



**1Q24**



As of March 31st, 2024

# Financial Results

**Contact information:**  
[investor@banorte.com](mailto:investor@banorte.com)  
[investors.banorte.com](http://investors.banorte.com)  
+52 (55) 1670 2256



# INDEX

I.	Executive Summary.....	3
II.	Management's Discussion & Analysis.....	8
	Current Events .....	18
	Bank .....	20
	Long Term Savings .....	27
	Brokerage .....	30
	Other Subsidiaries.....	31
III.	Sustainability Strategy.....	32
IV.	General Information .....	35
	GFNORTE's Analyst Coverage .....	35
	Capital Structure .....	35
V.	Financial Statements.....	36
	Grupo Financiero Banorte .....	36
	Bank .....	42
	Seguros Banorte .....	53
	Information by Segments.....	56
VI.	Appendix.....	66
	Accounting & Regulatory Changes.....	66
	Notes to Financial Statements.....	69
	Internal Control.....	78
	Financial Situation and Liquidity.....	79
	Related Parties Loans .....	79
	Loan or tax liabilities.....	80
	People in Charge .....	81
	Basis for submitting and presenting Financial Statements .....	81



2023 LATIN AMERICA EXECUTIVE TEAM

MOST HONORED COMPANY

GRUPO FINANCIERO BANORTE

BEST IR TEAM • BEST CEO • BEST CFO • BEST COMPANY BOARD OF DIRECTORS



GFNORTEO



GBOOY

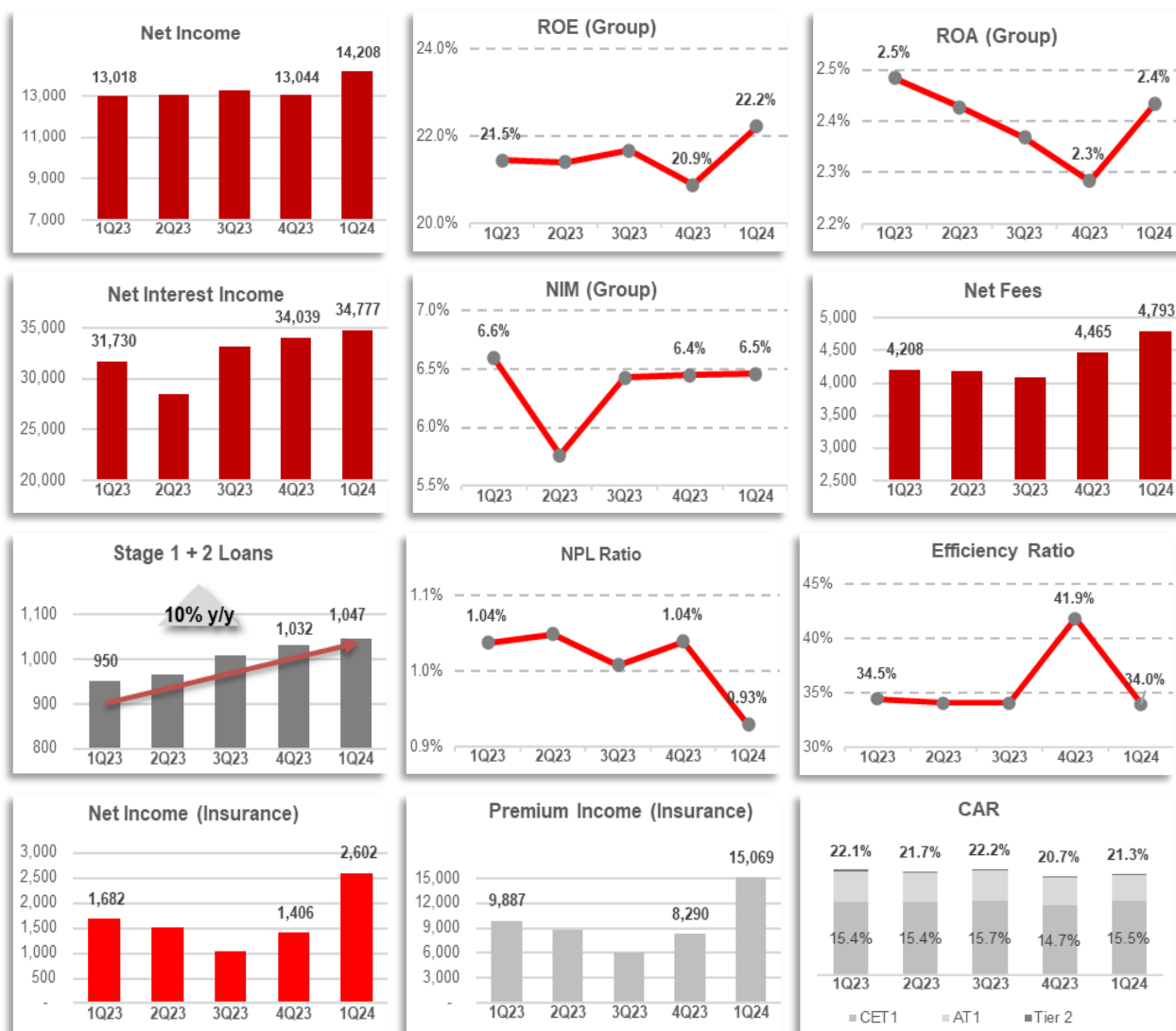


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# I. Executive Summary

- **GFNorte reports sound earnings generation and profitability metrics.** Sequentially, **Net Income increased +9% and ROE of the Group +134bps, to 22.2%.**
- **Strong insurance results** given solid business generation and seasonality on premium renewals.
- **Stage 1 and 2 credit portfolios expanding +10% vs. 1Q23**, driven by +13% consumer, +17% corporate, and +11% commercial.
- **NPL at 0.9%**, driven by the selectivity of the portfolios.
- **Efficiency Ratio at record level of 33.9% as of 1Q24**, improving (49bps) YoY, leveraging from solid earnings.
- **Solid capitalization levels of Banorte**; CAR 21.26%, CET1 15.51%, and LCR 185.8% at the end of the first quarter.
- **GFNorte issued its first sustainable bond in Mexico for Ps 13.06 billion.**



## GFNorte reports Net Income of Ps 14.21 billion in the first quarter of 2024, 9% higher vs. 1Q23

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

Grupo Financiero Banorte, S.A.B. de C.V. reported results for the period ended on March 31<sup>st</sup>, 2024.

During 1Q24, GFNorte sustained solid lending activity, driven mainly by the consumer and commercial books, in line with client focused efforts and the development of comprehensive businesses to drive the future value of the client. The expansion of the book has been supported by the stability of asset quality, still below historical averages.

We maintain active balance sheet management and continue to gradually reduce our structural sensitivity to the easing cycle of the monetary policy. We have focused on maintaining sustainable profitability through organic development of the business' fundamentals and a diligent optimization of operational expenses.

At the end of 1Q24, GFNorte reported net income of Ps 14.21 billion, 19% above 1Q23, with the following results and indicators for the quarter:

- **Net interest income (NII)** expanded **2% sequentially**, supported by loan growth, a decline in interest expense, and the positive effect of seasonality in the insurance business, mitigating the negative impact of currency valuation. Compared to **1Q23, NII expanded 10%**, driven by the origination volume and mix, as well as by a higher reference rate in the period. **NIM of the Group stood at 6.5% in 1Q24**, slightly higher vs. 4Q23.
- **NIM of the Bank** decreased (18bps) sequentially, to **6.4%** and (15bps) YoY, in both cases due to the acceleration of earning assets at the end of the quarter. The effect of the (25bps) reduction in the reference rate, to 11%, will be reflected from the second quarter onwards.
- **Non-interest income grew 166% vs. 4Q23**, driven by the insurance business generation and the seasonal effect in premium renewals during the first quarter of the year, as well as 7% higher net fees in the quarter. Compared to 1Q23, it grew Ps 1.66 billion, with positive dynamics in all items that comprise this concept.
- **Provisions were 36% higher** sequentially given the normalization of the reserves' releases registered during 4Q23. Year-over-year provisions grew 29%, in line with the loan origination mix and volume, as well as the integration of Tarjetas del Futuro in the credit card portfolio. Consequently, **cost of risk reached 1.8% in 1Q24** increasing 46bps vs 4Q23 and 26bps vs. 1Q23; excluding Tarjetas del Futuro, cost of risk was 1.7%.
- **Non-interest expenses** decreased (14%) sequentially, mainly due to anticipated personnel expenses during 4Q23. Compared to 1Q23 they increased 13% due to organic growth initiatives and the integration of Bineo and Tarjetas del Futuro; excluding these subsidiaries, the increase was 8.1%. **Efficiency ratio reached record levels as of 1Q24, standing at 33.99%.**
- **ROE** stood at **22.2% in 1Q24**, expanding 134bps sequentially, and 78bps in the year, reflecting sound business diversification and internal capital generation. **ROA** reached **2.4%**, 15bps higher vs. 4Q23, in line with a larger loan book and the incorporation of earnings and assets of the non-banking subsidiaries.
- **Subsidiaries** positively contributed to the performance of the business and supported the sound revenue diversification of the Group. In the year, net income of insurance grew 65%, bank 2%, brokerage 125%, annuities 14% and Afore 7%.
- **Loan book stages 1 and 2 increased 1% sequentially.** In the quarter, consumer loans continued to be the main growth driver: mortgage +1% and auto +5%. Payroll grew 2%, in line with the cautious approach over a change in the government administration and the selectivity of the portfolio. Credit card loans had a slight sequential decrease, due to the seasonality of the product, given the transactional level of the fourth quarter of the year. The commercial portfolio grew Ps 6.12 billion in the quarter, supported by mid-size enterprises and SMEs. The government portfolio grew 3% and the corporate book decreased (1%), due to the impact of the exchange rate in the dollar book and prepayments during the quarter. **In the year, the loan book stages 1 and 2 increased 10%**, with double digit growth in most of the portfolios, driven by consumer products: mortgage +9%, credit card +26%, auto +27%, and payroll +10%. Corporate and commercial books grew 17% and 11%, respectively, due to a sound and diversified lending growth, as well as the increasing credit demand from nearshoring. The government portfolio was in line with expectations, given the regulatory lending restrictions of this election year.
- **Better overall quality of the loan portfolio, still below historical levels.** NPL ratio stood at 0.9%, improving (11bps) quarterly and YoY. Improvements in consumer portfolios stand out, in line with the approach of building a client inventory with the desired risk profile.

- **Core deposits increased 4% sequentially**, with demand deposits increasing 2%, while time deposits grew 7% given the current market conditions regarding rates. **In the year core deposits rose 20%** or Ps 163.50 billion, driven by a 30% expansion of interest-bearing demand deposits and a 33% time deposits expansion; funding mix remains structurally stable, with 71% demand deposits and 29% time deposits.
- **Capital strength, as well as liquidity management** are still top priorities for the Financial Group. **Banorte's total Capital Adequacy Ratio (CAR) reached 21.26%**, and **Core Equity Tier 1 (CET1) reached 15.51%**, both well above regulatory minimums, allowing the bank to comply with TLAC (Total Loss-Absorbing Capacity) requirements, that came into effect in December 2022. **The quarterly average Liquidity Coverage Ratio stood at 177.7%**, while the **Leverage Ratio at 11.45%**.

GFNorte-Consolidated Statement of Comprehensive Income Highlights (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Interest Income (1)	87,124	97,257	<b>95,483</b>	(2%)	10%
Interest Expense	55,394	63,218	<b>60,706</b>	(4%)	10%
<b>Net Interest Income</b>	<b>31,730</b>	<b>34,039</b>	<b>34,777</b>	<b>2%</b>	<b>10%</b>
Net Service Fees (1)	4,208	4,465	<b>4,793</b>	7%	14%
Premium Income Ins. & Annu. (Net)	13,994	11,269	<b>18,231</b>	62%	30%
Technical Reserves Ins. & Annu.	9,601	7,531	<b>12,190</b>	62%	27%
Cost of Acquisition from Insurance Operations	941	441	<b>959</b>	118%	2%
Net Cost of Claims and Other Obligations	6,576	7,509	<b>7,817</b>	4%	19%
Trading	412	1,269	<b>1,034</b>	(18%)	151%
Other Operating Income (Expenses)	(895)	(672)	<b>(830)</b>	(23%)	7%
<b>Non Interest Income</b>	<b>601</b>	<b>850</b>	<b>2,261</b>	<b>166%</b>	<b>276%</b>
<b>Total Income</b>	<b>32,331</b>	<b>34,888</b>	<b>37,038</b>	<b>6%</b>	<b>15%</b>
Non Interest Expense	11,148	14,615	<b>12,591</b>	(14%)	13%
Provisions	3,771	3,591	<b>4,868</b>	36%	29%
<b>Operating Income</b>	<b>17,412</b>	<b>16,682</b>	<b>19,579</b>	<b>17%</b>	<b>12%</b>
Taxes	4,542	3,944	<b>5,966</b>	51%	31%
Subsidiaries' Net Income	333	462	<b>547</b>	18%	64%
Minority Interest	185	157	<b>(47)</b>	(130%)	(126%)
<b>Net Income</b>	<b>13,018</b>	<b>13,044</b>	<b>14,208</b>	<b>9%</b>	<b>9%</b>
Other Comprehensive Income	1,172	3,323	<b>(986)</b>	(130%)	(184%)
<b>Comprehensive Income</b>	<b>14,375</b>	<b>16,524</b>	<b>13,175</b>	<b>(20%)</b>	<b>(8%)</b>

1. In 3Q23, interest charged on collateral for derivatives traded on the Chicago Stock Exchange was reclassified from the fees charged account to the interest income account.

GFNorte-Consolidated Statement of Financial Position Highlights (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Asset Under Management	3,624,789	3,957,801	<b>4,142,599</b>	5%	14%
Stage 1 Loans	943,047	1,023,899	<b>1,038,042</b>	1%	10%
Stage 2 Loans	7,111	8,027	<b>9,026</b>	12%	27%
Stage 1 & 2 Loans (a)	950,157	1,031,926	<b>1,047,067</b>	1%	10%
Stage 3 Loans (b)	10,013	10,891	<b>9,875</b>	(9%)	(1%)
Deferred Items (c)	2,172	2,386	<b>2,489</b>	4%	15%
Loan Portfolio from Insur. Subs.(d)	3,249	3,503	<b>3,554</b>	1%	9%
<b>Total Loans (a+b+c+d)</b>	<b>965,592</b>	<b>1,048,706</b>	<b>1,062,985</b>	<b>1%</b>	<b>10%</b>
Preventive Loan Loss Reserves	18,261	19,857	<b>19,514</b>	(2%)	7%
<b>Total Loans Net</b>	<b>947,330</b>	<b>1,028,849</b>	<b>1,043,471</b>	<b>1%</b>	<b>10%</b>
<b>Total Assets</b>	<b>2,130,031</b>	<b>2,274,859</b>	<b>2,395,399</b>	<b>5%</b>	<b>12%</b>
Total Deposits	916,968	1,056,417	<b>1,072,431</b>	2%	17%
<b>Total Liabilities</b>	<b>1,877,460</b>	<b>2,025,654</b>	<b>2,133,771</b>	<b>5%</b>	<b>14%</b>
<b>Equity</b>	<b>252,570</b>	<b>249,206</b>	<b>261,628</b>	<b>5%</b>	<b>4%</b>

Financial Ratios GFNorte	1Q23	4Q23	1Q24
<b>Profitability:</b>			
NIM (1)	6.6%	6.4%	<b>6.5%</b>
NIM adjusted w/o Insurance & Annuities	6.0%	6.0%	<b>5.9%</b>
ROE (2)	21.5%	20.9%	<b>22.2%</b>
ROA (3)	2.5%	2.3%	<b>2.4%</b>
<b>Operation:</b>			
Efficiency Ratio - Cost to Income (4)	34.5%	41.9%	<b>34.0%</b>
Operating Efficiency Ratio - Cost to Assets (5)	2.1%	2.6%	<b>2.2%</b>
LCR Banorte and SOFOM - Basel III (6)	154.8%	160.5%	<b>177.7%</b>
<b>Asset Quality:</b>			
Non-Performing Loan Ratio	1.0%	1.0%	<b>0.9%</b>
Coverage Ratio	182.4%	182.3%	<b>197.6%</b>
Cost of Risk (7)	1.6%	1.4%	<b>1.8%</b>
<b>Market References</b>			
Banxico Reference Rate	11.25%	11.25%	<b>11.00%</b>
TIE 28 days (Average)	11.06%	11.50%	<b>11.48%</b>
Exchange Rate Peso/Dollar (8)	18.79	16.97	<b>16.53</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 LCR 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.

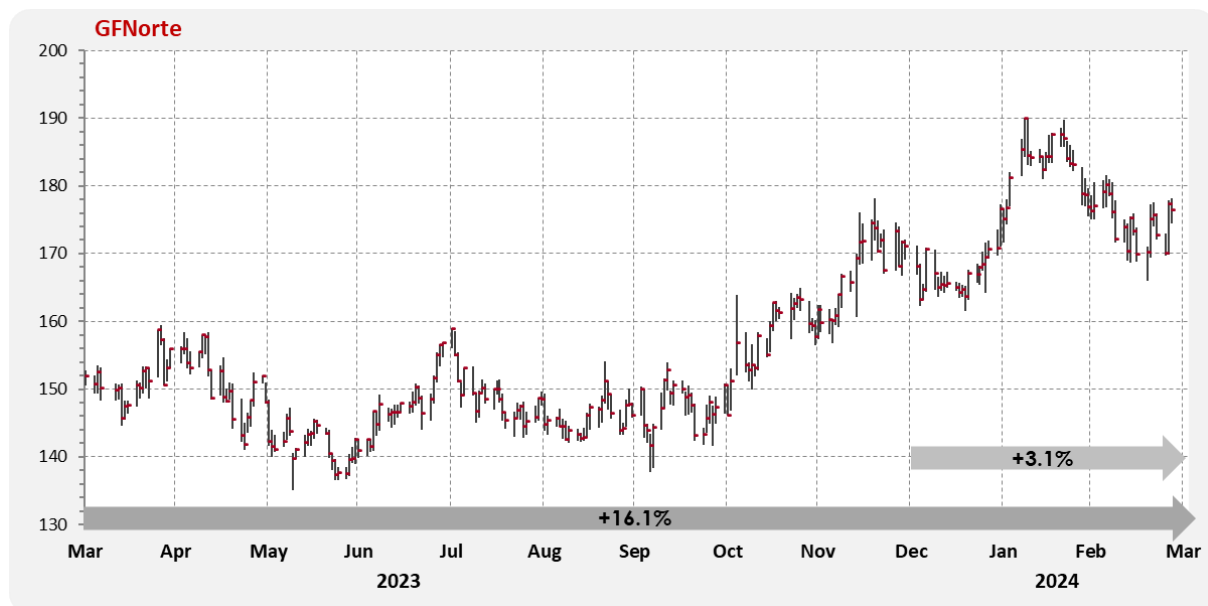
For more detail on Liquidity Coverage Ratio (LCR)

See Page. 29 to 32 of the [Risk Management Report](#)

Subsidiaries Net Income (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Banco Mercantil del Norte	10,130	10,074	<b>10,292</b>	2%	2%
Casa de Bolsa Banorte	7	159	<b>102</b>	(36%)	1300%
Operadora de Fondos Banorte	81	109	<b>98</b>	(10%)	21%
Afore XXI Banorte	293	411	<b>314</b>	(23%)	7%
Seguros Banorte	1,389	995	<b>2,288</b>	130%	65%
Pensiones Banorte	586	744	<b>670</b>	(10%)	14%
BAP (Holding)	27	1	<b>0</b>	(75%)	(99%)
Leasing, Factoring and Warehousing	93	162	<b>236</b>	46%	154%
Bineo	17	20	<b>(188)</b>	N.A.	N.A.
G. F. Banorte (Holding)	394	369	<b>395</b>	7%	0%
<b>Total Net Income</b>	<b>13,018</b>	<b>13,044</b>	<b>14,208</b>	<b>9%</b>	<b>9%</b>

Share Data	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Earnings per share (Pesos)	4.515	4.524	<b>4.927</b>	9%	9%
Earnings per share Basic (Pesos)	4.551	4.550	<b>4.947</b>	9%	9%
Dividend per Share for the period (Pesos)	0.00	5.20	<b>0.00</b>	(100%)	N.A.
Payout for the period	0.0%	33.0%	<b>0.0%</b>	(100%)	N.A.
Book Value per Share (Pesos)	86.49	86.48	<b>90.81</b>	5%	5%
Outstanding Shares - BMV (Million)	2,883.5	2,883.5	<b>2,883.5</b>	0%	0%
Stock Price (Pesos)	151.90	171.10	<b>176.37</b>	3%	16%
P/BV (Times)	1.76	1.98	<b>1.94</b>	(2%)	11%
Market Capitalization (Million Dollars)	23,306	29,072	<b>30,761</b>	6%	32%
Market Capitalization (Million Pesos)	437,997	493,359	<b>508,555</b>	3%	16%

## Share performance



## II. Management's Discussion & Analysis

Since December 2023 Grupo Financiero Banorte consolidates line by line operations regarding the Joint Venture with Rappi, hereinafter referred to as "Tarjetas del Futuro", in its Group's financial statements.

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

Net Interest Income (NII) (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Interest Income (4)	87,124	97,257	<b>95,483</b>	(2%)	10%
Interest Expense	55,394	63,218	<b>60,706</b>	(4%)	10%
<b>GFNORTE's NII</b>	<b>31,730</b>	<b>34,039</b>	<b>34,777</b>	<b>2%</b>	<b>10%</b>
Credit Provisions	3,771	3,591	<b>4,868</b>	36%	29%
<b>NII Adjusted for Credit Risk</b>	<b>27,959</b>	<b>30,447</b>	<b>29,909</b>	<b>(2%)</b>	<b>7%</b>
Average Earning Assets	1,924,643	2,111,690	<b>2,154,061</b>	2%	12%
<b>Net Interest Margin (1)</b>	6.6%	6.4%	<b>6.5%</b>		
<b>NIM after Provisions (2)</b>	5.8%	5.8%	<b>5.6%</b>		
<b>NIM w/o Insurance &amp; Annuities</b>	6.0%	6.0%	<b>5.9%</b>		
<b>NIM from loan portfolio (3)</b>	8.9%	8.3%	<b>8.2%</b>		

1. NIM (Net Interest Margin)= Annualized Net Interest Income of the quarter / Average Interest Earnings Assets.

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

3. NIM= Annualized Net Interest Income from the credit portfolio of the quarter / Average Stages 1 and 2 Loans

4. In 3Q23, interest charged on collateral for derivatives traded on the Chicago Stock Exchange was reclassified from the fees charged account to the interest income account.

**NII was 2% higher sequentially**, driven by the expansion in loan origination volume and the seasonal benefit of insurance business generation, despite the negative effect in currency valuation and lower interest from repos. Interest expenses decreased (4%) vs. 4Q23, which benefited from the strategy to improve funding cost. **NIM stood at 6.5%**, 1bps increase vs. 4Q23, due to the balance between loan origination and control over funding costs, slightly diminished by the increase of earning assets in a higher proportion. **NIM of the loan portfolio stood at 8.2%**.

Compared to 1Q23, **net interest income rose 10%**. The result was driven by the loan book volume and mix, together with the 44bps adjustment in the reference rate of the comparison quarters, offsetting lower repo interests. Interest expenses went up 10%, aligned with the average reference rate TIIE28d adjustments, promoting the migration to interest-bearing deposits. Nevertheless, deposits' mix has remained relatively stable, with 71% demand and 29% time, actively balancing the loan book growth with the cost of funding. **NIM decreased (14bps) vs. 1Q23 to 6.5%**, due to higher growth in average earning assets vs. NII. **NIM of the loan book stood at 8.2%**, a (69bps) decrease YoY.

For more detail on Margin Sensitivity (Bank):

- 1) Refer to page 36 and 37 of the [Risk Management Report](#)



## Loan Loss Provisions

Credit Provisions (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Commercial, Corporate & Government	497	(186)	221	219%	(56%)
Consumer	3,665	4,394	4,714	7%	29%
Charge offs and discounts	(391)	(617)	(67)	89%	83%
<b>Credit Provisions</b>	<b>3,771</b>	<b>3,591</b>	<b>4,868</b>	<b>36%</b>	<b>29%</b>

In the quarter, **credit provisions increased Ps 1.28 billion, or 36%**, mainly due to the normalization of the provisions released during 4Q23. Out of the Ps 4.87 billion provisions recorded in the quarter, 33% correspond to portfolio balances variations and the remaining to risk variations.

Compared to 1Q23, provisions were Ps 1.10 billion or 29% higher, related to i) the dynamism and origination mix, especially focused on consumer portfolios; and ii) the integration of the loan book of Tarjetas del Futuro. As a result, **cost of risk stood at 1.8%** at the end of 1Q24, 26bps higher vs. 1Q23.

For more detail on Internal Credit Risk Models:

- 1) Pages 18 to 23 of the [Risk Management Report](#)

## Non-Interest Income

Non-Interest Income (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Net Service Fees (1)	4,208	4,465	<b>4,793</b>	7%	14%
Premium Income Ins. & Annu. (Net)	13,994	11,269	<b>18,231</b>	62%	30%
Technical Reserves Ins. & Annu.	9,601	7,531	<b>12,190</b>	62%	27%
Cost of Acquisition from Insurance Operations	941	441	<b>959</b>	118%	2%
Net Cost of Claims and Other Obligations	6,576	7,509	<b>7,817</b>	4%	19%
Trading	412	1,269	<b>1,034</b>	(18%)	151%
Other Operating Income (Expenses)	(895)	(672)	<b>(830)</b>	(23%)	7%
<b>Non-Interest Income</b>	<b>601</b>	<b>850</b>	<b>2,261</b>	<b>166%</b>	<b>276%</b>

1. In 3Q23, interest charged on collateral for derivatives traded on the Chicago Stock Exchange was reclassified from the fees charged account to the interest income account.

**Non-interest income grew 166% sequentially**, driven by the insurance business generation, coupled with the seasonal increase in insurance premium income, as well as higher net service fees. **On a yearly basis, non-interest income expanded Ps 1.66 billion**, associated with positive dynamics in all non-interest income items.

**Premium income from Insurance and Annuities rose 62% sequentially**, driven by the high seasonality of the insurance business, from the portfolio renewal in the first quarter. Technical reserves increased 62% or Ps 4.66 billion, out of which, Ps 3.80 billion are related to the increase in insurance premiums, especially in life and casualty, while Ps 857 million are associated with the annuities business, in line with higher premiums collected. Acquisition cost rose due to the same seasonality effect and business generation. On the other hand, claims grew in the quarter, mainly due to the life portfolio.

**On an annual basis, premium income from Insurance and Annuities rose 30%**, mainly given i) the anticipated renewal of a significant insurance premium, which this year was fully recorded in 1Q24, whereas in 2023, was partially issued in 1Q23 and complemented in 2Q23; and ii) the insurance business generation, mainly given the dynamism in the life and auto portfolios, aligned with credit origination. Consequently, the acquisition cost increased 2%. Technical reserves rose 27%, in line with higher business generation. Claims grew 19% due to the growth and mix of the portfolio.

## Service Fees

Service Fees (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Fund Transfers	487	551	476	(14%)	(2%)
Account Management Fees	465	484	475	(2%)	2%
Electronic Banking Services	4,262	5,004	4,841	(3%)	14%
Basic Banking Services Fees	5,214	6,040	5,792	(4%)	11%
For Commercial and Government Loans	573	541	570	5%	(1%)
Consumer Loan Fees	1,750	2,213	2,160	(2%)	23%
Fiduciary & Mortgage Appraisals	132	142	128	(10%)	(3%)
Mutual Funds	578	645	657	2%	14%
Trading & Financial Advisory Fees	97	138	123	(11%)	28%
Other Fees Charged (1)(2)	29	(176)	(32)	82%	(211%)
<b>Fees Charged on Services</b>	<b>8,372</b>	<b>9,543</b>	<b>9,397</b>	<b>(2%)</b>	<b>12%</b>
Interchange Fees	2,844	3,643	3,348	(8%)	18%
Other Fees Paid	1,320	1,435	1,257	(12%)	(5%)
<b>Fees Paid on Services</b>	<b>4,164</b>	<b>5,078</b>	<b>4,605</b>	<b>(9%)</b>	<b>11%</b>
<b>Net Service Fees</b>	<b>4,208</b>	<b>4,465</b>	<b>4,793</b>	<b>7%</b>	<b>14%</b>

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

2. In 3Q23, interest charged on collateral for derivatives traded on the Chicago Stock Exchange was reclassified from the fees charged account to the interest income account.

**Fees charged on services fell (2%) vs. 4Q23**, given the seasonal strength at the end of the year. As a result, during the quarter there was lower transacting activity with affiliated businesses and electronic banking services; meanwhile, the balance of other fees collected increased mainly derived from the seasonality of the "Buen Fin" cashback promotion during the previous quarter. **On a year-over-year basis, fees charged increased 12%**, due to the self-service boost through electronic banking services and higher transacting activity with affiliated businesses and in consumer products -in credit cards combining the Banorte and Tarjetas del Futuro operations-, reflecting the strength of private consumption.

On the other hand, **fees paid fell (9%) in the quarter** derived from the seasonal dynamism of commercial activity during the fourth quarter, reflected in lower interchange fees, mainly in the credit card business. **On an annual basis, fees paid grew 11%**, associated with higher interchange fees and lower leverage of the external sales force for credit origination.

Altogether, **net service fees expanded 7%** sequentially and **14%** annually, **at the group level**. At a **bank level, net fees increased 9%** quarterly, and **12%** vs. 1Q23.

