value    |
| <b>Futures</b>          |               |
| TIE 28 Futures          | -             |
| <b>Forward</b>          |               |
| Fx Forward              | 325           |
| <b>Options</b>          |               |
| Rate options            | 253           |
| Fx options              | 428           |
| Warrants                | 17            |
| <b>Swaps</b>            |               |
| Rate swap               | 18,798        |
| Fx swap                 | 6,054         |
| Credit swap             | 124           |
| <b>Negotiable Total</b> | <b>25,999</b> |
| <b>Options</b>          |               |
| Rate Options            | -             |
| Fx options              | -             |
| <b>Swaps</b>            |               |
| Rate swap               | -             |
| Fx swap                 | 753           |
| Credit swap             | -             |
| <b>Hedging total</b>    | <b>753</b>    |
| <b>Position total</b>   | <b>26,751</b> |

**DERIVATES FINANCIAL INSTRUMENTS  
OPERATIONS 3Q21  
(Million Pesos)**

| Debtor Balance          |               |
|-------------------------|---------------|
| Instrument              | Fair Value    |
| <b>Futures</b>          |               |
| TIE 28 Futures          | -             |
| <b>Forward</b>          |               |
| Fx Forward              | 14            |
| <b>Options</b>          |               |
| Rate options            | 312           |
| Fx options              | 248           |
| Warrants                | 9             |
| <b>Swaps</b>            |               |
| Rate swap               | 13,135        |
| Fx swap                 | 7,919         |
| Credit swap             | -             |
| <b>Negotiable Total</b> | <b>21,637</b> |
| <b>Options</b>          |               |
| Rate Options            | -             |
| Fx options              | -             |
| <b>Swaps</b>            |               |
| Rate swap               | 958           |
| Fx swap                 | 5,607         |
| Credit swap             | -             |
| <b>Hedging total</b>    | <b>6,565</b>  |
| <b>Position total</b>   | <b>28,202</b> |

**NOTIONAL PRINCIPAL AMOUNT IN DERIVATIVE OPERATIONS 3Q21 - Banorte  
(Million Pesos)**

| PRODUCT                    | TYPE        | UNDERLYING              | NOTIONAL  | OPERATIONS |
|----------------------------|-------------|-------------------------|-----------|------------|
| FX Forwards                | Purchases   | Exchange Rate (USD/MXN) | 755       | 143        |
| FX Forwards                | Sales       | Exchange Rate (USD/MXN) | 2,244     | 156        |
| FX Forwards                | Purchases   | Exchange Rate (CAD/MXN) | 0         | 0          |
| FX Forwards                | Sales       | Exchange Rate (SEK/MXN) | 0         | 0          |
| FX Forwards                | Purchases   | Exchange Rate (EUR/MXN) | 0         | 0          |
| FX Forwards                | Sales       | Exchange Rate (EUR/MXN) | 0         | 0          |
| FX Options                 | Purchases   | Exchange Rate (Dollar)  | 22,466    | 13         |
| FX Options                 | Sales       | Exchange Rate (Dollar)  | 24,649    | 10         |
| Interest Rate Options      | Purchases   | TIE                     | 20,998    | 64         |
| Interest Rate Options      | Sales       | TIE                     | 24,658    | 283        |
| Interest Rate Options      | Purchases   | LIBOR                   | 7,220     | 20         |
| Interest Rate Options      | Sales       | LIBOR                   | 9,363     | 26         |
| Interest Rate Swaps        | USD LIBOR   | LIBOR                   | 298,823   | 3,383      |
| Interest Rate Swaps        | MXN TIE     | TIE                     | 1,025,862 | 3,359      |
| Interest Rate Swaps        | MXN TIE M M | TIE                     | 9,371     | 4          |
| Interest Rate and FX Swaps | CS USDMXN   | FIX/VARIABLE            | 138       | 2          |
| Interest Rate and FX Swaps | CS USDMXN   | VARIABLE/VARIABLE       | 99,333    | 112        |
| Interest Rate and FX Swaps | CS USDMXN   | FIX/FIX                 | 22,736    | 40         |
| Interest Rate and FX Swaps | CS CHF MXN  | FIX/FIX                 | 9,185     | 3          |
| Interest Rate and FX Swaps | CS CHF MXN  | FIX/VARIABLE            | 5,152     | 2          |
| Interest Rate and FX Swaps | CS EUR MXN  | FIX/FIX                 | 17,515    | 75         |
| Interest Rate and FX Swaps | CS UDIMXN   | FIX/FIX                 | 11,842    | 3          |
| Interest Rate and FX Swaps | CS GBPMXN   | FIX/FIX                 | 2,900     | 12         |
| Credit Derivatives         | CDS USD     | D2_PEMEX_150927         | 1,110     | 5          |
| Equity Options             | Compras     | *I_MEXBOL_IND           | 457       | 4          |

