

The Liverpool experience in one day.

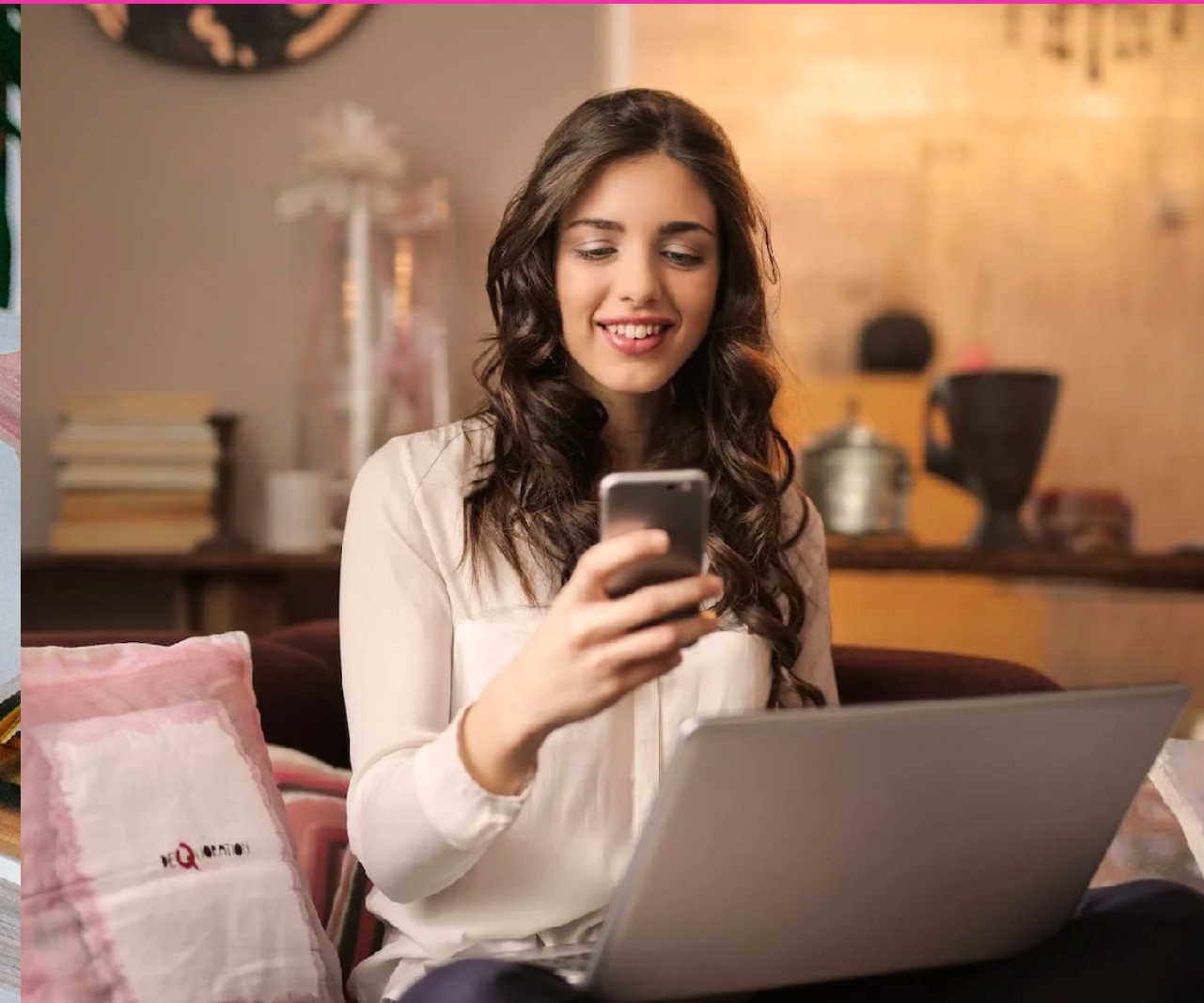
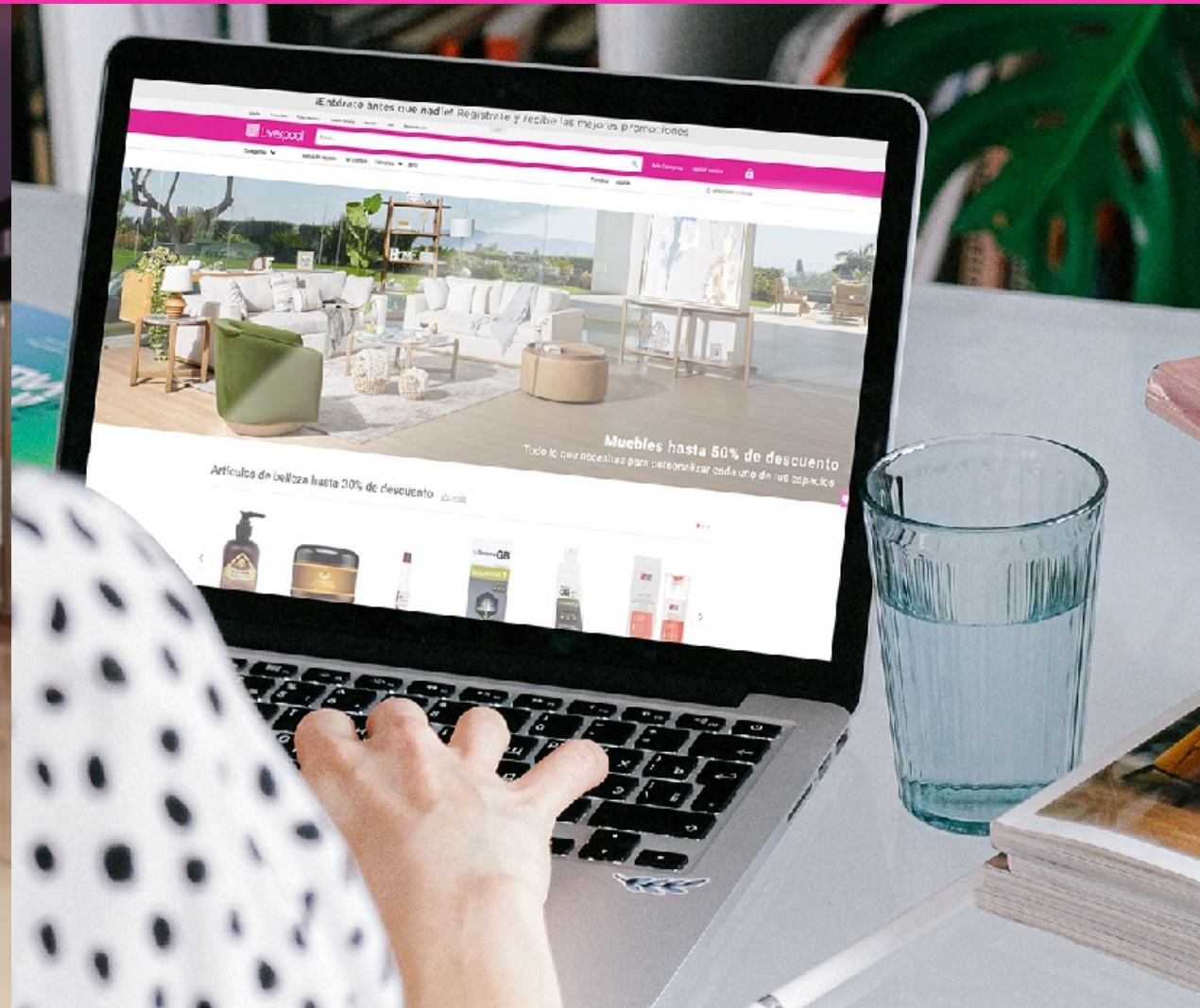
LIVERPOOL DAY