## Trading

Trading Income (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Currency and Metals	(3,242)	(2,357)	(1,432)	39%	56%
Derivatives	2,235	30	(759)	(2599%)	(134%)
Negotiable Instruments	126	811	261	(68%)	108%
<b>Valuation</b>	<b>(881)</b>	<b>(1,516)</b>	<b>(1,930)</b>	<b>(27%)</b>	<b>(119%)</b>
Currency and Metals	1,366	2,618	2,655	1%	94%
Derivatives	(96)	(286)	25	109%	126%
Negotiable Instruments	24	454	275	(39%)	1038%
<b>Trading</b>	<b>1,294</b>	<b>2,787</b>	<b>2,955</b>	<b>6%</b>	<b>128%</b>
<b>Other financial results</b>	<b>(1)</b>	<b>(2)</b>	<b>9</b>	<b>616%</b>	<b>986%</b>
<b>Trading Income</b>	<b>412</b>	<b>1,269</b>	<b>1,034</b>	<b>(18%)</b>	<b>151%</b>

**Trading income fell (18%) sequentially**, primarily affected by the valuation of cross-currency swaps, given the appreciation of the Peso, despite higher trading operations. **Compared to 1Q23, it grew 151%** due to currencies and metals trading, derived from the appreciation of the Peso against the Dollar and the Euro, mitigating the negative valuation in derivatives given the same exchange rate effect.

*Other Operating Income (Expenses)*

Other Operating Income (Expenses) (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Contributions to IPAB	(1,001)	(1,140)	<b>(1,136)</b>	(0%)	13%
Expenses Incurred in the Recovery of Credit Portfolio	(374)	(430)	<b>(390)</b>	(9%)	4%
Result for Foreclosed Assets	140	391	<b>144</b>	(63%)	3%
Lease Income	59	136	<b>95</b>	(30%)	61%
From Insurance & Annuities	117	123	<b>144</b>	17%	22%
Others	163	249	<b>312</b>	25%	91%
<b>Other Operating Income (Expenses)</b>	<b>(895)</b>	<b>(672)</b>	<b>(830)</b>	<b>(23%)</b>	<b>7%</b>

**Other operating income (expense) fell (23%)** sequentially, associated with lower income from the sale of loan portfolios, recorded in foreclosed assets, and lower income from operating leasing.

**Compared to 1Q23, it grew 7%**, mainly due to higher recoveries, recorded in "others", and an increase in lease income, offsetting higher contributions to the IPAB associated with higher deposits' volume.

**Non-Interest Expense**

Non-Interest Expense (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Personnel	4,949	6,851	<b>5,744</b>	(16%)	16%
Professional Fees	915	971	<b>910</b>	(6%)	(1%)
Administrative and Promotional	1,383	2,412	<b>1,583</b>	(34%)	14%
Rents, Depreciation & Amortization	2,355	3,619	<b>2,941</b>	(19%)	25%
Other Taxes	699	793	<b>686</b>	(13%)	(2%)
Employee Profit Sharing (PTU)	418	(234)	<b>355</b>	252%	(15%)
Other expenses	429	203	<b>371</b>	83%	(14%)
<b>Non-Interest Expense</b>	<b>11,148</b>	<b>14,615</b>	<b>12,591</b>	<b>(14%)</b>	<b>13%</b>

**Non-interest expenses decreased (14%) sequentially**, driven by the anticipated registration of personnel expenses in 4Q23, as well as the accelerated amortization of IT-related projects and assets. The latter offset the increase derived from the integration of Bineo's and Tarjetas del Futuro's operations.

**Compared to 1Q23, non-interest expenses went up 13%**, as a result of the materialization of organic growth projects, with impacts in the personnel structure and infrastructure, and higher amortization of IT projects. Expenses related to the launch and initial operations of Bineo and the incorporation of Tarjetas del Futuro represented 4.8% of the operating expenses increase in the first quarter of the year. Excluding the effect of both subsidiaries, the expansion was of 8.1%.

The **efficiency ratio stood at 33.99% at the end of 1Q24**, improving (49bps) vs. 1Q23, reflecting sound income and efficient expense management.

## Net Income

Net Income (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
<b>Operating Income</b>	<b>17,412</b>	<b>16,682</b>	<b>19,579</b>	<b>17%</b>	<b>12%</b>
Subsidiaries' Net Income	333	462	<b>547</b>	18%	64%
<b>Pre-Tax Income</b>	<b>17,745</b>	<b>17,145</b>	<b>20,126</b>	<b>17%</b>	<b>13%</b>
Taxes	4,542	3,944	<b>5,966</b>	51%	31%
Net income from continuing operations	13,203	13,200	<b>14,161</b>	7%	7%
Minority Interest	185	157	<b>(47)</b>	(130%)	(126%)
<b>Net Income</b>	<b>13,018</b>	<b>13,044</b>	<b>14,208</b>	<b>9%</b>	<b>9%</b>
Valuation Adjustments for Fair Value through other	473	1,919	<b>(769)</b>	(140%)	(262%)
Cash Flow Hedges Valuation	773	1,754	<b>(336)</b>	(119%)	(143%)
Remeasurement on defined employee benefits	22	(146)	<b>19</b>	113%	(12%)
Cumulative foreign currency translation adjustment	(111)	(37)	<b>(34)</b>	8%	69%
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	15	(167)	<b>133</b>	180%	812%
Other Comprehensive Income	1,172	3,323	<b>(986)</b>	(130%)	(184%)
<b>Comprehensive Income</b>	<b>14,375</b>	<b>16,524</b>	<b>13,175</b>	<b>(20%)</b>	<b>(8%)</b>

**Net operating income grew 17% in the quarter and expanded 12% versus 1Q23.** The quarterly performance was mainly driven by positive dynamics in the insurance business, lower non-interest expenses -due to the early recognition of personnel expenses and accelerated amortizations in 4Q23- and lower interest expense. **Net income reached Ps 14,21 billion**, growing 9% sequentially and year-over-year.

**The effective tax rate** was **30.5%** at the end of the quarter.

**Earnings per share** for the quarter were **Ps 4.927**.

## Profitability

	1Q23	4Q23	1Q24
<b>ROE</b>	<b>21.5%</b>	<b>20.9%</b>	<b>22.2%</b>
Intangibles	17,971	17,270	16,763
Goodwill	26,710	26,825	26,823
Average Tangible Equity	190,129	192,975	205,698
<b>ROTE</b>	<b>27.4%</b>	<b>26.3%</b>	<b>27.6%</b>

**During the quarter, ROE grew 134bps to 22.2%**, mainly benefited by the seasonality of the insurance business. On a year-over-year basis, the increase was 78bps, reflecting the strength of the group's businesses.

**ROTE** grew 134bps in the quarter, **to 27.6%**, while in the annual comparison it expanded 24bps.

	1Q23	4Q23	1Q24
<b>ROA</b>	<b>2.5%</b>	<b>2.3%</b>	<b>2.4%</b>
Average Risk Weighted Assets (billion pesos)	854	918	932
<b>RRWA</b>	<b>5.6%</b>	<b>5.7%</b>	<b>5.8%</b>

**ROA stood at 2.4% in 1Q24**, an expansion of 15bps sequentially and a reduction of (5bps) annually.



## Deposits

Deposits (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Non-Interest Bearing Demand Deposits	389,525	424,912	<b>414,213</b>	(3%)	6%
Interest Bearing Demand Deposits	221,044	260,650	<b>287,292</b>	10%	30%
Global Account of deposits without movements	3,223	3,656	<b>3,623</b>	(1%)	12%
<b>Total Demand Deposits</b>	613,792	689,217	<b>705,128</b>	2%	15%
<b>Time Deposits – Retail</b>	218,848	273,207	<b>291,012</b>	7%	33%
<b>Core Deposits</b>	832,641	962,424	<b>996,140</b>	4%	20%
<b>Money Market and Credit Notes Issued</b>	106,636	110,707	<b>90,636</b>	(18%)	(15%)
<b>Total Bank Deposits</b>	<b>939,276</b>	<b>1,073,131</b>	<b>1,086,776</b>	1%	16%
<b>GFNorte's Total Deposits</b>	<b>916,968</b>	<b>1,056,417</b>	<b>1,072,431</b>	2%	17%
<b>Third Party Deposits</b>	<b>215,706</b>	<b>222,668</b>	<b>293,597</b>	32%	36%
<b>Total Assets Under Management</b>	<b>1,154,982</b>	<b>1,295,799</b>	<b>1,380,373</b>	7%	20%

**Core deposits rose 4%** in the quarter, driven mainly by growth in interest-bearing demand deposits, and affected by a higher comparative base given the seasonal effect in non-interest-bearing demand deposits at the end of the previous year. **In the year, core deposits went up 20%**, with time deposits accelerating growth given current market rates conditions.

At an institutional level, we maintain the focus in low-cost funding. The funding mix has remained relatively stable, despite the current interest rate conditions and the accelerated loan portfolio expansion. The funding cost is supported by the extensive non-interest-bearing demand deposits and remains as one of the lowest in the banking system given its extensive distribution network, value proposition, and continuous improvement in customer service levels.

**Money market operations and credit notes issued decreased (18%) in the quarter** and (15%) YoY. Overall, **total bank deposits** grew 1% QoQ and 16% YoY.

## Stage 1 and 2 loans

Stage 1 and 2 Loans (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Mortgages	233,894	253,138	<b>255,760</b>	1%	9%
Auto Loans	35,182	42,604	<b>44,625</b>	5%	27%
Credit Card	46,109	58,137	<b>58,022</b>	(0%)	26%
Payroll	69,647	74,522	<b>76,285</b>	2%	10%
<b>Consumer</b>	384,832	428,402	<b>434,691</b>	1%	13%
<b>Commercial</b>	234,136	253,015	<b>259,132</b>	2%	11%
<b>Corporate</b>	150,826	178,549	<b>176,827</b>	(1%)	17%
<b>Government</b>	180,364	171,961	<b>176,417</b>	3%	(2%)
<b>Stage 1 and 2 loans</b>	<b>950,157</b>	<b>1,031,926</b>	<b>1,047,067</b>	1%	10%

Further detail on Stage 1 and 2 loans and Stage 3 loans in the [Risk Management Report](#)

- 1) displayed by Sector and Subsidiary, page 11
- 2) displayed by Federal Entities and Subsidiary, page 12
- 3) displayed by Remaining Term, page 12

**In the quarter, stage 1 and 2 loans consolidate above one trillion pesos.** Consumer portfolio was the main driver of growth, **highlighting the increase of mortgages 1% and auto 5%**, the latter supported by good dynamics in the automotive sector and the commercial partnerships. The payroll portfolio expanded 2%, in line with a cautious approach to a change of government administration. On the other hand, credit card loans had a slight reduction influenced by seasonal factors. **Commercial loans grew 2%**, supported by mid-size enterprises and SMEs, and the corporate portfolio

reduced (1%), affected by prepayments and FX valuation. Finally, the government portfolio expanded 3%, balancing portfolio increases with some scheduled amortizations.

In the year, **stage 1 and 2 loans expanded 10%** and **consumer loans increased 13%**, driven by good performance in mortgages 9%, which remains as one of Banorte's main value offers, payroll 10%, auto 27%, and credit card 26%, due to the incorporation of Tarjetas del Futuro. Furthermore, corporate and commercial loan expanded by 17% and 11%, respectively, resulting from a healthy and diversified portfolio growth, as well as increased credit demand from nearshoring. The government book decreased (2%), influenced by the regulatory lending restrictions of this election year.

Within the commercial portfolio, **SMEs stage 1 and 2 loans**, were 3% higher sequentially and 21% YoY. Its NPL deteriorated 23bps in the quarter and 31bps in the year, ending at 1.32%, in line with loan portfolio expansion.

SME's Loans (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
<b>Stage 1 and 2 loans</b>	42,690	50,283	51,570	3%	21%
<b>% of Commercial Portfolio, stage 1 and 2 loans</b>	18.2%	19.9%	19.9%	3 bps	167 bps
<b>% of Portfolio, stage 1 and 2 loans</b>	4.5%	4.9%	4.9%	5 bps	43 bps
<b>NPL Ratio</b>	1.01%	1.09%	1.32%	23 bps	31 bps

GFNorte's corporate book is well diversified by industry and by region, showing low concentration risk. The 20 main private sector corporate borrowers accounted for 10.7% of the group's stages 1 and 2 loans, with the largest corporate exposure representing 1.2%, whereas number 20 represented 0.3%. The 20 corporates have an A1 credit rating.

The **government book, stages 1 and 2, totaled Ps 176.4 billion**. GFNorte's government portfolio is well diversified by region, showing an adequate risk profile, given that 33.1% of the portfolio is Federal Government exposure and 81% of municipal and state government loans are backed by fiduciary guarantees.

**Market share position** (using CNBV figures as of January 2024):

The system's stages 1 and 2 loans expanded 9.0% YoY; **Banorte rose 11.7%, reaching a 15.2%** market share, 37bps higher in the year.

- **Mortgage Loans:** Banorte held a **19.5% market share**, increasing 30bps YoY, keeping the second place in the system.
- **Credit Card Loans:** Banorte increased 71bps **its market share** in the year, ending at **11.6%**.
- **Auto Loans:** In the year, Banorte regained 108bps market share to **21.7%**, still ranking second in the system.
- **Payroll Loans:** Banorte held a **20.0%** market share, decreasing (70bps) in the year, ranking second in the market.
- **Commercial Loans:** Market share totaled **12.5%**, (including corporate and SMEs according to the CNBV classification). Market share increased 93bps in the last 12 months, maintaining the second place in the system.
- **Government Loans:** Banorte's market share decreased (60bps) to **26.2%**, ranking second in the banking system.

## Stage 3 Loans

In the quarter, stage 3 loans decreased (Ps 1.02 billion), mainly due to payroll, credit card, and the commercial portfolio, driven by the continuous assessment and implementation of various programs to promote orderly portfolio growth. At an institutional level, Banorte is focused on growing with quality.

Stage 3 Loans (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Credit Cards	1,132	1,968	1,692	(275)	560
Payroll	2,042	2,586	2,119	(467)	77
Auto Loans	193	267	251	(16)	58
Mortgages	1,994	2,177	2,162	(15)	168
Commercial	4,203	3,704	3,442	(263)	(762)
Corporate	445	178	200	22	(245)
Government	4	11	9	(3)	4
<b>Total</b>	<b>10,013</b>	<b>10,891</b>	<b>9,875</b>	<b>(1,016)</b>	<b>(139)</b>

NPL ratio stood at 0.93%, a historical low level, driven by loan origination selectivity and strong prevention, mitigation, and collection management. During the quarter, the NPL improved by (11bps) QoQ and YoY, remaining as one of the healthiest in the system.

NPL Ratio	1Q23	2Q23	3Q23	4Q23	1Q24
Credit Cards	2.4%	2.7%	2.7%	3.3%	2.8%
Payroll	2.8%	3.2%	3.2%	3.4%	2.7%
Auto Loans	0.5%	0.5%	0.6%	0.6%	0.6%
Mortgages	0.8%	0.8%	0.8%	0.9%	0.8%
Commercial	1.8%	1.6%	1.5%	1.4%	1.3%
SMEs	1.0%	1.0%	1.0%	1.1%	1.3%
Rest of commercial	1.9%	1.7%	1.6%	1.5%	1.3%
Corporate	0.3%	0.3%	0.1%	0.1%	0.1%
Government	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>1.04%</b>	<b>1.05%</b>	<b>1.01%</b>	<b>1.04%</b>	<b>0.93%</b>

Expected loss for Banco Mercantil del Norte, the group's largest subsidiary, was 1.6%, and the unexpected loss was 3.6%, with respect to the total portfolio as of 1Q24. In 4Q23, these ratios were 1.7% and 3.7%, respectively, and reached 1.9% and 3.9% twelve months ago.

Quarterly changes in accounts that affect stage 3 loans balance for the Financial Group were:

Stage 3 Loan variations (Million Pesos)	
<b>Balance as of December '23</b>	<b>10,891</b>
Transfer from stage 1 + 2 Loans to stage 3	6,503
Portfolio Purchase	-
Renewals	(4)
Debt reversal	-
Cash Collections	(1,220)
Discounts	227
Charge Offs	(5,165)
Foreclosures	-
Transfer from stage 3 to stage 1 + 2 Loans	(1,363)
Loan Portfolio Sale	-
Foreign Exchange Adjustments	6
Fair Value lxe	-
<b>Balance as of March '24</b>	<b>9,875</b>

Regarding risk ratings, 89% of the **total loan portfolio** was rated as Risk A, 6% as Risk B, and 5% as Risk C, D, and E altogether.

**Risk Rating of Performing Loans as of 1Q24 - GFNorte**  
(Million Pesos)

CATEGORY	LOANS	LOAN LOSS RESERVES					
		COMMERCIAL			CONSUMER	MORTGAGES	TOTAL
		MIDDLE MARKET COMPANIES	GOVERNMENT ENTITIES	FINANCIAL INTERMEDIARIES			
A1	956,707	1,226	823	66	825	192	3,131
A2	36,979	144	78	0	400	44	665
B1	28,726	28	-	0	847	27	902
B2	30,523	12	-	-	1,368	36	1,416
B3	12,623	58	4	1	612	10	684
C1	16,766	73	1	2	692	259	1,027
C2	15,712	100	48	0	1,405	238	1,791
D	10,342	635	-	4	2,281	427	3,346
E	8,083	1,684	2.77	62	3,930	80	5,759
<b>Total</b>	<b>1,116,461</b>	<b>3,959</b>	<b>957</b>	<b>135</b>	<b>12,360</b>	<b>1,312</b>	<b>18,723</b>
Not Classified	(1,226)						
BAP sector book	3,554						
Deferred Items	2,489						
Exempt	-						
<b>Total</b>	<b>1,121,278</b>	<b>3,959</b>	<b>957</b>	<b>135</b>	<b>12,360</b>	<b>1,312</b>	<b>18,723</b>
<b>Reserves</b>							<b>19,514</b>
<b>BAP Reserves</b>							<b>270</b>
<b>Preventive Reserves</b>							<b>521</b>

Notes:

1. Figures for reserve creation and rating are as of March 31st, 2024.

2. 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 Consumer portfolio as of January 2018, for the Auto (Individuals) portfolio as of January 2020, for the Mortgage portfolio as of July 2023 and for the portfolio of commercial 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.

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" found in Chapter 5, Second Title of the aforementioned regulation.

Based on the Accounting provisions, the Institution has formal policies and procedures so that, where appropriate, those loans that have elements that justify greater potential deterioration can be migrated to a higher risk stage, even if they have not complied with such requirements, according to the Accounting Policies and Criteria applicable to the loan portfolio.

As of 1Q24 **the Institution did not have loans considered as stage 3 under such policies.**



## Loan Loss Reserves and Loan Loss Provisions

Loan Loss Reserves (Million Pesos)	1Q24
<b>Previous Period Ending Balance</b>	<b>19,857</b>
Provisions charged to results	5,479
Provisions charged to retained	0
Created with profitability margin	0
Reserve Portfolio Sold	0
Other items	0
<u>Charge offs and discounts:</u>	
Commercial Loans	(581)
Consumer Loans	(4,674)
Mortgage Loans	(546)
Foreclosed assets	0
	(5,800)
Cost of debtor support programs	(10)
Valorization and Others	(11)
Adjustments	0
<b>Current Period Ending Balance</b>	<b>19,514</b>

**Loan Loss Reserves** as of 1Q24 totaled **Ps 19.51 billion**, decreasing (1.7%) vs. 4Q23. **Charge-offs and discounts** rose 17% quarterly.

**Loan loss reserve coverage ratio** stood at **197.6%**, from 182.3% in 4Q23.

## Equity

**Shareholders' equity balance increased Ps 12.42 billion sequentially** to Ps 261.63 billion; the main changes in the quarterly comparison were: net income of Ps 14.21 billion, an increase of Ps 273 million from repurchase of equity-settled share-based payment plan, increase of Ps 133 million from remeasurement of results in the valuation of the current risk reserve due to changes in discount rates, decrease of (Ps 946 million) from interest on subordinated notes, and a decrease of (Ps 768 million) from valuation of financial instruments to be received or sold.

## Supplementary Notes to the Financial Information

The following is a breakdown of the credit notes issued by each entity:

[Notes Appendix 1 Grupo Financiero Banorte](#)

[Notes Appendix 1 Banco Mercantil del Norte](#)

## Current Events

### 1. GRUPO FINANCIERO BANORTE LAUNCHES BINEO, THE FIRST 100% DIGITAL BANK IN MEXICO

On January 8th, Grupo Financiero Banorte, in line with its vision to be the best financial group doing banking in a digital world, launched Bineo, the first 100% digital bank in Mexico, which combines more than 120 years of Grupo Financiero Banorte's experience with the best of the digital world.

Bineo is the first digital bank that operates with its own Multiple Banking Institution license, with which it has the capacity to offer the full range of financial products and services from a single, fast, and easy-to-use app. It is also backed by the IPAB, which guarantees the protection of savings.

An agile bank that innovates and will consistently deliver new products and functionalities to its customers, providing an exceptional experience.

### 2. GRUPO FINANCIERO BANORTE WAS RECOGNIZED BY GREAT PLACE TO WORK AS ONE OF THE BEST COMPANIES TO WORK

On February 12th, Grupo Financiero Banorte was recognized by the prestigious institution "Great Place to Work" as one of the Best Places to Work, in the category of companies with more than 5 thousand employees. Banorte was also selected as one of the top five places to work for women in Mexico.

### 3. BANORTE ISSUES ITS FIRST SUSTAINABLE BOND IN MEXICO

On February 15th, in line with its commitment to contribute to the financing of sustainable projects, Banorte issued its first sustainable bond amounting to Ps 13.06 billion. This step reaffirms Banorte's commitment to be a pillar in the financing of initiatives that promote social welfare and environmental preservation, emphasizing its leadership and vision of the future towards a greener and more socially responsible economy.

This bond has a solid sustainability framework, backed by a Second Party Opinion (SPO) and a Pre-issuance Letter for the allocation of resources to sustainable projects, both documents prepared by Sustainalytics. This endorsement not only guarantees Banorte's transparency and commitment to projects that have a tangible positive impact on society and the environment, but also sets a precedent for corporate responsibility and green financing in Mexico.

### 4. GRUPO FINANCIERO BANORTE RECEIVES THE LSEG STARMINE AWARD FOR MAKING THE MOST ACCURATE ECONOMIC PROJECTIONS IN MEXICO

On February 20th, and for the fourth time, Grupo Financiero Banorte's Economic and Financial Analysis area received the LSEG StarMine Award for making the most accurate economic predictions for Mexico's economic indicators in the Reuters Polls for 2023.

The Reuters Polls compile the expert opinion of leading forecasters in financial markets and are a major reference for economic professionals around the world. Since the award's inception, Grupo Financiero Banorte has remained in the top 7.

### 5. PNUD MEXICO AND GRUPO FINANCIERO BANORTE PROMOTE PARTICIPATORY BUDGETING WITH A GENDER PERSPECTIVE

On February 27th, the United Nations Development Program (PNUD) in Mexico and Grupo Financiero Banorte presented the "Strategy for mainstreaming the gender perspective in local participatory budgeting exercises," with which Mexican states and municipalities will be able to strengthen the gender perspective in their budgeting exercises, instruments, and tools, as well as transparency and accountability in the exercise of public spending.

This strategy is the second phase of a three-year alliance in which Grupo Financiero Banorte and PNUD collaborate to contribute to strengthening capacities in Results-Based Budgeting (RBB) in local governments in Mexico, through the incorporation of the sustainable development approach promoted by the 2030 Agenda.

### 6. BANORTE WAS RECOGNIZED AS THE BANK WITH THE BEST DOMESTIC SERVICE IN FOREIGN TRADE FINANCING IN MEXICO BY EUROMONEY MAGAZINE

On February 27th, as a result of Euromoney magazine's annual survey of banks and companies on international trade, Banorte was recognized by this publication as the Bank in Mexico with the Best Foreign Trade Financing Service in 2024.

This demonstrates that at Banorte we understand the relevance of global trade for our country, and we are focused on being the best ally for companies and banks that seek to continue growing their international business and take advantage of the benefits of nearshoring in Mexico.

### **7. MSCI ESG CONFIRMS THE RATING OF GRUPO FINANCIERO BANORTE**

On March 27th, MSCI reaffirmed Grupo Financiero Banorte's ESG rating to "AA" and ratified us in the index for the third consecutive year thanks, among others, to its best practices in data protection and certification in information security management.

### **8. BANORTE IS RECOGNIZED AS THE BEST BANK IN MEXICO BY GLOBAL FINANCE**

On March 28th, Global Finance recognized Banorte as the Best Bank in Mexico 2024. Among the considered objective criteria, were: asset growth, profitability, geographic reach, strategic relationships, and new business development and product innovation. Subjective criteria included the opinions of equity analysts, credit rating analysts, banking consultants and others involved in the industry.

Selections were made by the editors of Global Finance after extensive consultation with corporate finance executives, bankers and banking consultants, and analysts from around the world.

### **9. MUNDO EJECUTIVO INCLUDES BANORTE IN THE RANKING OF THE BEST BANKS 2024**

On April 11th, the magazine Mundo Ejecutivo included Banorte in its ranking of the Best Banks in Mexico 2024, where it held the second position. The magazine considers financial data such as ROE, Net Income, Revenues and Non-Performing Loan Ratio, with the latter placing Banorte as the best in the Mexican system.

### **10. GRUPO FINANCIERO BANORTE IS PART OF THE LINKEDIN LIST OF BEST COMPANIES 2024 IN MEXICO**

On April 16th, the business and employment social network LinkedIn included Banorte in its list of the best companies to work in Mexico. LinkedIn analyzes the capacity for professional growth within the organization, evaluates the careers of former employees and how their time at the company could have helped them to obtain better opportunities. Finally, it counts the skills that people acquired while working there to determine whether the companies helped the employees' evolution.

### **11. FORBES AND STATISTA INCLUDE BANORTE IN THE LIST OF THE BEST BANKS IN THE WORLD 2024**

On April 16th, Forbes magazine published the list of the Best Banks in the World, in which 49,000 customers around the world rated banks in 33 different countries, based on customer evaluations in different categories, including: recommendation, overall satisfaction, trust in the bank, digital services, customer service, and financial advice. Under these criteria, Banorte entered the list as one of the Best Banks in Mexico in 2024.

## Bank

### Banco Mercantil del Norte (Banorte)

Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position Highlights - Banorte (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Net Interest Income (1)	24,119	26,315	26,087	(1%)	8%
Non-Interest Income (1)	3,489	4,258	4,384	3%	26%
Total Income	27,608	30,573	30,471	(0%)	10%
Non-Interest Expense	9,975	13,719	11,047	(19%)	11%
Provisions	3,737	3,559	4,910	38%	31%
Operating Income	13,896	13,295	14,514	9%	4%
Taxes	3,620	3,110	4,501	45%	24%
Subsidiaries & Minority Interest	33	68	461	582%	1289%
<b>Net Income</b>	<b>10,309</b>	<b>10,253</b>	<b>10,474</b>	<b>2%</b>	<b>2%</b>
<b>Balance Sheet</b>					
Stage 1 Loans	923,263	999,670	1,014,428	1%	10%
Stage 2 Loans	6,844	7,430	8,100	9%	18%
Stage 1 & 2 Loans (a)	930,107	1,007,100	1,022,527	2%	10%
Stage 3 Loans (b)	9,172	10,006	9,156	(8%)	(0%)
Deferred Items (c)	2,195	2,436	2,537	4%	16%
<b>Total Loans (a+b+c)</b>	<b>941,474</b>	<b>1,019,541</b>	<b>1,034,221</b>	<b>1%</b>	<b>10%</b>
Preventive Loan Loss Reserves including Insurance	17,288	18,749	18,495	(1%)	7%
Total Loans Net (d)	924,185	1,000,793	1,015,726	1%	10%
<b>Total Assets</b>	<b>1,601,058</b>	<b>1,682,493</b>	<b>1,787,156</b>	<b>6%</b>	<b>12%</b>
<b>Total Deposits</b>	<b>939,276</b>	<b>1,073,131</b>	<b>1,086,776</b>	<b>1%</b>	<b>16%</b>
<b>Total Liabilities</b>	<b>1,445,741</b>	<b>1,531,527</b>	<b>1,627,664</b>	<b>6%</b>	<b>13%</b>
<b>Equity</b>	<b>155,317</b>	<b>150,966</b>	<b>159,492</b>	<b>6%</b>	<b>3%</b>

1. In 3Q23, interest charged on collateral for derivatives traded on the Chicago Stock Exchange was reclassified from the fees charged account to the interest income account.

Financial Ratios - Banorte	1Q23	4Q23	1Q24
<b>Profitability:</b>			
NIM (1)	6.5%	6.6%	6.4%
NIM after Provisions (2)	5.5%	5.7%	5.2%
ROE (3)	27.5%	26.5%	26.4%
ROA (4)	2.6%	2.4%	2.4%
<b>Operation:</b>			
Efficiency Ratio (Cost to Income) (5)	36.1%	44.9%	36.3%
Operating Efficiency Ratio (Cost to Assets) (6)	2.5%	3.2%	2.5%
Average Liquidity Coverage Ratio for Banorte and SOFOM - Basel III (7)	154.8%	160.5%	177.7%
<b>Asset Quality:</b>			
NPL Ratio	1.0%	1.0%	0.9%
Coverage Ratio	188.5%	187.4%	202.0%
<b>Capitalization:</b>			
Net Capital/ Credit Risk Assets	31.2%	29.2%	30.8%
Total Capitalization Ratio	22.1%	20.7%	21.3%
<b>Leverage</b>			
Basic Capital/ Adjusted Assets	12.7%	11.5%	11.5%

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. LCR calculation is preliminary and will be updated once Banco de Mexico publishes official indicators.