| LOAN PORTFOLIO                  |                |                |              |           |                  |               |                |                |
|---------------------------------|----------------|----------------|--------------|-----------|------------------|---------------|----------------|----------------|
| <i>(Million Pesos)</i>          |                |                |              |           |                  |               |                |                |
|                                 | Local Currency |                | UDIS         |           | Foreign Currency |               | Total          |                |
|                                 | 3Q20           | 3Q21           | 3Q20         | 3Q21      | 3Q20             | 3Q21          | 3Q20           | 3Q21           |
| <b>Performing Loans</b>         |                |                |              |           |                  |               |                |                |
| Commercial Loans                | 254,661        | 259,289        | 0            | -         | 70,320           | 67,124        | 324,981        | 326,413        |
| Financial Intermediaries' Loans | 9,882          | 7,785          | 0            | -         | 0                | 403           | 9,882          | 8,188          |
| Consumer Loans                  | 118,321        | 119,510        | 0            | -         | 0                | -             | 118,321        | 119,510        |
| Mortgage Loans                  | 182,598        | 197,666        | 86           | 71        | 0                | -             | 182,685        | 197,737        |
| Government Entities' Loans      | 147,112        | 143,141        | 2,470        | -         | 13,027           | 18,259        | 162,609        | 161,400        |
| <b>Total</b>                    | <b>712,575</b> | <b>727,391</b> | <b>2,556</b> | <b>71</b> | <b>83,346</b>    | <b>85,786</b> | <b>798,478</b> | <b>813,247</b> |
| <b>Past Due Loans</b>           |                |                |              |           |                  |               |                |                |
| Commercial Loans                | 2,006          | 3,028          | 0            | 0         | 206              | 1,443         | 2,212          | 4,471          |
| Financial Intermediaries' Loans | 0              | 0              | 0            | -         | 0                | -             | 0              | -              |
| Consumer Loans                  | 2,350          | 3,191          | 0            | -         | 0                | -             | 2,350          | 3,191          |
| Mortgage Loans                  | 1,799          | 2,128          | 12           | 7         | 0                | 0             | 1,811          | 2,135          |
| Government Entities' Loans      | 288            | 159            | -            | -         | -                | -             | 288            | 159            |
| <b>Total</b>                    | <b>6,443</b>   | <b>8,506</b>   | <b>12</b>    | <b>7</b>  | <b>206</b>       | <b>1,443</b>  | <b>6,660</b>   | <b>9,956</b>   |
| <b>Total Proprietary Loans</b>  | <b>719,018</b> | <b>735,897</b> | <b>2,569</b> | <b>78</b> | <b>83,552</b>    | <b>87,229</b> | <b>805,138</b> | <b>823,204</b> |

**COST OF BALANCES OF FINAPE, FOPYME, MORTGAGE UDIS AND  
MORTGAGE FOVI LOAN PORTFOLIOS AS OF 3Q31- GFNorte**

|               | <i>(Million Pesos)</i> |                                       |
|---------------|------------------------|---------------------------------------|
|               | PERIOD COST            | TOTAL<br>BALANCE OF LOAN<br>PORTFOLIO |
| FINAPE        | -                      | -                                     |
| FOPYME        | -                      | -                                     |
| Mortgage UDIS | (1.1)                  | 0.0                                   |
| Mortgage FOVI | -                      | -                                     |
|               | <b>(1.1)</b>           | <b>0.0</b>                            |