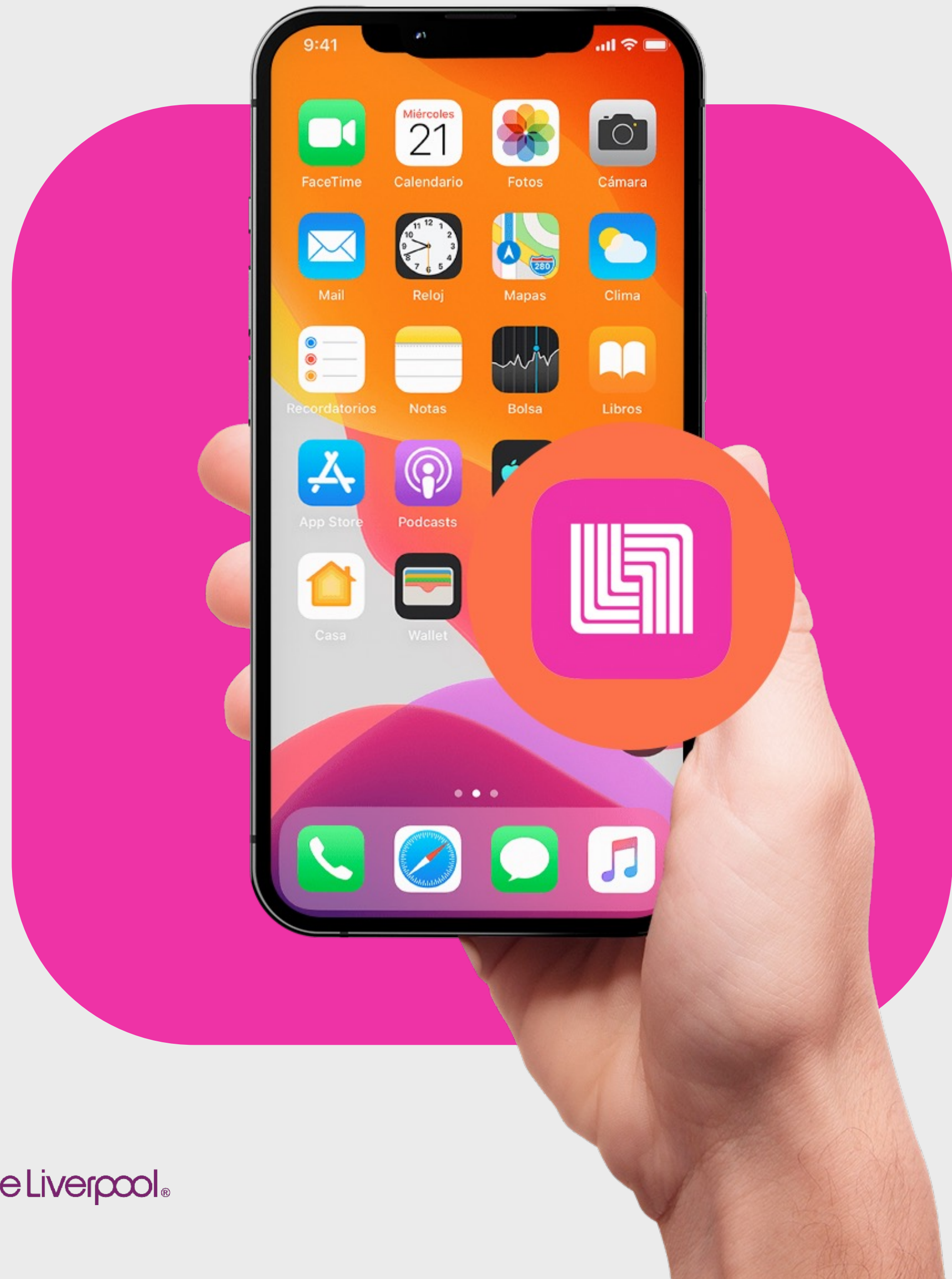
Mauricio Braverman

Chief Transformation and Innovation Officer

Ecosystem Strategy for El Puerto de Liverpool

Vision





We aim
to be on
the first screen
of our
customers'
smartphones

The ecosystem strategy and key initiatives will leverage our strongest assets



Brand



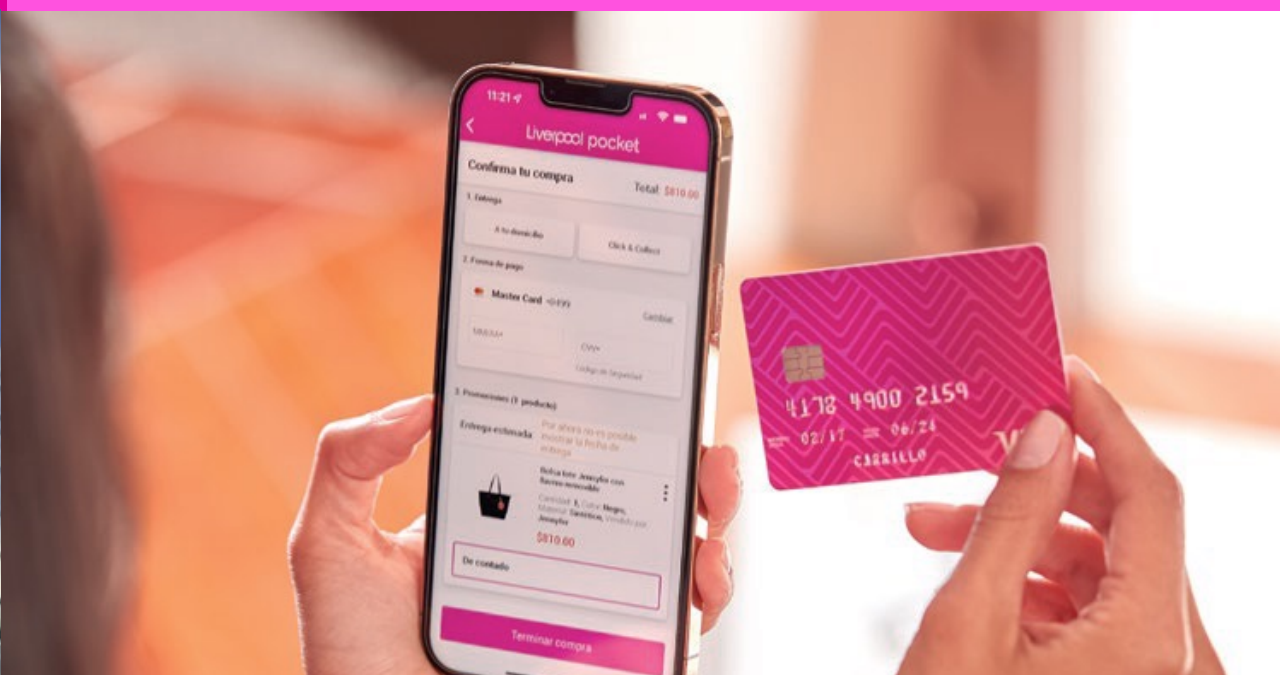
Loyal customer base



Brands and assortment



Footprint



Financial services capabilities

Objective

‘EPL es parte de tu vida’ for all customers in all channels; **become the top shopping option for Mexican shoppers**

Key goals

1. Grow e-commerce 3X in **the next 5 years**
2. Become the undisputed omnichannel leader in **the e-commerce market**
3. **Create a** differentiated and sticky experience **for every customer journey**

Must-wins
& high-level initiatives



Enablers

- Technology
- Data analytics
- Supply chain and logistics
- Category management

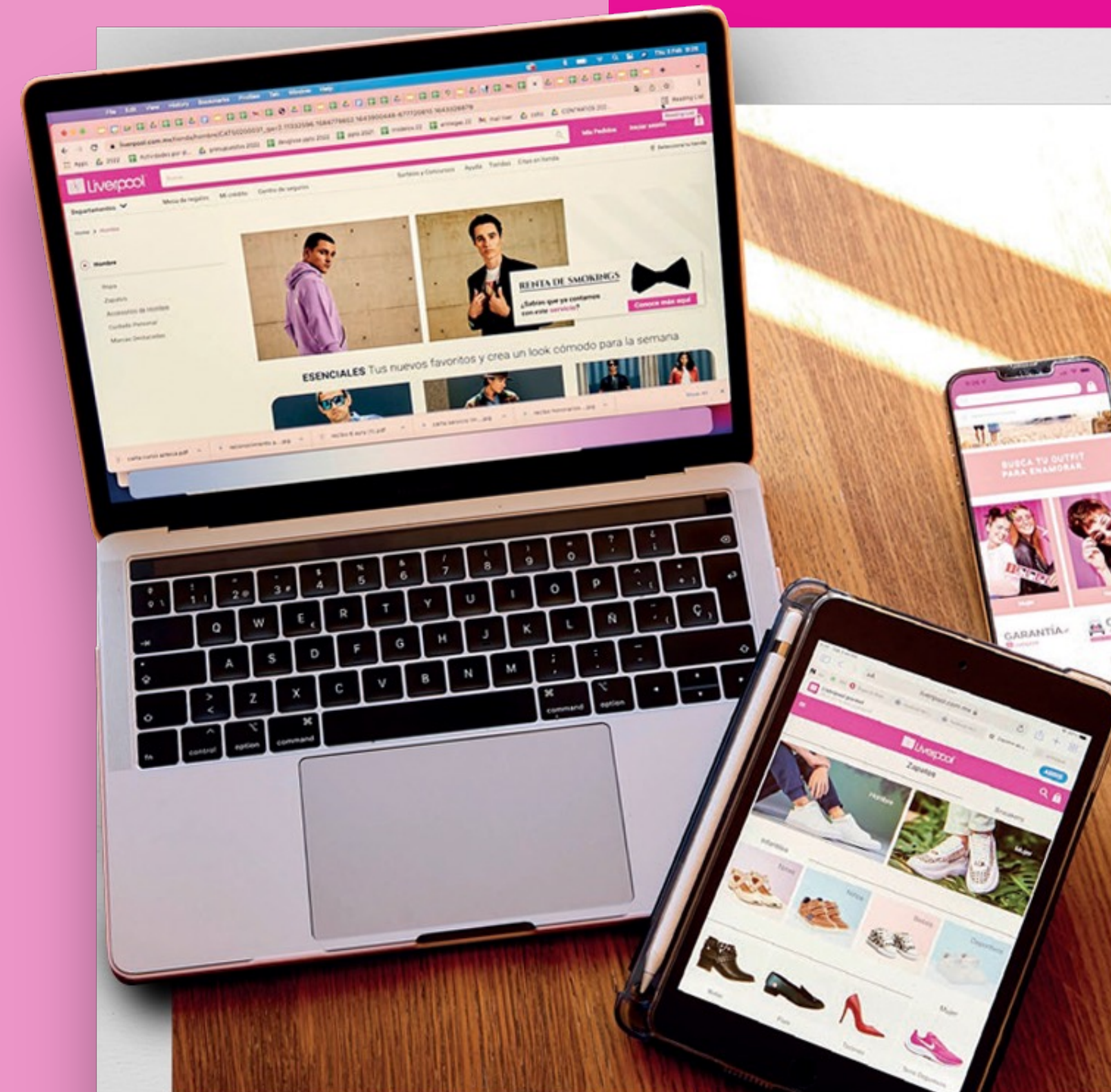
Carlos Marín

General Manager Liverpool

Continue
Strengthening

OMNICHANNEL

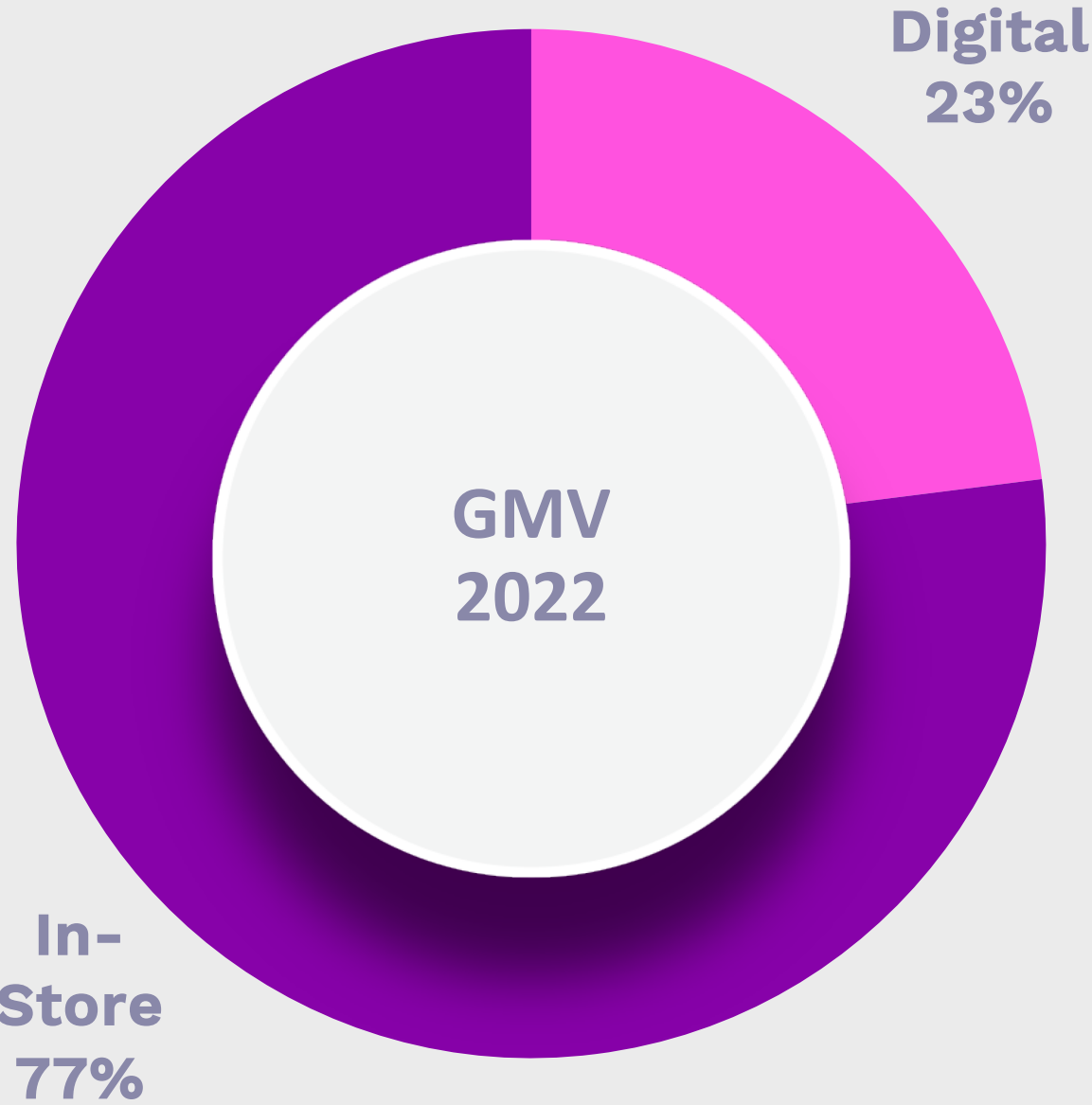
An
Omnichannel
customer is
4.7X more
valuable