## Changes vs. the previous quarter

**Net interest income (NII) decreased (1%) sequentially**, due to the negative effect in currency valuation and a decrease in repo income, despite higher income from the loan book. Interest expense decreased (4%), in line with funding management and mix. **NIM decreased (18bps) to 6.4%**, given the increase in greater proportion of earning assets.

**Non-interest income rose 3% vs. 4Q23**, driven by higher net fees, despite the decline in trading income and other operating income (expenses).

**Fees charged on services declined (1%) sequentially**, due to lower revenues from electronic banking services and lower transacting volume in consumer products and the acquiring business given the seasonality of the fourth quarter. **Fees paid fell (9%)** due to the same seasonal effect. All in, **net fees grew 9% versus 4Q23**.

**Trading income fell (12%) vs. the previous quarter**, mainly affected by the valuation of cross-currency swaps, given the appreciation of the Peso.

**Other operating income (expense) decreased (Ps 199) million sequentially**, in line with lower income from loan portfolios, recorded in foreclosed assets, and lower income from operating leasing.

**Non-interest expenses dropped (19%)** in the quarter, due to the anticipated registration of personnel expenses in 4Q23 and the accelerated amortization IT-related projects and assets. As a result, the **efficiency ratio of the quarter** stood at **36.3%**.

In the quarter, **provisions grew 38%**, mainly due to the normalization of provisions release, registered in 4Q23.

In sum, **net income for the quarter was Ps 10.47 billion**, 2% higher vs. 4Q23. ROE declined (7bps) during the quarter to **26.4%**. ROA remained stable at **2.4%** at the end of 1Q24.

## Cumulative Changes vs. the previous year

**Net interest income (NII) increased 8% vs. 1Q23**, driven by the volume and mix of loan origination, as well as the 44bps adjustment in the reference rate during the comparison quarters, offsetting fewer repo interests. Interest expenses grew 7%, mainly due to the reference rate TIE28d adjustments, promoting migration to time deposits and pressuring funding costs; nevertheless, deposits' mix remains relatively stable, considering the accelerated growth of the loan book. **NIM decreased (15bps) in the period, to 6.4%** from 6.5%, due to the larger expansion of earning assets, relative to NII growth.

**Non-interest income expanded 26% vs. 1Q23**, driven by higher net fees and an improvement in other operating income (expenses).

**Fees charged on services rose 12% annually**, mainly resulting from higher transacting volume -both in Banorte and Tarjetas del Futuro-, reflected in basic banking services fees, due to the strength of private consumption. **Fees paid expanded 11%**, mainly due to higher interchange fees from higher transacting volumes and lower leverage of the external sales force for credit origination. As a result, **net fees increased 12% annually**.

**Trading income grew 152% in the yearly comparison**, primarily given the trading of currencies and metals, derived from the appreciation of the Peso against the Dollar and the Euro, mitigating the negative valuation in derivatives due to the same FX effect.

**Other operating income (expense) improved Ps 82 million annually** as a result of higher recoveries, recorded in "others", offsetting higher contributions to the IPAB associated with the increase in the volume of deposits.

**Non-interest expenses grew 11% vs. 1Q23**, given higher personnel and infrastructure expenses linked to organic growth, and more IT projects' amortization. All in, the **efficiency ratio ended at 36.3% in 1Q24**, 12bps higher YoY.

**Provisions** went up 31% or Ps 1.17 billion vs. 1Q23, linked to: i) loan volume and origination mix, with focus on consumer portfolios; and ii) the integration of the loan book of Tarjetas del Futuro. **NIM adjusted for credit risks stood at 5.2% in 1Q24**, decreasing (34bps) vs. 1Q23.

**Net income grew 2% versus 1Q23** or Ps 165 million. The result reflects the strength of core banking revenue generation, despite the seasonality of the period. **ROE fell (109 bps)**, to 26.4% from 27.5%. Meanwhile, ROA fell (21bps) YoY to 2.4%.

## Equity

**Shareholders' equity balance amounted to Ps 159.49 billion**, an increase of Ps 8.53 billion compared to the previous quarter. The main changes during the quarter were: net income of Ps 10.47 billion, an increase of Ps 273 million from the equity-settled share-based payment plan, a decrease of (Ps 962 million) derived from interest on subordinated notes, (Ps 478 million) from valuation of financial instruments to be received or sold, and (Ps 350 million) valuation of cash flow hedging instruments.

## Regulatory Capital (Banorte)

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 2023, Banorte was confirmed as a 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 amounted to 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%.

Banorte, as a Systemically Important Financial Institution, is subject to the net capital supplement, TLAC (Total loss-absorbing capacity), incorporated in the regulation during 2021, and effective since December 2022, with annual increases of 1.625 pp, up to 6.5 pp in December 2025, taking the minimum Capital Adequacy Ratio required for Banorte to 17.90% from 11.40%.

Capitalization (Banorte) (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Core Tier 1	139,804	139,150	149,373	7.3%	6.8%
Tier 1 Capital	197,469	193,443	202,373	4.6%	2.5%
Tier 2 Capital	3,059	2,229	2,279	2.3%	(25.5%)
Net Capital	200,528	195,672	204,653	4.6%	2.1%
Credit Risk Assets	642,325	670,310	664,034	(0.9%)	3.4%
Net Capital / Credit Risk Assets	31.2%	29.2%	30.8%	1.6 pp	(0.4 pp)
Total Risk Assets	908,685	944,437	962,796	1.9%	6.0%
Core Tier 1	15.39%	14.73%	15.51%	0.8 pp	0.1 pp
Tier 1	21.73%	20.48%	21.02%	0.5 pp	(0.7 pp)
Tier 2	0.34%	0.24%	0.24%	0.0 pp	(0.1 pp)
<b>Capitalization Ratio</b>	<b>22.07%</b>	<b>20.72%</b>	<b>21.26%</b>	0.54 pp	(0.81 pp)

(\*) The capitalization ratio of the last reporting period is the one submitted to the Mexican Central Bank.

**At the end of 1Q24 the estimated Capital Adequacy Ratio (CAR) for Banorte was 21.26%** considering credit, market, and operational risks, and 30.82% considering only credit risk. Moreover, the Core Equity Tier 1 reached 15.51%, a level corresponding to a Systemically Important Institution Level I under the CNBV's classification.

CAR increased +0.54 pp vs. 4Q23 due to the following effects:

	1Q24 vs. 4Q23
	<b>+0.54 pp</b>
1. Net Income in 1Q24	+1.09 pp
2. Effects in Risk Assets – Credit (Others) <sup>(1)</sup>	+0.17 pp
3. Other Capital Effects <sup>(2)</sup>	+0.11 pp
4. Effects in Risk Assets – Credit	(0.03 pp)
5. Securities' mark-to-market valuation and Hedging Derivatives <sup>(3)</sup>	(0.04 pp)
6. Effects in Risk Assets – Operational	(0.10 pp)
7. Capital Notes	(0.24 pp)
8. Effects in Risk Assets – Market	(0.42 pp)

(1) Includes issuer's risk, committed credit lines, and other assets.

(2) Includes actuarial changes from employee liability and variation of permanent and intangible investments.

(3) Includes hedging derivatives on positions that are not marked to market.

CAR decreased (0.81 pp) vs. 1Q23 due to the following effects:

	1Q24 vs. 1Q23
	<b>(0.81 pp)</b>
1. Net Income in the period	+4.41 pp
2. Securities' mark-to-market valuation and Hedging Derivatives <sup>(1)</sup>	+0.08 pp
3. Other Capital Effects <sup>(2)</sup>	+0.07 pp
4. Effects in Risk Assets – Credit (Others) <sup>(3)</sup>	(0.04 pp)
5. Effects in Risk Assets – Operational <sup>(4)</sup>	(0.25 pp)
6. Effects in Risk Assets – Credit	(0.45 pp)
7. Effects in Risk Assets – Market	(0.50 pp)
8. Capital Notes	(0.93 pp)
9. Dividend to the Financial Group	(3.20 pp)

(1) Includes hedging derivatives on positions that are not marked to market.

(2) Includes actuarial changes from employee liability and variation of permanent and intangible investments.

(3) Includes issuer's risk, committed credit lines, and other assets.

(4) Includes effect of the Business Indicator Method's implementation, with a negative impact of (90bps).

## 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 March 2024 amounted to Ps 962.80 billion, increasing Ps 18.36 billion compared to December 2023, and of Ps 54.11 billion vs. March 2023.

The evolution of Risk Assets is presented below:

Risk Assets (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
<b>Total Credit</b>	642,325	670,310	664,034	(1%)	3%
Credit (Loan Portfolio)	535,907	554,327	555,900	0%	4%
Credit (Others)	106,418	115,983	108,134	(7%)	2%
<b>Total Market</b>	149,073	150,393	170,104	13%	14%
<b>Total Operational</b>	117,287	123,734	128,657	4%	10%
<b>Total</b>	908,685	944,437	962,796	2%	6%

The main quarterly changes in RWAs vs. 4Q23 were:

- Relatively Stable Credit Risk Assets (Portfolio) derived from portfolio composition and capital management strategies such as internal model calibration.
- Decrease in Assets Subject to Credit Risk (Others) driven by an increase in repo positions (deduction of the firm position in the portfolio) and decrease in undrawn irrevocable lines.
- Increase in Assets Subject to Market Risk due to balance sheet evolution.
- Increase in Assets Subject to Operational Risk driven by an increase in earning assets and computable income for the Business Indicator Method.

The main annual changes in RWAs vs. 1Q23 were:

- Increase in Assets Subject to Credit Risk (Portfolio) driven by an increase in the institution's operations.
- Increase in Assets Subject to Market Risk due to balance sheet evolution.
- Increase in Assets Subject to Operational Risk, driven by the implementation of the Business Indicator Method in January 2023.

## Leverage Ratio (Banorte)

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

Leverage (Banorte (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Tier 1 Capital	197,469	193,443	202,373	4.6%	2.5%
Adjusted Assets	1,554,023	1,681,270	1,767,190	5.1%	13.7%
<b>Leverage Ratio</b>	<b>12.71%</b>	<b>11.51%</b>	<b>11.45%</b>	(6 bps)	(126 bps)

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

## Bineo

Bineo was launched in the market on January 8th. This initial stage of operation has been focused on evaluating and understanding our clients' behavior and profiles, adjusting, improving, and stabilizing our platform and production environments to ensure the sustainability of the operation as we gain scale. We continue to develop our product and service implementation strategy, aiming for a comprehensive value proposition during the second half of 2024.

Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position Highlights - Bineo (Million Pesos)	1Q24
Net Interest Income	28
Non-Interest Income	(2)
<b>Total Income</b>	<b>26</b>
Non-Interest Expense	293
Provisions	0
<b>Operating Income</b>	<b>(267)</b>
Taxes	(79)
Subsidiaries & Minority Interest	-
<b>Net Income</b>	<b>(188)</b>
<b>Balance Sheet</b>	
Stage 1 Loans	9
Stage 2 Loans	0
Stage 1 & 2 Loans (a)	9
Stage 3 Loans (b)	-
Deferred Items (c)	-
<b>Total Loans (a+b+c)</b>	<b>9</b>
Preventive Loan Loss Reserves including Insurance	0
Total Loans Net (d)	9
<b>Total Assets</b>	<b>2,807</b>
<b>Total Deposits</b>	<b>10</b>
<b>Total Liabilities</b>	<b>255</b>
<b>Equity</b>	<b>2,551</b>

## Regulatory Capital (Bineo)

Bineo 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.

**The minimum Capital Adequacy Ratio required for Bineo amounted to 10.50%**, which includes a minimum requirement of Core Equity Tier 1 (CET1) of 7.00%.

Capitalization (Bineo) (Million Pesos)	1Q24
Core Tier 1	556
Tier 1 Capital	556
Tier 2 Capital	0
Net Capital	556
Credit Risk Assets	223
Net Capital / Credit Risk Assets	249.3%
Total Risk Assets	297
Core Tier 1	186.98%
Tier 1	186.98%
Tier 2	0.00%
<b>Capitalization Ratio</b>	<b>186.98%</b>

(\*) The capitalization ratio of the last reporting period is the one submitted to the Mexican Central Bank.



**At the end of 1Q24 the estimated Capital Adequacy Ratio (CAR)** for Bineo was **186.98%** considering credit, market, and operational risks, and 249.30% considering only credit risk. Moreover, the Core Equity Tier 1 reached 186.98%, a level corresponding to a Systemically Important Institution Level I under the CNBV's classification.

### Evolution of Risk Assets

In compliance with capitalization requirements established to date by Mexican authorities and the International Standards Basel III, Bineo 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 March 2024 amounted to Ps 297 million.

The evolution of Risk Assets is presented below:

<b>Risk Assets</b> <i>(Million Pesos)</i>	<b>1Q24</b>
<b>Total Credit</b>	223
Credit (Loan Portfolio)	19
Credit (Others)	204
<b>Total Market</b>	20
<b>Total Operational</b>	54
<b>Total</b>	297

### Leverage Ratio (Bineo)

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

<b>Leverage(Bineo)</b> <i>(Million Pesos)</i>	<b>1Q24</b>
Tier 1 Capital	556
Adjusted Assets	1,099
<b>Leverage Ratio</b>	<b>50.57%</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- Seguros Banorte (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Interest Income (Net)	767	824	931	13%	21%
Credit Provisions	0	(0)	(0)	52%	(335%)
Premium Revenue (Net)	9,887	8,290	15,069	82%	52%
Net increase in technical reserves	3,324	2,906	6,708	131%	102%
Net Cost for Insurance Operations	1,568	1,031	1,619	57%	3%
Net Cost of Claims and Other Obligations	3,427	4,120	4,345	5%	27%
Trading Income	126	588	438	(26%)	247%
Other Operating Income (Expenses)	115	133	149	13%	30%
<b>Total Operating Income</b>	<b>2,575</b>	<b>1,778</b>	<b>3,914</b>	<b>120%</b>	<b>52%</b>
Non Interest Expense	561	419	611	46%	9%
<b>Operating Income</b>	<b>2,014</b>	<b>1,359</b>	<b>3,303</b>	<b>143%</b>	<b>64%</b>
Taxes	621	363	1,012	179%	63%
Subsidiaries' Net Income	298	418	320	(23%)	7%
Net income from continuing operations	1,691	1,414	2,611	85%	54%
Minority Interest	9	8	8	2%	(8%)
<b>Net Income</b>	<b>1,682</b>	<b>1,406</b>	<b>2,602</b>	<b>85%</b>	<b>55%</b>
Other Comprehensive Income	(21)	(38)	6	116%	130%
Comprehensive Income	1,670	1,376	2,617	90%	57%
Shareholder's Equity	24,950	24,736	27,353	11%	10%
Total Assets	72,343	81,305	94,310	16%	30%
Technical Reserves	39,824	47,643	56,196	18%	41%
Premiums sold	11,640	8,895	18,337	106%	58%
Coverage ratio of technical reserves	1.2	1.1	1.2	0.1 pp	(0.0 pp)
Solvency capital requirement coverage ratio	13.7	7.0	9.6	2.6 pp	(4.1 pp)
Coverage ratio of minimum capital	188.1	186.5	198.1	11.6 pp	10.0 pp
Claims ratio	52.6%	75.5%	52.2%	(23.3 pp)	(0.3 pp)
Combined ratio	70.1%	90.6%	63.8%	(26.9 pp)	(6.3 pp)
ROE	28.3%	23.7%	40.4%	16.8 pp	12.1 pp
ROE ex-Afore	64.8%	46.9%	91.8%	44.9 pp	26.9 pp

**Net Interest income grew 13% in the quarter**, whereas vs 1Q23 it increased **21%**, mainly due to higher instruments' valuation and interests.

**Premium income was 82% higher sequentially**, given the seasonal renewals and business origination. As a result, technical reserves increased Ps 3.80 billion sequentially. **Compared to 1Q23, premium income increased 52%**, related to i) new client acquisition, especially in the casualty and auto segments; ii) the anticipated renewal of a significant insurance premium, which this year was fully recorded in 1Q24, whereas in 2023, was partially issued in 1Q23 and complemented in 2Q23; as well as iii) the commercial focus in the sale of flexible products. As a result, technical reserves went up 102%, mainly due to higher issuance, including that of flexible product, which are a 100% reserved. Good business performance is maintained, especially in the bancassurance business, expanding at double digits YoY.

**Damages and claims increased 5% in the quarter and 27% vs. 1Q23**, primarily due to an increase in claims in the life and auto portfolios.

**Acquisition costs grew 57% quarterly and 3% YoY**, in line with premium issuance.

**Net operating income totaled Ps 3.30 billion in 1Q24**, 143% higher sequentially, driven by the business evolution and seasonal premium renewals. **Compared to 1Q23**, it grew **64%**, due to business growth and seasonality.

**Net Income** for the quarter totaled **Ps 2.60 billion, an 85% increase vs. 4Q23**. Quarterly Net Income for Seguros Banorte, excluding its subsidiary Afore XXI Banorte, reached **Ps 2.29 billion**, representing 16.1% of the Group's net income in 1Q24.

**ROE** for the Insurance business, excluding its subsidiary Afore XXI Banorte, went up 44.9 pp in the quarter, reaching **91.8% in 1Q24**.

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 1Q24 that involved any technical risk.*
- ii. Damages and claims, as well as compliance of reinsurers and bonding companies with their obligations.
  - *In 1Q24, 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 1Q24.*
- iv. Risks transfer through reinsurance and bonding contracts.
  - *In the Life and Casualty books, risks were transferred to reinsurers, for the most part to foreign reinsurers, under which there were 4 important businesses: 3 related to government and 1 to the energy industry.*
- v. Contingencies arising from non-compliance of reinsurers and bonding companies.
  - *There were no relevant issues related to non-compliance during 1Q24.*

### Afore XXI Banorte

Afore XXI Banorte (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Net Income	596	837	<b>640</b>	(23%)	7%
Shareholder's Equity	23,002	24,866	<b>23,174</b>	(7%)	1%
Total Assets	24,967	26,740	<b>25,085</b>	(6%)	0%
AUM (SIEFORE)	1,107,384	1,168,122	<b>1,201,239</b>	3%	8%
ROE	10.1%	13.7%	<b>10.7%</b>	(3.0 pp)	0.5 pp

**In 1Q24, Afore XXI Banorte reported net income of Ps 640 million**, a (23%) sequential decrease, due to lower yield in financial products. **Compared to 1Q23 net income increased 7%**, given an increase in the managed balance, resulting in higher fee income, and offsetting the decrease -due to normalization- of financial products yields.

**ROE reached 10.7% in 1Q24**, a quarterly decrease of (3.0 pp) vs. 4Q23. Compared to 1Q23, it grew 0.5 pp. Excluding goodwill, **Return on Tangible Equity (ROTE)** reached **35.3%** in 1Q24.

Net Income of Afore XXI Banorte represented 2.2% of the Financial Group's net income in 1Q24.

## Pensiones Banorte

Income Statement and Balance Sheet Highlights- Pensiones Banorte (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Interest Income (Net)	6,150	6,054	<b>6,774</b>	12%	10%
Credit Provisions	8	10	<b>16</b>	58%	99%
Premium Income (Net)	4,254	3,120	<b>3,308</b>	6%	(22%)
Technical Reserves	6,277	4,625	<b>5,482</b>	19%	(13%)
Damages, Claims (Net)	3,161	3,389	<b>3,488</b>	3%	10%
Trading Income	(1)	2	<b>(3)</b>	(318%)	(163%)
Other Operating Income (Expenses)	1	(5)	<b>(2)</b>	65%	(226%)
<b>Total Operating Income</b>	<b>958</b>	<b>1,146</b>	<b>1,091</b>	<b>(5%)</b>	<b>14%</b>
Non Interest Expense	124	114	<b>136</b>	20%	10%
<b>Operating Income</b>	<b>834</b>	<b>1,032</b>	<b>955</b>	<b>(7%)</b>	<b>15%</b>
Taxes	251	289	<b>287</b>	(1%)	14%
Subsidiaries' Net Income	3	0	<b>2</b>	1048%	(38%)
<b>Net Income</b>	<b>586</b>	<b>744</b>	<b>670</b>	<b>(10%)</b>	<b>14%</b>
Other Comprehensive Income	(8)	1	<b>(8)</b>	(1532%)	(2%)
<b>Comprehensive Income</b>	<b>578</b>	<b>744</b>	<b>662</b>	<b>(11%)</b>	<b>15%</b>
Shareholder's Equity	10,179	11,054	<b>11,716</b>	6%	15%
Total Assets	242,270	255,805	<b>261,704</b>	2%	8%
Technical Reserves	229,112	241,204	<b>246,774</b>	2%	8%
Premiums sold	4,254	3,120	<b>3,308</b>	6%	(22%)
Coverage ratio of technical reserves	1.0	1.0	<b>1.0</b>	0.0 pp	0.0 pp
Solvency capital requirement coverage ratio	9.7	10.5	<b>11.1</b>	0.6 pp	1.5 pp
Coverage ratio of minimum capital	47.5	51.6	<b>52.4</b>	0.8 pp	4.9 pp
ROE	22.0%	26.6%	<b>23.5%</b>	(3.1 pp)	1.5 pp

**Net interest income increased 12%** sequentially, amounting to **Ps 6.77 billion**, driven primarily by the positive valuation effect on inflation-indexed securities (UDIS). Compared to 1Q23, **it grew 10%** or Ps 624 million, out of which Ps 378 million were driven by the valuation effect of inflation-indexed securities (UDIS), and Ps 246 million to higher interest income.

**In the quarter, technical results fell (Ps 768 million)** due to an increase in technical reserves. **Compared to 1Q23 technical results decreased (Ps 478 million)** given higher claims and fewer premium income –derived from a 12.5% market contraction–, although offset by lower reserves. **Claims increased 10% vs. 1Q23**, driven by i) an increase in pensioners in the last 12 months; and ii) the annual adjustment on annuities payments, performed each February.

In the combined result of interest income and technical results, **net income of Pensiones Banorte decreased (10%) sequentially**, due to the update in the inflation reserve. Compared to 1Q23, net income grew 14% due to higher NII. Net income of the business represented 4.7% of the Financial Group's net income in 1Q24.

**ROE of Pensiones Banorte** stood at **23.5%** in 1Q24, a (3.1 pp) quarterly decrease and increasing 1.5 pp vs. 1Q23.

## Brokerage

Brokerage Sector (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Net Income	89	268	<b>200</b>	(25%)	125%
Shareholder's Equity	5,903	4,475	<b>4,648</b>	4%	(21%)
Assets Under Management	1,058,034	1,161,116	<b>1,209,007</b>	4%	14%
Total Assets	247,139	250,860	<b>268,350</b>	7%	9%
ROE	6.1%	20.6%	<b>17.5%</b>	(3.0 pp)	11.5 pp
Net Capital (1)	4,978	3,580	<b>3,651</b>	2%	(27%)

(1) Net capital structure: Core Equity = Ps 3.65 billion, Additional Capital= Ps 0 million.

Casa de Bolsa Banorte and Operadora de Fondos reported a **net income of Ps 200 million in 1Q24**, a (25%) sequential drop mainly due to higher operating expenses and lower net fees and trading income. **Compared to 1Q23, net income increased 125%**, driven by larger interest income and fees.

Net income from the brokerage business in 1Q24 accounted for 1.4% of the Group's net income.

### Assets Under Management

At the end of 1Q24, AUMs totaled **Ps 1,209 trillion**, 4% higher quarterly and 14% YoY.

**Assets under management** by mutual funds totaled **Ps 303 billion** at the end of March 2024, representing a **16.0% annual increase**. Assets held in **fixed income funds** amounted to **Ps 278 billion**, 5.2% higher in the quarter, and 15.1% in the year. Assets held in **equity funds** amounted to **Ps 25 billion**, **expanding 4.6%** in the quarter and 26.9% in the year, to March 2024.

As of March 2024, Banorte held an 8.4% share of the mutual fund market, comprised of 10.2% share in fixed income funds and 2.8% in equity funds.



## Other Subsidiaries

Other subsidiaries (Million Pesos)	1Q23	4Q23	1Q24	Change	
				4Q23	1Q23
Almacenadora Banorte					
Net Income	12	11	13	21%	4%
Shareholder's Equity	339	378	391	3%	15%
Inventories	1,280	938	592	(37%)	(54%)
Total Assets	2,000	1,793	1,274	(29%)	(36%)
ROE	14.8%	11.4%	13.4%	1.9 pp	(1.4 pp)
Arrendadora y Factor Banorte					
Net Income	81	151	224	48%	177%
Shareholder's Equity	10,620	11,211	11,437	2%	8%
Loan Portfolio	37,590	44,496	43,634	(2%)	16%
Non-Performing Loans	841	885	719	(19%)	(15%)
Non-Performing Loan Ratio	2.2%	2.0%	1.6%	(0.3 pp)	(0.6 pp)
Coverage Ratio	89.4%	96.6%	104.2%	7.7 pp	14.8 pp
Loan Loss Reserves	752	854	749	(12%)	(0%)
Total Assets	47,180	54,692	53,537	(2%)	13%
ROE	3.1%	5.5%	8.0%	2.5 pp	4.9 pp

### Arrendadora y Factor Banorte

**Net income in 1Q24** totaled **Ps 224 million**, a quarterly increase of 48%, mainly due to a provisions' release, and a decrease in administrative expenses. **Compared to 1Q23, it grew 177%**, driven by a higher financial margin, provisions' release and other income, partially offset by taxes.

**Non-performing loan ratio** reached **1.6%**, (0.3 pp) lower vs. the previous quarter. The Coverage ratio totaled 104.2%, 7.7 pp above 4Q23. **Capital ratio for 1Q24 stood at 27.04%**, considering total risk weighted assets of Ps 34.71 billion. Leverage ratio as of December 2023 and March 2024 reached 17.03% and 16.50%, considering adjusted assets of Ps 58.38 billion and Ps 56.89 billion, respectively.

In 1Q24, Net Income from Leasing and Factoring represented 1.6% of the Group's total results.

### Almacenadora Banorte

In 1Q24, the Almacenadora Banorte reported a **net income of Ps 13 million**, increasing Ps 2 million compared to 4Q23, mainly due to higher service income of Ps 1 million and a tax decrease of (Ps 3 million), offset by a Ps 2 million increase in operating expenses.

**ROE** reached **13.4%** and the **capital ratio grew to 138.7% from 132.9%** -due to an increase in equity and a decrease in assets with operational risk-, considering a Ps 319 million net capital, and negotiable certificates of deposit in active warehouses for Ps 2.30 billion.

## III. Sustainability Strategy

Below, we present the most significant activities during the quarter, linking them to the 5 most material topics: i) Customer Relations, ii) Decarbonization, iii) Corporate Governance, iv) Diversity, Equity, and Inclusion, and v) Technology and Innovation.

### Environmental

- Publication of the [Climate-related Risks and Opportunities Report](#) under the TCFD ("Taskforce on Climate-related Financial Disclosures") framework, for the third consecutive year, which quantifies the impact of physical risks in our branch network, as well as in the mortgage, real estate, and hotel portfolios. *(Material topic: Decarbonization)*

### Social

- During the first quarter, **we carried out different financial education workshops** benefiting +200 Government Banking and Transactional Banking clients together with the Deposit's team. *(Material Topic: Financial Health and Education)*
- Through the **functionality of buckets and scheduled savings in Banorte Movil, we help our clients manage their personal finances**. Since its launch date, we have more than 660 thousand buckets, as well as 52 thousand scheduled savings. *(Material Topic: Financial Health and Education)*
- Banorte was recognized by Great Place to Work as one of **"The Best Places to Work for Women in Mexico" being among the Top 5 in the 2024 Rankings for the +5,000-employee category**. Our overall score was 84.35 *(Material topic: Diversity, Equity, and Inclusion)*
- To commemorate Women's Month, Banorte organized 8 conferences for female employees across the organization. These sessions were focused on leadership, professional development, and healthy habits. In addition, 2 discussion panels were held focused on inclusive culture and strategies to lead in the field of finance and professional careers. As a complement to these activities, other events were held in Mexico City and Monterrey, which included various networking dynamics, and information stands. *(Material topic: Diversity, Equity, and Inclusion)*

### Governance

- In March, we published our 2023 [Integrated Annual Report](#), which displays the main financial and non- financial results, as well as progress in our overall strategy, including relevant milestones in our Sustainability pathway. This year we also developed an indicators document, which provides an easy-access summary disclosing 2021-2023 evolution of key financial and non-financial statistics. *(Material topic: Corporate Governance)*
- For third year in a row, **Grupo Financiero Banorte obtained "AA" rating from MSCI, highlighting among other relevant topics, our strength in Privacy & Data Security**. *(Material topic: Corporate Governance)*

### Sustainable Business

- As of 1Q24, the **Autoestrene Verde Banorte** portfolio totaled Ps 161.3 million, in 306 loans for hybrid and electric cars, with an estimated positive environmental impact of 177.98 tCO<sub>2</sub>e avoided, considering 54% of the loans originated during the quarter. The emissions factor for the rest of the portfolio is not yet available. *(Material topic: Decarbonization)*

- Banorte developed its own internal financial inclusion **program for women**, which offers differentiated benefits in hiring policies and financial offerings according to the profile of the applicants. As of 1Q24, **Ps 89 million loans have been placed, equivalent to 163 credits for women-led businesses.** *(Material topic: Education and Financial Health)*
- During the quarter, **6 projects were analyzed under Equator Principles' framework and one site visit was performed to a project within the infrastructure sector**, to verify the correct application and monitoring of environmental and social conditions set forth for that loan. *(Material topic: Education and Financial Health)*

## 2023 STRATEGY – FUNDACIÓN BANORTE

Below please find the results of **Fundación Banorte** on the main areas of work: **Nutrition, Health, Housing, Education and Women's Empowerment.**

### Nutrition

- Delivery of **8,164 food packages** to girls, boys and pregnant women in The State of Mexico, Chiapas, Yucatán and Nuevo León.
- Delivery of **720 food packages in the state of Veracruz**, in alliance with the Mexican Food Bank.