## DEFERRED TAXES 3Q21

(Million Pesos)

| ASSETS   | INCOME TAX      | NET             |
|--|-----------------|-----------------|
| Global Loss Reserves Loan Portfolio                                | 5,045           | 5,045           |
| Non deductible provisions and cumulative income                    | 1,524           | 1,524           |
| Excess of accounting value over fiscal value on Repossessed Assets | 249             | 249             |
| Diminishable profit sharing  | 184             | 184             |
| Fees received in advance   | 1,018           | 1,018           |
| Effects from valuation of instruments                              | -               | -               |
| Tax losses pending amortization                                    | 559             | 559             |
| Provisions for possible loss in loans                              | 331             | 331             |
| Loss on sale of foreclosed assets and credits                      | -               | -               |
| State Tax on Assets Deferred                                       | -               | -               |
| Loss on sale of foreclosed assets and credits                      | -               | -               |
| Loss on sale of foreclosed assets and credits                      | 117             | 117             |
| <b>Total Assets</b>  | <b>9,028</b>    | <b>9,028</b>    |
| LIABILITIES  |                 |                 |
| Pension Funds Contribution   | (25)            | (25)            |
| Loan Portfolio Acquisitions  | (390)           | (390)           |
| Projects to be capitalized   | (6,679)         | (6,679)         |
| Intangibles' amortizations   | -               | -               |
| Effects from valuation of instruments                              | (4,240)         | (4,240)         |
| Intangibles' amortizations   | (339)           | (339)           |
| Unrealized Loss on Securities held for Sale                        | (49)            | (49)            |
| <b>Total Liabilities</b>   | <b>(11,722)</b> | <b>(11,722)</b> |
| Assets (Liabilities) Accumulated Net                               | (2,694)         | (2,694)         |

## LONG TERM DEBT AS OF SEPTEMBER 30 2021 - BANCO MERCANTIL DEL NORTE

(Million Pesos)

| TYPE OF DEBT  | CURRENCY | DATE OF ISSUE | ORIGINAL AMOUNT | ORIGINAL AMOUNT (VALUED) | CURRENT AMOUNT | TERM      | RATE       | MATURITY  | INTEREST PAYMENT |
|---|----------|---------------|-----------------|--------------------------|----------------|-----------|------------|-----------|------------------|
| Non Convertible Subordinated Bonds Q Banorte 08U  | UDIS     | 11-mar-08     | 495             | 1,749                    | 1,917          | 20 years  | 4.950%     | 15-feb-28 | 182 days         |
| Non Convertible Subordinated Bonds 2016 (BANOC36 311004)  | USD      | 04-oct-16     | 500             | 9,607                    | 6,050          | 15 years  | 5.750%     | 04-oct-26 | 180 days         |
| Perpetual 5-Year Callable Subordinated Non-Preferred Non-Cumulative Tier 1 Capital Notes (BANORT 6 7/8 PERP)  | USD      | 06-jul-17     | 350             | 6,413                    | 7,197          | Perpetual | 6.875%     | 06-jul-22 | Quarterly        |
| Perpetual 10-Year Callable Subordinated Non-Preferred Non-Cumulative Tier 1 Capital Notes (BANORT 7 5/8 PERP) | USD      | 06-jul-17     | 550             | 10,077                   | 11,309         | Perpetual | 7.625%     | 10-ene-28 | Quarterly        |
| Eurbond (Swiss francs) 2018 (BANO589)   | CHF      | 14-jun-18     | 100             | 1,983                    | 2,204          | 3.5 years | 0.875%     | 14-dic-21 | Annual           |
| Stock certificates 94 BINTER 16U  | UDIS     | 13-oct-16     | 365             | 2,000                    | 2,528          | 10 years  | 4.970%     | 01-oct-26 | 182 days         |
| Stock certificates 94 BANORTE 19  | MXN      | 17-may-19     | 5,400           | 5,400                    | 5,400          | 3 years   | TIE +0.13% | 13-may-22 | 28 days          |
| Stock certificates 94 BANORTE 19-2  | MXN      | 17-may-19     | 1,500           | 1,500                    | 1,500          | 5 years   | TIE +0.17% | 10-may-24 | 28 days          |
| Eurbond (Swiss francs) 2019 (BANO397)   | CHF      | 11-abr-19     | 250             | 4,694                    | 5,510          | 3.5 years | 1.550%     | 11-oct-22 | Annual           |
| Non Convertible Subordinated Bonds 2019 (BANO64_999999)   | USD      | 27-jun-19     | 600             | 11,501                   | 12,337         | Perpetual | 6.750%     | 27-sep-24 | Quarterly        |
| Non Convertible Subordinated Bonds 2019 (BANOB48_999999)  | USD      | 27-jun-19     | 500             | 9,584                    | 10,281         | Perpetual | 7.500%     | 27-jun-29 | Quarterly        |
| Eurbond (Swiss francs) 2019 (BANO43)  | CHF      | 18-sep-19     | 160             | 3,112                    | 3,527          | 4.3 years | 0.450%     | 18-dic-23 | Annual           |
| Eurbond (Swiss francs) 2020 (BANO664)   | CHF      | 06-mar-20     | 225             | 4,826                    | 4,959          | 4.8 years | 0.500%     | 06-dic-24 | Annual           |
| Non Convertible Subordinated Bonds 2020 (BANOC21_999999)  | USD      | 14-jul-20     | 500             | 11,309                   | 10,281         | Perpetual | 8.375%     | 14-oct-30 | Quarterly        |
| Stock certificates 94 BANORTE 20U   | UDIS     | 30-sep-20     | 107             | 700                      | 740            | 10 years  | 2.760%     | 18-sep-30 | 182 days         |