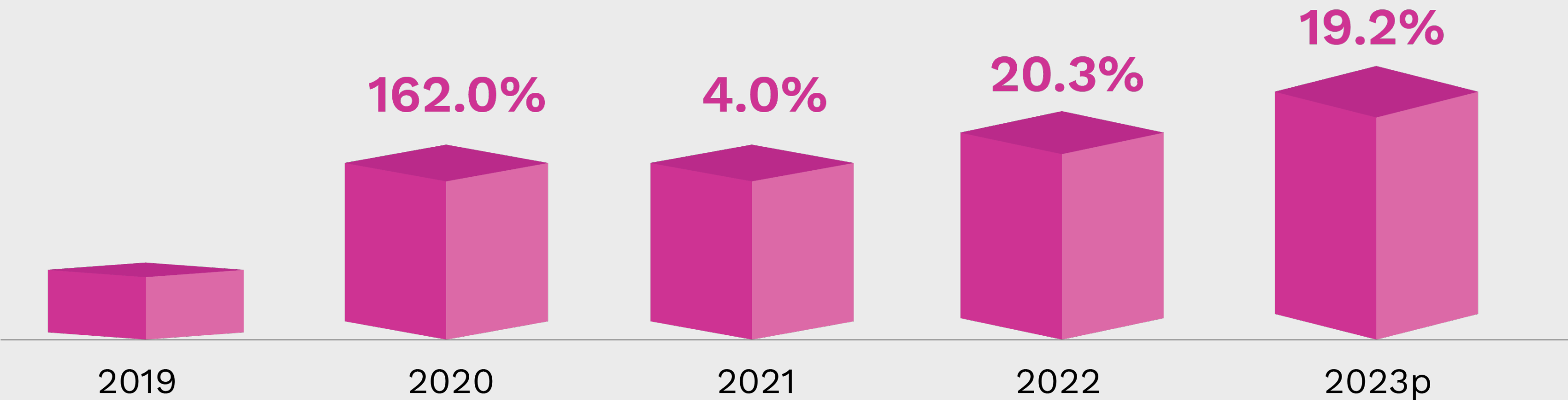
Our goal is to
continue
increasing this
ratio

Why Omnichannel?

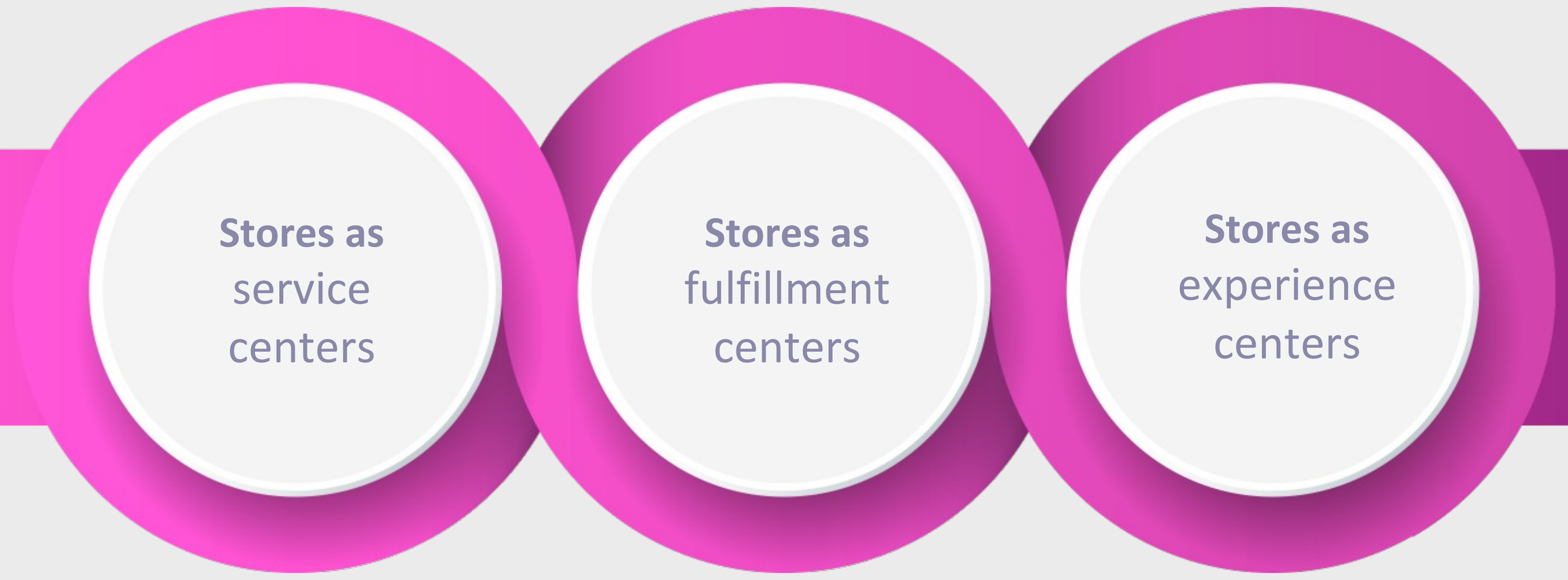
Seamless digital / in-store sales



Total Digital Sales Growth (GMV)



Continue strengthening our omnichannel strategy through:



Stores as
service
centers

Stores as
fulfillment
centers

Stores as
experience
centers

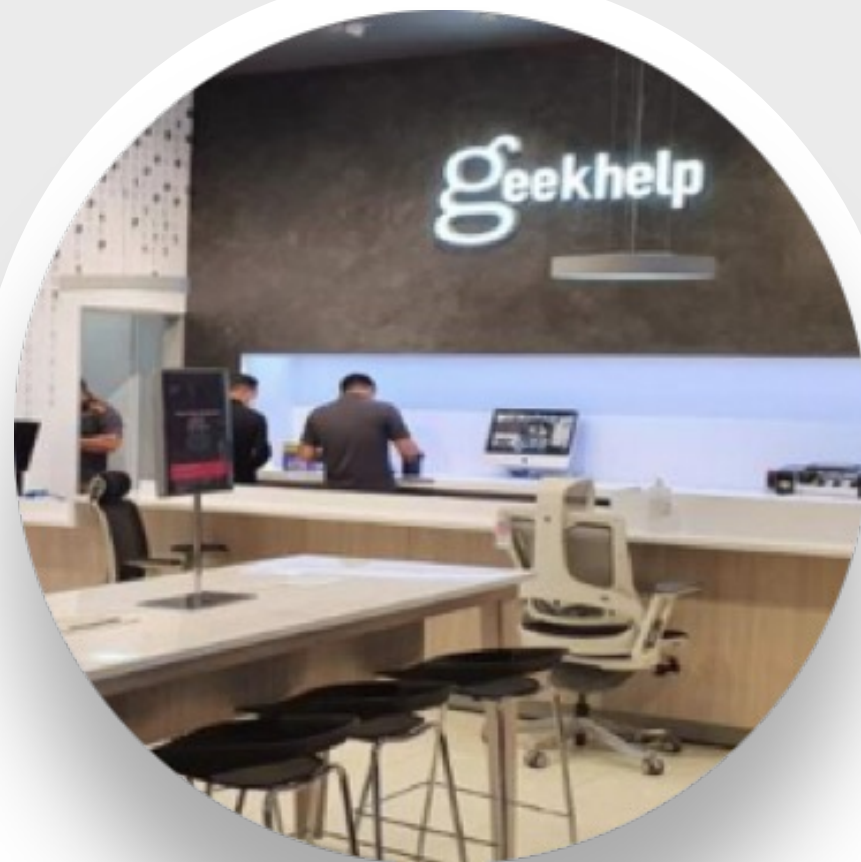
VAS | Value Added Services

Store as a Service Center



Liverpool as the best Added Services ecosystem

Store as a Service Center



Technology Services



Home Services



Personal Services

- Virtual Consulting
- Personalization
- Installations
- Maintenance
- Warranties
- Rent
- Resale
- Recycle
- Interior Design
- BX
- Technology Solutions
- Alterations
- Jeans Lab
- Prints
- etc...

The best offering, diversity and experience

Relevance of VAS

Store as a Service Center



Competitive Advantage

Defend Key Categories



Loyalty and Client Stickiness

Profitability

We expect to sell more than \$1.7b in 2023

VAS | BX

Store as a Service Center



BX | Polanco 2022

Store as a Service Center



Immediate Virtual Assistant



March 2023: TVs, computers and mobile phones



Stores as fulfillment centers

Multiple delivery options to meet evolving customer preferences

Digital Customer preferences

Home Delivery
65%

Click & Collect
35%

Store to customer homes



Same / next day or standard delivery

C&C at our stores

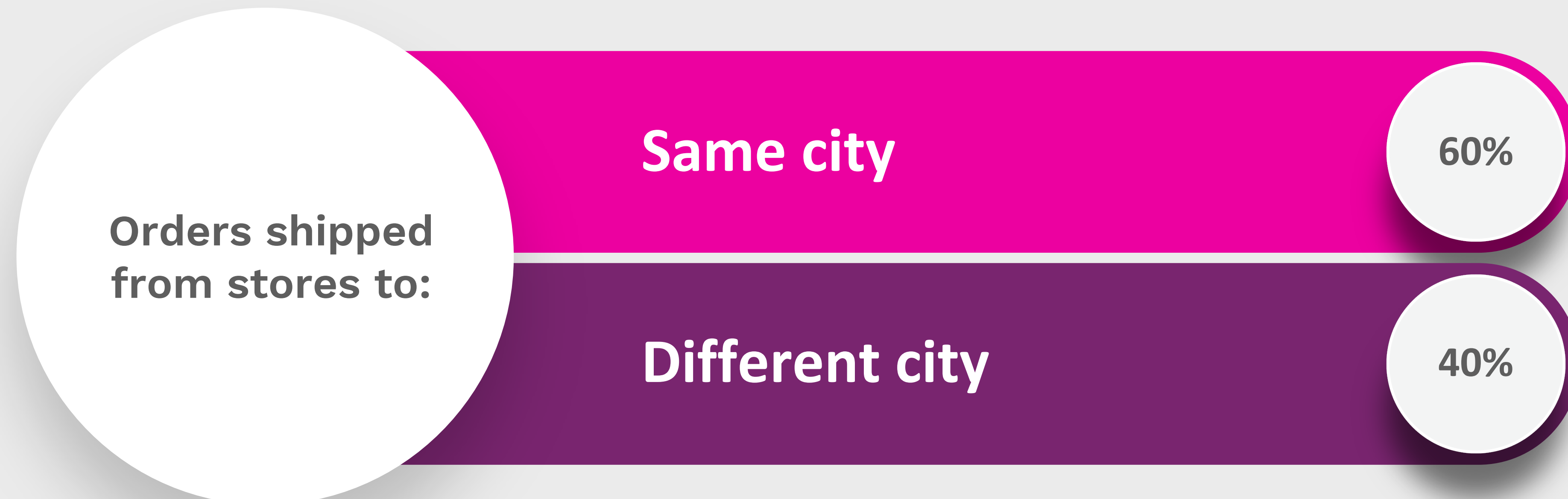


Pick up 2 hours after confirmation

Store Progress as fulfillment centers

Planning, Assortment and Allocation will bring inventory closer to our customers' demand

By increasing our local deliveries, customers can receive their orders much faster...