### Women's Empowerment

- **Economic and social development with a gender perspective** through textile art in Yucatán in alliance with UNESCO. During the quarter, **81 women** benefited through workshops on **financial education**, new masculinities and talks to safeguard the cultural heritage of Yucatán textile art.
- Project in alliance with Edu Campo to strengthen the **empowerment of rural women** in the state of Chiapas, **increasing income generation and quality of life**, through coffee production. **127 women** participating by the end of 1Q24.
- 123 women poultry farmers trained in the State of Mexico.
- 50 women flower producers from the communities of Chilapa and Chilapilla in La Perla, Veracruz have been trained.

### Support to Guerrero

On October 24, Hurricane Otis devastated Guerrero, affecting thousands of families. The campaign “¡Apoyando Fuerte a Guerrero!” was carried out to show solidarity with the victims, and thanks to the support of clients, employees, and the public at large, Ps 73 million were raised, which Fundación Banorte doubled, achieving a total of Ps 146 million.

This amount is allocated to the reconstruction of homes, delivery of food packages and the rehabilitation of schools through different organizations, with the supervision and monitoring of Fundación Banorte. During the first visits, it was determined that Fundación Banorte and its strategic allies should concentrate efforts in the municipalities of Acapulco de Juárez, Florencio Villarreal and San Marcos.

By the end of the year, the following actions have been carried out:

- 417 roofs repaired in the municipalities of San Marcos and Acapulco, in alliance with Cadena, Corazón Urbano and Habitat for Humanity Mexico.
- Delivery of 31,521 food supplies in the municipalities of San Marcos, Acapulco and Florencio Villarreal in alliance with Banco de Alimentos de México y un Kilo de Ayuda. In addition, 5 workshops were given on emotional rescue and dengue prevention.
- 189 female high school and university students from the municipalities of Acapulco and San Marcos have been benefited with the Bécalas Program, which focuses on self-esteem, empowerment, and leadership.
- 10 primary schools' classrooms were equipped in alliance with Fundación Azteca.

## IV. 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.

COMPANY	ANALYST	RECOMMENDATION	DATE
Actinver	-	Buy	21-Apr-22
Autonomous	Renato Meloni	Buy	8-Apr-24
Barclays	Brian Morton	Buy	20-Mar-24
BBVA	Rodrigo Ortega	Buy	20-Feb-24
BofA	M. Pierry/ E. Gabilondo	Buy	8-Apr-24
Bradesco	Gustavo Schroden	Buy	14-Apr-24
BTG Pactual	Eduardo Rosman	Buy	8-Apr-24
CITI	José Luis Cuenca	Buy	10-Apr-24
Goldman Sachs	Tito Labarta	Buy	11-Apr-24
Itau	Jorge Pérez	Buy	23-Jan-24
JP Morgan	Yuri Fernandes	Buy	15-Apr-24
Monex	J. Roberto Solano	Buy	20-Apr-23
Morgan Stanley	Jorge Kuri	Buy	18-Jan-24
Santander	Andrés Soto	Buy	4-Mar-24
UBS	Thiago Batista	Buy	11-Apr-24
Vector	Marco Montañez	Buy	17-Jan-24
William O'Neil+Co	Sreenath Varrier	Buy	20-Dec-23
GBM	Pablo Ordoñez	Hold	15-Apr-24
HSBC	Carlos Gómez	Hold	8-Apr-24
InterCam	Alejandra Marcos	Hold	17-Jan-24
Jefferies	Iñigo Vega	Hold	11-Mar-24
Punto Research	Miguel Cabrera	Hold	14-Mar-24

### Capital Structure

#### Holding Company Capital Structure

Number of Shares	SERIES O As of March 31, 2024
Number of Issued , Subscribed and Paid Shares	2,883,456,594
Number of Shares Outstanding	2,883,456,594
Shares held in GFNorte's Treasury	0



# V. Financial Statements

## Grupo Financiero Banorte

<b>GFNorte- Consolidated Statement of Comprehensive Income</b> <i>(Million Pesos)</i>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>	<b>1Q24</b>
<b>Interest Income</b>	<b>87,124</b>	<b>91,544</b>	<b>99,573</b>	<b>97,257</b>	<b>95,483</b>
<b>Interest Expense</b>	<b>55,394</b>	<b>63,020</b>	<b>66,384</b>	<b>63,218</b>	<b>60,706</b>
<b>Net Interest Income (Nil)</b>	<b>31,730</b>	<b>28,523</b>	<b>33,189</b>	<b>34,039</b>	<b>34,777</b>
Preventive Provisions for Loan Losses	3,771	4,038	4,541	3,591	4,868
<b>Net Interest Income Adjusted for Credit Risk</b>	<b>27,959</b>	<b>24,485</b>	<b>28,648</b>	<b>30,447</b>	<b>29,909</b>
Fund Transfers	487	505	484	551	476
Account Management Fees	465	489	483	484	475
Electronic Banking Services	4,262	4,416	4,432	5,004	4,841
For Commercial and Mortgage Loans	573	456	519	541	570
For Consumer and Credit Card Loans	1,750	1,838	1,928	2,213	2,160
Fiduciary	132	147	119	142	128
Income from Real Estate Portfolios	-	-	-	-	-
Mutual Funds	578	615	630	645	657
Trading & Financial Advising Fees	97	97	110	138	123
Other Fees Charged	29	62	(172)	(176)	(32)
<b>Fees Charged on Services</b>	<b>8,372</b>	<b>8,625</b>	<b>8,533</b>	<b>9,543</b>	<b>9,397</b>
Interchange Fees	2,844	3,061	3,033	3,643	3,348
Insurance Fees	-	-	-	-	-
Other Fees Paid	1,320	1,378	1,406	1,435	1,257
<b>Fees Paid on Services</b>	<b>4,164</b>	<b>4,439</b>	<b>4,438</b>	<b>5,078</b>	<b>4,605</b>
<b>Net Service Fees</b>	<b>4,208</b>	<b>4,187</b>	<b>4,094</b>	<b>4,465</b>	<b>4,793</b>
<b>Premium Income Ins. &amp; Annu. (Net)</b>	<b>13,994</b>	<b>12,409</b>	<b>10,587</b>	<b>11,269</b>	<b>18,231</b>
<b>Technical Reserves Ins. &amp; Annu.</b>	<b>9,601</b>	<b>4,407</b>	<b>6,749</b>	<b>7,531</b>	<b>12,190</b>
<b>Cost of Acquisition from Insurance Operations</b>	<b>941</b>	<b>180</b>	<b>174</b>	<b>441</b>	<b>959</b>
<b>Net Cost of Claims and Other Obligations</b>	<b>6,576</b>	<b>7,649</b>	<b>7,489</b>	<b>7,509</b>	<b>7,817</b>
Currency and Metals	(3,242)	(2,494)	1,085	(2,357)	(1,432)
Derivatives	2,235	1,345	(3,064)	30	(759)
Negotiable Instruments	126	284	341	811	261
<b>Valuation</b>	<b>(881)</b>	<b>(865)</b>	<b>(1,639)</b>	<b>(1,516)</b>	<b>(1,930)</b>
Currency and Metals	1,366	1,216	2,695	2,618	2,655
Derivatives	(96)	446	(16)	(286)	25
Negotiable Instruments	24	255	10	454	275
<b>Trading</b>	<b>1,294</b>	<b>1,917</b>	<b>2,689</b>	<b>2,787</b>	<b>2,955</b>
<b>Other financial results</b>	<b>(1)</b>	<b>120</b>	<b>10</b>	<b>(2)</b>	<b>9</b>
<b>Trading Income</b>	<b>412</b>	<b>1,172</b>	<b>1,061</b>	<b>1,269</b>	<b>1,034</b>
Contributions to IPAB	(1,001)	(1,042)	(1,108)	(1,140)	(1,136)
Expenses Incurred in the Recovery of Credit Portfolio	(374)	(363)	(349)	(430)	(390)
Acquired collection rights	101	97	112	116	102
Result for Foreclosed Assets	140	155	247	391	144
Donations	(90)	(79)	(30)	(24)	(68)
Impairment of Assets	-	-	-	(48)	-
Result on sale of Property, Furniture and Equipment	(5)	(18)	18	(18)	(1)
Lease Income	59	93	106	136	95
From Insurance	117	96	165	123	144
Securitization Operation Valuation Result	-	-	-	-	-
Other Operating Expense	158	69	121	224	279
<b>Total Other Operating Income (Expense)</b>	<b>(895)</b>	<b>(993)</b>	<b>(717)</b>	<b>(672)</b>	<b>(830)</b>
<b>Total Non Interest Income</b>	<b>601</b>	<b>4,540</b>	<b>613</b>	<b>850</b>	<b>2,261</b>
<b>Total Operating Income</b>	<b>28,560</b>	<b>29,025</b>	<b>29,261</b>	<b>31,297</b>	<b>32,170</b>
Personnel	4,949	5,032	5,181	6,851	5,744
Employee Profit Sharing (PTU)	418	419	290	(234)	355
Professional Fees	915	945	803	971	910
Administrative and Promotional Expenses	4,866	4,885	5,264	7,027	5,581
<b>Total Non Interest Expense</b>	<b>11,148</b>	<b>11,281</b>	<b>11,538</b>	<b>14,615</b>	<b>12,591</b>
<b>Operating Income</b>	<b>17,412</b>	<b>17,744</b>	<b>17,723</b>	<b>16,682</b>	<b>19,579</b>
Subsidiaries' Net Income	333	358	259	462	547
<b>Pre-Tax Income</b>	<b>17,745</b>	<b>18,102</b>	<b>17,982</b>	<b>17,145</b>	<b>20,126</b>
<b>Taxes</b>	<b>4,542</b>	<b>4,828</b>	<b>4,518</b>	<b>3,944</b>	<b>5,966</b>
<b>Net Income from Continuous Operations</b>	<b>13,203</b>	<b>13,275</b>	<b>13,464</b>	<b>13,200</b>	<b>14,161</b>
Discontinued Operations	-	-	-	-	-
Net income from continuing operations	13,203	13,275	13,464	13,200	14,161
Minority Interest	185	187	195	157	(47)
<b>Net Income</b>	<b>13,018</b>	<b>13,088</b>	<b>13,268</b>	<b>13,044</b>	<b>14,208</b>
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	473	141	(1,115)	1,919	(769)
Cash Flow Hedges Valuation	773	312	(1,115)	1,754	(336)
Income and Expenses related to Assets Held for Disposal	-	-	-	-	-
Remeasurement on defined employee benefits	22	22	22	(146)	19
Cumulative foreign currency translation adjustment	(111)	(67)	24	(37)	(34)
Res. for holding non-monetary assets	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	15	(7)	152	(167)	133
<b>Other Comprehensive Income</b>	<b>1,172</b>	<b>400</b>	<b>(2,033)</b>	<b>3,323</b>	<b>(986)</b>
<b>Comprehensive Income</b>	<b>14,375</b>	<b>13,675</b>	<b>11,431</b>	<b>16,524</b>	<b>13,175</b>

GFNorte -Consolidated Statement of Financial Position (Million Pesos)	1Q23	2Q23	3Q23	4Q23	1Q24
<b>ASSETS</b>					
<b>Cash and Equivalents</b>	<b>107,251</b>	<b>130,568</b>	<b>109,223</b>	<b>100,230</b>	<b>125,072</b>
<b>Margin Accounts</b>	<b>5,253</b>	<b>5,213</b>	<b>6,964</b>	<b>4,918</b>	<b>5,120</b>
Negotiable Instruments	291,713	310,181	316,085	335,756	357,106
Securities Available for Sale	201,972	188,577	217,042	222,018	230,955
Securities Held to Maturity	320,482	313,037	333,083	338,743	346,510
<b>Investment in Securities</b>	<b>814,167</b>	<b>811,796</b>	<b>866,210</b>	<b>896,516</b>	<b>934,570</b>
Estimate of Expected Credit Losses for Investments	294	173	167	165	164
<b>Debtor Balance in Repo Trans, net</b>	<b>41,473</b>	<b>65,672</b>	<b>97,821</b>	<b>41,606</b>	<b>64,591</b>
<b>Securities Lending</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
For trading purposes	32,606	34,723	33,775	28,957	28,917
For hedging purposes	2,958	3,762	2,984	4,442	4,556
Operations w/Derivatives & Securities	-	-	-	-	-
<b>Transactions with Derivatives</b>	<b>35,564</b>	<b>38,486</b>	<b>36,760</b>	<b>33,399</b>	<b>33,473</b>
<b>Valuation adjustments for Asset Coverage</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Commercial Loans	364,531	376,601	396,994	404,688	409,107
Loans to financial entities	19,236	22,028	21,577	25,470	24,947
Consumer Loans	148,232	158,015	164,636	172,328	175,923
Payroll Loans	66,962	70,747	72,725	71,939	73,552
Personal Loans	883	939	955	1,003	1,061
Credit Card	45,623	48,331	50,738	57,164	57,042
Auto Loans	34,863	37,997	40,217	42,223	44,269
Mortgage Loans	230,684	238,050	245,286	249,877	252,064
Medium and Residential	228,828	236,285	243,592	248,257	250,485
Low-income housing	2	2	2	2	1
Loans acquired from INFONAVIT or FOVISSSTE	1,855	1,763	1,692	1,618	1,578
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities' Loans	180,364	164,484	171,409	171,537	176,001
<b>Performing Loans, Stage 1</b>	<b>943,047</b>	<b>959,179</b>	<b>999,902</b>	<b>1,023,899</b>	<b>1,038,042</b>
Commercial Loans	1,195	951	3,327	1,406	1,905
Loans to financial entities	-	-	-	-	-
Consumer Loans	2,706	2,742	2,987	2,935	3,009
Payroll Loans	1,731	1,703	1,845	1,535	1,633
Personal Loans	70	31	39	46	40
Credit Card	586	643	710	973	980
Auto Loans	319	365	393	381	356
Mortgage Loans	3,210	3,393	3,578	3,262	3,696
Medium and Residential	3,112	3,315	3,506	3,193	3,624
Low-income housing	1	-	0	0	0
Loans acquired from INFONAVIT or FOVISSSTE	98	79	71	68	72
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities' Loans	-	194	229	424	416
<b>Performing Loans, Stage 2</b>	<b>7,111</b>	<b>7,281</b>	<b>10,121</b>	<b>8,027</b>	<b>9,026</b>
Commercial NPL's	4,644	4,262	3,990	3,759	3,518
Financial Entities NPL's	4	24	102	123	123
Consumer NPL's	3,367	3,954	4,150	4,820	4,063
Payroll NPL's	1,993	2,337	2,421	2,531	2,076
Personal NPL's	49	63	40	55	44
Credit Card NPL's	1,132	1,344	1,435	1,968	1,692
Auto NPL's	193	210	254	267	251
Mortgage NPL's	1,994	2,054	2,089	2,177	2,162
Medium and Residential	1,650	1,701	1,739	1,831	1,812
Low-income housing	0	0	0	-	-
Loans acquired from INFONAVIT or FOVISSSTE	343	352	350	346	350
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities PDL's	4	4	11	11	9
<b>Non-Performing Loans, Stage 3</b>	<b>10,013</b>	<b>10,299</b>	<b>10,342</b>	<b>10,891</b>	<b>9,875</b>
Loan Portfolio Valued at Fair Value	-	-	-	-	-
Deferred Items	2,172	2,240	2,273	2,386	2,489
Loans from Insur. Subsidiaries	3,249	3,322	3,433	3,503	3,554
Deferred (BAP)	-	-	-	-	-
<b>Gross Loan Portfolio</b>	<b>965,592</b>	<b>982,320</b>	<b>1,026,072</b>	<b>1,048,706</b>	<b>1,062,985</b>
Preventive Loan Loss Reserves	18,041	18,528	19,187	19,603	19,244
Loan Loss-reserve for Insurance and Bail Bond Risks	221	231	244	254	270
<b>Net from Reserves Loan Portfolio</b>	<b>947,330</b>	<b>963,561</b>	<b>1,006,641</b>	<b>1,028,849</b>	<b>1,043,471</b>
Acquired Collection Rights (net)	597	551	888	1,094	1,032
<b>Total Credit Portfolio</b>	<b>947,927</b>	<b>964,112</b>	<b>1,007,528</b>	<b>1,029,943</b>	<b>1,044,503</b>
Account Receivables from Insurance and Annuities	8,050	10,052	7,189	4,660	14,482
Amounts recoverable by Reinsurance and Counter-guarantee	4,898	5,284	5,471	5,773	6,882
Account Receivables from Reinsurance	-	-	-	-	-
Benef. receivab. securization transactions	-	-	-	-	-
Sundry Debtors & Other Accts Rec, Net	56,347	50,195	52,635	44,932	58,448
Inventories	1,280	1,306	1,025	938	592
Foreclosed Assets, Net	2,794	2,818	2,601	4,881	4,885
Advanced Payments and Other Assets	10,591	12,937	12,184	13,184	10,114
Real Estate, Furniture & Equipment, Net	28,860	29,799	29,602	30,551	30,674
Rights of Use of Intangible Assets	6,703	4,025	3,944	3,903	4,057
Investment in Subsidiaries	14,485	14,765	15,006	15,495	14,514
Assets for Rights of Use of Property, Furn. & Eq.	-	-	-	-	-
Deferred Income Tax Assets	(0)	(0)	12	(0)	(0)
Intangibles	17,971	17,833	17,663	17,270	16,763
Rights of Use of Intangible Assets	-	-	-	-	-
Goodwill	26,710	26,691	26,697	26,825	26,823
<b>TOTAL ASSETS</b>	<b>2,130,031</b>	<b>2,191,378</b>	<b>2,298,368</b>	<b>2,274,859</b>	<b>2,395,399</b>

<b>GFNorte -Consolidated Statement of Financial Position</b> <i>(Million Pesos)</i>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>	<b>1Q24</b>
<b>LIABILITIES</b>					
Demand Deposits	603,364	643,394	675,678	678,923	697,414
Time Deposits-Retail	269,082	281,256	307,654	332,098	317,486
Time Deposits-Money Market	13,903	11,898	13,441	8,098	7,831
Global Account of deposits without movements	3,223	3,321	3,461	3,656	3,623
Senior Unsecured Debt	27,397	36,927	36,728	33,643	46,077
<b>Deposits</b>	<b>916,968</b>	<b>976,796</b>	<b>1,036,961</b>	<b>1,056,417</b>	<b>1,072,431</b>
<u>Due to Banks &amp; Correspondents:</u>					
Demand Loans	-	-	-	-	-
Short Term Loans	18,365	18,004	18,341	25,731	24,589
Long Term Loans	15,738	13,174	14,129	7,410	8,005
<b>Due to Banks &amp; Correspondents</b>	<b>34,102</b>	<b>31,178</b>	<b>32,470</b>	<b>33,142</b>	<b>32,594</b>
Technical Reserves	268,980	274,462	281,170	288,892	302,992
Non-assigned Securities for Settlement	-	-	-	-	-
Creditor Balance in Repo Trans, Net	337,016	371,092	365,518	381,012	409,317
Secs to be received in Repo Trans, Net	-	-	-	-	-
<u><b>Collateral sold or pledged as collateral</b></u>					
Repos (Credit Balance)	118,297	107,536	139,408	88,145	129,105
Securities' Loans	-	-	-	-	-
Transactions with Derivatives	-	-	-	-	-
Other sold collateral	-	-	-	-	-
<b>Total Collateral Sold</b>	<b>118,297</b>	<b>107,536</b>	<b>139,408</b>	<b>88,145</b>	<b>129,105</b>
<u><b>Derivatives</b></u>					
For trading purposes	23,836	24,428	26,483	21,534	22,128
For hedging purposes	2,892	2,370	3,647	2,259	1,977
Operations w/ Derivatives & Securities	-	-	-	-	-
<b>Total Derivatives</b>	<b>26,727</b>	<b>26,798</b>	<b>30,131</b>	<b>23,793</b>	<b>24,105</b>
Valuation adjustments for financial liability coverage	-	-	-	-	-
Obligations in securitization transactions	-	-	-	-	-
Payable Accountsfor Reinsurance	2,326	2,789	2,405	2,379	3,979
Lease Liabilities	6,437	4,104	4,046	3,947	4,118
Creditors for settlement of transactions	26,129	18,019	17,483	13,148	23,914
Margin Accounts Payable	-	-	-	-	-
Creditors for collateral received in cash	23,173	22,488	23,200	19,747	20,017
Contributions payable	2,659	2,875	2,132	2,707	3,035
Suppliers	-	-	-	-	-
Related Party	-	-	-	-	-
Other Creditors & Accounts Payable	33,184	35,499	35,472	37,038	36,523
<b>Other Payable Accounts</b>	<b>85,145</b>	<b>78,880</b>	<b>78,288</b>	<b>72,639</b>	<b>83,490</b>
Contributions for future capital increases pending formalization by its governing body	-	-	-	-	-
Subordinated Non Convertible Debt	61,132	58,175	57,039	55,421	54,083
Income Tax Liabilities	10,666	6,367	6,070	6,934	5,564
Employee benefit liability	8,338	9,305	10,189	11,399	10,602
Deferred Credits	1,326	1,282	1,406	1,535	1,392
<b>TOTAL LIABILITIES</b>	<b>1,877,460</b>	<b>1,948,764</b>	<b>2,045,100</b>	<b>2,025,654</b>	<b>2,133,771</b>
<b>EQUITY</b>					
Paid-in Capital	14,968	14,968	14,971	14,988	15,002
Provision for future capital increase not formalized by its governing entity	0	0	0	0	0
Share Subscription Premiums	48,404	48,709	49,040	47,648	47,600
Finan. instr. that qualify as capital	-	-	-	-	-
<b>Subscribed Capital</b>	<b>63,372</b>	<b>63,677</b>	<b>64,012</b>	<b>62,636</b>	<b>62,602</b>
Capital Reserves	33,615	33,618	33,619	33,885	34,187
Retained Earnings	144,172	120,409	119,496	103,510	154,981
Net Income	13,018	26,106	39,375	52,418	14,208
<u><b>Comprehensive Income</b></u>					
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	(2,355)	(2,215)	(3,330)	(1,411)	(2,226)
Valuation Adjustment for Cash Flow Hedges	(770)	(458)	(1,573)	181	(154)
Income and expenses related to assets held for disposal	-	-	-	-	-
Remeasurements defined benefits for employees	(1,844)	(1,822)	(1,801)	(1,947)	(1,928)
Cumulative foreign currency translation adjustment	(28)	(95)	(72)	(109)	(143)
Res. for holding non-monetary assets	-	-	-	-	-
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	211	204	356	189	323
Participation in other comprehensive income of other entities	-	-	-	-	-
<b>Earned Capital</b>	<b>186,019</b>	<b>175,748</b>	<b>186,071</b>	<b>186,717</b>	<b>199,248</b>
Minority Interest	3,180	3,189	3,184	(148)	(222)
<b>Total Equity</b>	<b>252,570</b>	<b>242,614</b>	<b>253,267</b>	<b>249,206</b>	<b>261,628</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,130,031</b>	<b>2,191,378</b>	<b>2,298,368</b>	<b>2,274,859</b>	<b>2,395,399</b>

<b>GFNorte - Memorandum Accounts</b> <i>(Million Pesos)</i>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>	<b>1Q24</b>
<b>On behalf of Third Parties</b>					
Customer's Banks	45	71	12	13	11
Dividends Receivable from Customers	-	-	-	-	-
Interest Receivable from Customers	-	-	-	-	-
Settlement of Customer Transactions	(391)	(23)	(85)	(53)	(118)
Customer Premiums	-	-	-	-	-
Settlement with Clients' Foreign Currency	-	-	-	-	-
Margin Accounts in Futures' Operations	-	-	-	-	-
Other Current Accounts	-	-	-	-	-
<b>Customers' Current Account</b>	<b>(346)</b>	<b>48</b>	<b>(73)</b>	<b>(40)</b>	<b>(107)</b>
Client Securities Received in Custody	797,425	850,200	839,057	873,526	906,763
Securities and Documents Received in Guarantee	-	-	-	-	-
Client Securities Abroad	-	-	-	-	-
<b>Clients' Securities</b>	<b>797,425</b>	<b>850,200</b>	<b>839,057</b>	<b>873,526</b>	<b>906,763</b>
Clients' Repurchase Operations	434,000	-	235,752	246,140	263,692
Clients' Repo Transactions w/ Securities	-	-	-	-	-
Collateral received in guarantee for customer accounts	217,071	0	232,429	240,997	259,568
Collateral delivered in guarantee for customer accounts	-	-	3,245	5,050	4,015
Purchase of Futures & Forward Contracts,	-	-	-	-	-
Sale of Futures and Forward Contracts, national	-	-	-	-	-
Clients' Option Purchase Operations	-	-	-	-	-
Clients' Option Sales Operations	-	-	-	-	-
Purchase Operations of derivatives	-	-	-	-	-
Clients' Sales Operations of derivatives	-	-	-	-	-
Trusts under Management	227	238	237	246	280
Siefores shares held by employees	-	-	-	-	-
Miscellaneous accounts	-	-	-	-	-
<b>Transactions On Behalf of Clients</b>	<b>651,299</b>	<b>238</b>	<b>471,663</b>	<b>492,432</b>	<b>527,556</b>
<b>Investment Bank Trans. on behalf of Third (Net)</b>	<b>317,546</b>	<b>340,435</b>	<b>362,297</b>	<b>322,822</b>	<b>365,085</b>
<b>TOTAL ON BEHALF OF THIRD PARTIES</b>	<b>1,765,925</b>	<b>1,190,922</b>	<b>1,672,944</b>	<b>1,688,740</b>	<b>1,799,297</b>
Endorsement Guarantees Granted	250	153	-	-	-
Loan Obligations	419,511	445,072	448,770	453,193	471,676
Trusts	333,375	337,595	308,076	305,608	309,338
Mandates	7,396	7,840	7,824	7,052	7,172
<b>Properties in Trusts and Warrant</b>	<b>340,771</b>	<b>345,434</b>	<b>315,900</b>	<b>312,660</b>	<b>316,509</b>
Properties in Custody or Management	534,055	553,613	590,979	623,956	623,310
Shares delivered in custody or as collateral	44,942	44,942	45,542	45,542	45,942
Collateral Received	239,675	241,213	290,436	235,218	284,304
Collateral Received or sold or delivered	335,308	107,552	139,371	88,155	129,155
Assets' Deposit	4,552	3,943	3,951	3,706	3,272
Contingent assets & Liabilities	39	57	34	29	36
Uncollected Accrued Interest from Non-Performing Loans	442	417	373	410	430
Responsibilities for bonds in force (net)	-	-	-	-	-
Recovery guarantees for bonds issued	-	-	-	-	-
Complaints received pending verification	-	-	-	-	-
Contingent claims	-	-	-	-	-
Claims paid	-	-	-	-	-
Claims cancelled	-	-	-	-	-
Recovered claims	-	-	-	-	-
Siefores' shares, own position	-	-	-	-	-
Miscellaneous accounts	600,202	630,490	664,971	655,197	666,044
<b>TOTAL PROPRIETARY</b>	<b>2,519,746</b>	<b>2,372,887</b>	<b>2,500,327</b>	<b>2,418,066</b>	<b>2,540,678</b>

**GFNORTE - CONSOLIDATED STATEMENT OF CASH FLOWS****JANUARY 1st, 2024 – March 31st, 2024***(Million Pesos)***Operation activities****Net income before taxes** 20,126**Adjustments for items associated with investing activities** 675

Depreciation in property, furniture, and equipment 966

Amortization of intangible assets 256

Participation in the net income of other entities (547)

**Adjustments for items associated with financing activities:** 1,711

Interest associated with interbank loans and loans from other organizations 840

Interest associated with financial instruments that qualify as a liability 871

**Sum** 2,386**Changes in operating items** 5,490

Change in margin accounts (derivative financial instruments) (202)

Change in investments in financial instruments (securities) (net) (38,686)

Change in repo debtors (net) (22,986)

Change in derivative financial instruments (asset) 40

Change in loan portfolio (net) (14,622)

Change in acquired collection rights (net) 62

Change in debtors of insurance and bail-bond companies (9,822)

Amounts recoverable by reinsurance and counter-guarantee (1,109)

Change in inventories 347

Change in other accounts receivable (net) (9,946)

Change in foreclosed assets (net) (4)

Change in traditional deposits 16,014

Change in technical reserves 14,099

Changes of interbank loans and other organizations (1,387)

Change in creditors by repo 28,305

Change in collateral sold or given in guarantee 40,960

Change in derivative financial instruments (liability) 594

Change in accounts payable for reinsurance and reguarantee (liability) 1,600

Change in hedging derivative financial instruments (732)

(of hedged items related to operating activities)

Change in assets/liabilities for employee benefits (796)

Change in other accounts payable 10,721

Income tax payments (6,960)

**Net cash flows from operating activities** 28,002**Investment activities**

Payments for the acquisition of property, furniture and equipment (1,795)

Charges for disposal of property, furniture and equipment 721

Collections of cash dividends from permanent investments 1,347

**Net cash flows from investing activities** 273**Financial activities**

Lease liability payments (161)

Payments associated with financial instruments that qualify as capital (946)

Payments associated with financial instruments that qualify as a liability (2,209)

Interest payments for lease liability (92)

**Net cash flows from financing activities** (3,408)**Net increase or decrease in cash and cash equivalents** 24,867**Effects of changes in the value of cash and cash equivalents** (25)**Cash and cash equivalents at the beginning of the period** 100,230**Cash and cash equivalents at the end of the period** 125,072