## BANK AND OTHER ENTITIES LOANS' AS OF 3Q21

(Million Pesos)

|                               | LOCAL CURRENCY | FOREIGN CURRENCY | TOTAL         |
|-------------------------------|----------------|------------------|---------------|
| Loans from Development Banks  | 13,594         | 3,142            | 16,736        |
| Loans from Public Funds       | 8,333          | 1,393            | 9,726         |
| Call Money & Loans from Banks | 19,219         | -                | 19,219        |
| Loans from Fiduciary Funds    | 50             | -                | 50            |
| Provisions for Interest       | 145            | -                | 145           |
|                               | <b>41,341</b>  | <b>4,535</b>     | <b>45,876</b> |
| Eliminations                  |                |                  | (15,096)      |
| <b>Total</b>                  |                |                  | <b>30,780</b> |

## CORE DEPOSITS AND DUE TO BANKS &amp; CORRESPONDENTS - INTEREST RATES 3Q21

## CORE DEPOSITS (BANORTE)

## Demand Deposits

|                         |       |
|-------------------------|-------|
| Local Currency and UDIs | 1.02% |
| Foreign Currency        | 0.02% |

## Time Deposits - Retail

|                         |       |
|-------------------------|-------|
| Local Currency and UDIs | 3.26% |
| Foreign Currency        | 0.23% |

## Time Deposits - Money Market

|                         |       |
|-------------------------|-------|
| Local Currency and UDIs | 4.34% |
|-------------------------|-------|

## DUE TO BANKS &amp; CORRESPONDENTS (BANORTE)

## Immediate Redemption Loans

|                         |       |
|-------------------------|-------|
| Local Currency and UDIs | 3.72% |
|-------------------------|-------|

## Public Funds and Development Banks

|                         |       |
|-------------------------|-------|
| Local Currency and UDIs | 6.74% |
| Foreign Currency        | 1.43% |

## MAIN CREDIT LINES RECEIVED 3Q21 (BANORTE)

Million pesos

|   | 3Q20           |               |             | 2Q21           |               |             | 3Q21           |               |             |
|---|----------------|---------------|-------------|----------------|---------------|-------------|----------------|---------------|-------------|
|   | Line           | Used          | % used      | Line           | Used          | % used      | Line           | Used          | % used      |
| Bank Counterparty Lines (Call Money)  | 176,193        | 1,886         | 1.1%        | 219,412        | 2,447         | 1.1%        | 220,021        | 2,348         | 1.1%        |
| Banxico (Repos for liquidity with the System of Payments) RSP*  | 84,545         | 7,803         | 9.2%        | 77,302         | 8,114         | 10.5%       | 79,135         | 7,806         | 9.9%        |
| Banxico MXN & USD Credit Auction*   | 52,971         | 8,951         | 16.9%       | 52,027         | -             | 0.0%        | 58,469         | -             | 0.0%        |
| Banxico Credit line with Government and Banking securities as collateral (Ordinary Facility)*             | 52,971         | -             | 0.0%        | 52,027         | -             | 0.0%        | 58,469         | -             | 0.0%        |
| Banxico Credit line with State and Municipal Government securities as collateral (Extraordinary Facility) | 96,708         | -             | 0.0%        | 86,641         | -             | 0.0%        | 86,106         | -             | 0.0%        |
| <b>TOTAL</b>  | <b>463,388</b> | <b>18,640</b> | <b>4.0%</b> | <b>487,409</b> | <b>10,561</b> | <b>2.2%</b> | <b>502,199</b> | <b>10,154</b> | <b>2.0%</b> |

\* The credit amount of the RSP, Banxico Credit Auction, and Green Facility are interchangeable.