Private Labels

Store as an Experience Center

- 9% of Liverpool sales
- Margin 10% higher
- Clear differentiation

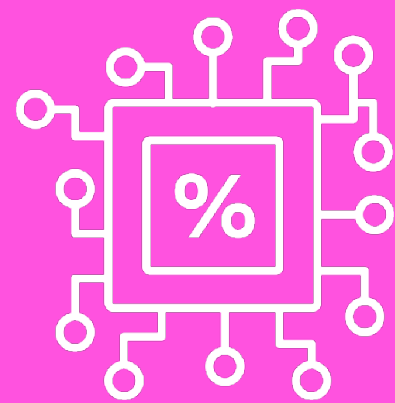


New Store Layout

Store as an Experience Center

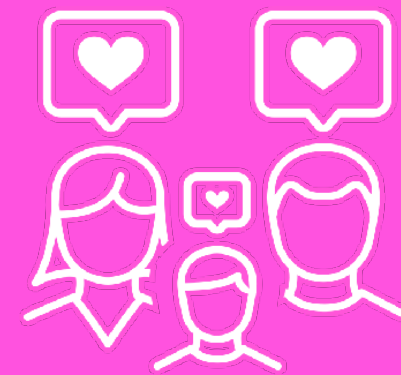


The “*Cliente consentido*” loyalty program will seek to develop, reward and retain our customers



Smart couponing

Customers will receive omnichannel smart coupons



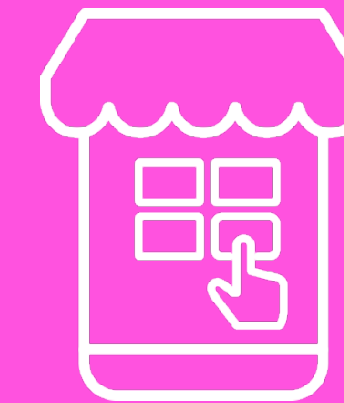
Different types of coupons

- Promotions
- Value Added Services
- Experiences & events
- 3rd party alliances



Gamification

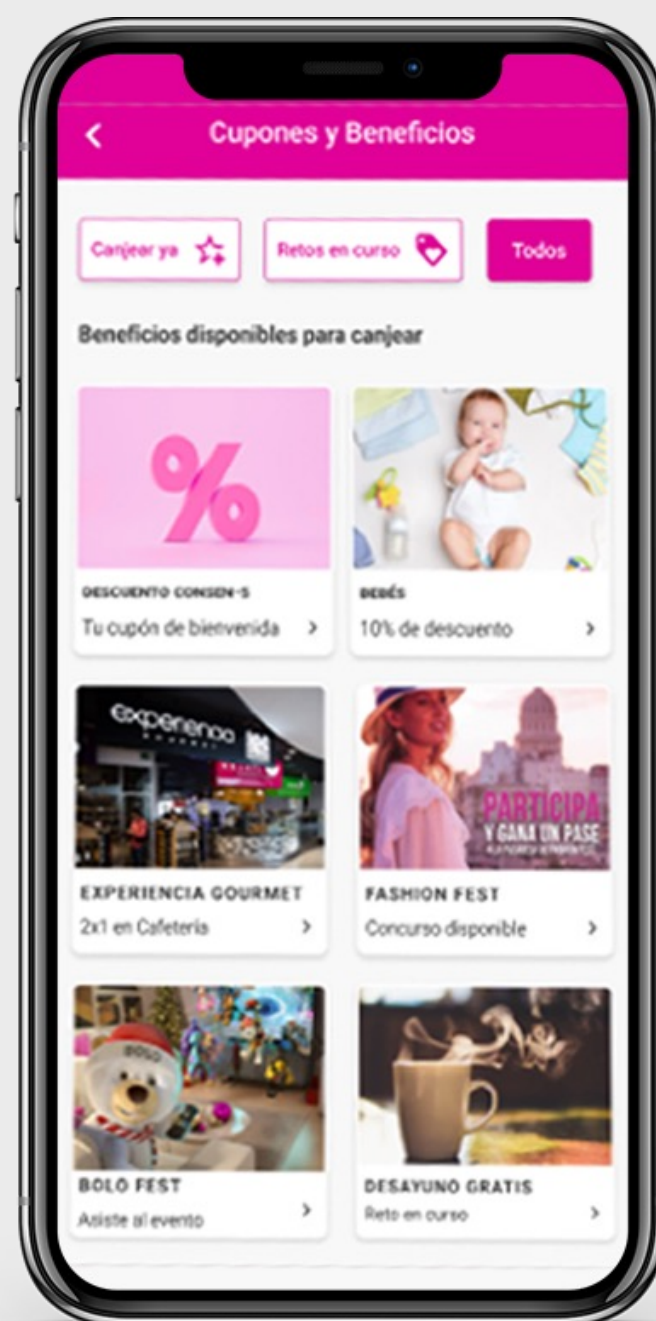
Gamification will be included both, in digital and physical channels



Self-service

Customers will be able to manage the program in their Liverpool App

“*Cliente consentido*”: We will know and serve our customers better by encouraging them to become digital, buy more categories and use our payment methods



Special app section for managing coupons



Coupons can be redeemed both in the app / web and in the stores



Personalized coupons

Illustrative

Expansion

During the last 12 months we opened three new stores. Our strategy is to:

- Renovate relevant stores
- Grow through Liverpool Express



**Ten stores in operation.
Our plan is to open
twenty more in 2023.**



Liverpool Express: Opportunitie s

Increase market presence in locations without stores



Variety of services:

- Sales through extended catalogue and Marketplace
- C&C package delivery
- Returns
- Credit origination and payments
- Gift cards
- Gift wrapping
- Extended guarantee and No Spots
- Gift registry, Service payments, Remittance payments, Alterations.

Assisting our clients, for example:

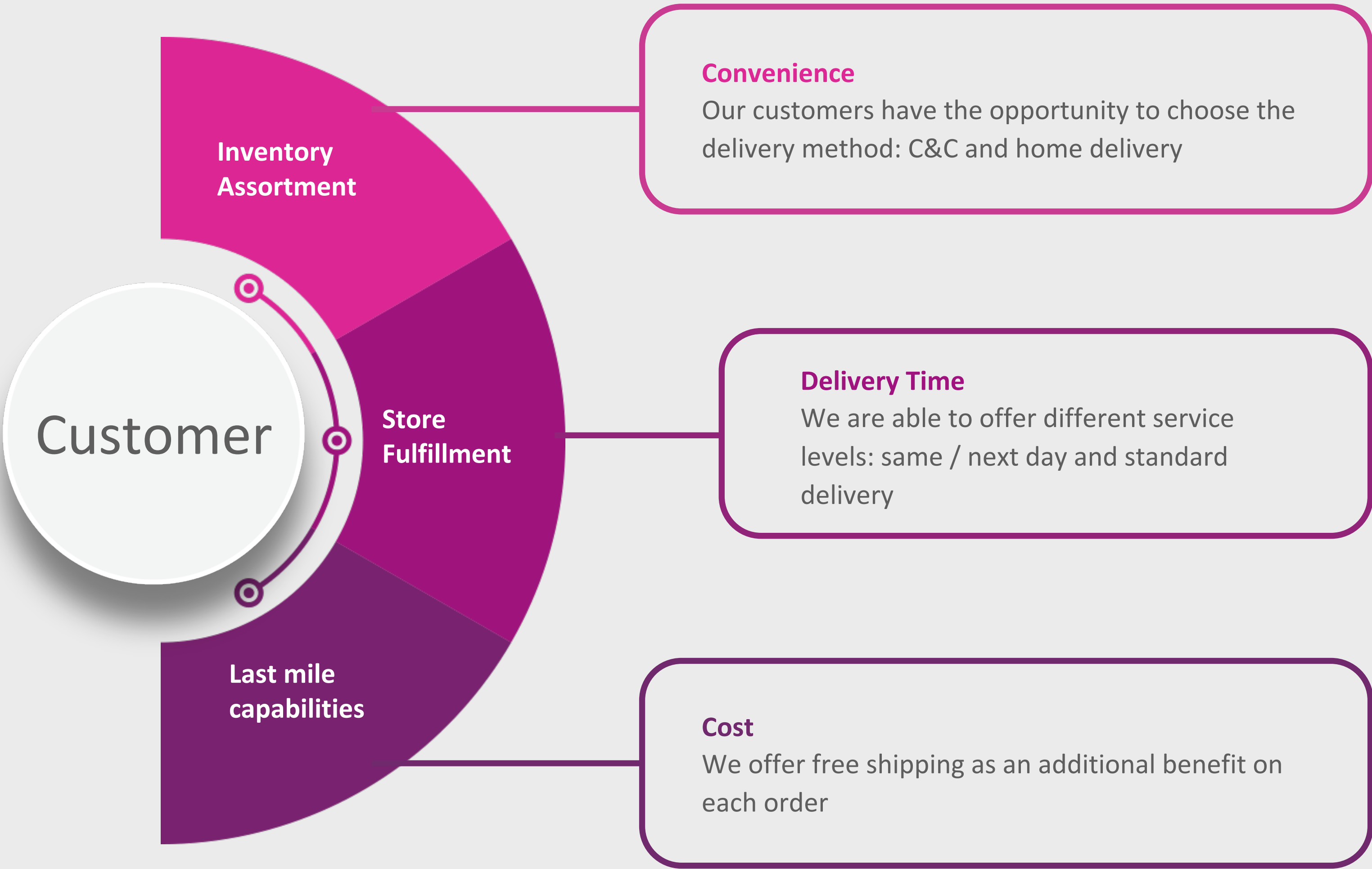
- Downloading the Pocket App
- Navigation through our extended catalogue
- General guidance in our digital services

Edwin Serment

Chief Logistics Officer

Omnichannel experience

Our strategy is focused on improving our **customers' Omnichannel experience**, leveraging our stores as competitive advantage