**GFNORTE - CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**JANUARY 1st, 2024 – MARCH 31st, 2024**  
(Million Pesos)

	CONTRIBUTED CAPITAL		EARNED CAPITAL									
	Fixed Paid-in Capital	Premium from Sale of Securities	Capital Reserves	Retained Earnings	Financial Instruments to Collect or Sell Valuation	Cash Flow Hedges	Remeasurement on Defined Employee Benefits	Remedaciones por Resultado en la Valuación de la Reserva de Riesgos en Curso por Variaciones en las Tasas de Descuento	Cumulative Foreign Currency Translation Adjustment	Total Majority Interest	Total Minority Interest	Total Stockholders' Equity
<b>Balance as of December 31, 2023</b>	<b>14,988</b>	<b>47,648</b>	<b>33,885</b>	<b>155,929</b>	<b>(1,411)</b>	<b>182</b>	<b>(1,947)</b>	<b>190</b>	<b>(109)</b>	<b>249,355</b>	<b>(148)</b>	<b>249,207</b>
<b>CHANGES STEMMING FROM STOCKHOLDERS' DECISIONS</b>												
Repurchase of share-based payment plan liquidable in equity instruments	14	(43)	302							273		273
<b>Total</b>	<b>14</b>	<b>(43)</b>	<b>302</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>273</b>	<b>0</b>	<b>273</b>
<b>OTHER CHANGES STEMMING FROM STOCKHOLDERS' DECISIONS</b>												
Effect of subsidiaries, associates, and investment companies		(5)		(2)	(47)					(54)		(54)
Interest on subordinated debt				(946)						(946)		(946)
<b>Total</b>	<b>0</b>	<b>(5)</b>	<b>0</b>	<b>(948)</b>	<b>(47)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,000)</b>	<b>0</b>	<b>(1,000)</b>
<b>COMPREHENSIVE INCOME:</b>												
Net Income				14,208						14,208	(47)	14,161
<b>OTHER COMPREHENSIVE INCOME</b>												
Financial instruments to collect or sell valuation					(768)					(768)		(768)
Result from conversion of foreign operations									(34)	(34)		(34)
Cash flow hedges valuation						(336)				(336)		(336)
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates								133		133		133
Defined remeasurements for employees benefits							19			19		19
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,208</b>	<b>(768)</b>	<b>(336)</b>	<b>19</b>	<b>133</b>	<b>(34)</b>	<b>13,222</b>	<b>(47)</b>	<b>13,175</b>
<b>Minority Interest</b>											(27)	(27)
<b>Balance as of March 31st, 2024</b>	<b>15,002</b>	<b>47,600</b>	<b>34,187</b>	<b>169,189</b>	<b>(2,226)</b>	<b>(154)</b>	<b>(1,928)</b>	<b>323</b>	<b>(143)</b>	<b>261,850</b>	<b>(222)</b>	<b>261,628</b>

# Banorte

Banorte-Consolidated Statement of Comprehensive Income	1Q23	2Q23	3Q23	4Q23	1Q24
(Million Pesos)					
Interest Income	75,227	82,867	86,174	83,371	80,781
Interest Expense	51,108	58,272	60,328	57,056	54,694
Net Interest Income (NII)	24,119	24,595	25,846	26,315	26,087
Preventive Provisions for Loan Losses	3,737	4,025	4,461	3,559	4,910
Net Interest Income Adjusted for Credit Risk	20,383	20,570	21,385	22,755	21,177
Fund Transfers	487	505	484	551	476
Account Management Fees	465	489	483	484	475
Electronic Banking Services	4,262	4,416	4,432	5,004	4,841
For Commercial and Mortgage Loans	427	330	359	399	417
For Consumer and Credit Card Loans	1,750	1,838	1,928	2,213	2,160
Fiduciary	131	147	119	142	128
Income from Real Estate Portfolios	-	-	-	-	-
Mutual Funds	-	-	-	-	-
Trading & Financial Advising Fees	-	-	-	-	-
Other Fees Charged	858	955	678	648	869
Fees Charged on Services	8,379	8,681	8,484	9,441	9,366
Interchange Fees	2,844	3,061	3,033	3,643	3,348
Insurance Fees	-	-	-	-	-
Other Fees Paid	1,224	1,293	1,332	1,351	1,181
Fees Paid on Services	4,068	4,354	4,365	4,993	4,529
Net Service Fees	4,312	4,327	4,119	4,448	4,837
Premium Income Ins. & Annu. (Net)	-	-	-	-	-
Technical Reserves Ins. & Annu.	-	-	-	-	-
Cost of Acquisition from Insurance Operations	-	-	-	-	-
Net Cost of Claims and Other Obligations	-	-	-	-	-
Currency and Metals	(3,243)	(2,494)	1,084	(2,357)	(1,432)
Derivatives	2,236	1,343	(3,054)	24	(755)
Negotiable Instruments	(31)	(7)	326	229	(234)
Valuation	(1,038)	(1,159)	(1,644)	(2,104)	(2,421)
Currency and Metals	1,366	1,216	2,695	2,618	2,655
Derivatives	(97)	446	(16)	(286)	25
Negotiable Instruments	(45)	87	(212)	312	205
Trading	1,224	1,748	2,467	2,645	2,885
Other financial results	3	123	10	1	13
Trading Income	189	712	833	542	477
Contributions to the IPAB	(1,001)	(1,042)	(1,108)	(1,140)	(1,136)
Expenses Incurred in the Recovery of Credit Portfolio	(359)	(349)	(337)	(422)	(382)
Acquired collection rights	95	99	107	107	98
Income from foreclosed assets	134	142	225	377	139
Donations	(87)	(78)	(28)	(24)	(66)
Impairment of Assets	-	-	-	-	-
Result on sale of Property, Furniture and Equipment	(5)	(18)	18	(23)	(4)
Lease Income	0	1	0	0	0
From Insurance	-	-	-	-	-
Securitization Operation Valuation Result	-	-	-	-	-
Other Operating Expense	211	98	11	394	421
Total Other Operating Income (Expense)	(1,012)	(1,147)	(1,112)	(731)	(930)
Total Non Interest Income	3,489	3,892	3,840	4,258	4,384
Total Operating Income	23,871	24,462	25,225	27,014	25,561
Personnel	4,361	4,476	4,589	6,172	4,959
Employee Profit Sharing (PTU)	389	389	259	(269)	326
Professional Fees	791	797	719	846	759
Administrative and Promotional Expenses	4,434	4,591	4,891	6,970	5,002
Total Non Interest Expense	9,975	10,254	10,458	13,719	11,047
Operating Income	13,896	14,208	14,767	13,295	14,514
Subsidiaries' Net Income	33	56	49	37	225
Pre-Tax Income	13,929	14,264	14,816	13,332	14,739
Taxes	3,620	3,899	3,795	3,110	4,501
Net Income from Continuous Operations	10,309	10,364	11,020	10,222	10,238
Discontinued Operations	-	-	-	-	-
Net income from continuing operations	10,309	10,364	11,020	10,222	10,238
Minority Interest	0	0	0	(31)	(236)
Net Income	10,309	10,364	11,020	10,253	10,474
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	421	97	(940)	1,773	(664)
Cash Flow Hedges Valuation	787	318	(1,135)	1,785	(342)
Income and Expenses related to Assets Held for Disposal	-	-	-	-	-
Remeasurement on defined employee benefits	22	22	22	(136)	20
Cumulative foreign currency translation adjustment	(89)	(54)	19	(29)	(30)
Res. for holding non-monetary assets	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	-	-	-	-	-
Other Comprehensive Income	1,141	383	(2,034)	3,393	(1,016)
Comprehensive Income	11,451	10,747	8,987	13,615	9,222

Banorte -Consolidated Statement of Financial Position	1Q23	2Q23	3Q23	4Q23	1Q24
(Million Pesos)					
<b>ASSETS</b>					
<b>Cash and Equivalents</b>	<b>106,864</b>	<b>130,256</b>	<b>108,922</b>	<b>100,128</b>	<b>124,744</b>
<b>Margin Accounts</b>	<b>5,253</b>	<b>5,213</b>	<b>6,964</b>	<b>4,918</b>	<b>5,120</b>
Negotiable Instruments	126,821	109,204	106,499	109,121	110,919
Securities Available for Sale	106,812	115,537	149,882	161,049	168,015
Securities Held to Maturity	86,776	79,771	92,717	94,708	94,921
<b>Investment in Securities</b>	<b>320,408</b>	<b>304,512</b>	<b>349,098</b>	<b>364,877</b>	<b>373,855</b>
Estimate of Expected Credit Losses for Investments	207	86	85	84	83
<b>Debtor Balance in Repo Trans, net</b>	<b>107,771</b>	<b>104,215</b>	<b>136,173</b>	<b>83,103</b>	<b>125,036</b>
<b>Securities Lending</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
For trading purposes	32,383	34,456	33,754	28,791	28,831
For hedging purposes	2,958	3,762	2,984	4,442	4,556
Operations w/Derivatives & Securities					
<b>Transactions with Derivatives</b>	<b>35,342</b>	<b>38,218</b>	<b>36,738</b>	<b>33,233</b>	<b>33,387</b>
<b>Operations w/Derivatives &amp; Securities</b>	<b>143,112</b>	<b>142,433</b>	<b>172,911</b>	<b>116,336</b>	<b>158,423</b>
<b>Valuation adjustments for Asset Coverage</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Commercial Loans	335,446	346,618	365,388	369,978	374,240
Financial Intermediaries' Loans	35,037	39,089	36,785	43,454	42,557
Consumer Loans	148,229	158,013	164,634	172,326	175,912
Payroll Loans	66,962	70,747	72,725	71,939	73,552
Personal Loans	883	939	955	1,003	1,051
Credit Card	45,523	48,331	50,738	57,164	57,042
Auto Loans	34,860	37,995	40,215	42,221	44,267
Mortgage Loans	230,684	238,050	245,286	249,877	252,064
Medium and Residential	228,828	236,285	243,592	248,257	250,485
Low-income housing	2	2	2	2	1
Loans acquired from INFONAVIT or FOVISSSTE	1,855	1,763	1,692	1,618	1,578
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities' Loans	173,866	157,916	163,546	164,035	169,655
<b>Performing Loans, Stage 1</b>	<b>923,263</b>	<b>939,685</b>	<b>975,639</b>	<b>999,670</b>	<b>1,014,428</b>
Commercial Loans	928	836	3,122	1,233	1,395
Financial Intermediaries' Loans	-	-	-	-	-
Consumer Loans	2,706	2,742	2,987	2,935	3,009
Payroll Loans	1,731	1,703	1,845	1,535	1,633
Personal Loans	70	31	39	46	40
Credit Card	586	643	710	973	980
Auto Loans	319	365	393	381	356
Mortgage Loans	3,210	3,393	3,578	3,262	3,696
Medium and Residential	3,112	3,315	3,506	3,193	3,624
Low-income housing	1	-	0	0	0
Loans acquired from INFONAVIT or FOVISSSTE	98	79	71	68	72
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities' Loans	-	7	-	-	-
<b>Performing Loans, Stage 2</b>	<b>6,844</b>	<b>6,979</b>	<b>9,687</b>	<b>7,430</b>	<b>8,100</b>
Commercial NPL's	3,811	3,433	3,147	2,883	2,808
Financial Intermediaries NPL's	-	20	98	119	119
Consumer NPL's	3,367	3,954	4,150	4,820	4,063
Payroll NPL's	1,993	2,337	2,421	2,531	2,076
Personal NPL's	49	63	40	55	44
Credit Card NPL's	1,132	1,344	1,435	1,968	1,692
Auto NPL's	193	210	254	267	251
Mortgage NPL's	1,994	2,054	2,089	2,177	2,162
Medium and Residential	1,650	1,701	1,739	1,831	1,812
Low-income housing	0	0	0	-	-
Loans acquired from INFONAVIT or FOVISSSTE	343	352	350	346	350
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities PDL's	-	-	7	7	4
<b>Non-Performing Loans, Stage 3</b>	<b>9,172</b>	<b>9,461</b>	<b>9,491</b>	<b>10,006</b>	<b>9,156</b>
Loan Portfolio Valued at Fair Value	-	-	-	-	-
Deferred Items	2,195	2,264	2,306	2,436	2,537
<b>Gross Loan Portfolio</b>	<b>941,474</b>	<b>958,388</b>	<b>997,123</b>	<b>1,019,541</b>	<b>1,034,221</b>
Preventive Loan Loss Reserves	17,288	17,775	18,365	18,749	18,495
<b>Net Loan Portfolio</b>	<b>924,185</b>	<b>940,613</b>	<b>978,759</b>	<b>1,000,793</b>	<b>1,015,726</b>
Acquired Collection Rights (net)	597	551	888	1,094	1,032
<b>Total Credit Portfolio</b>	<b>924,783</b>	<b>941,164</b>	<b>979,646</b>	<b>1,001,887</b>	<b>1,016,758</b>
Benef. receivab. securization transactions	-	-	-	-	-
Sundry Debtors & Other Accts Rec, Net	43,938	43,678	46,632	38,352	53,257
Inventories	-	-	-	-	-
Foreclosed Assets, Net	2,667	2,670	2,513	4,792	4,809
Advanced Payments and Other Assets	5,060	6,370	4,976	4,959	4,188
Real Estate, Furniture & Equipment, Net	24,494	25,183	24,998	25,624	25,934
Rights of Use of Intangible Assets	6,545	3,884	3,824	3,795	3,948
Investment in Subsidiaries	1,503	1,481	1,510	1,570	1,433
Assets for Rights of Use of Property, Furn. & Eq.	-	-	-	-	-
Deferred Income Tax Assets	-	-	887	-	101
Intangibles	15,257	14,927	14,593	13,843	13,172
Rights of Use of Intangible Assets	-	-	-	-	-
Goodwill	1,381	1,362	1,369	1,497	1,494
<b>TOTAL ASSETS</b>	<b>1,601,058</b>	<b>1,623,047</b>	<b>1,718,758</b>	<b>1,682,493</b>	<b>1,787,156</b>

Banorte -Consolidated Statement of Financial Position (Million Pesos)	1Q23	2Q23	3Q23	4Q23	1Q24
<b>LIABILITIES</b>					
Demand Deposits	610,570	649,023	681,763	685,561	701,505
Time Deposits-Retail	269,082	281,256	307,654	332,098	317,643
Time Deposits-Money Market	13,903	11,898	13,441	8,098	7,831
Global Account of deposits without movements	3,223	3,321	3,461	3,656	3,623
Senior Unsecured Debt	42,499	36,927	36,728	43,718	56,174
<b>Deposits</b>	<b>939,276</b>	<b>982,425</b>	<b>1,043,046</b>	<b>1,073,131</b>	<b>1,086,776</b>
<b>Due to Banks &amp; Correspondents:</b>					
Demand Loans	-	-	-	-	940
Short Term Loans	7,525	6,686	4,618	5,525	6,155
Long Term Loans	7,029	5,007	4,919	4,584	4,383
<b>Due to Banks &amp; Other Correspondents</b>	<b>14,554</b>	<b>11,693</b>	<b>9,537</b>	<b>10,109</b>	<b>11,478</b>
Technical Reserves	-	-	-	-	-
Non-assigned Securities for Settlement	-	-	-	-	-
Creditor Balance in Repo Trans, Net	205,729	198,243	200,925	206,018	235,095
Secs to be received in Repo Trans, Net	-	-	-	-	-
<b>Collateral sold or pledged as collateral:</b>					
Repos (Credit Balance)	105,882	104,204	136,169	83,098	125,098
Securities' Loans	-	-	-	-	-
Transactions with Derivatives	-	-	-	-	-
Other sold collateral	-	-	-	-	-
<b>Total Collateral sold</b>	<b>105,882</b>	<b>104,204</b>	<b>136,169</b>	<b>83,098</b>	<b>125,098</b>
<b>Derivatives</b>					
For trading purposes	23,735	24,286	26,576	21,488	22,159
For hedging purposes	2,892	2,370	3,647	2,259	1,977
<b>Total Derivatives</b>	<b>26,626</b>	<b>26,656</b>	<b>30,224</b>	<b>23,748</b>	<b>24,136</b>
Valuation adjustments for financial liability coverage	-	-	-	-	-
Obligations in securitization transactions	-	-	-	-	-
Payable Accountsfor Reinsurance	-	-	-	-	-
Lease Liabilities	6,275	3,958	3,921	3,835	4,005
Creditors for settlement of transactions	16,043	13,985	13,958	9,465	21,607
Margin Accounts Payable	-	-	-	-	-
Creditors for collateral received in cash	23,173	22,488	23,200	19,747	20,017
Contributions payable	1,557	1,558	1,237	1,519	1,618
Suppliers	-	-	-	-	-
Related Party	-	-	-	-	-
Other Creditors & Accounts Payable	28,228	30,320	30,259	31,450	30,099
<b>Other Payable Accounts</b>	<b>69,001</b>	<b>68,350</b>	<b>68,654</b>	<b>62,181</b>	<b>73,341</b>
Contributions for future capital increases pending formalization by its governing body	-	-	-	-	-
Subordinated Non Convertible Debt	61,132	58,175	57,039	55,421	54,083
Income Tax Liabilities	8,461	3,322	3,328	2,501	2,872
Employee benefit liability	7,697	8,554	9,200	10,346	9,650
Deferred Credits	1,107	1,164	1,158	1,140	1,130
<b>TOTAL LIABILITIES</b>	<b>1,445,741</b>	<b>1,466,745</b>	<b>1,563,201</b>	<b>1,531,527</b>	<b>1,627,664</b>
<b>EQUITY</b>					
Paid-in Capital	18,795	18,795	18,795	18,795	18,795
Provision for future capital increase not formalized by its governing entity	-	-	-	-	-
Share Subscription Premiums	4,904	5,158	5,408	4,500	4,773
Finan. instr. that qualify as capital	-	-	-	-	-
<b>Subscribed Capital</b>	<b>23,699</b>	<b>23,952</b>	<b>24,203</b>	<b>23,294</b>	<b>23,567</b>
Capital Reserves	18,959	18,959	18,959	18,959	18,959
Retained Earnings	107,062	97,045	87,064	73,054	114,036
Net Income	10,309	20,673	31,693	41,946	10,474
<b>Comprehensive Income</b>					
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	(1,904)	(1,807)	(2,747)	(969)	(1,638)
Valuation Adjustment for Cash Flow Hedges	(785)	(467)	(1,602)	183	(159)
Income and expenses related to assets held for disposal	-	-	-	-	-
Remeasurements defined benefits for employees	(1,902)	(1,879)	(1,857)	(1,993)	(1,974)
Cumulative foreign currency translation adjustment	(126)	(181)	(162)	(191)	(221)
Res. for holding non-monetary assets	-	-	-	-	-
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-
<b>Earned Capital</b>	<b>131,613</b>	<b>132,344</b>	<b>131,349</b>	<b>130,989</b>	<b>139,478</b>
Minority Interest	5	5	6	(3,317)	(3,553)
<b>Total Equity</b>	<b>155,317</b>	<b>156,301</b>	<b>155,557</b>	<b>150,966</b>	<b>159,492</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,601,058</b>	<b>1,623,047</b>	<b>1,718,758</b>	<b>1,682,493</b>	<b>1,787,156</b>

<b>Banorte - Memorandum Accounts</b> <i>(Million Pesos)</i>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>	<b>1Q24</b>
Investment Banking transactions for third parties, net	-	-	-	-	-
<b>TOTAL ON BEHALF OF THIRD PARTIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Endorsement Guarantees Granted	250	153	-	-	-
Loan Obligations	371,313	396,990	397,033	403,623	421,539
Trusts	333,375	337,595	308,076	305,608	309,338
Mandates	7,396	7,840	7,824	7,052	7,172
Properties in Trusts and Warrant	340,771	345,434	315,900	312,660	316,509
Properties in Custody or Management	590,620	625,669	672,756	658,836	685,799
Shares delivered in custody or as collateral	-	-	-	-	-
Collateral Received	220,146	224,995	264,082	215,655	263,275
Collateral Received or sold or delivered	105,820	104,217	136,126	83,105	125,140
Deposits of assets	-	-	-	-	-
Contingent assets & liabilities	39	57	34	29	36
Uncollected Accrued Interest from Non-Performing Loans	427	400	353	391	408
Liabilities for active bonds (net)	-	-	-	-	-
Recovery guarantees for issued bonds	-	-	-	-	-
Complaints received pending verification	-	-	-	-	-
Contingent claims	-	-	-	-	-
Claims paid	-	-	-	-	-
Claims cancelled	-	-	-	-	-
Recovered claims	-	-	-	-	-
Miscellaneous accounts	560,240	563,073	609,482	599,532	613,469
<b>TOTAL PROPRIETARY</b>	<b>2,189,625</b>	<b>2,260,988</b>	<b>2,395,766</b>	<b>2,273,831</b>	<b>2,426,174</b>

## BANORTE - CONSOLIDATED STATEMENT OF CASH FLOWS

JANUARY 1st, 2023 – MARCH 31st, 2024

(Million Pesos)

**Operation activities****Net income before taxes 14,739****Adjustments for items associated with investing activities 834**

Depreciation in property, furniture, and equipment 897

Amortization of intangible assets 162

Participation in the net income of other entities (225)

**Adjustments for items associated with financing activities: 1,408**

Interest associated with interbank loans and loans from other organizations 251

Interest associated with financial instruments that qualify as a liability 1,157

**Sum 2,242****Changes in operating items 12,289**

Change in margin accounts (derivative financial instruments) (202)

Change in investments in financial instruments (securities) (net) (9,457)

Change in repo debtors (net) (41,933)

Change in derivative financial instruments (asset) (41)

Change in loan portfolio (net) (14,933)

Change in acquired collection rights (net) 62

Change in other accounts receivable (net) (14,905)

Change in foreclosed assets (net) (17)

Change in other operating assets (net) 1,444

Change in traditional deposits 13,645

Changes of interbank loans and other organizations 1,119

Change in creditors by repo 29,077

Change in collateral sold or given in guarantee 42,000

Change in derivative financial instruments (liability) 670

Change in other operating liabilities (10)

Change in hedging derivative financial instruments (751)

Change in assets/liabilities for employee benefits (696)

Change in other accounts payable 11,113

Income tax payments (3,896)

**Net cash flows from operating activities 29,270****Investment activities**

Payments for the acquisition of property, furniture and equipment (1,795)

Charges for the acquisition of property, furniture, and equipment 696

Charges of cash dividends coming from permanent investments 181

**Net cash flows from investing activities (918)****Financial activities**

Lease liability payments (163)

Payments associated with financial instruments that qualify as capital (962)

Payments associated with financial instruments that qualify as a liability (2,496)

Interest payments for lease liability (90)

**Net cash flows from financing activities (3,711)****Net increase or decrease in cash and cash equivalents 24,641****Effects of changes in the value of cash and cash equivalents (25)****Cash and cash equivalents at the beginning of the period 100,128****Cash and cash equivalents at the end of the period 124,744**

**BANORTE - CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**JANUARY 1st, 2024 – MARCH 31st, 2024**  
*(Million Pesos)*

	CONTRIBUTED CAPITAL		EARNED CAPITAL								
	Fixed Paid-in Capital	Premium from Sale of Securities	Capital Reserves	Retained Earnings	Financial Instruments to Collect or Sell Valuation	Results from Cash Flow Hedges	Remeasurement on Defined Employee Benefit	Cumulative Foreign Currency Translation Adjustment	Total Majority Interest	Minority Interest	Total Stockholders' Equity
Balance as of December 31, 2023	18,795	4,500	18,959	115,000	(969)	182	(1,994)	(191)	154,282	(3,318)	150,964
<b>CHANGES STEMMING FROM STOCKHOLDERS' DECISIONS</b>											
Plan based on shares payable in equity instruments		273							273		273
<b>Total</b>	<b>0</b>	<b>273</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>273</b>	<b>0</b>	<b>273</b>
<b>OTHER CHANGES STEMMING FROM STOCKHOLDERS' DECISIONS</b>											
Interest on subordinated debt				(962)					(962)		(962)
Effect of subsidiaries, associates, and investment companies				(2)	(4)				(6)		(6)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(964)</b>	<b>(4)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(968)</b>	<b>0</b>	<b>(968)</b>
<b>COMPREHENSIVE INCOME</b>											
Net Income				10,474					10,474	(236)	10,238
<b>OTHER COMPREHENSIVE INCOME</b>											
Financial instruments to collect or sell valuation					(478)				(478)		(478)
Effect of subsidiaries, associates and mutual funds					(187)	9			(178)		(178)
Result from conversion of foreign operations								(30)	(30)		(30)
Cash flow hedges valuation						(350)			(350)		(350)
Defined remeasurements for employees' benefits							20		20		20
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,474</b>	<b>(665)</b>	<b>(341)</b>	<b>20</b>	<b>(30)</b>	<b>9,458</b>	<b>(236)</b>	<b>9,222</b>
Minority Interest										1	1
<b>Balance as of March 31st, 2024</b>	<b>18,795</b>	<b>4,773</b>	<b>18,959</b>	<b>124,510</b>	<b>(1,638)</b>	<b>(159)</b>	<b>(1,974)</b>	<b>(221)</b>	<b>163,045</b>	<b>(3,553)</b>	<b>159,492</b>



## Bineo

Bineo-Consolidated Statement of Comprehensive Income	1Q23	2Q23	3Q23	4Q23	1Q24
(Million Pesos)					
Interest Income	19	17	24	25	28
Interest Expense	-	0	(0)	(0)	-
Net Interest Income (NII)	19	16	24	25	28
Preventive Provisions for Loan Losses	-	-	-	-	0
Net Interest Income Adjusted for Credit Risk	19	16	24	25	28
Fund Transfers	-	-	-	-	-
Account Management Fees	-	-	-	-	-
Electronic Banking Services	-	-	-	-	-
For Commercial and Mortgage Loans	-	-	-	-	-
For Consumer and Credit Card Loans	-	-	-	-	0
Fiduciary	-	-	-	-	-
Income from Real Estate Portfolios	-	-	-	-	-
Mutual Funds	-	-	-	-	-
Trading & Financial Advising Fees	-	-	-	-	-
Other Fees Charged	-	-	-	-	(0)
Fees Charged on Services	-	-	-	-	0
Interchange Fees	-	-	-	-	-
Insurance Fees	-	-	-	-	-
Other Fees Paid	1	0	1	0	2
Fees Paid on Services	1	0	1	0	2
Net Service Fees	(1)	(0)	(1)	(0)	(2)
Premium Income Ins. & Annu. (Net)	-	-	-	-	-
Technical Reserves Ins. & Annu.	-	-	-	-	-
Cost of Acquisition from Insurance Operations	-	-	-	-	-
Net Cost of Claims and Other Obligations	-	-	-	-	-
Currency and Metals	(0)	-	-	-	0
Derivatives	-	-	-	-	-
Negotiable Instruments	-	-	-	-	-
Valuation	(0)	-	-	-	0
Currency and Metals	-	-	-	-	-
Derivatives	-	-	-	-	-
Negotiable Instruments	-	-	-	-	-
Trading	-	-	-	-	-
Other financial results	-	-	-	-	-
Trading Income	(0)	-	-	-	0
Contributions to the IPAB	-	-	-	-	-
Expenses Incurred in the Recovery of Credit Portfolio	-	-	-	-	-
Acquired collection rights	-	-	-	-	-
Income from foreclosed assets	-	-	-	-	-
Donations	-	-	-	-	-
Impairment of Assets	-	-	-	-	-
Result on sale of Property, Furniture and Equipment	-	-	-	-	-
Lease Income	-	-	-	-	-
From Insurance	-	-	-	-	-
Securitization Operation Valuation Result	-	-	-	-	-
Other Operating Expense	0	0	1	0	0
Total Other Operating Income (Expense)	0	0	1	0	0
Total Non Interest Income	(1)	(0)	0	(0)	(2)
Total Operating Income	19	16	25	25	26
Personnel	-	(0)	0	-	115
Employee Profit Sharing (PTU)	-	0	(0)	-	-
Professional Fees	1	1	2	2	14
Administrative and Promotional Expenses	1	4	3	5	164
Total Non Interest Expense	2	4	5	6	293
Operating Income	17	11	20	18	(267)
Subsidiaries' Net Income	-	-	-	-	-
Pre-Tax Income	17	11	20	18	(267)
Taxes	(0)	1	5	(1)	(79)
Net Income from Continuous Operations	17	11	15	20	(188)
Discontinued Operations	-	-	-	-	-
Net income from continuing operations	17	11	15	20	(188)
Minority Interest	-	-	-	-	-
Net Income	17	11	15	20	(188)
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	(0)	0	0	(0)	-
Cash Flow Hedges Valuation	-	-	-	-	-
Income and Expenses related to Assets Held for Disposal	-	-	-	-	-
Remeasurement on defined employee benefits	0	0	0	(0)	0
Cumulative foreign currency translation adjustment	-	-	-	-	-
Res. for holding non-monetary assets	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	-	-	-	-	-
Other Comprehensive Income	(0)	0	0	(0)	0
Comprehensive Income	17	11	15	19	(188)

(\*) Prior to 1Q24, Banco Bineo's information is presented, in preoperative stages.