## TRADING INCOME 3Q21

*Million Pesos*

| <b>Trading income</b>  | <b>Consolidated</b> |
|--|---------------------|
| <b>Securities - Unrealized gains</b>                           | <b>577</b>          |
| Negotiable instruments   | 179                 |
| Derivative instruments - Negotiation                           | 409                 |
| Derivative instruments - Hedging                               | (11)                |
| <b>Impairment loss or revaluation increase</b>                 | <b>0</b>            |
| <b>Result from foreign exchange valuation</b>                  | <b>482</b>          |
| <b>Result from valuation of precious metals</b>                | <b>(3)</b>          |
| <b>Result from purchase/sale of securities and derivatives</b> | <b>(136)</b>        |
| Negotiable instruments   | (354)               |
| Securities held for sale                                       | 314                 |
| Derivative instruments - Hedging                               | (126)               |
| <b>Result from purchase/sale of foreign exchange</b>           | <b>1,997</b>        |
| <b>Result from purchase/sale of precious metals</b>            | <b>4</b>            |
| <b>Total</b>   | <b>2,920</b>        |

## Internal Control

For Grupo Financiero Banorte, S.A.B. de C.V. (GFNORTE), internal control is a shared responsibility among all of its constituents; therefore, the Board of Directors, other Corporate Governance entities, the senior management team, and each one of its executives and employees are part of the Internal Control System (ICS).

ICS is the general framework set forth by the Board of Directors with the objective of reaching institutional objectives through policies and monitoring activities and procedures, which have a positive impact on risk management, on the trustworthiness of financial information being generated, and on regulatory compliance.

ICS establishes the objectives and general guidelines which provide a framework to activities and responsibilities applicable to all personnel in charge of origination, operational processing, and execution. Such activities are monitored by teams specialized in risk monitoring and in mitigating controls.

ICS is structured around three defense lines:

- A. **First.** The owners of support and business processes, who are ultimately responsible for the primary internal control function in their activities.
- B. **Second.** Risk, Credit, Legal and Controller departments, which provide permanent control and monitoring support, and
- C. **Third.** Internal Audit, with which the independence granted by its direct line of report to the Internal Audit and Corporate Practices Committee, supervises all activities and the adequate development of all functions across all areas.

At GNORTE we are convinced that having an adequate control environment is yet another competitive advantage that drives our growth and solid presence in the domestic financial market. Therefore, all executives and employees perform their daily activities with discipline as well as with strict adherence to the norm; following a philosophy of getting things done right the first time without having to rely on reviews that might be carried out by other areas.

During the third quarter of 2021, there was a continuous development of activities related to strengthening control, risk evaluation and management, establishment and monitoring of controls, and quality of information assurance; highlighting the following:

- A. The various Corporate Governance Committees have had the required financial, economic, accounting and/or legal information for proper decision-making.
- B. The Corporate Governance documents related to Internal Control were reviewed and updated, which were presented through the CAPS to the Board of Directors for authorization.
- C. The manuals containing policies and procedures have been updated for changes in external regulations, new products, and changes in the Institution's processes or improvements to internal controls.
- D. The requests from different internal areas regarding the internal control matters were addressed, both in support of the development of new institutional projects, as well as with those that derive from regulatory changes.
- E. GFNORTE's business and operating support processes are constantly monitored through the Business Process and Management Controllers. They issue periodic compliance reports and identify areas of opportunity so that they can be remediated appropriately.
- F. Various activities regarding internal accounting control were taken in accordance with the work plan established at the beginning of the year.
- G. Effectiveness tests related to the Business Continuity Plan were carried out in accordance with the calendar dates and scope, approved by the corresponding Corporate Governance Committee; in this matter, regarding the global contingency represented by COVID 19. The Continuity Plan remains activated under its Pandemic section. The implemented actions continue responding to the considerations of each moment and are consistent with the assessment of an incremental risk.
- H. We continued to monitor the improvement initiatives derived from the observations made by the different members of the SCI.
- I. The Information Security Officer (CISO) presented the Master Plan for approval to the Management Team of GFNorte, and it carried out its functions according to it. It also kept reporting the findings and the details of the activities carried out, to the General Director of GFNorte and to the Corresponding Corporate Governance Committees, while maintaining a matrix coordination with the Comptroller, as part of the SCI.
- J. The requirements of the Supervisory Authorities were answered, and the information requirements required by the external regulation were fulfilled. In addition, ordinary inspector visits are being attended.