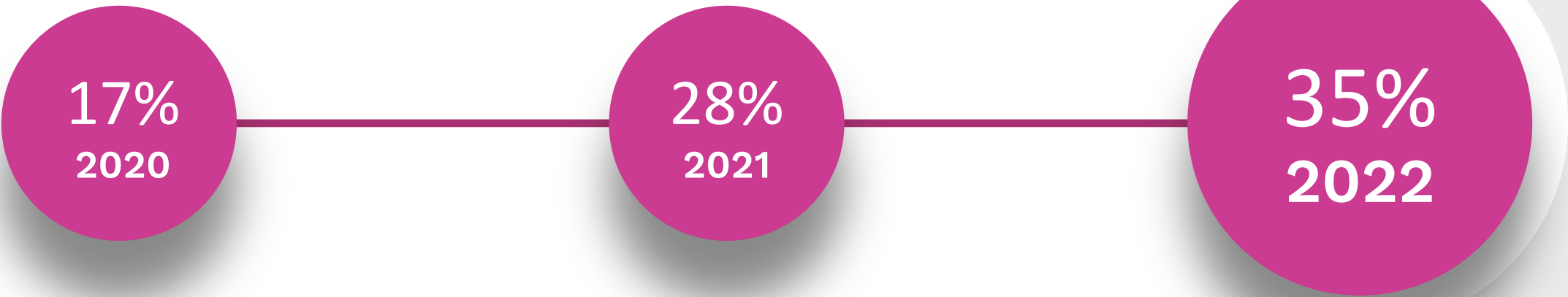
C&C meets customer preference



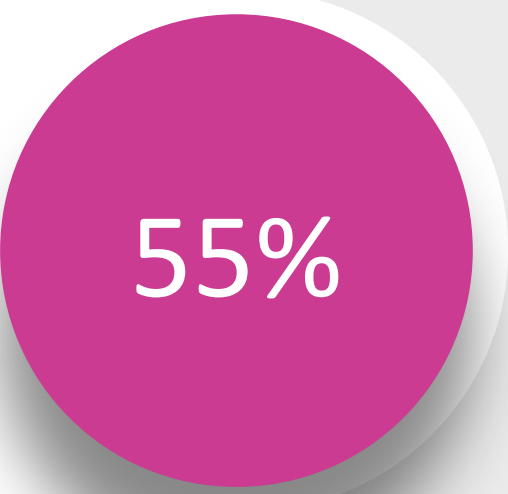
During *peak seasons*, the market offers extended delivery times, our customers can *enjoy the speed and convenience of picking up their order from a nearby store*

40% of C&C customers make a purchase in store when picking up their package

C&C
annual share



C&C highest share during
2022 peak season

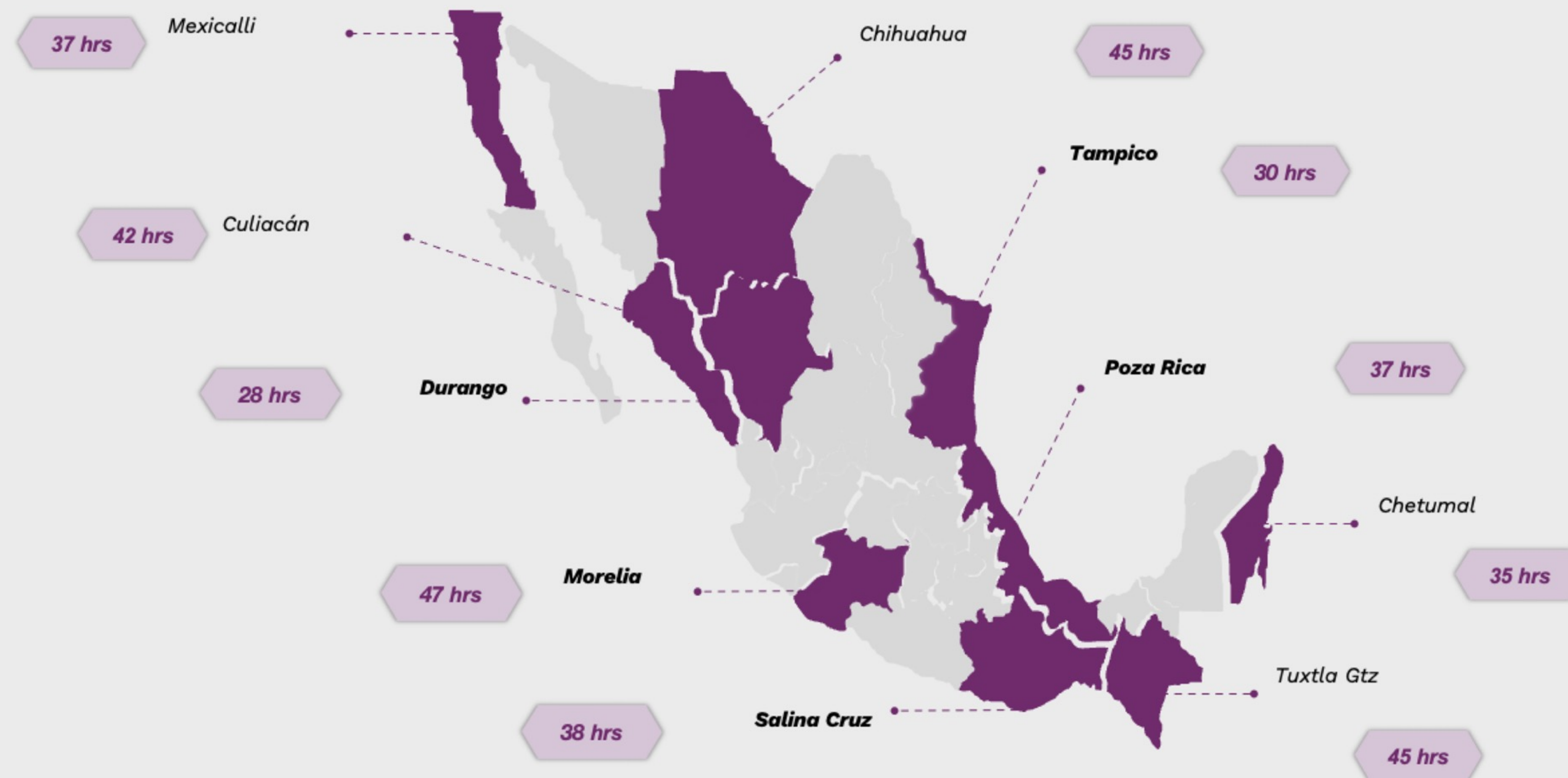


Customers can choose where and when to pick up their products...

Pick up preference

2 hours	7%
Same Day	27%
Next Day	17%
2-5 days	26%
+6 days	23%

Free and fast home delivery



We are focusing on
improving our delivery time
in major cities...

...and leveraging our stores
footprint **to deliver in** less
than 48hrs in different cities

We maintained our Free
Shipping, and we were able to
reduce our delivery cost by -
16%

2023 priorities

Shopping Experience

Keep improving delivery time for both same day & next day orders, aligning our assortment with demand



Convenience

Offer our customers an omnichannel shopping experience leveraging our stores as Fulfillment centers

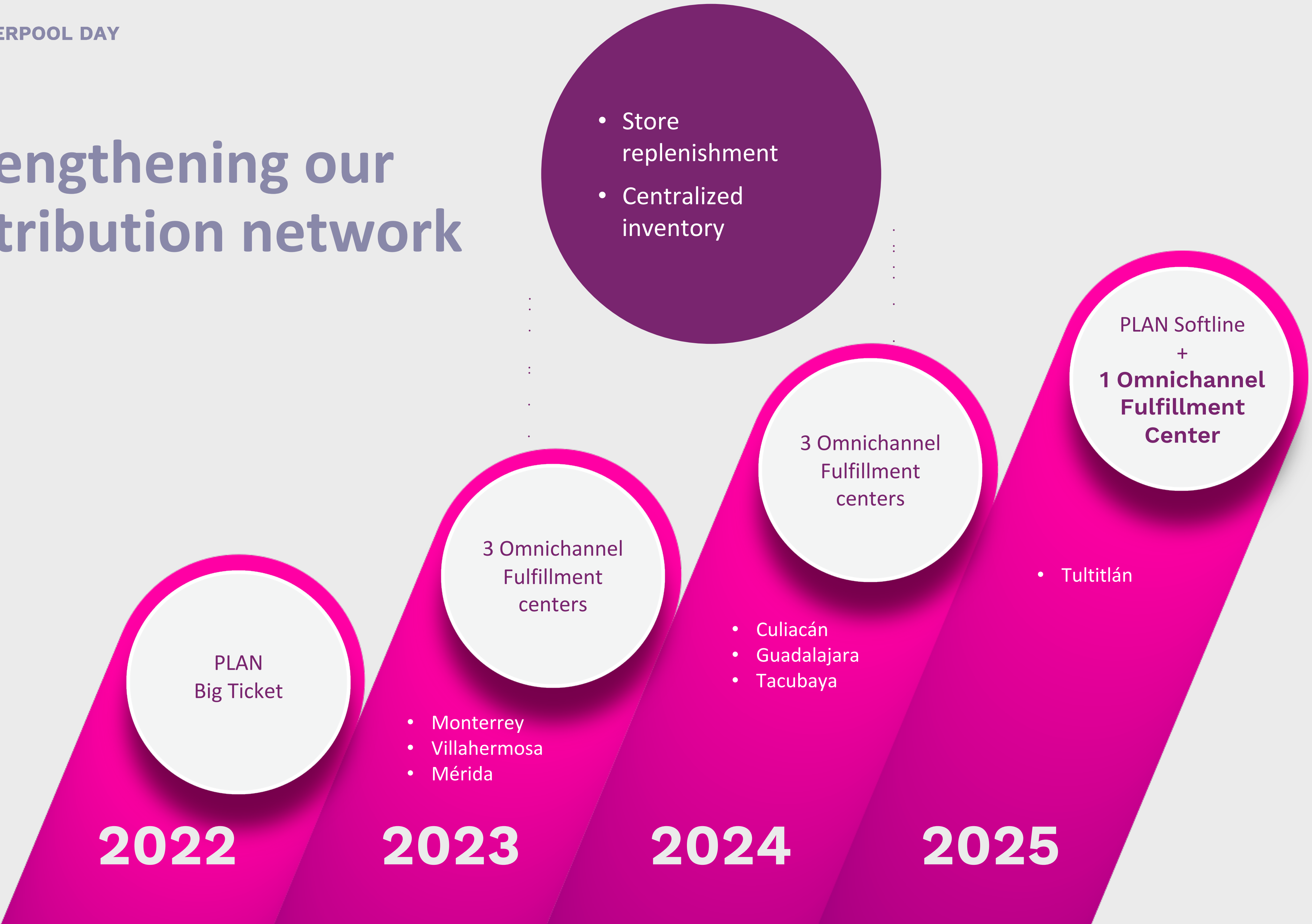
Distribution Network

Enable the push/pull model with the setting up of fulfillment centers & PLAN

Cost

Implement competitive cost efficiency strategies to leverage free shipping as competitive differentiator