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## V. Financial Statements

Bineo -Consolidated Statement of Financial Position (Million Pesos)	1Q23	2Q23	3Q23	4Q23	1Q24
<b>ASSETS</b>					
<b>Cash and Equivalents</b>	0	1	0	1	952
<b>Margin Accounts</b>	-	-	-	-	-
Negotiable Instruments	-	-	-	-	-
Securities Available for Sale	605	430	657	-	-
Securities Held to Maturity	-	-	-	-	-
<b>Investment in Securities</b>	605	430	657	-	-
Estimate of Expected Credit Losses for Investments	-	-	-	-	-
<b>Debtor Balance in Repo Trans, net</b>	57	72	326	773	-
<b>Securities Lending</b>	-	-	-	-	-
For trading purposes	-	-	-	-	-
For hedging purposes	-	-	-	-	-
Operations w/Derivatives & Securities	-	-	-	-	-
<b>Transactions with Derivatives</b>	-	-	-	-	-
<b>Operations w/Derivatives &amp; Securities</b>	57	72	326	773	-
<b>Valuation adjustments for Asset Coverage</b>	-	-	-	-	-
Commercial Loans	-	-	-	-	-
Financial Intermediaries' Loans	-	-	-	-	-
Consumer Loans	-	-	-	-	9
Payroll Loans	-	-	-	-	-
Personal Loans	-	-	-	-	9
Credit Card	-	-	-	-	-
Auto Loans	-	-	-	-	-
Mortgage Loans	-	-	-	-	-
Medium and Residential	-	-	-	-	-
Low-income housing	-	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	-	-	-	-
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities' Loans	-	-	-	-	-
<b>Performing Loans, Stage 1</b>	-	-	-	-	9
Commercial Loans	-	-	-	-	-
Financial Intermediaries' Loans	-	-	-	-	-
Consumer Loans	-	-	-	-	0
Payroll Loans	-	-	-	-	-
Personal Loans	-	-	-	-	0
Credit Card	-	-	-	-	-
Auto Loans	-	-	-	-	-
Mortgage Loans	-	-	-	-	-
Medium and Residential	-	-	-	-	-
Low-income housing	-	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	-	-	-	-
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities' Loans	-	-	-	-	-
<b>Performing Loans, Stage 2</b>	-	-	-	-	0
Commercial NPL's	-	-	-	-	-
Financial Intermediaries NPL's	-	-	-	-	-
Consumer NPL's	-	-	-	-	-
Payroll NPL's	-	-	-	-	-
Personal NPL's	-	-	-	-	-
Credit Card NPL's	-	-	-	-	-
Auto NPL's	-	-	-	-	-
Mortgage NPL's	-	-	-	-	-
Medium and Residential	-	-	-	-	-
Low-income housing	-	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	-	-	-	-
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-
Government Entities PDL's	-	-	-	-	-
<b>Non-Performing Loans, Stage 3</b>	-	-	-	-	-
Loan Portfolio Valued at Fair Value	-	-	-	-	-
Deferred Items	-	-	-	-	-
<b>Gross Loan Portfolio</b>	-	-	-	-	9
Preventive Loan Loss Reserves	-	-	-	-	0
<b>Net Loan Portfolio</b>	-	-	-	-	9
Acquired Collection Rights (net)	-	-	-	-	-
<b>Total Credit Portfolio</b>	-	-	-	-	9
Benef. receivab. securization transactions	-	-	-	-	-
Sundry Debtors & Other Accs Rec, Net	106	123	132	41	20
Inventories	-	-	-	-	-
Foreclosed Assets, Net	-	-	-	-	-
Advanced Payments and Other Assets	130	116	65	215	70
Real Estate, Furniture & Equipment, Net	4	4	4	5	6
Rights of Use of Intangible Assets	-	-	-	-	-
Investment in Subsidiaries	-	-	-	-	-
Assets for Rights of Use of Property, Furn. & Eq.	-	-	-	-	-
Deferred Income Tax Assets	-	-	-	-	53
Intangibles	909	1,079	1,228	1,568	1,696
Rights of Use of Intangible Assets	-	-	-	-	-
Goodwill	-	-	-	-	-
<b>TOTAL ASSETS</b>	1,812	1,824	2,414	2,602	2,807

(\*) Prior to 1Q24, Banco Bineo's information is presented, in preoperative stages.

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Bineo -Consolidated Statement of Financial Position (Million Pesos)	1Q23	2Q23	3Q23	4Q23	1Q24
<b>LIABILITIES</b>					
Demand Deposits	-	-	-	-	10
Time Deposits-Retail	-	-	-	-	-
Time Deposits-Money Market	-	-	-	-	-
Global Account of deposits without movements	-	-	-	-	-
Senior Unsecured Debt	-	-	-	-	-
<b>Deposits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>
<b>Due to Banks &amp; Correspondents:</b>					
Demand Loans	-	-	-	-	-
Short Term Loans	-	-	-	-	-
Long Term Loans	-	-	-	-	-
<b>Due to Banks &amp; Other Correspondents</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Technical Reserves	-	-	-	-	-
Non-assigned Securities for Settlement	-	-	-	-	-
Creditor Balance in Repo Trans, Net	-	-	-	-	-
Secs to be received in Repo Trans, Net	-	-	-	-	-
<b>Collateral sold or pledged as collateral:</b>					
Repos (Credit Balance)	-	-	-	-	-
Securities' Loans	-	-	-	-	-
Transactions with Derivatives	-	-	-	-	-
Other sold collateral	-	-	-	-	-
<b>Total Collateral sold</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Derivatives</b>					
For trading purposes	-	-	-	-	-
For hedging purposes	-	-	-	-	-
<b>Total Derivatives</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Valuation adjustments for financial liability coverage	-	-	-	-	-
Obligations in securitization transactions	-	-	-	-	-
Payable Accountsfor Reinsurance	-	-	-	-	-
Lease Liabilities	-	-	-	-	-
Creditors for settlement of transactions	-	-	-	-	-
Margin Accounts Payable	-	-	-	-	-
Creditors for collateral received in cash	-	-	-	-	-
Contributions payable	3	8	5	4	7
Suppliers	-	-	-	-	-
Related Party	-	-	-	-	-
Other Creditors & Accounts Payable	63	50	4	175	174
<b>Other Payable Accounts</b>	<b>66</b>	<b>58</b>	<b>10</b>	<b>179</b>	<b>181</b>
Contributions for future capital increases pending formalization by its governing body	-	-	-	-	-
Subordinated Non Convertible Debt	-	-	-	-	-
Income Tax Liabilities	21	22	27	25	-
Employee benefit liability	30	39	57	58	64
Deferred Credits	-	-	-	-	0
<b>TOTAL LIABILITIES</b>	<b>118</b>	<b>119</b>	<b>93</b>	<b>263</b>	<b>255</b>
<b>EQUITY</b>					
Paid-in Capital	1,679	1,679	1,679	1,679	1,679
Provision for future capital increase not formalized by its governing entity	-	-	600	600	1,000
Share Subscription Premiums	-	-	-	-	-
Finan. instr. that qualify as capital	-	-	-	-	-
<b>Subscribed Capital</b>	<b>1,679</b>	<b>1,679</b>	<b>2,279</b>	<b>2,279</b>	<b>2,679</b>
Capital Reserves	2	4	4	4	4
Retained Earnings	(3)	(5)	(5)	(5)	58
Net Income	17	28	43	63	(188)
<b>Comprehensive Income</b>					
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	(0)	(0)	0	-	-
Valuation Adjustment for Cash Flow Hedges	-	-	-	-	-
Income and expenses related to assets held for disposal	-	-	-	-	-
Remeasurements defined benefits for employees	(0)	(0)	(0)	(1)	(1)
Cumulative foreign currency translation adjustment	-	-	-	-	-
Res. for holding non-monetary assets	-	-	-	-	-
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-
<b>Earned Capital</b>	<b>15</b>	<b>26</b>	<b>42</b>	<b>61</b>	<b>(127)</b>
Minority Interest	-	-	-	-	-
<b>Total Equity</b>	<b>1,694</b>	<b>1,705</b>	<b>2,320</b>	<b>2,339</b>	<b>2,551</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,812</b>	<b>1,824</b>	<b>2,414</b>	<b>2,602</b>	<b>2,807</b>

(\*) Prior to 1Q24, Banco Bineo's information is presented, in preoperative stages.

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Bineo - Memorandum Accounts (Million Pesos)	1Q23	2Q23	3Q23	4Q23	1Q24
Investment Banking transactions for third parties, net	-	-	-	-	-
<b>TOTAL ON BEHALF OF THIRD PARTIES</b>	-	-	-	-	-
Endorsement Guarantees Granted	-	-	-	-	-
Loan Obligations	-	-	-	-	-
Trusts	-	-	-	-	-
Mandates	-	-	-	-	-
Properties in Trusts and Warrant	-	-	-	-	-
Properties in Custody or Management	-	-	-	-	-
Shares delivered in custody or as collateral	-	-	-	-	-
Collateral Received	57	72	326	773	-
Collateral Received or sold or delivered	-	-	-	-	-
Deposits of assets	-	-	-	-	-
Contingent assets & liabilities	-	-	-	-	-
Uncollected Accrued Interest from Non-Performing Loans	-	-	-	-	-
Liabilities for active bonds (net)	-	-	-	-	-
Recovery guarantees for issued bonds	-	-	-	-	-
Complaints received pending verification	-	-	-	-	-
Contingent claims	-	-	-	-	-
Claims paid	-	-	-	-	-
Claims cancelled	-	-	-	-	-
Recovered claims	-	-	-	-	-
Miscellaneous accounts	2,737	2,502	2,502	2,502	3,286
<b>TOTAL PROPRIETARY</b>	<b>2,795</b>	<b>2,574</b>	<b>2,828</b>	<b>3,275</b>	<b>3,286</b>

(\*) Prior to 1Q24, Banco Bineo's information is presented, in preoperative stages.

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**BINEO - CONSOLIDATED STATEMENT OF CASH FLOWS****JANUARY 1st, 2023 – MARCH 31st, 2024***(Million Pesos)***Operation activities****Net income before taxes** (267)**Adjustments for items associated with investing activities** 40

Depreciation in property, furniture, and equipment 0

Amortization of intangible assets 40

**Changes in operating items** 948

Change in repo debtors (net) 773

Change in loan portfolio (net) (9)

Change in other accounts receivable (net) 21

Change in other operating assets (net) 145

Change in traditional deposits 10

Change in other operating liabilities 0

Change in assets/liabilities for employee benefits 5

Change in other accounts payable 4

Change in other provisions (1)

**Net cash flows from operating activities** 721**Investment activities**

Payments for the acquisition of property, furniture and equipment (1)

Payments for the acquisition of intangible assets (169)

**Net cash flows from investing activities** (170)**Financial activities**

Contribution fo future capital increases formalized in the Shareholders' Meeting 400

**Net cash flows from financing activities** 400**Net increase or decrease in cash and cash equivalents** 951**Cash and cash equivalents at the beginning of the period** 1**Cash and cash equivalents at the end of the period** 952**BINEO - CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****JANUARY 1st, 2024 – MARCH 31st, 2024***(Million Pesos)*

	CONTRIBUTED CAPITAL		EARNED CAPITAL				
	Fixed Paid-in Capital	Contribution fo future capital increases formalized by its governing body	Capital Reserves	Retained Earnings	Remeasurement on Defined Employee Benefit	Financial Instruments to collect or sell valuation	Total Stockholders' Equity
Balance as of December 31, 2023	1,679	600	4	58	(1)	0	2,340
<b>CHANGES STEMMING FROM STOCKHOLDERS' DECISIONS</b>							
Plan based on shares payable in equity instruments		400					400
<b>Total</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>
<b>COMPREHENSIVE INCOME</b>							
Net Income				(188)			(188)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(188)</b>	<b>0</b>	<b>0</b>	<b>(188)</b>
Minority Interest							
<b>Balance as of March 31st, 2024</b>	<b>1,679</b>	<b>1,000</b>	<b>4</b>	<b>(130)</b>	<b>(1)</b>	<b>0</b>	<b>2,552</b>

## Seguros Banorte

Income Statement- Seguros Banorte (Million Pesos)	1Q23	2Q23	3Q23	4Q23	1Q24
Interest Income	769	801	879	826	932
Interest Expense	2	1	1	2	2
Monetary Positions Net Interest Income	-	-	-	-	-
<b>Net Interest Income (NII)</b>	<b>767</b>	<b>800</b>	<b>878</b>	<b>824</b>	<b>931</b>
Preventive Provisions for Loan Losses	0	0	(0)	(0)	(0)
<b>Net Interest Income</b>	<b>767</b>	<b>800</b>	<b>878</b>	<b>824</b>	<b>931</b>
Fees Charged on Services	-	-	-	-	-
Fees Paid on Services	-	-	-	-	-
<b>Premium Revenue (Net)</b>	<b>9,887</b>	<b>8,708</b>	<b>6,077</b>	<b>8,290</b>	<b>15,069</b>
<b>Net increase in technical reserves</b>	<b>3,324</b>	<b>2,543</b>	<b>813</b>	<b>2,906</b>	<b>6,708</b>
<b>Net Cost for Insurance and Bond Operations</b>	<b>1,568</b>	<b>848</b>	<b>794</b>	<b>1,031</b>	<b>1,619</b>
<b>Net Cost of Claims and Other Obligations</b>	<b>3,427</b>	<b>4,316</b>	<b>4,150</b>	<b>4,120</b>	<b>4,345</b>
<b>Trading Income</b>	<b>126</b>	<b>277</b>	<b>252</b>	<b>588</b>	<b>438</b>
<b>Total Other Operating Income (Expenses)</b>	<b>115</b>	<b>99</b>	<b>157</b>	<b>133</b>	<b>149</b>
<b>Total Non-Interest Income</b>	<b>1,808</b>	<b>1,377</b>	<b>729</b>	<b>954</b>	<b>2,983</b>
<b>Total Operating Income</b>	<b>2,575</b>	<b>2,176</b>	<b>1,606</b>	<b>1,778</b>	<b>3,914</b>
Personnel	127	130	138	140	143
Professional Fees	71	74	7	26	67
Administrative and Promotional	55	37	76	38	74
Rents, Depreciation & Amortization	47	42	44	46	49
Other Taxes	33	26	38	42	39
Employee Profit Sharing (PTU)	13	14	15	19	14
Other expenses	215	97	130	109	225
<b>Total Non-Interest Expense</b>	<b>561</b>	<b>420</b>	<b>449</b>	<b>419</b>	<b>611</b>
<b>Operating Income</b>	<b>2,014</b>	<b>1,757</b>	<b>1,157</b>	<b>1,359</b>	<b>3,303</b>
Subsidiaries' Net Income	298	301	210	418	320
<b>Pre-Tax Income</b>	<b>2,312</b>	<b>2,057</b>	<b>1,368</b>	<b>1,777</b>	<b>3,623</b>
<b>Taxes</b>	<b>621</b>	<b>532</b>	<b>333</b>	<b>363</b>	<b>1,012</b>
<b>Net Income from Continuous Operations</b>	<b>1,691</b>	<b>1,526</b>	<b>1,035</b>	<b>1,414</b>	<b>2,611</b>
Discontinued Operations	-	-	-	-	-
Net income from continuing operations	1,691	1,526	1,035	1,414	2,611
Minority Interest	9	10	4	8	8
<b>Net Income</b>	<b>1,682</b>	<b>1,516</b>	<b>1,031</b>	<b>1,406</b>	<b>2,602</b>

<b>Seguros Banorte - Balance Sheet</b> <i>(Million Pesos)</i>	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>	<b>1Q24</b>
<b>ASSETS</b>					
<b>Cash and Equivalents</b>	<b>2,416</b>	<b>1,678</b>	<b>1,697</b>	<b>3,626</b>	<b>1,487</b>
<b>Margin Accounts</b>	-	-	-	-	-
Negotiable Instruments	29,440	29,868	31,459	36,372	39,253
Securities Available for Sale	6,192	6,557	6,880	6,479	6,741
Securities Held to Maturity	(0)	(0)	(0)	(0)	(0)
<b>Investment in Securities</b>	<b>35,632</b>	<b>36,425</b>	<b>38,338</b>	<b>42,851</b>	<b>45,994</b>
Estimate of Expected Credit Losses for Investments	-	-	-	-	-
<b>Debtor Balance in Repo Trans, net</b>	<b>5,797</b>	<b>7,166</b>	<b>5,215</b>	<b>5,515</b>	<b>8,702</b>
<b>Securities Lending</b>	-	-	-	-	-
For trading purposes	-	-	-	-	-
For hedging purposes	-	-	-	-	-
Operations w/Derivatives & Securities	-	-	-	-	-
<b>Transactions with Derivatives</b>	-	-	-	-	-
<b>Operations w/Derivatives &amp; Securities</b>	<b>5,797</b>	<b>7,166</b>	<b>5,215</b>	<b>5,515</b>	<b>8,702</b>
<b>Valuation adjustments for Asset Coverage</b>	-	-	-	-	-
<b>Insurance and Bail Bond portfolio</b>	<b>24</b>	<b>27</b>	<b>28</b>	<b>41</b>	<b>38</b>
<b>Deferred Items (BAP)</b>	-	-	-	-	-
<b>Loan Loss-reserve for Insurance and Bail Bond Risks</b>	<b>24</b>	<b>27</b>	<b>28</b>	<b>41</b>	<b>38</b>
<b>Net Insurance and Bail Bond Loan Portfolio</b>	0	0	0	0	0
<b>Loan Portfolio, net</b>	<b>24</b>	<b>27</b>	<b>28</b>	<b>41</b>	<b>38</b>
<b>Net from Reserves Loan Portfolio</b>	<b>24</b>	<b>27</b>	<b>28</b>	<b>41</b>	<b>38</b>
Acquired Collection Rights (net)	-	-	-	-	-
<b>Total Credit Portfolio</b>	<b>24</b>	<b>27</b>	<b>28</b>	<b>41</b>	<b>38</b>
Account Receivables from Insurance and Annuities	7,939	9,921	7,110	4,575	14,295
Amounts recoverable by Reinsurance and Counter-guarantee	4,898	5,284	5,471	5,773	6,882
Account Receivables from Reinsurance	-	-	-	-	-
Benef. receivab. securization transactions	-	-	-	-	-
Sundry Debtors & Other Accs Rec, Net	170	280	323	429	364
Inventories	-	-	-	-	-
Foreclosed Assets, Net	-	-	-	-	-
Advance Payments and Other Assets	350	1,156	1,635	2,094	965
Real Estate, Furniture & Equipment, Net	244	254	297	348	345
Assets for Rights of Use of Property, furniture and equipment	141	126	106	96	97
Investment in Subsidiaries	12,830	13,130	13,340	13,762	12,916
Assets for Rights of Use of Property, Furn.& Eq.	-	-	-	-	-
Deferred Income Tax Assets	450	746	656	669	669
Intangibles	1,452	1,482	1,506	1,526	1,555
Rights of Use of Intangible Assets	-	-	-	-	-
Goodwill	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>72,343</b>	<b>77,673</b>	<b>75,723</b>	<b>81,305</b>	<b>94,310</b>



<b>Seguros Banorte - Balance Sheet</b> (Million Pesos)	<b>1Q23</b>	<b>2Q23</b>	<b>3Q23</b>	<b>4Q23</b>	<b>1Q24</b>
<b>LIABILITIES</b>					
Technical Reserves	39,824	43,239	43,922	47,643	56,196
Non-assigned Securities for Settlement	-	-	-	-	-
<b>Total Derivatives</b>	-	-	-	-	-
Valuation adjustments for financial liability coverage	-	-	-	-	-
Obligations in securitization transactions	-	-	-	-	-
Payable Accountsfor Reinsurance	2,326	2,789	2,405	2,379	3,979
Lease Liabilities	144	130	111	99	102
Creditors for settlement of transactions	-	-	-	-	-
Margin Accounts Payable	-	-	-	-	-
Creditors for collateral received in cash	-	-	-	-	-
Contributions payable	949	883	777	1,045	1,210
Suppliers	-	-	-	-	-
Related Party	-	-	-	-	-
Other Creditors & Accounts Payable	3,021	2,965	2,952	2,808	3,903
<b>Other Payable Accounts</b>	<b>3,970</b>	<b>3,848</b>	<b>3,728</b>	<b>3,853</b>	<b>5,113</b>
Contributions for future capital increases pending formalization by its governing body	-	-	-	-	-
Subordinated Non Convertible Debt	-	-	-	-	-
Income Tax Liabilities	931	1,759	1,996	2,359	1,332
Employee benefit liability	151	154	155	183	185
Deferred Credits	46	49	50	53	51
<b>TOTAL LIABILITIES</b>	<b>47,393</b>	<b>51,968</b>	<b>52,366</b>	<b>56,568</b>	<b>66,957</b>
<b>EQUITY</b>					
Paid-in Capital	13,928	13,928	13,928	13,928	13,928
Provision for future capital increase not formalized by its governing entity	7	7	7	7	7
Share Subscription Premiums	-	-	-	-	-
Finan. instr. that qualify as capital	-	-	-	-	-
<b>Subscribed Capital</b>	<b>13,934</b>	<b>13,934</b>	<b>13,934</b>	<b>13,934</b>	<b>13,934</b>
Capital Reserves	4,236	4,714	4,714	4,714	4,714
Retained Earnings	4,783	3,537	216	220	5,855
Net Income	1,682	3,198	4,229	5,635	2,602
<u>Resultados Integrales:</u>					
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	(265)	(245)	(395)	(250)	(377)
Valuation Adjustment for Cash Flow Hedges	-	-	-	-	-
Income and expenses related to assets held for disposal	-	-	-	-	-
Remeasurements defined benefits for employees	3	3	3	(14)	(14)
Cumulative foreign currency translation adjustment	0	0	0	0	0
Res. for holding non-monetary assets	-	-	-	-	-
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	213	206	358	191	325
Participation in other comprehensive income of other entities	-	-	-	-	-
<b>Earned Capital</b>	<b>10,653</b>	<b>11,412</b>	<b>9,125</b>	<b>10,497</b>	<b>13,105</b>
Minority Interest	363	359	299	305	313
<b>Total Equity</b>	<b>24,950</b>	<b>25,705</b>	<b>23,358</b>	<b>24,736</b>	<b>27,353</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>72,343</b>	<b>77,673</b>	<b>75,723</b>	<b>81,305</b>	<b>94,310</b>

## Information by Segments

### GFNorte - Income Statement as of March 31st, 2024

(Million Pesos)

	Holding	Banorte	Ahorro y Previsión Banorte	Arrendadora y Factor Banorte	Almacenadora Banorte	Casa de Bolsa Banorte
<b>Interest on Loan Portfolio</b>	516	80,781	7,710	1,128	26	7,718
Interest on cash and cash equivalents	0	2,032	40	1	0	75
Interest and yields in favor from margin accounts	-	(105)	-	-	-	1
Interest and yields in favor from OTC collateral operations	-	132	-	-	-	-
Interest and yields in favor from investments in financial instruments	286	7,963	2,963	-	-	7,185
Interest and yields on repurchase agreements	230	3,823	-	-	-	125
Operations' coverage income from hedging operations	-	1,838	-	-	-	-
Income from trading financial instruments	-	29,690	-	-	-	332
<b>Interest on loan portfolio with credit risk stage 1</b>						
Commercial loans	-	11,738	-	975	26	-
Financial entities	-	1,026	-	20	-	-
Government entities	-	4,920	-	96	-	-
Consumer loans	-	10,937	-	0	-	-
Mortgage loans	-	5,815	-	-	-	-
<b>Interest on loan portfolio with credit risk stage 2</b>						
Commercial Loans	-	53	-	9	-	-
Financial entities	-	1	-	1	-	-
Government entities	-	-	-	12	-	-
Consumer loans	-	241	-	-	-	-
Mortgage loans	-	87	-	-	-	-
<b>Interest on loan portfolio with credit risk stage 3</b>						
Commercial loans	-	15	-	1	-	-
Financial entities	-	-	-	-	-	-
Government entities	-	1	-	-	-	-
Consumer loans	-	26	-	-	-	-
Mortgage loans	-	30	-	-	-	-
Insurance and bond loan portfolio interest	-	-	255	-	-	-
Interest on acquired collection rights	-	-	-	-	-	-
Loan commissions	-	417	-	13	-	-
Effect of loan portfolio renegotiation	-	87	-	0	-	-
Securities' loans premiums	-	-	188	-	-	-
Debt issuance premiums	-	-	-	-	-	-
Net dividends from equity instruments	-	1	1	-	-	0
Income from valuation	-	13	4,261	-	-	0
Increase due interest income update	-	-	-	-	-	-

**GFNorte - Income Statement as of March 31st, 2024**  
(Million Pesos)

	Holding	Banorte	Ahorro y Prevención Banorte	Arrendadora y Factor Banorte	Almacenadora Banorte	Casa de Bolsa Banorte
<b>Interest expense</b>	-	54,694	2	975	-	7,440
Interest on demand deposits	-	4,789	-	-	-	-
Interest on time deposits	-	7,340	-	-	-	-
Interest due to banks and correspondents	-	251	-	965	-	-
Interest, transaction costs, and discounts of financial instruments that qualify as liabilities	-	1,157	-	-	-	-
Interest and yields charged from OTC collateral operations	-	230	-	-	-	-
Premiums paid for the early redemption of financial instruments that qualify as liabilities	-	-	-	-	-	-
Interest and yields payable in repurchase agreements	-	9,698	-	-	-	7,113
Expenses from hedging operations	-	1,936	-	-	-	-
Expenses from trading financial instruments	-	28,142	-	-	-	327
Proceeds from lent securities	-	-	-	-	-	0
Effect of loan portfolio renegotiation	-	105	-	-	-	-
Costs expenses of granting loans	-	698	-	5	-	-
Foreign exchange valorization income	-	201	0	4	-	0
Chargeable interest associated with the global deposit account without movements	-	58	-	-	-	-
Interest on lease liabilities	-	90	2	-	-	-
Increase due to update of interest expense	-	-	-	-	-	-
Financial Margin	-	-	-	-	-	-
<b>Financial Margin</b>	516	26,087	7,708	154	26	278
Allowance for loan losses	0	4,910	16	(58)	-	-
<b>Risk adjusted net interest income</b>	516	21,177	7,692	212	26	278
Commissions and fees charged on services	-	9,366	-	153	-	328
Commissions and fees paid on services	-	4,529	-	17	0	53
Premium revenue (net)	-	-	18,362	-	-	-
Increase in technical reserves (net)	-	-	12,190	-	-	-
Cost of acquisition for insurance and bail bonds operations (net)	-	-	1,622	-	-	-
Cost of damages, claims, and other obligations	-	-	7,832	-	-	-
Trading income	-	477	434	-	(0)	112
Total other operating income (expense)	0	(930)	134	214	20	2
Administrative and promotional Expenses	30	11,047	720	263	26	528
<b>Operating income</b>	486	14,514	4,257	299	19	140
Subsidiaries' net income	13,813	225	320	(0)	-	0
<b>Pre-tax income</b>	14,299	14,739	4,577	298	19	140
Taxes	91	4,501	1,299	75	6	39
<b>Net income from continuous operations</b>	14,208	10,238	3,279	224	13	102
Discontinued Operations	-	-	-	-	-	-
<b>NET INCOME</b>	<b>14,208</b>	<b>10,474</b>	<b>3,273</b>	<b>224</b>	<b>13</b>	<b>102</b>
<b>Minority interest</b>	-	(236)	6	0	0	-
<b>Other comprehensive income</b>	-	-	-	-	-	-
Financial instruments to collect or sell valuation	(815)	(664)	(135)	-	-	(22)
Cash flow hedges valuation	(336)	(342)	-	-	-	-
Remeasurement on defined employee benefits	19	20	-	(0)	(0)	(0)
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	133	-	133	-	-	-
Cumulative foreign currency translation adjustment	(34)	(30)	-	-	-	(5)
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-	-
<b>Other comprehensive income</b>	<b>(1,032)</b>	<b>(1,016)</b>	<b>(2)</b>	<b>(0)</b>	<b>(0)</b>	<b>(27)</b>
<b>COMPREHENSIVE INCOME</b>	<b>13,176</b>	<b>9,222</b>	<b>3,277</b>	<b>224</b>	<b>13</b>	<b>75</b>

## GFNorte - Income Statement as of March 31st, 2024

(Million Pesos)

	Operadora de Fondos Banorte	Banco Bineo	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
<b>Interest on Loan Portfolio</b>	2	28	97,910	2,427	-	95,483
Interest on cash and cash equivalents	2	27	2,178	134	-	2,044
Interest and yields in favor from margin accounts	-	-	(105)	-	-	(105)
Interest and yields in favor from OTC collateral operations	-	-	132	-	-	132
Interest and yields in favor from investments in financial instruments	-	-	18,397	286	-	18,111
Interest and yields on repurchase agreements	-	1	4,179	1,549	-	2,630
Operations' coverage income from hedging operations	-	-	1,838	-	-	1,838
Income from trading financial instruments	-	-	30,022	-	-	30,022
<b>Interest on loan portfolio with credit risk stage 1</b>						
Commercial loans	-	-	12,739	-	-	12,739
Financial entities	-	-	1,046	373	-	674
Government entities	-	-	5,016	-	-	5,016
Consumer loans	-	0	10,938	-	-	10,938
Mortgage loans	-	-	5,815	-	-	5,815
<b>Interest on loan portfolio with credit risk stage 2</b>						
Commercial Loans	-	-	62	-	-	62
Financial entities	-	-	2	-	-	2
Government entities	-	-	12	-	-	12
Consumer loans	-	0	241	-	-	241
Mortgage loans	-	-	87	-	-	87
<b>Interest on loan portfolio with credit risk stage 3</b>						
Commercial loans	-	-	16	-	-	16
Financial entities	-	-	-	-	-	-
Government entities	-	-	1	-	-	1
Consumer loans	-	-	26	-	-	26
Mortgage loans	-	-	30	-	-	30
Insurance and bond loan portfolio interest	-	-	255	-	-	255
Interest on acquired collection rights	-	-	-	-	-	-
Loan commissions	-	-	430	-	-	430
Effect of loan portfolio renegotiation	-	-	88	-	-	88
Securities' loans premiums	-	-	188	85	-	103
Debt issuance premiums	-	-	-	-	-	-
Net dividends from equity instruments	-	-	2	-	-	2
Income from valuation	-	0	4,274	-	-	4,274
Increase due interest income update	-	-	-	-	-	-