## Financial Situation and Liquidity

### Main sources of liquidity

The main liquidity source comes from the various deposit products that the institution offers to customers, such as interest bearing and non-interest-bearing demand deposits, as well as time deposits.

Regarding other sources of liquidity, Banorte has diverse mechanisms to access the debt and capital markets. The Institution obtains resources through the issuance of debt securities, including subordinated debt (Capital Notes), and loans and facilities from other institutions including the Central Bank and international banking institutions.

Liquid assets include investments in government securities and deposits held in the Central Bank and other foreign banks.

### Important initiatives of Banorte's liquidity during 3Q21.

Banorte's liquidity strategy is aimed at maintaining adequate liquidity levels based on prevailing circumstances. In this sense, and given the current contingency, management decided to maintain current liquidity levels prioritizing funding from client's deposits.

In addition, it should be noted that Banorte has not used the Central Bank of México's Ordinary Facilities or Extraordinary Facilities during 3Q21.

Detailed information related to liquidity sources is reported in different headings of the GFNorte's Balance Sheet in this report.

## Related Parties Loans

According to Article 73 of the Law of Credit Institutions, loans granted to the related parties of credit institutions cannot exceed the established limit of 35% of the basic portion of net capital.

In the case of GFNorte as of September 30, 2021 and June 30, 2021, the amount of loans granted to third parties is as follows (billion pesos):

| <b>Lender</b> | <b>Sep-2021</b> | <b>% Basic Equity</b> | <b>Jun-2021</b> | <b>% Basic Equity</b> |
|---------------|-----------------|-----------------------|-----------------|-----------------------|
| Banorte       | Ps 11.80        | 6.6%                  | Ps 11.24        | 6.1%                  |
|               | <b>Ps 11.80</b> |                       | <b>Ps 11.24</b> |                       |

The loans granted are under the 100% limit set forth by the LIC.

### Banorte

As of **September 30<sup>th</sup>, 2021**, total loans granted to related parties, under Article 73 of the Law of Credit Institutions, was \$11.80 billion pesos (including \$1.51 billion pesos in — Letters of Credit "CC", which are registered in memorandum accounts), representing 1.5% of Banorte's total loan portfolio (excluding the balance of CC). Of the total related loans balance, \$11.23 billion pesos were loans granted to clients linked to members of the Board of Directors, and \$573 million pesos were linked to companies related to GFNORTE. At the end of September 2021, there are no loans granted to clients related to shareholders.

In accordance with Article 73 of the Law for Credit Institutions, the balance of GFNORTE's related party loan portfolio for individuals and corporations at the end of September 2021 was 6.6% of Core Equity.

Related party loans have been granted under market conditions and rated in accordance with the policies, procedures and rating systems applicable to the rest of GFNORTE's loan portfolio based on the general dispositions applicable to credit institutions regarding rating of loan portfolios issued by CNBV. Additionally, 99% of the related party loans are rated in Category "A", and most of these loans were classified as commercial loans.

## Banorte

As of **June 30<sup>th</sup>, 2021**, total loans granted to related parties, under the Article 73 of the Law of Credit Institutions, was \$11.24 billion pesos (including \$1.43 billion pesos in — Letters of Credit “CC”, which are registered in memorandum accounts), representing 1.4% of Banorte’s total loan portfolio (excluding the balance of CC). Of the total related loans balance, \$10.72 billion pesos were loans granted to clients linked to members of the Board of Directors, and \$520 million pesos were linked to companies related to GFNORTE. At the end of June 2021, there were no loans granted to clients related to shareholders.

In accordance with Article 73 of the Law for Credit Institutions, the balance of GFNORTE’s related party loan portfolio for individuals and corporations at the end of June 2021 was 6.1% of Core Equity.

Related party loans have been granted under market conditions and rated in accordance with the policies, procedures and rating systems applicable to the rest of GFNORTE’s loan portfolio based on the general dispositions applicable to credit institutions regarding rating of loan portfolios issued by CNBV. Additionally, 99% of the related party loans are rated in Category “A”, and most of these loans were classified as commercial loans.