Strengthening our distribution network



Antonino Guichard

Chief Digital Officer

GMV

Digital GMV increased

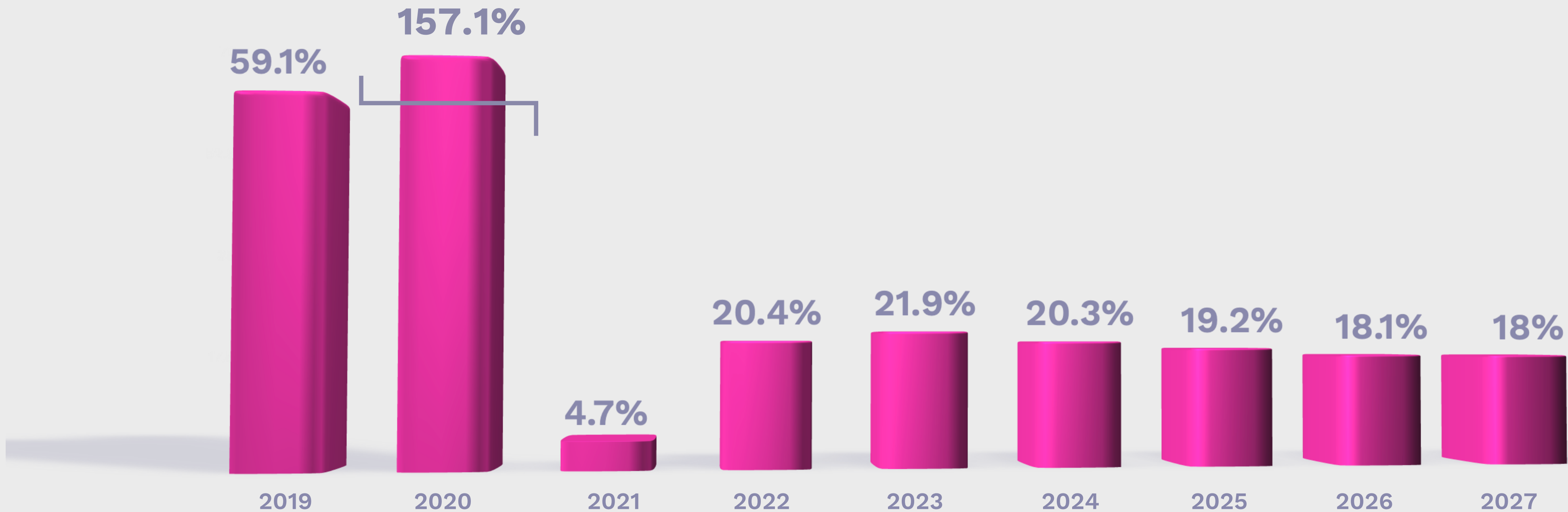
3.2x

from 2019 to 2022

In 5 years, we expect a

2.0x

increase



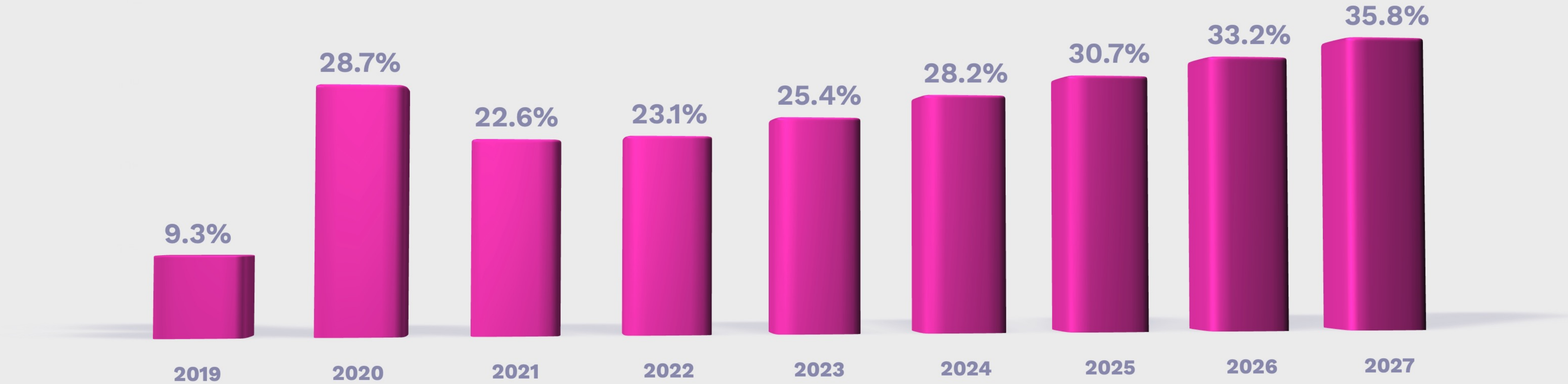
Share

Digital GMV share went from representing 9.34% in 2019 to

23.1% in 2022

We expected that by 2027 share wil reach

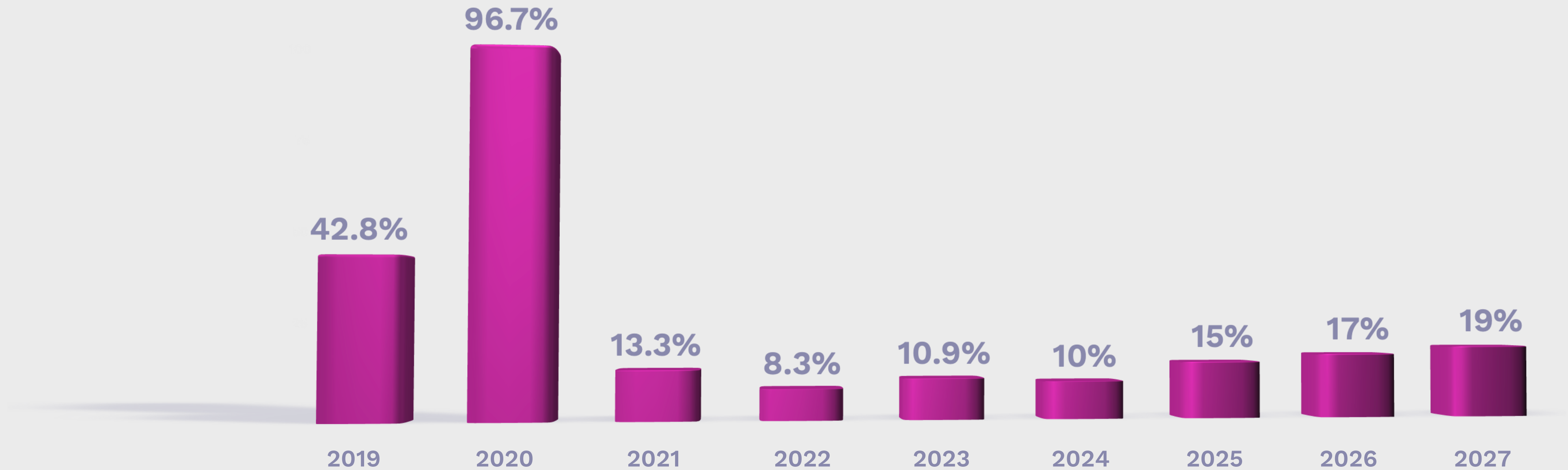
35.8%



Traffic

Increased
2.4x
from 2019 to 2022

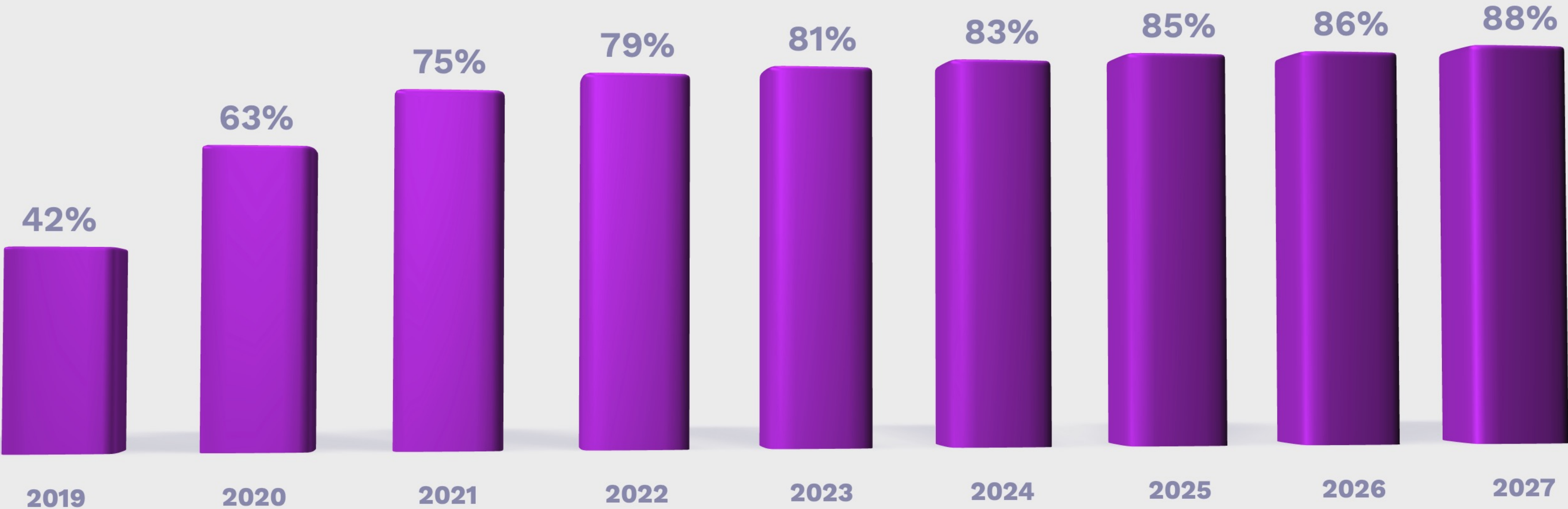
In 5 years, we expect a
1.8x
increase



APP Share

App engagement increased
+36.2pts
from 2019 to 2022

In 5 years, we expect a
9.0 pts
increase



Monthly Active Users

Active users increased

