

Subject: GFNorte informs on the Recognition of additional Loan Provisions

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

Grupo Financiero Banorte, S.A.B. de C.V. ("**GFNorte**") announces to its shareholders and the investment community that due to the economic challenges generated by the Covid-19 health emergency. And, in anticipation of a possible deterioration in the credit portfolios which should affect its financial results in the next 12 to 18 months; its subsidiary, Banco Mercantil del Norte, will be recognizing loan loss provisions in addition to those regularly required under the regulatory methodologies. In accordance with the applicable rules, and prior to their constitution, they have been reported to the CNBV.

The pandemic generated by the COVID-19 virus has had a negative impact on the Mexican economy. It has resulted in a decline in income and salaries; an important contraction in activity in most economic sectors; and, has caused unemployment to increase rapidly.

This deterioration is not yet reflected in the results of the rating and reserving methodologies used by the bank to allocate loan loss provisions. Therefore, to reflect these changes in conditions proactively; and, to isolate the economic effect of the pandemic on the expected performance of the loan portfolio, Banco Mercantil del Norte, a subsidiary of the group, will take a one-time charge of \$ 4,868 million pesos, of which 3 billion are additional loans loss provisions which will be reflected in its financial statements as of the end of June, 2020.

San Pedro Garza García, N.L., June 26th, 2020.

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