## Loan or tax liabilities

The tax credits listed below are currently in litigation:

|  | <b>As of September 30, 2021</b> |
|--|---------------------------------|
| <b>AFORE XXI BANORTE</b>                               | <b>\$2</b>                      |
| Loan # 4429309391 Payroll Tax of the state of Coahuila | 2                               |
| <b>PENSIONES BANORTE</b>                               | <b>\$360</b>                    |
| Financial year 2014                                    | 360                             |
| <b>SEGUROS BANORTE</b>                                 | <b>\$1,054</b>                  |
| Financial year 2014                                    | 1,054                           |
| Million pesos  |                                 |

## People in Charge

The undersign represent under oath that, taking into account our respective functions, we have drawn up the information relative to Grupo Financiero Banorte, which, to the best of our knowledge, reasonably reflects its financial situation. Furthermore, we express that we are not aware that relevant information has been omitted or falsified in this quarterly report or that it contains information that may lead to errors for investors.

Act. Jose Marcos Ramirez Miguel  
Chief Executive Officer of Grupo Financiero Banorte, S.A.B. de C.V.

Eng. Rafael Arana de la Garza  
Chief Operating Officer & Chief Financial Officer

C.P. Isaias Velazquez Gonzalez  
Managing Director of Internal Audit

Lic. Jorge Eduardo Vega Camargo  
Deputy Managing Director of Comptrollership

C.P.C. Mayra Nelly López  
Executive Director of Accounting

## Basis for submitting and presenting Financial Statements

**Grupo Financiero Banorte (GFNorte).** Issues the financial statements in consolidated form with its Subsidiaries in accordance with the General Provisions Applicable to the Controlling and Sub-Controlling Companies of Financial Groups that regulate the matters that correspond jointly to the National Supervisory Commissions (the Provisions) published in the Official Gazette of the Federation on June 29, 2018.

**Banorte.** Issues the financial statements in consolidated form with its Subsidiaries in accordance with the General Provisions Applicable to the financial information of the Credit Institutions (the Provisions) published in the Official Gazette of the Federation on December 2, 2005, modified by means of published Resolutions in the aforementioned Official Gazette on March 3 and 28, September 15, December 6 and 8, 2006, January 12, March 23, April 26, November 5, 2007, March 10, August 22, September 19, October 14, December 4, 2008, April 27, May 28, June 11, August 12, October 16, November 9, December 1 and 24, 2009, January 27, February 10, April 9 and 15, May 17, June 28, July 29, August 19, September 9 and 28, October 25, November 26 and December 20, 2010, January 24 and 27, March 4, April 21, July 5, August 3 and 12, September 30, October 5 and 27, and December 28, 2011, June 19, July 5, October 23, November 28 and December 13, 2012, January 31, April 16, May 3, June 3 and 24, July 12, October 2 and December 24, 2013, January 7 and 31, March 26, May 12 and 19, July 3 and 31, September 24, October 30, December 8 and 31, 2014, January 9, 5 February, April 30, May 27 and June 23, 2015, August 27, September 21, October 29, November 9 and 13, December 16 and 31, 2015, April 7 and 28 and June 22, 2016, July 7 and 29, August 1, September 19 and 28, 2016, and December 27, 2016, January 6, April 4 and 27, May 31, June 26, 4 and 24 July, August 29, October 6 and 25, December 18, 26 and 27, 2017, January 22, March 14, April 26, May 11, June 26, July 23, August 29, September 4, October 5, November 15 and 27, 2018, and April 15, July 5, October 1, and November 4 and 25, 2019, March 13, April 9, June 9, August 21, October 12, November 19, December 4, May 21 and June 18, July 20 and 23, and August 6, 2021, respectively.

**GFNorte and Banorte.** The financial information contained in this document has been prepared in accordance with the regulation issued by the National Banking and Securities Commission (CNBV) for the holding company and the financial entities that make up the Financial Group and the NIF issued by the Mexican Board of Standards of Financial Information, AC (CINF). The regulation of the CNBV and the NIFs differ from each other due to the specialized operations of the Credit Institutions. They also differ from the accounting principles generally accepted in the United States of America (US GAAP) and the regulations and principles established by the North American authorities for this type of financial entities. In order to present the information contained in an international format, the format for the classification and presentation of certain financial information differs from the format used for the financial information published in Mexico.

The information contained in this document is based on unaudited financial information of each of the entities to which it refers.