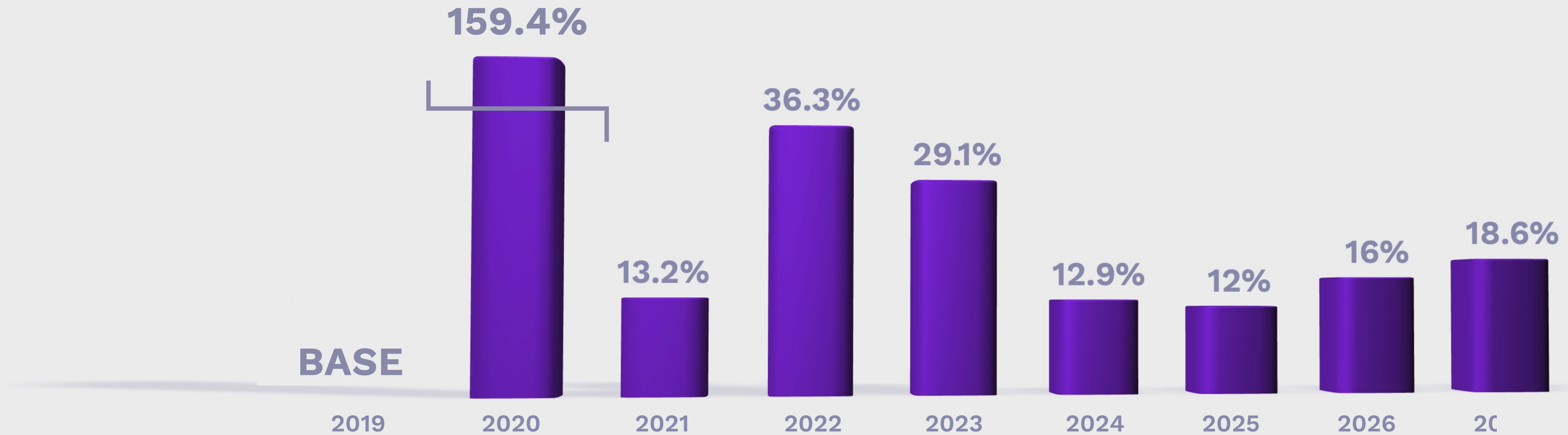
4.0x

from 2019 to 2022

In the next 5 years, we expect a

1.8x

increase





Ecosystem strategy

Marketplace

Total GMV increased

2.0x

since 2019

1.8x

by 2027

41% of Liverpool
Assortment

70% by 2027

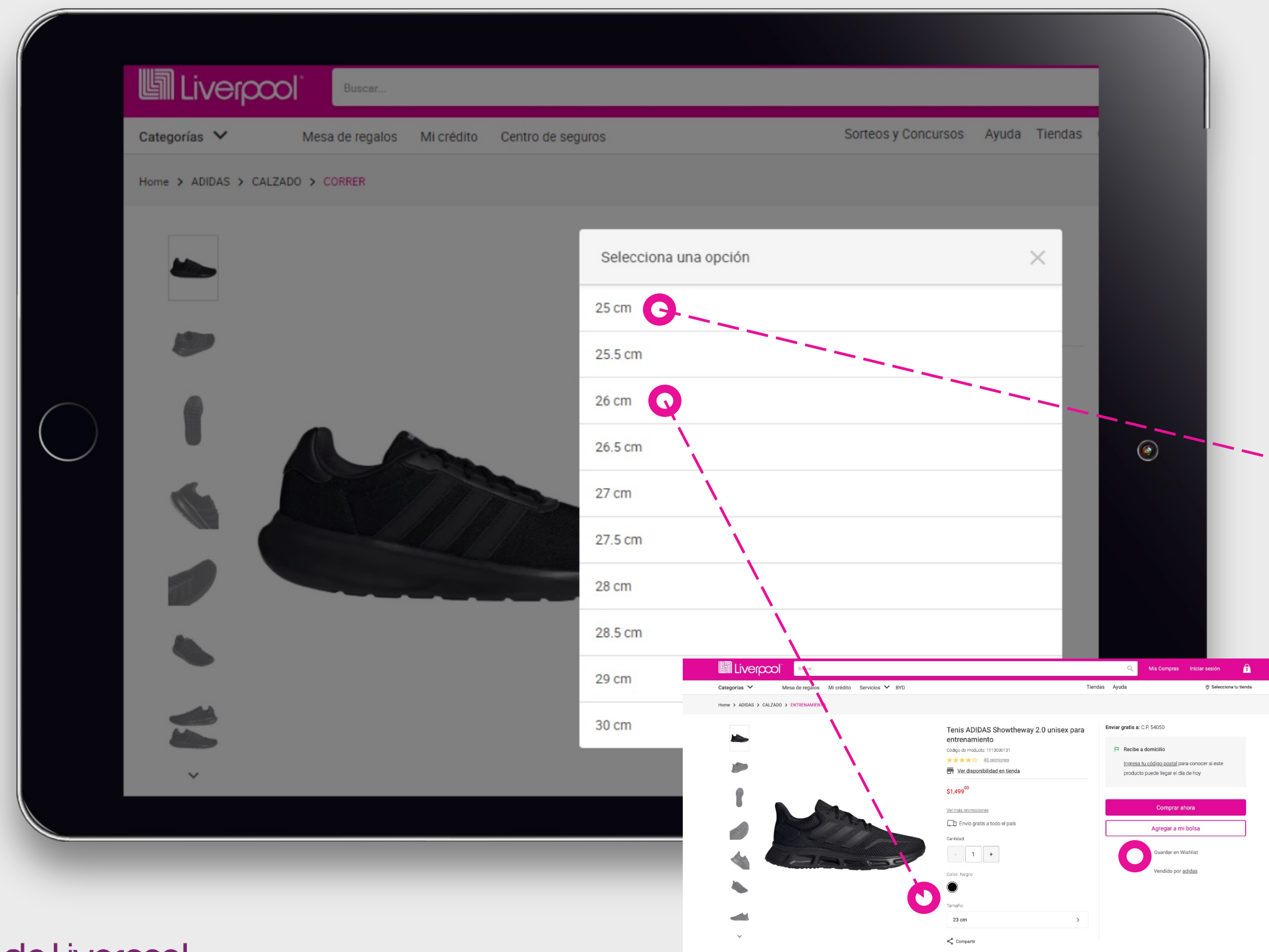
80% of Suburbia
Assortment

90% by 2027

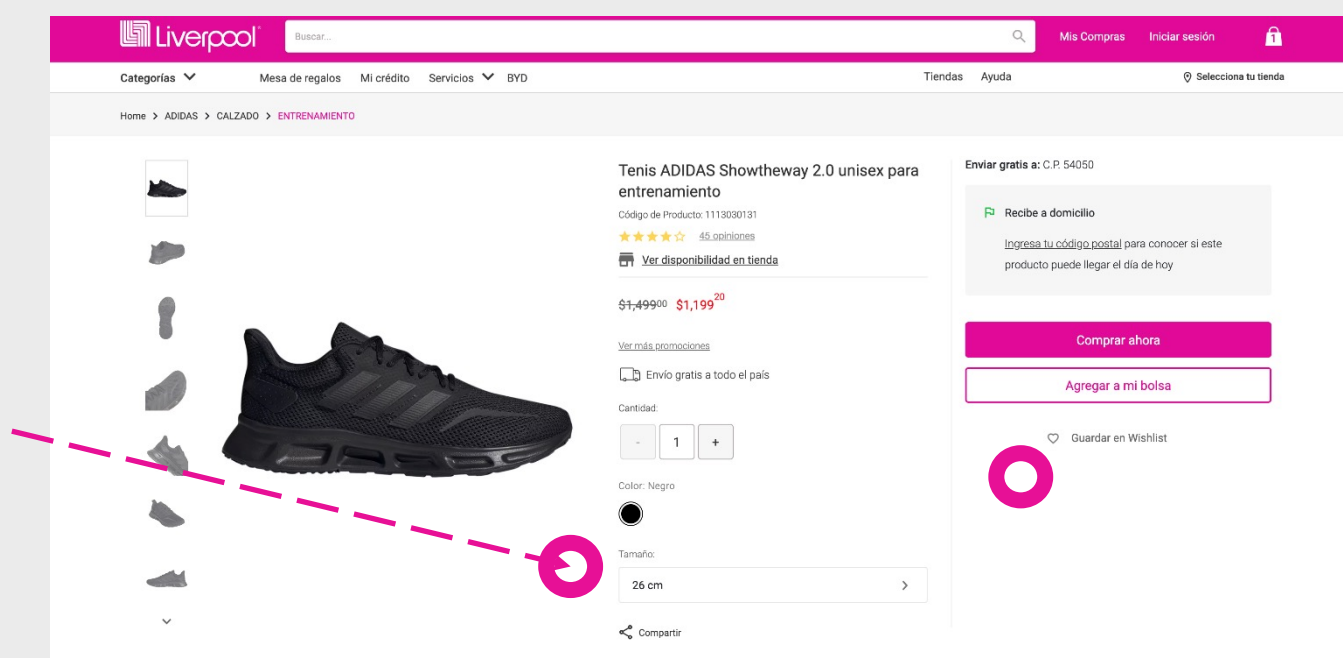
Total sellers
grew +46.5% in
2022; expected
to increase
+212% in 3 years

Hybrid Sellers
represent 17%
of assortment

Marketplace - 2022 (Always on)



Our **Marketplace** allows us to present a more complete offer to our **Customer** thanks to our **Stockout** model, which allows us to maintain a continuous supply of products ("Always on"):