## V. Financial Statements

### GFNorte - Income Statement as of March 31st, 2024 (Million Pesos)

	Operadora de Fondos Banorte	Banco Bineo	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
<b>Interest expense</b>	-	-	63,110	-	2,404	60,706
Interest on demand deposits	-	-	4,789	-	107	4,682
Interest on time deposits	-	-	7,340	-	0	7,340
Interest due to banks and correspondents	-	-	1,216	-	376	840
Interest, transaction costs, and discounts of financial instruments that qualify as liabilities	-	-	1,157	-	286	871
Interest and yields charged from OTC collateral operations	-	-	230	-	-	230
Premiums paid for the early redemption of financial instruments that qualify as liabilities	-	-	-	-	-	-
Interest and yields payable in repurchase agreements	-	-	16,810	-	1,635	15,176
Expenses from hedging operations	-	-	1,936	-	-	1,936
Expenses from trading financial instruments	-	-	28,468	-	-	28,468
Proceeds from lent securities	-	-	0	-	-	0
Effect of loan portfolio renegotiation	-	-	105	-	-	105
Costs expenses of granting loans	-	-	703	-	-	703
Foreign exchange valorization income	-	-	206	-	-	206
Chargeable interest associated with the global deposit account without movements	-	-	58	-	-	58
Interest on lease liabilities	-	-	92	-	-	92
Increase due to update of interest expense	-	-	-	-	-	-
Financial Margin	-	-	-	-	-	-
<b>Financial Margin</b>	2	28	34,800	2,427	2,404	34,777
Allowance for loan losses	-	0	4,868	-	-	4,868
<b>Risk adjusted net interest income</b>	2	28	29,932	2,427	2,404	29,909
Commissions and fees charged on services	634	0	10,481	1,084	-	9,397
Commissions and fees paid on services	446	2	5,046	-	442	4,605
Premium revenue (net)	-	-	18,362	132	-	18,231
Increase in technical reserves (net)	-	-	12,190	-	-	12,190
Cost of acquisition for insurance and bail bonds operations (net)	-	-	1,622	-	663	959
Cost of damages, claims, and other obligations	-	-	7,832	-	15	7,817
Trading income	11	0	1,034	-	-	1,034
Total other operating income (expense)	(0)	0	(560)	291	21	(830)
Administrative and promotional Expenses	70	293	12,979	21	410	12,591
<b>Operating income</b>	131	(267)	19,579	3,954	3,954	19,579
Subsidiaries' net income	2	-	14,360	13,813	-	547
<b>Pre-tax income</b>	133	(267)	33,939	17,767	3,954	20,126
Taxes	35	(79)	5,966	-	-	5,966
<b>Net income from continuous operations</b>	98	(188)	27,973	17,767	3,954	14,161
Discontinued Operations	-	-	-	-	-	-
<b>NET INCOME</b>	<b>98</b>	<b>(188)</b>	<b>27,744</b>	<b>17,767</b>	<b>4,136</b>	<b>14,208</b>
<b>Minority interest</b>	-	-	(230)	-	182	(47)
<b>Other comprehensive income</b>	-	-	-	-	-	-
Financial instruments to collect or sell valuation	-	-	(1,636)	294	1,162	(769)
Cash flow hedges valuation	-	-	(678)	(488)	(146)	(336)
Remeasurement on defined employee benefits	(0)	0	39	19	-	19
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	-	-	267	133	-	133
Cumulative foreign currency translation adjustment	-	-	(68)	-	35	(34)
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-	-
<b>Other comprehensive income</b>	<b>(0)</b>	<b>0</b>	<b>(2,077)</b>	<b>(41)</b>	<b>1,050</b>	<b>(986)</b>
<b>COMPREHENSIVE INCOME</b>	<b>98</b>	<b>(188)</b>	<b>25,437</b>	<b>17,726</b>	<b>5,369</b>	<b>13,175</b>

## GFNorte - Balance Sheet as of March 31st, 2024

(Million Pesos)

ASSETS	Holding	Banorte	Ahorro y Previsión Banorte	Arrendadora y Factor Banorte	Almacenadora Banorte	Casa de Bolsa Banorte
Cash and cash equivalents	4	124,744	1,757	63	9	2,668
Margin accounts (derivate financial instruments)	-	5,120	-	-	-	-
Investment in securities						
Trading financial instruments	-	110,919	45,223	-	-	200,474
Financial instruments to collect or sell	-	168,015	6,754	-	-	56,186
Financial instruments to collect principal and interest (securities)	10,097	94,921	251,909	-	-	27
Estimate of expected credit losses for investments (securities)	-	(83)	(82)	-	-	(0)
Debtor balance in repo trans (net)	8,303	125,036	8,702	-	-	4,007
Securities lending						
Derivative financial instruments						
Transactions with derivatives for trading purposes	-	28,831	-	-	-	587
Transactions with derivatives for hedging purposes	-	4,556	-	-	-	-
Asset hedges valuation adjustments	-	-	-	-	-	-
Loan portfolio with credit risk stage 1						
Commercial loans						
Commercial	-	374,240	-	34,867	-	-
Financial entities	-	42,557	-	823	-	-
Government	-	169,655	-	6,346	-	-
Consumer loans	-	175,912	-	1	-	-
Mortgage						
Medium and residential	-	250,485	-	-	-	-
Low-income housing	-	1	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	1,578	-	-	-	-
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 1	-	1,014,428	-	42,037	-	-
Loan portfolio with credit risk stage 2						
Commercial loans						
Commercial	-	1,395	-	511	-	-
Financial entities	-	-	-	-	-	-
Government	-	-	-	416	-	-
Consumer loans	-	3,009	-	-	-	-
Mortgage						
Medium and residential	-	3,624	-	-	-	-
Low-income housing	-	0	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	72	-	-	-	-
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 2	-	8,100	-	926	-	-

## GFNorte - Balance Sheet as of March 31st, 2024

(Million Pesos)

ASSETS	Holding	Banorte	Ahorro y Previsión Banorte	Arrendadora y Factor Banorte	Almacenadora Banorte	Casa de Bolsa Banorte
<b>Loan portfolio with credit risk stage 3</b>						
<b>Commercial loans</b>						
Commercial	-	2,808	-	710	-	-
Financial entities	-	119	-	4	-	-
Government	-	4	-	4	-	-
<b>Consumer loans</b>	-	4,063	-	-	-	-
<b>Mortgage</b>						
Medium and residential	-	1,812	-	-	-	-
Low-income housing	-	-	-	-	-	-
Loans acquired from INFONAVIT or FOVISSTE	-	350	-	-	-	-
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
<b>Loan portfolio with credit risk stage 3</b>	-	9,156	-	719	-	-
<b>Loan portfolio</b>	-	1,031,684	-	43,682	-	-
(+/-) Deferred items	-	2,537	-	(48)	-	-
(-) Minus						
Allowance for loan losses	-	(18,495)	-	(749)	-	-
<b>Loan portfolio (net)</b>	-	1,015,726	-	42,885	-	-
Loan portfolio from insurance and bail bonds	-	-	3,554	-	-	-
(+/-) Deferred items	-	-	-	-	-	-
(-) Minus						
Loan loss-reserve for insurance and bail bond risks	-	-	(270)	-	-	-
Total insurance and bail bond loan portfolio (net)	-	-	3,284	-	-	-
Acquired collection rights (net)	-	1,032	-	-	-	-
<b>Loan portfolio (net)</b>	-	1,016,758	3,284	42,885	-	-
Benef. receivab. securization transactions	-	-	-	-	-	-
Debtors of insurance and surety companies	-	-	14,482	-	-	-
Amounts recoverable by reinsurance and counter-guarantee (net)	-	-	6,882	-	-	-
Other accounts receivable (net)	0	53,257	451	1,465	552	3,086
Inventories	-	-	-	-	592	-
Foreclosed assets (net)	-	4,809	-	50	26	-
Advanced payments and other assets (net)	21	4,188	1,383	4,142	34	267
Property, furniture, and equipment (net)	-	25,934	351	4,115	54	54
Assets for rights of use of property, furniture and equipment (net)	-	3,948	108	-	-	-
Investment in subsidiaries	217,924	1,433	12,916	33	-	3
Deferred income tax assets	0	101	-	785	8	-
Intangible assets (net)	223	13,172	1,557	-	-	73
Goodwill	25,329	1,494	-	-	-	-
<b>TOTAL ASSETS</b>	<b>261,901</b>	<b>1,787,156</b>	<b>355,678</b>	<b>53,537</b>	<b>1,274</b>	<b>267,432</b>



## GFNorte - Balance Sheet as of March 31st, 2024

(Million Pesos)

ASSETS	Operadora de Fondos Banorte	Banco Bineo	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
Cash and cash equivalents	41	952	130,238	31	5,197	125,072
Margin accounts (derivate financial instruments)	-	-	5,120	-	-	5,120
Investment in securities						
Trading financial instruments	490	-	357,106	-	-	357,106
Financial instruments to collect or sell	-	-	230,955	-	-	230,955
Financial instruments to collect principal and interest (securities)	-	-	356,954	-	10,444	346,510
Estimate of expected credit losses for investments (securities)	-	-	(164)	-	-	(164)
Debtor balance in repo trans (net)	-	-	146,048	-	81,457	64,591
Securities lending						
Derivative financial instruments						
Transactions with derivatives for trading purposes	-	-	29,419	-	502	28,917
Transactions with derivatives for hedging purposes	-	-	4,556	-	-	4,556
Asset hedges valuation adjustments	-	-	-	-	-	-
Loan portfolio with credit risk stage 1						
Commercial loans						
Commercial	-	-	409,107	-	-	409,107
Financial entities	-	-	43,380	-	18,433	24,947
Government	-	-	176,001	-	-	176,001
Consumer loans	-	9	175,923	-	-	175,923
Mortgage						
Medium and residential	-	-	250,485	-	-	250,485
Low-income housing	-	-	1	-	-	1
Loans acquired from INFONAVIT or FOVISSSTE	-	-	1,578	-	-	1,578
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 1	-	9	1,056,474	-	18,433	1,038,042
Loan portfolio with credit risk stage 2						
Commercial loans						
Commercial	-	-	1,905	-	-	1,905
Financial entities	-	-	-	-	-	-
Government	-	-	416	-	-	416
Consumer loans	-	0	3,009	-	-	3,009
Mortgage						
Medium and residential	-	-	3,624	-	-	3,624
Low-income housing	-	-	0	-	-	0
Loans acquired from INFONAVIT or FOVISSSTE	-	-	72	-	-	72
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 2	-	0	9,026	-	-	9,026

## GFNorte - Balance Sheet as of March 31st, 2024

(Million Pesos)

ASSETS	Operadora de Fondos Banorte	Banco Bineo	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
<b>Loan portfolio with credit risk stage 3</b>						
Commercial loans						
Commercial	-	-	3,518	-	-	3,518
Financial entities	-	-	123	-	-	123
Government	-	-	9	-	-	9
Consumer loans	-	-	4,063	-	-	4,063
Mortgage						
Medium and residential	-	-	1,812	-	-	1,812
Low-income housing	-	-	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	-	350	-	-	350
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
<b>Loan portfolio with credit risk stage 3</b>	-	-	<b>9,875</b>	-	-	<b>9,875</b>
<b>Loan portfolio</b>	-	<b>9</b>	<b>1,075,375</b>	-	<b>18,433</b>	<b>1,056,942</b>
(+/-) Deferred items	-	-	2,489	-	-	2,489
(-) Minus						
Allowance for loan losses	-	(0)	(19,244)	-	-	(19,244)
<b>Loan portfolio (net)</b>	-	<b>9</b>	<b>1,058,620</b>	-	<b>18,433</b>	<b>1,040,187</b>
Loan portfolio from insurance and bail bonds	-	-	3,554	-	-	3,554
(+/-) Deferred items	-	-	-	-	-	-
(-) Minus						
Loan loss-reserve for insurance and bail bond risks	-	-	(270)	-	-	(270)
Total insurance and bail bond loan portfolio (net)	-	-	3,284	-	-	3,284
Acquired collection rights (net)	-	-	1,032	-	-	1,032
<b>Loan portfolio (net)</b>	-	<b>9</b>	<b>1,062,936</b>	-	<b>18,433</b>	<b>1,044,503</b>
Benef. receivab. securization transactions	-	-	-	-	-	-
Debtors of insurance and surety companies	-	-	14,482	-	-	14,482
Amounts recoverable by reinsurance and counter-guarantee (net)	-	-	6,882	-	-	6,882
Other accounts receivable (net)	266	20	59,095	-	648	58,448
Inventories	-	-	592	-	-	592
Foreclosed assets (net)	-	-	4,885	-	-	4,885
Advanced payments and other assets (net)	9	70	10,114	-	-	10,114
Property, furniture, and equipment (net)	0	6	30,515	203	44	30,674
Assets for rights of use of property, furniture and equipment (net)	-	-	4,057	-	-	4,057
Investment in subsidiaries	129	-	232,439	390	218,315	14,514
Deferred income tax assets	6	53	954	-	954	-
Intangible assets (net)	42	1,696	16,763	-	-	16,763
Goodwill	-	-	26,823	-	-	26,823
<b>TOTAL ASSETS</b>	<b>982</b>	<b>2,807</b>	<b>2,730,767</b>	<b>624</b>	<b>335,992</b>	<b>2,395,399</b>

## V. Financial Statements

GFNorte - Balance Sheet as of March 31st, 2024  
(Million Pesos)

LIABILITIES & EQUITY	Holding	Banorte	Ahorro y Prevención Banorte	Arrendadora y Factor Banorte	Almacenadora Banorte	Casa de Bolsa Banorte
<b>Deposits</b>						
<b>Demand deposits</b>	-	701,505	-	-	-	-
<b>Time deposits</b>						
Time deposits-retail	-	317,643	-	-	-	-
Time deposits-money market	-	7,831	-	-	-	-
Senior unsecured debt	-	56,174	-	-	-	-
Global account of deposits without movements	-	3,623	-	-	-	-
<b>Due to banks &amp; correspondents</b>						
Demand loans	-	940	-	-	-	-
Short-term loans	-	6,155	-	27,346	826	-
Long- term loans	-	4,383	-	12,317	-	-
<b>Non-assigned securities for settlement</b>	-	-	-	-	-	-
<b>Technical reserves</b>	-	-	302,971	-	-	-
<b>Creditor balance in repo transactions (net)</b>	-	235,095	-	-	-	255,679
<b>Securities to be received in repo transactions (net)</b>	-	-	-	-	-	-
<b>Collateral sold or pledged as collateral</b>	-	-	-	-	-	-
Repos	-	125,098	-	-	-	4,007
Securities' loans	-	-	-	-	-	-
Transactions with derivatives	-	-	-	-	-	-
Other sold collateral	-	-	-	-	-	-
<b>Derivative financial instruments</b>						
For trading purposes	-	22,159	-	-	-	471
For hedging purposes	-	1,977	-	-	-	-
<b>Valuation adjustments for financial liability coverage</b>	-	-	-	-	-	-
<b>Payable accounts for reinsurance and counter-guarantee entities (net)</b>	-	-	3,979	-	-	-
<b>Obligations in securitization transactions</b>	-	-	-	-	-	-
<b>Lease liabilities</b>	-	4,005	113	-	-	-
<b>Other payable accounts</b>						
Creditors of liquidation operations	-	21,607	-	-	-	2,380
Margin accounts payable	-	-	-	-	-	-
Creditors from collaterals received in cash	-	20,017	-	-	-	-
Contributions payable	-	1,618	1,226	22	18	122
Other creditors and accounts payable	-	30,099	4,608	1,921	24	204
<b>Financial instruments that qualify as a liability</b>						
Subordinated non- convertible debt	-	54,083	-	-	-	-
<b>Income tax liabilities</b>	162	2,872	3,201	141	5	136
<b>Employee benefit liability</b>	-	9,650	200	142	10	472
<b>Deferred credits and advanced charges</b>	-	1,130	51	211	-	1
<b>TOTAL LIABILITIES</b>	<b>162</b>	<b>1,627,664</b>	<b>316,349</b>	<b>42,100</b>	<b>883</b>	<b>263,470</b>
<b>Equity</b>						
<b>Paid-in capital</b>						
Common stock	15,002	18,795	15,776	12,294	87	1,985
Additional paid- in capital	47,445	4,773	5,594	16	-	77
Provision for future capital increase not formalized by its governing entity	-	-	-	-	-	-
Financial instruments that qualify as equity	-	-	-	-	-	-
<b>Earned capital</b>						
Capital reserves	34,187	18,959	1,956	830	65	397
<b>Cumulative results</b>						
Retained earnings	155,025	114,036	12,652	(2,124)	226	1,313
Net income	14,208	10,474	3,273	224	13	102
<b>Other comprehensive income</b>						
Valuation of financial instruments to collect or sell	(2,226)	(1,638)	(517)	-	-	10
Cash flow hedges valuation	(154)	(159)	-	-	-	-
Defined remeasurements for employees benefits	(1,928)	(1,974)	(20)	3	0	4
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	323	-	323	-	-	-
Cumulative foreign currency translation adjustment	(143)	(221)	-	-	-	75
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in OCI of other entities	-	-	-	-	-	-
<b>Majority interest</b>	261,739	163,046	39,038	11,243	391	3,961
<b>Minority interest</b>	-	(3,553)	291	194	0	-
<b>TOTAL EQUITY</b>	<b>261,739</b>	<b>159,492</b>	<b>39,329</b>	<b>11,437</b>	<b>391</b>	<b>3,961</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>261,901</b>	<b>1,787,156</b>	<b>355,678</b>	<b>53,537</b>	<b>1,274</b>	<b>267,432</b>

## V. Financial Statements

GFNorte - Balance Sheet as of March 31st, 2024  
(Million Pesos)

LIABILITIES & EQUITY	Operadora de Fondos Banorte	Banco Bineo	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
<b>Deposits</b>						
<b>Demand deposits</b>	-	10	701,515	4,100	-	697,414
<b>Time deposits</b>						
Time deposits-retail	-	-	317,643	157	-	317,486
Time deposits-money market	-	-	7,831	-	-	7,831
Senior unsecured debt	-	-	56,174	10,097	-	46,077
Global account of deposits without movements	-	-	3,623	-	-	3,623
<b>Due to banks &amp; correspondents</b>						
Demand loans	-	-	940	940	-	-
Short-term loans	-	-	34,326	9,737	-	24,589
Long-term loans	-	-	16,701	8,696	-	8,005
<b>Non-assigned securities for settlement</b>	-	-	-	-	-	-
<b>Technical reserves</b>	-	-	302,971	-	21	302,992
<b>Creditor balance in repo transactions (net)</b>	-	-	490,774	81,457	-	409,317
<b>Securities to be received in repo transactions (net)</b>	-	-	-	-	-	-
<b>Collateral sold or pledged as collateral</b>	-	-	-	-	-	-
Repos	-	-	129,105	-	-	129,105
Securities' loans	-	-	-	-	-	-
Transactions with derivatives	-	-	-	-	-	-
Other sold collateral	-	-	-	-	-	-
<b>Derivative financial instruments</b>						
For trading purposes	-	-	22,629	502	-	22,128
For hedging purposes	-	-	1,977	-	-	1,977
<b>Valuation adjustments for financial liability coverage</b>	-	-	-	-	-	-
<b>Payable accounts for reinsurance and counter-guarantee entities (net)</b>	-	-	3,979	-	-	3,979
<b>Obligations in securitization transactions</b>	-	-	-	-	-	-
<b>Lease liabilities</b>	-	-	4,118	-	-	4,118
<b>Other payable accounts</b>						
Creditors of liquidation operations	-	-	23,987	73	-	23,914
Margin accounts payable	-	-	-	-	-	-
Creditors from collaterals received in cash	-	-	20,017	-	-	20,017
Contributions payable	23	7	3,035	-	-	3,035
Other creditors and accounts payable	207	174	37,239	726	11	36,523
<b>Financial instruments that qualify as a liability</b>						
Subordinated non-convertible debt	-	-	54,083	-	-	54,083
<b>Income tax liabilities</b>	-	-	6,517	954	-	5,564
<b>Employee benefit liability</b>	65	64	10,602	-	-	10,602
<b>Deferred credits and advanced charges</b>	-	0	1,392	-	-	1,392
<b>TOTAL LIABILITIES</b>	<b>295</b>	<b>255</b>	<b>2,251,178</b>	<b>117,439</b>	<b>31</b>	<b>2,133,771</b>
<b>Equity</b>						
<b>Paid-in capital</b>						
Common stock	170	1,679	65,787	50,785	(0)	15,002
Additional paid-in capital	1	-	57,905	10,631	326	47,600
Provision for future capital increase not formalized by its governing entity	-	1,000	1,000	1,000	-	-
Financial instruments that qualify as equity	-	-	-	-	-	-
<b>Earned capital</b>						
Capital reserves	34	4	56,432	22,245	-	34,187
<b>Cumulative results</b>						
Retained earnings	383	58	281,568	134,839	8,251	154,981
Net income	98	(188)	28,203	13,995	-	14,208
<b>Other comprehensive income</b>						
Valuation of financial instruments to collect or sell	-	-	(4,371)	698	2,843	(2,226)
Cash flow hedges valuation	-	-	(313)	68	227	(154)
Defined remeasurements for employees benefits	2	(1)	(3,913)	-	1,986	(1,928)
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	-	-	646	323	-	323
Cumulative foreign currency translation adjustment	-	-	(288)	(146)	-	(143)
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in OCI of other entities	-	-	-	-	-	-
<b>Majority interest</b>	687	2,551	482,656	234,438	13,632	261,850
<b>Minority interest</b>	-	-	(3,067)	-	2,845	(222)
<b>TOTAL EQUITY</b>	<b>687</b>	<b>2,551</b>	<b>479,589</b>	<b>234,438</b>	<b>16,478</b>	<b>261,628</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>982</b>	<b>2,807</b>	<b>2,730,767</b>	<b>351,877</b>	<b>16,509</b>	<b>2,395,399</b>

## VI. 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 March 31<sup>st</sup>, 2024, the remaining balance of CETES ESPECIALES which have not been repurchased by the Federal Government, totaled Ps 467 million, with maturities in 2027.

#### Special Accounting Treatment of the Support Programs implemented by the Institution because of Hurricane Otis

After the negative impact generated by the hydrometeorological phenomena with severe affectation to the State of Guerrero, Mexico, the Institution has determined to support its clients by implementing several support programs which will apply to all customers who are in the previously mentioned municipalities and who subscribe to the program from October 24<sup>th</sup>, 2023, until April 30<sup>th</sup>, 2024, in accordance with the following:

Credit card:

- The support consists of freezing interests from the October cut-off and resuming them in May 2024. It was applied to the whole State of Guerrero. The included accounts where the ones whit up to two past due payments as of October 24<sup>th</sup>, 2023.

Non-Revolving consumer loans, mortgages, and SMEs:

- The support consists of 6-month deferral with no interest capitalization, during which no principal nor interest is required, and the term is extended for six months. The loans considered are the ones of all our clients domiciled in the State of Guerrero, whose credit risk belongs to stage 1 and stage 2 as of October 24<sup>th</sup>, 2023.

Due to the above, on October 27<sup>th</sup>, 2023, by means of official letter P307/2023, the Commission issued The Special Accounting Criteria, applicable for credit institutions from October 24<sup>th</sup>, 2023, until April 30<sup>th</sup>, 2024, in accordance with the following:

Those loans with schemes of single payment of principal at maturity and periodic interest payments, single payment of principal at maturity and interest at maturity, periodic payments of principal and interest, as well as non-revolving, which are renewed or restructured, were not transferred to the next category with higher credit risk in terms of paragraphs 98 to 112 of the B-6 criteria, the special accounting criteria applied only to loans which until October 24<sup>th</sup>, 2023, were registered in the loan book as credit risk stage 1 and 2, and that the new maturity period does not exceed six months from the expiration date from the original contract.

Additionally, loans subject to the special accounting criteria, where not considered as restructuring as established in paragraph 35 of de Criteria B-6, nor were reported as past due loans before credit bureaus.

The amounts that would have been registered and presented in both Statement of Financial Position and Statement of Comprehensive Income by type of portfolio, if the special accounting criteria had not been applied, as well as the detail of the concepts and amounts by type of portfolio, for which the accounting allocation has been made due to application of the special accounting criteria as of March 31<sup>st</sup>, 2024, are shown below:

Concept	Balance with Special Accounting Criteria	Effect on Loan Book and Estimation	Balance without Special Accounting Criteria
LOAN PORTFOLIO WITH CREDIT RISK STAGE 1			
Commercial Loans	\$610,055	(\$2)	\$610,053
Consumer Loans	175,923	(1,269)	174,654
Mortgage Loans	252,064	(1,914)	250,150
<b>TOTAL LOAN PORTFOLIO WITH CREDIT RISK STAGE 1</b>	<b>1,038,042</b>	<b>(3,185)</b>	<b>1,034,857</b>
LOAN PORTFOLIO WITH CREDIT RISK STAGE 2			
Commercial Loans	2,321	-	2,321
Consumer Loans	3,009	-	3,009
Mortgage Loans	3,696	(2)	3,694
<b>TOTAL LOAN PORTFOLIO WITH CREDIT RISK STAGE 2</b>	<b>9,026</b>	<b>(2)</b>	<b>9,024</b>
LOAN PORTFOLIO WITH CREDIT RISK STAGE 3			
Commercial Loans	3,650	3	3,653
Consumer Loans	4,063	1,269	5,332
Mortgage Loans	2,162	1,916	4,078
<b>TOTAL LOAN PORTFOLIO WITH CREDIT RISK STAGE 3</b>	<b>9,875</b>	<b>3,187</b>	<b>13,062</b>
<b>LOAN PORTFOLIO</b>	<b>1,056,943</b>		<b>1,056,943</b>
(+/-) DEFERRED ITEMS	2,489		2,489
(Minus) ALLOWANCE FOR LOAN LOSSES	19,244	1,172	20,416
INSURANCE AND BOND LOAN PORTFOLIO	3,554	-	3,554
(Minus) ALLOWANCE FOR LOAN LOSSES	270	-	270
TOTAL INSURANCE AND BOND LOAN PORTFOLIO	3,284	-	3,284
ACQUIRED COLLECTION RIGHTS (NET)	1,032	-	1,032
<b>TOTAL LOAN PORTFOLIO, (NET)</b>	<b>1,044,504</b>	<b>(1,172)</b>	<b>1,043,332</b>
<b>TOTAL ASSETS</b>	<b>2,395,399</b>	<b>(1,172)</b>	<b>2,394,227</b>
<b>Allowance for Loan Losses (Results)</b>	<b>4,868</b>	<b>1,172</b>	<b>6,040</b>
<b>NET INCOME</b>	<b>14,161</b>	<b>(1,172)</b>	<b>12,989</b>

<b>TOTAL EQUITY</b>	<b>261,628</b>	<b>(1,172)</b>	<b>260,456</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$2,395,399</b>	<b>(\$1,172)</b>	<b>\$2,394,227</b>

\* Figures in millions of pesos

As March 31<sup>st</sup>, 2024, the balance of loans subject to the programs is Ps 3.18 billion.

Considering the previous figures, if the special accounting treatment of the support programs granted by the Institution derived from Hurricane Otis had not been used, the Capitalization Ratio would have been at 21.17% vs. the observed level of 21.26%, representing a (0.08pbs) impact on the indicator.

On April 4<sup>th</sup>, 2024, the CNBV (Comisión Nacional Bancaria de Valores) extended de validity period of this special criteria to October 31<sup>st</sup>, 2024.

### Changes in the Local Liquidity Regulations for Banking Institutions

Aligned with the regulatory changes implemented on March 1st, 2022, the declaration of the institutions that consolidate in the calculation of the LCR and the NSFR can be found in the following [link](#). (available only in Spanish).



## Notes to Financial Statements

### INVESTMENTS IN FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 1Q24

(Million Pesos)

Trading Financial Instruments	Book Value	Interest	Unrealized Gain (Loss)	Market Value
<b>Government Securities</b>	<b>303,720</b>	<b>4,592</b>	<b>477</b>	<b>308,788</b>
<b>Unrestricted</b>	<b>26,712</b>	<b>807</b>	<b>117</b>	<b>27,636</b>
BONDES M	5,134	39	(15)	5,158
BREMS	-	-	-	-
Government Securities	14	0	2	16
UDI Securities	(10)	-	(0)	(10)
CETES	14,764	670	2	15,436
CETES (Special)	-	-	-	-
Government Eurobonds	880	9	(11)	878
Udibonds	5,555	89	139	5,782
Treasury Bills	356	1	(0)	357
Treasury Notes	18	0	0	19
<b>Restricted</b>	<b>277,008</b>	<b>3,784</b>	<b>360</b>	<b>281,153</b>
BONDES D	31,400	108	23	31,531
BONDES F	48,896	120	57	49,073
BONDES M	4,067	54	(6)	4,115
BPA	189,553	3,495	291	193,339
Government Securities	1,318	6	1	1,325
UDI Securities	10	0	(0)	10
CETES	1,475	-	(0)	1,475
Government Eurobonds	-	-	-	-
Udibonds	287	2	(5)	284
<b>Banking Securities</b>	<b>26,696</b>	<b>105</b>	<b>3</b>	<b>26,803</b>
<b>Unrestricted</b>	<b>3,286</b>	<b>4</b>	<b>(0)</b>	<b>3,290</b>
Bank Acceptances	6	0	-	6
Development Bank Securities	6	0	0	6
Bank Securities	9	0	0	9
Deposit Certificates	56	0	-	56
Other Banking Securities	125	0	(0)	125
Promissory Notes	3,084	4	(0)	3,088
<b>Restricted</b>	<b>23,410</b>	<b>101</b>	<b>3</b>	<b>23,513</b>
Development Bank Securities	8,228	38	1	8,267
Bank Securities	2,335	16	1	2,352
Deposit Certificates	10,819	41	0	10,860
Other Banking Securities	1,034	5	0	1,039
Promissory Notes	995	-	0	995
<b>Private Securities</b>	<b>369</b>	<b>5</b>	<b>(8)</b>	<b>367</b>
<b>Unrestricted</b>	<b>369</b>	<b>5</b>	<b>(8)</b>	<b>367</b>
Stock Certificates BORHIS	-	-	-	-
Corporate Stock Certificates	320	4	(7)	317
Municipal Stock Certificates	-	-	-	-
Private Eurobonds	49	1	(1)	49
Infrastructure and Real Estate Trusts	0	-	(0)	0
Other Banking Securities	-	-	-	-
<b>Restricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Corporate Stock Certificates	-	-	-	-
Municipal Stock Certificates	-	-	-	-
Private Eurobonds	-	-	-	-
<b>Equity Financial Instruments</b>	<b>18,304</b>	<b>-</b>	<b>2,844</b>	<b>21,148</b>
<b>Unrestricted</b>	<b>18,018</b>	<b>-</b>	<b>2,845</b>	<b>20,862</b>
Shares	1,092	-	1,006	2,099
Investment Company Shares	16,926	-	1,838	18,764
<b>Restricted</b>	<b>286</b>	<b>-</b>	<b>(0)</b>	<b>286</b>
Shares	286	-	(0)	286
Reasonable Value Adjustment lxe Bank Acq	-	-	-	-
<b>Total</b>	<b>349,089</b>	<b>4,702</b>	<b>3,316</b>	<b>357,106</b>

## INVESTMENTS IN FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 1Q24

(Million Pesos)

Investments to Collect or Sell	Book Value	Interest	Unrealized Gain (Loss)	Market Value
<b>Government Securities</b>	<b>168,191</b>	<b>2,943</b>	<b>(1,307)</b>	<b>169,827</b>
<b>Unrestricted</b>	<b>46,265</b>	<b>410</b>	<b>(346)</b>	<b>46,329</b>
BONDES M	7,676	82	92	7,850
BREMS	7,778	41	-	7,819
Government Securities	819	8	(95)	731
UDI Securities	102	4	181	287
CETES	3,653	0	1	3,654
CETES (Special)	-	-	-	-
Government Eurobonds	5,965	100	(422)	5,644
Udibonds	7,903	85	(66)	7,921
Treasury Bills	1,652	-	(3)	1,649
Treasury Notes	10,718	90	(34)	10,774
<b>Restricted</b>	<b>121,926</b>	<b>2,533</b>	<b>(961)</b>	<b>123,498</b>
BONDES D	3,043	9	3	3,055
BONDES F	-	-	-	-
BONDES M	10,673	204	53	10,930
BPA	79,260	2,103	54	81,417
Government Securities	1,665	11	(10)	1,666
UDI Securities	-	-	-	-
CETES	422	12	(2)	432
Government Eurobonds	23,660	158	(1,040)	22,778
Udibonds	3,203	35	(18)	3,220
<b>Banking Securities</b>	<b>43,919</b>	<b>285</b>	<b>(245)</b>	<b>43,959</b>
<b>Unrestricted</b>	<b>31,209</b>	<b>207</b>	<b>(248)</b>	<b>31,168</b>
Bank Acceptances	-	-	-	-
Development Bank Securities	3,642	40	(237)	3,445
Bank Securities	2,747	51	(32)	2,766
Deposit Certificates	22,230	75	(12)	22,293
Other Banking Securities	2,074	40	33	2,148
Promissory Notes	516	1	(0)	516
<b>Restricted</b>	<b>12,710</b>	<b>78</b>	<b>3</b>	<b>12,791</b>
Development Bank Securities	3,133	14	(3)	3,145
Bank Securities	9,578	64	5	9,646
Deposit Certificates	-	-	-	-
Other Banking Securities	-	-	-	-
Promissory Notes	-	-	-	-
<b>Private Securities</b>	<b>18,030</b>	<b>240</b>	<b>(1,102)</b>	<b>17,168</b>
<b>Unrestricted</b>	<b>13,336</b>	<b>182</b>	<b>(1,006)</b>	<b>12,512</b>
Stock Certificates BORHIS	77	-	(77)	0
Corporate Stock Certificates	6,547	92	(767)	5,871
Municipal Stock Certificates	871	9	44	923
Private Eurobonds	5,842	82	(206)	5,718
Infrastructure and Real Estate Trusts	-	-	-	-
Other Banking Securities	-	-	-	-
<b>Restricted</b>	<b>4,694</b>	<b>58</b>	<b>(96)</b>	<b>4,656</b>
Corporate Stock Certificates	907	6	3	916
Municipal Stock Certificates	2,520	7	(9)	2,517
Private Eurobonds	1,267	45	(90)	1,223
<b>Equity Financial Instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unrestricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Shares	-	-	-	-
Investment Company Shares	-	-	-	-
<b>Restricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Shares	-	-	-	-
Reasonable Value Adjustment Ixe Bank Acq	-	-	-	-
<b>Total</b>	<b>230,140</b>	<b>3,468</b>	<b>(2,654)</b>	<b>230,955</b>

## INVESTMENTS IN FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 1Q24

(Million Pesos)

Financial instruments to Collect Principal and Interest (securities) (net)	Book Value	Interest	Unrealized Gain (Loss)	Market Value
<b>Government Securities</b>	<b>326,495</b>	<b>4,449</b>	<b>-</b>	<b>330,944</b>
<b>Unrestricted</b>	<b>294,727</b>	<b>3,922</b>	<b>-</b>	<b>298,649</b>
BONDES M	927	21	-	948
BREMS	-	-	-	-
Government Securities	1,980	5	-	1,986
UDI Securities	138	3	-	141
CETES	4,091	-	-	4,091
CETES (Special)	36	430	-	466
Government Eurobonds	32,647	481	-	33,128
Udibonds	243,460	2,931	-	246,390
Treasury Bills	-	-	-	-
Treasury Notes	11,448	52	-	11,500
<b>Restricted</b>	<b>31,768</b>	<b>527</b>	<b>-</b>	<b>32,295</b>
BONDES D	-	-	-	-
BONDES F	-	-	-	-
BONDES M	15,493	322	-	15,815
BPA	-	-	-	-
Government Securities	-	-	-	-
UDI Securities	-	-	-	-
CETES	10	-	-	10
Government Eurobonds	15,953	201	-	16,154
Udibonds	312	3	-	316
<b>Banking Securities</b>	<b>1,013</b>	<b>10</b>	<b>-</b>	<b>1,022</b>
<b>Sin Restricción</b>	<b>1,013</b>	<b>10</b>	<b>-</b>	<b>1,022</b>
Bank Acceptances	-	-	-	-
Development Bank Securities	-	-	-	-
Bank Securities	1,013	10	-	1,022
Deposit Certificates	-	-	-	-
Other Banking Securities	-	-	-	-
Promissory Notes	-	-	-	-
<b>Restricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Development Bank Securities	-	-	-	-
Bank Securities	-	-	-	-
Deposit Certificates	-	-	-	-
Other Banking Securities	-	-	-	-
Promissory Notes	-	-	-	-
<b>Private Securities</b>	<b>13,734</b>	<b>1,156</b>	<b>-</b>	<b>14,891</b>
<b>Unrestricted</b>	<b>11,114</b>	<b>1,149</b>	<b>-</b>	<b>12,263</b>
Stock Certificates BORHIS	2	0	-	2
Corporate Stock Certificates	3,165	1,103	-	4,268
Municipal Stock Certificates	2,042	16	-	2,058
Private Eurobonds	4,700	31	-	4,731
Infrastructure and Real Estate Trusts	-	-	-	-
Other Banking Securities	1,204	-	-	1,204
<b>Restricted</b>	<b>2,620</b>	<b>7</b>	<b>-</b>	<b>2,627</b>
Corporate Stock Certificates	-	-	-	-
Municipal Stock Certificates	2,620	7	-	2,627
Private Eurobonds	-	-	-	-
<b>Equity Financial Instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unrestricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Shares	-	-	-	-
Investment Company Shares	-	-	-	-
<b>Restricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Shares	-	-	-	-
Reasonable Value Adjustment lxe Bank Acq	(347)	-	-	(347)
<b>Reasonable value adjustment lxe Bank Acq</b>	<b>(164)</b>	<b>-</b>	<b>-</b>	<b>(164)</b>
<b>Total</b>	<b>340,730</b>	<b>5,615</b>	<b>-</b>	<b>346,345</b>

## REPURCHASE AGREEMENT OPERATIONS 1Q24

(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	63,089	111,447	-	-	367,572
Banking Securities	(0)	15,641	-	-	9,250
Private Securities	1,502	2,017	-	-	32,495
<b>Total</b>	<b>64,591</b>	<b>129,105</b>	<b>-</b>	<b>-</b>	<b>409,317</b>

DERIVATES FINANCIAL INSTRUMENTS  
OPERATIONS 1Q24

(Million Pesos)

Creditor Balance	
Instrument	Fair Value
<b>Futures</b>	
TIIE 28 Futures	-
<b>Forward</b>	
Rate Forward	-
Fx Forward	398
Stock Forward	2
<b>Options</b>	
Rate Options	893
Fx Options	60
Warrants	18
<b>Swaps</b>	
Rate Swap	17,906
Fx Swap	9,637
Credit Swap	2
<b>Negotiable Total</b>	<b>28,917</b>
<b>Options</b>	
Rate Options	-
Fx Options	-
<b>Swaps</b>	
Rate Swap	259
Fx Swap	4,297
Credit Swap	-
<b>Hedging Total</b>	<b>4,556</b>
<b>Position Total</b>	<b>33,473</b>

**DERIVATES FINANCIAL INSTRUMENTS  
OPERATIONS 1Q24  
(Million Pesos)**

Debtor Balance	
Instrument	Fair Value
<b>Futures</b>	
TIIE 28 Futures	-
<b>Forward</b>	
Rate Forward	-
Fx Forward	133
Stock Forward	-
<b>Options</b>	
Rate Options	925
Fx Options	99
Warrants	5
<b>Swaps</b>	
Rate Swap	11,575
Fx Swap	9,360
Credit Swap	31
<b>Negotiable Total</b>	<b>22,128</b>
<b>Options</b>	
Rate Options	-
Fx Options	-
<b>Swaps</b>	
Rate Swap	1,413
Fx Swap	564
Credit Swap	-
<b>Hedging Total</b>	<b>1,977</b>
<b>Position Total</b>	<b>24,105</b>

**NOTIONAL PRINCIPAL AMOUNT IN DERIVATIVE OPERATIONS 1Q24 - Banorte  
(Million Pesos)**

PRODUCT	TYPE	UNDERLYING	NOTIONAL	OPERATIONS
FX Forwards	Purchases	Exchange Rate (USD/MXN)	3,718	300
FX Forwards	Sales	Exchange Rate (USD/MXN)	14,397	328
FX Forwards	Sales	Exchange Rate (EUR/USD)	182	1
FX Forwards	Purchases	Exchange Rate (EUR/MXN)	1,618	1
FX Options	Purchases	Exchange Rate (Dollar)	4,212	72
FX Options	Sales	Exchange Rate (Dollar)	4,554	69
Interest Rate Options	Purchases	TIIE	32,527	111
Interest Rate Options	Sales	TIIE	32,664	265
Interest Rate Options	Purchases	LIBOR	2,718	5
Interest Rate Options	Sales	LIBOR	252	2
Interest Rate Options	Purchases	SOFR	22,047	42
Interest Rate Options	Sales	SOFR	26,224	55
Interest Rate Options	Purchases	SOFR	1,454	1
Interest Rate Options	Sales	SOFR	1,454	1
Interest Rate Options	Swaption - Purchases	SOFR	827	2
Interest Rate Swaps	USD LIBOR	LIBOR	76,871	1,055
Interest Rate Swaps	MXN TIIE	TIIE	1,026,663	3,577
Interest Rate Swaps	USD SOFR	SOFR	246,751	1,456
Interest Rate Swaps	MXN TIIE M M	TIIE	14,647	12
Interest Rate Swaps	USD SOFR	SOFR	4,746	4
Interest Rate and FX Swaps	CS USDMXN	FIX/VARIABLE	0	2
Interest Rate and FX Swaps	CS USDMXN	VARIABLE/VARIABLE	130,170	116
Interest Rate and FX Swaps	CS USDMXN	FIX/FIX	56,614	83
Interest Rate and FX Swaps	CS CHF MXN	FIX/FIX	4,490	1
Interest Rate and FX Swaps	CS EUR MXN	FIX/FIX	19,201	81
Interest Rate and FX Swaps	CS UDIMXN	FIX/FIX	10,114	2
Interest Rate and FX Swaps	CS GBPMXN	FIX/FIX	566	1
Credit Derivatives	CDS USD	D2_JPMM86_290123	313	1
Credit Derivatives	CDS USD	D1_MEXC46_270328	958	5
Credit Derivatives	CDS USD	D1_MEXC46_270328	2,067	13
Credit Derivatives	CDS USD	D2_JPMM86_290123	463	2
Equity Options	Purchases	*1_SPX_IND	172	1
Equity Options	Sales	*1_SPX_IND	170	1
Equity Options	Purchases	*1_MEXBOL_IND	133	1
Equity Options	Sales	*1_MEXBOL_IND	146	1
Equity Options	Purchases	*1_VIX_IND	14	1
Equity Options	Purchases	1L_TLT_*	468	1
Equity Options	Sales	1L_TLT_*	496	1

LOAN PORTFOLIO (Million Pesos)								
	Local Currency		UDIS		Foreign Currency		Total	
	1Q23	1Q24	1Q23	1Q24	1Q23	1Q24	1Q23	1Q24
<b>Performing Loans Stage 1 &amp; 2</b>								
Commercial Loans	283,148	313,714	-	-	82,577	97,298	365,725	411,012
Loans to Financial Entities	13,311	15,432	-	-	5,925	9,515	19,236	24,947
Consumer Loans	150,938	178,932	-	-	-	-	150,938	178,932
Mortgage Loans	233,838	255,715	56	44	-	-	233,894	255,760
Government Loans	157,472	159,904	-	-	22,892	16,513	180,364	176,417
<b>Total</b>	<b>838,707</b>	<b>923,697</b>	<b>56</b>	<b>44</b>	<b>111,394</b>	<b>123,326</b>	<b>950,157</b>	<b>1,047,067</b>
<b>Past Due Loans Stage 3</b>								
Commercial Loans	3,496	2,841	-	-	1,149	677	4,644	3,518
Financial to Financial Entities	4	123	-	-	-	-	4	123
Consumer Loans	3,367	4,063	-	-	-	-	3,367	4,063
Mortgage Loans	1,992	2,159	2	3	-	-	1,994	2,162
Government Loans	4	9	-	-	-	-	4	9
Deferred Items	2,173	2,505	-	-	(1)	(16)	2,172	2,489
<b>Total Credit Portfolio</b>	<b>849,743</b>	<b>935,396</b>	<b>58</b>	<b>47</b>	<b>112,542</b>	<b>123,988</b>	<b>962,343</b>	<b>1,059,431</b>
Insurance and Bail Bond Portfolio	3,249	3,554	-	-	-	-	3,249	3,554
<b>Total Proprietary Loans with Insur. and Subs.</b>	<b>852,991</b>	<b>938,950</b>	<b>58</b>	<b>47</b>	<b>112,542</b>	<b>123,988</b>	<b>965,592</b>	<b>1,062,985</b>

**COST OF BALANCES OF FINAPE, FOPYME, MORTGAGE UDIS AND  
MORTGAGE FOVI LOAN PORTFOLIOS AS OF 1Q24- GFNorte**

(Million Pesos)		
	PERIOD COST	TOTAL BALANCE OF LOAN PORTFOLIO
FINAPE	-	-
FOPYME	-	-
Mortgage UDIS	(22.8)	0.0
Mortgage FOVI	-	-
	<b>(22.8)</b>	<b>0.0</b>

## DEFERRED TAXES 1Q24

(Million Pesos)

ASSETS	INCOME TAX	NET
Global loss reserves loan portfolio	5,620	5,620
Non deductible provisions	1,895	1,895
Excess of accounting value over fiscal value on repossessed long-term assets	122	122
Diminishable Employee Profit Sharing (PTU)	493	493
Advanced charged fees	1,163	1,163
Effects from valuation of instruments	-	-
Tax losses pending amortization	486	486
Provisions for possible loss in loans	548	548
Pension funds contribution	46	46
Loss on sale of foreclosed assets and credits	0	0
Value decrease in property	-	-
Loan interest	-	-
Other accounts	91	91
<b>Total Assets</b>	<b>10,465</b>	<b>10,465</b>
LIABILITIES		
Pension funds contribution	-	-
Loan portfolio acquisitions	(298)	(298)
Projects to be capitalized	(6,940)	(6,940)
Intangibles' amortizations different from commercial funds	-	-
Effects from valuation of instruments	(3,689)	(3,689)
Intangibles' amortizations related with clients	(297)	(297)
Unrealized loss on securities held for sale	(55)	(55)
<b>Total Liabilities</b>	<b>(11,278)</b>	<b>(11,278)</b>
<b>Assets (Liabilities) accumulated net</b>	<b>(813)</b>	<b>(813)</b>

## LONG TERM DEBT AS OF MARCH 31st, 2024 - BANCO MERCANTIL DEL NORTE

(Million Pesos)

TYPE OF DEBT	CURRENCY	DATE OF ISSUE	ORIGINAL AMOUNT	ORIGINAL AMOUNT (VALUED)	CURRENT AMOUNT	TERM	RATE	CALLABILITY	MATURITY	INTEREST PAYMENT
Non Convertible Subordinated Bonds 2016 (D2_BANOC36_311004)	USD	04-oct-16	500	9,607	1,296	15 years	5.750%	04-oct-26	04-oct-31	180 days
Non Convertible Subordinated Bonds 2017 (D2_BANOE91_999999)	USD	06-jul-17	550	10,077	9,093	Perpetual	7.625%	10-ene-28	Perpetual	Quarterly
Stock certificates 2016 (94_BINTER_16U)	UDIS	13-oct-16	365	2,000	2,964	10 years	4.970%	-	01-oct-26	182 days
Stock certificates 2019 (94_BANORTE_19-2)	MXN	17-may-19	1,500	1,500	1,500	5 years	TIIE +0.17%	-	10-may-24	28 days
Non Convertible Subordinated Bonds 2019 (D2_BANO64_999999)	USD	27-jun-19	600	11,501	9,919	Perpetual	6.750%	27-sep-24	Perpetual	Quarterly
Non Convertible Subordinated Bonds 2019 (D2_BANO648_999999)	USD	27-jun-19	500	9,584	8,266	Perpetual	7.500%	27-jun-29	Perpetual	Quarterly
Eurobond (Swiss francs) 2020 (D2_BANO664_241206)	CHF	06-mar-20	225	4,826	4,109	4.8 years	0.500%	-	06-dic-24	Annual
Non Convertible Subordinated Bonds 2020 (D2_BANOC21_999999)	USD	14-jul-20	500	11,309	8,266	Perpetual	8.375%	14-oct-30	Perpetual	Quarterly
Stock certificates 2020 (94_BANORTE_20U)	UDIS	30-sep-20	107	700	867	10 years	2.760%	-	18-sep-30	182 days
Non Convertible Subordinated Bonds 2021 (D2_BANO699_999999)	USD	24-nov-21	500	10,718	8,266	Perpetual	5.875%	24-ene-27	Perpetual	Quarterly
Non Convertible Subordinated Bonds 2021 (D2_BANOB72_999999)	USD	24-nov-21	550	11,790	9,093	Perpetual	6.625%	24-ene-32	Perpetual	Quarterly
Stock certificates 2023 (94_BANORTE_23-2)	MXN	24-feb-23	6,581	6,581	6,581	2 years	TIIE + .04%	-	21-feb-25	28 days
Stock certificates 2023 (94_BANORTE_23-3)	MXN	24-feb-23	4,179	4,179	4,179	4 years	TIIE + .08%	-	19-feb-27	28 days
Stock certificates 2023 (94_BANORTE_23-4)	MXN	25-may-23	5,277	5,277	5,277	3 years	TIIE fondeo+0.30%	-	21-may-26	28 days
Stock certificates 2023 (94_BANORTE_23-5)	MXN	25-may-23	2,387	2,387	2,387	7 years	9.410%	-	16-may-30	182 days
Stock certificates 2023 (94_BANORTE_23U)	UDIS	25-may-23	276	2,149	2,239	10 years	4.680%	-	12-may-33	182 days
Stock certificates 2023 (94_BANORTE_23-6)	MXN	09-nov-23	10,000	10,000	10,000	2 years	TIIE fondeo+0.020%	-	06-nov-25	28 days
Stock certificates 2024 (94_BANORTE_24-2X)	MXN	19-feb-24	3,642	3,642	3,642	7 years	9.740%	-	10-feb-31	182 days
Stock certificates 2024 (94_BANORTE_24UX)	MXN	19-feb-24	648	5,249	5,259	10 years	4.900%	-	06-feb-34	182 days
Stock certificates 2024 (94_BANORTE_24X)	MXN	19-feb-24	4,172	4,172	4,172	4 years	TIIE fondeo+0.33%	-	14-feb-28	28 days

BANK AND OTHER ENTITIES LOANS<sup>1</sup> AS OF 1Q24

(Million Pesos)

	LOCAL CURRENCY	FOREIGN CURRENCY	TOTAL
Loans from Local Banks	21,693	833	22,526
Loans from Foreign Banks generated in the country	-	331	331
Loans from Development Banks	20,162	551	20,712
Loans from Public Funds	6,443	944	7,387
Loans from Fiduciary Funds	31	-	31
Provisions for Interest	39	-	39
	<b>48,368</b>	<b>2,659</b>	<b>51,027</b>
Eliminations			(18,433)
<b>Total</b>			<b>32,594</b>

CORE DEPOSITS AND DUE TO BANKS & CORRESPONDENTS -  
INTEREST RATES 1Q24

## CORE DEPOSITS (BANORTE)

## Demand Deposits

Local Currency and UDIs	2.99%
Foreign Currency	1.72%

## Time Deposits - Retail

Local Currency and UDIs	8.96%
Foreign Currency	3.02%

## Time Deposits - Money Market

Local Currency and UDIs	10.07%
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## DUE TO BANKS &amp; CORRESPONDENTS (BANORTE)

## Immediate Redemption Loans

Local Currency and UDIs	-
Foreign Currency	-

## Public Funds and Development Banks

Local Currency and UDIs	9.68%
Foreign Currency	5.00%

## MAIN CREDIT LINES RECEIVED 1Q24 (BANORTE)

Million pesos

	1Q23			4Q23			1Q24		
	Line	Used	% used	Line	Used	% used	Line	Used	% used
Bank Counterparty Lines (Call Money)	266,746	2,014	0.8%	265,805	2,582	1.0%	206,354	2,572	1.2%
Banxico (Repos for liquidity with the System of Payments) RSP*	89,629	13,692	15.3%	91,400	16,426	18.0%	93,926	24,285	25.9%
Banxico MXN & USD Credit Auction*	53,594	-	0.0%	76,230	-	0.0%	79,776	-	0.0%
Banxico Credit line with Government and Banking securities as collateral (Ordinary Facility)*	53,594	-	0.0%	76,230	-	0.0%	79,776	-	0.0%
Banxico Credit line with State and Municipal Government securities as collateral (Extraordinary Facility)	89,951	-	0.0%	93,367	-	0.0%	62,940	-	0.0%
<b>TOTAL</b>	<b>553,513</b>	<b>15,706</b>	<b>2.8%</b>	<b>603,032</b>	<b>19,008</b>	<b>3.2%</b>	<b>522,771</b>	<b>26,857</b>	<b>5.1%</b>

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



**TRADING INCOME 1 Q24**  
*Million Pesos*

<b>Trading income</b>	<b>Consolidated</b>
<b>Securities - Unrealized gains</b>	<b>(498)</b>
Trading financial instruments	261
Derivate trading financial instruments	(745)
Derivative instruments - hedging	(14)
<b>Impairment loss or revaluation increase</b>	<b>9</b>
<b>Result from foreign exchange valuation</b>	<b>(1,432)</b>
<b>Result from valuation of precious metals</b>	<b>0</b>
<b>Result from purchase/sale of securities and derivatives</b>	<b>301</b>
Trading financial instruments	253
Financial instruments to collect or sell	22
Financial instruments to collect principal and interest (securities)	0
Negotiable derivate instruments	1
Cash flow hedges	25
<b>Result from purchase/sale of foreign exchange</b>	<b>2,654</b>
<b>Result from purchase/sale of precious metals</b>	<b>1</b>
<b>Total</b>	<b>1,034</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 first quarter of 2024, 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 manuals containing policies and procedures remained updated for changes in external regulations, new products, and changes in the Institution's processes or improvements to internal controls.
- C. 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.
- D. GFNORTE's business and operating support processes were 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.
- E. Various activities regarding internal accounting were started in accordance with the work plan established at the beginning of the year.
- F. Effectiveness tests related to the Business Continuity Plan were started in accordance with the calendar dates and scope, approved by the corresponding Corporate Governance Committee in this area.
- G. We continued to monitor the improvement initiatives derived from the observations made by the different Authority members regarding the operation of payment methods SPID, SPEI, CoDi and BDT.
- H. Monitoring continued to the transactionality of client accounts for the detection of possible operations, that due to its characteristics, might be related to money laundering and financing terrorism.
- I. Different actions were carried out to ensure the proper use of personal data. Banorte is the only bank in Mexico with Certification of Compliance with the Personal Data Protection Act, recognized by INAI (*Instituto Nacional de Transparencia*). Banorte also has PCI-DSS Certifications in its Acquiring, Electronic Banking and Contact Center channels.
- J. The Information Security Officer (CISO) carried out its functions according to the Master Plan of Information Security presented to the Board of Directors in October 2023, reporting the findings and the details of the activities 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.
- K. The follow-up to the improvement actions regarding the observations made by the different members of the SCI continued.

- L. The requirements of the Supervisory Authorities were answered, and the information requirements required by the external regulation were fulfilled. In addition, follow-ups are given to the recommendations resulting from the ordinary inspection visits by the Authorities.

## 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 1Q24.

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

In February 2024, Sustainable Long Term Bank Stock Certificates were issued for an amount of Ps 13.06 billion, with ticker symbols BANORTE 24X, BANORTE24-2X, and BANORTE 24UX, for a total amount of Ps 4.18 billion, Ps 3.64 billion and 648 million UDIS -equivalent to Ps 5.25 billion-, respectively.

In addition, it should be noted that Banorte has not used the Central Bank of México's Ordinary Facilities or Extraordinary Facilities during 1Q24.

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 March 31st, 2024, and December 31st, 2023, the amount of loans granted to third parties was as follows (billion pesos):

Lender	Mar-2024	% Basic Equity	Dec-23	% Basic Equity
Banorte	22.40	11.6%	22.11	11.2%
	<b>22.40</b>		<b>22.11</b>	

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

### Banorte

As of **March 31st, 2024**, total loans granted to related parties, under Article 73 of the Law of Credit Institutions, was Ps 22.40 billion (including Ps 2.91 billion in Letters of Credit "CC", which are registered in memorandum accounts), representing 2.2% of Banorte's total loan portfolio (excluding the balance of CC). Out of the total related loans balance, Ps 12.35 billion were loans granted to clients linked to members of the Board of Directors, and Ps 10.05 billion were linked to companies related to GFNorte. At the end of March 2024, 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 March 2024 was 11.6% 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, 100% of the related party loans are rated in Category "A", and most of these loans were classified as commercial loans.

As of **December 31st, 2023**, total loans granted to related parties, under Article 73 of the Law of Credit Institutions, was Ps 22.11 billion (including Ps 2.58 billion in Letters of Credit "CC", which are registered in memorandum accounts), representing 2.2% of Banorte's total loan portfolio (excluding the balance of CC). Out of the total related loans balance, Ps 11.95 billion were loans granted to clients linked to members of the Board of Directors, and Ps 10.16 billion were linked to companies related to GFNorte. At the end of December 2023, 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 December 2023 was 11.2% 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, 93% 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:

		As of March 31st, 2024
<b>AFORE BANORTE</b>	<b>Ps</b>	<b>2</b>
Loan #4429309391 Payroll Tax of the state of Coahuila		2
<b>PENSIONES BANORTE</b>	<b>Ps</b>	<b>364</b>
Financial year 2014		364
<b>SEGUROS BANORTE</b>	<b>Ps</b>	<b>1,202</b>
Financial year 2014		1,202
<b>SEGUROS BANORTE</b>	<b>Ps</b>	<b>1,396</b>
Financial year 2015		1,396
<b>SEGUROS BANORTE</b>	<b>Ps</b>	<b>2,150</b>
Financial year 2017		2,150

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. Isaías Velázquez González  
Managing Director of Internal Audit

Lic. Jorge Eduardo Vega Camargo  
Deputy Managing Director of Comptrollership

C.P.C. Mayra Nelly López  
Deputy Managing 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, modified through Resolution published in the same official medium on December 21, 2021.

**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, February 5, April 30, May 27, June 23, August 27, September 21, October 29, November 9 and 13, December 16 and 31, 2015, April 7 and 28, June 22, July 7 and 29, August 1, September 19 and 28, and December 27, 2016, January 6, April 4 and 27, May 31, June 26, July 4 and 24, 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, 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, 2020, May 21, June 18, July 20 and 23, August 6, September 23, and December 15, 30, and 31 2021, May 13 and 27, June 22, September 2, October 19, 2022, January 13, April 17, September 13, 15 and 27, and December 27, 2023, February 07, 09 and 27, 2024, 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.