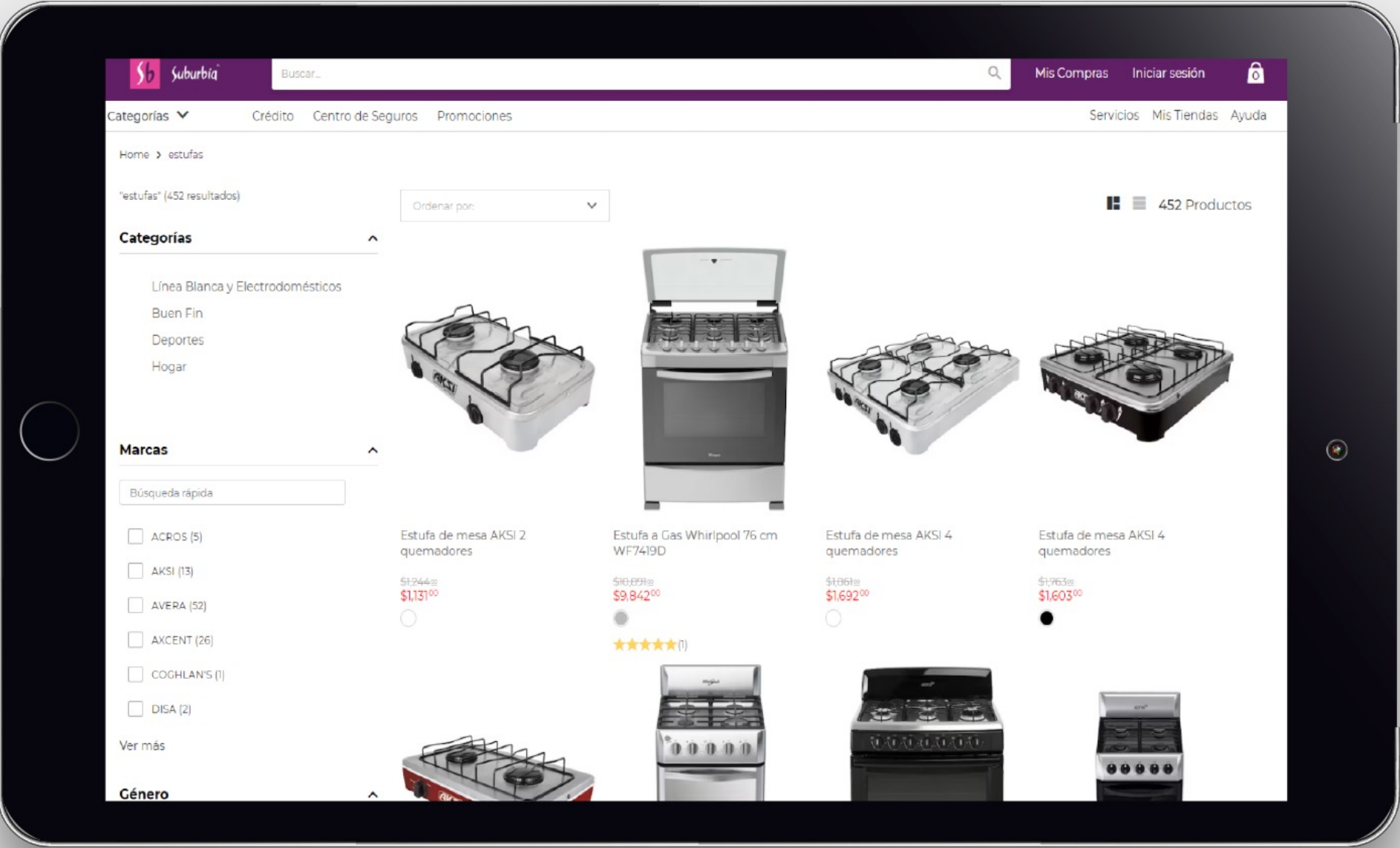
Size 25: sold by Liverpool

Size 26: sold by Marketplace through **3P Sellers**

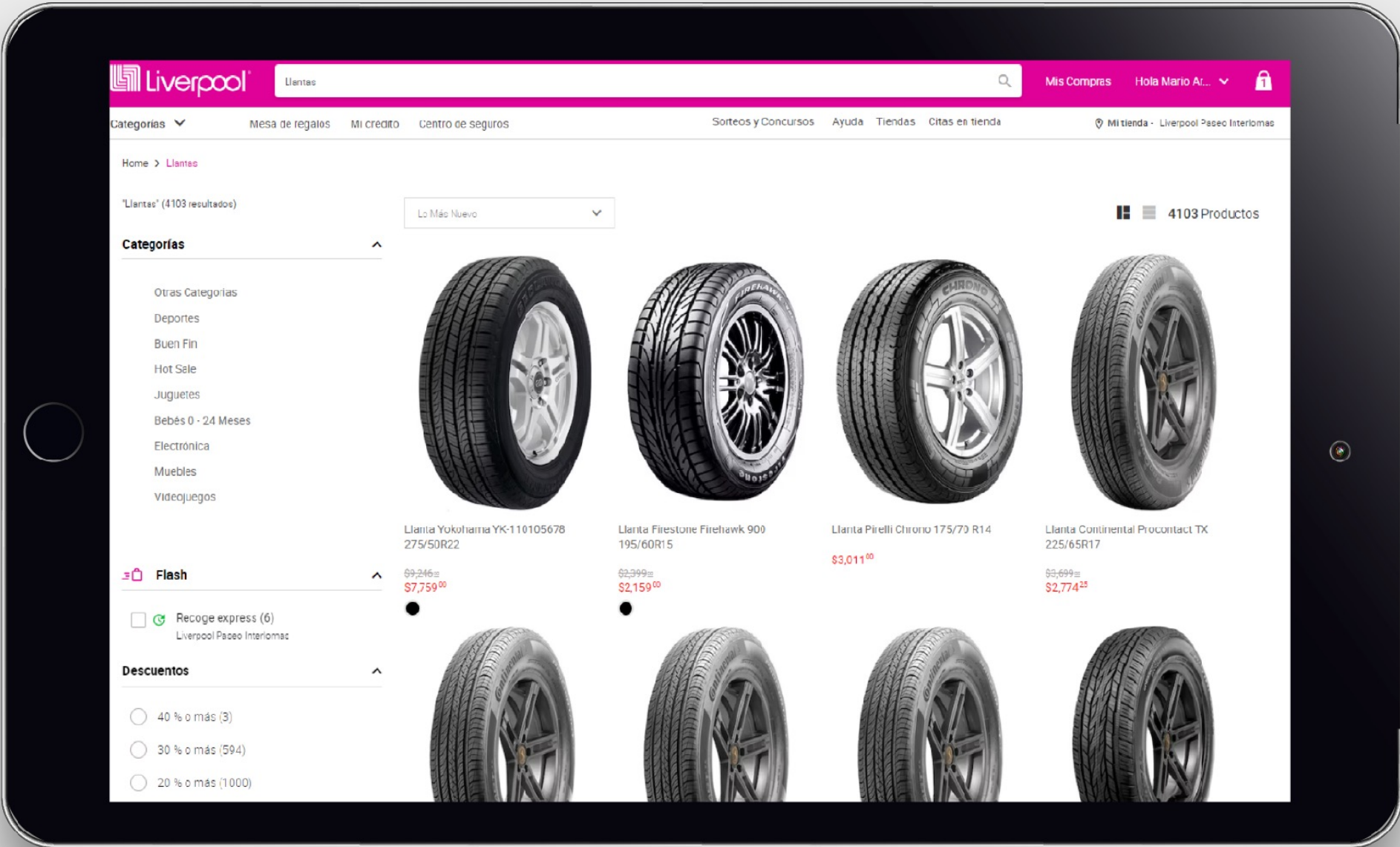
Marketplace - 2022 (Catalog Complement)

Our **Marketplace** allows us to complement our catalog, and to introduce our customers to new categories previously considered niche.

Ranges: 5x on items sold by Suburbia

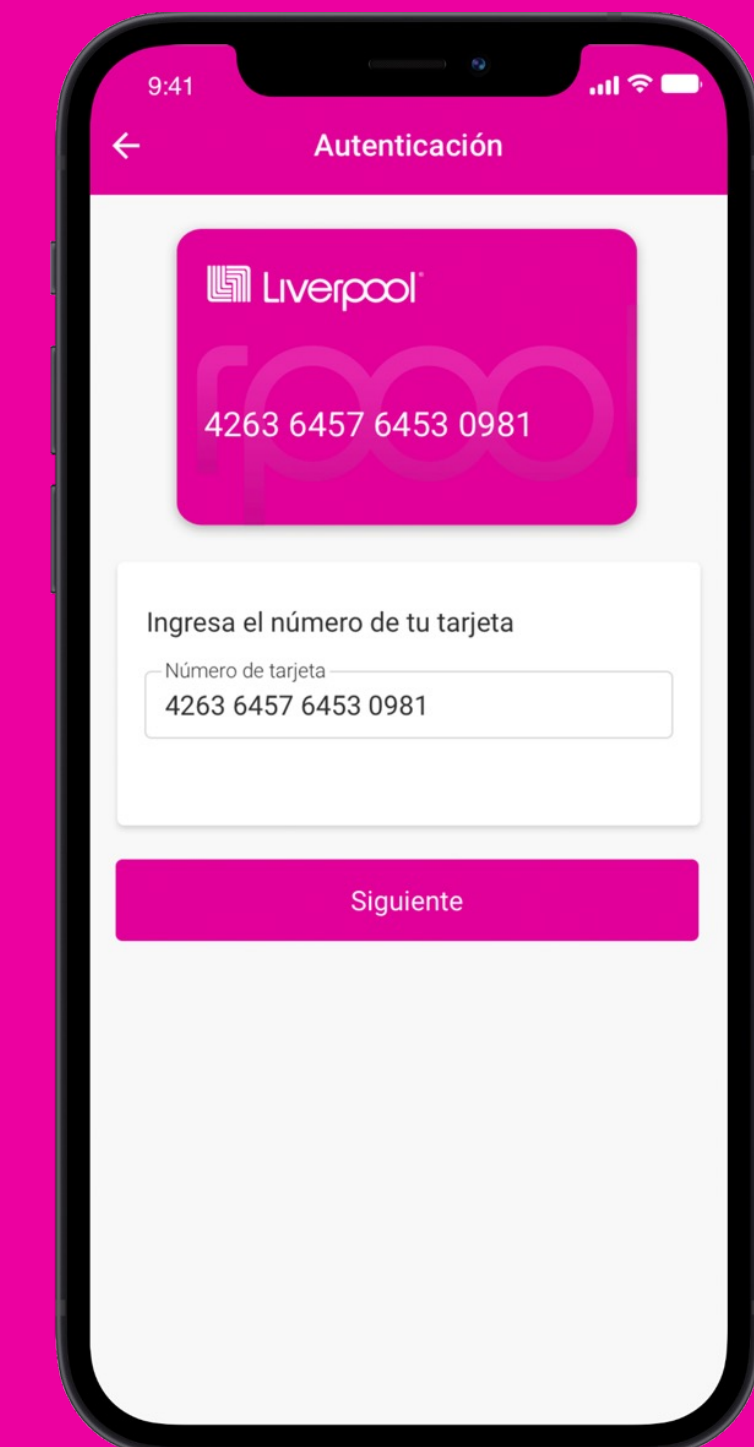
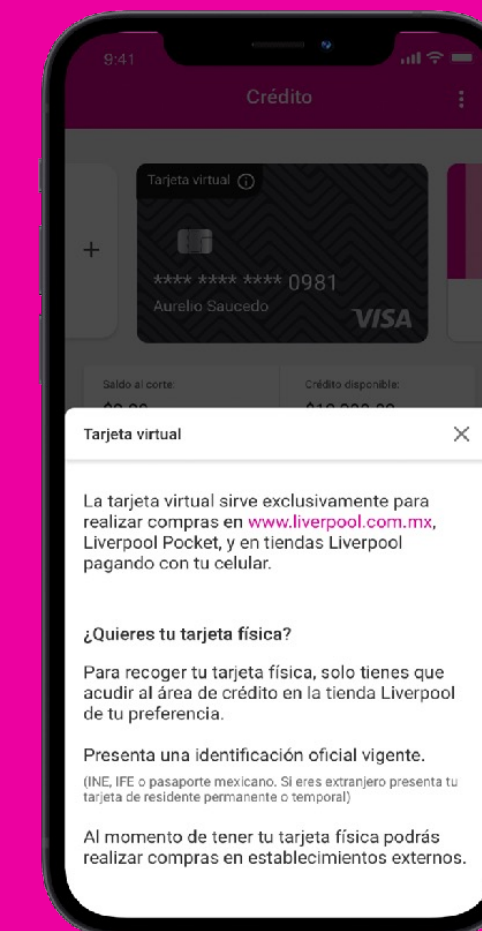
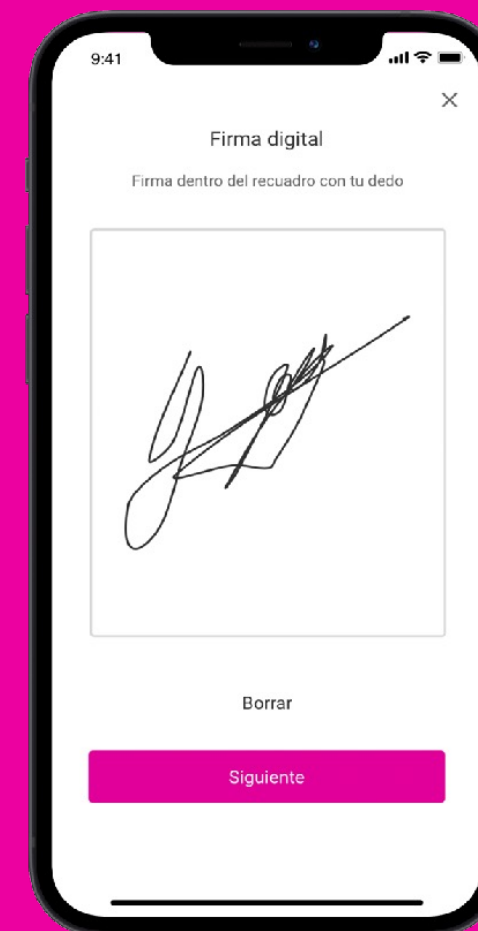
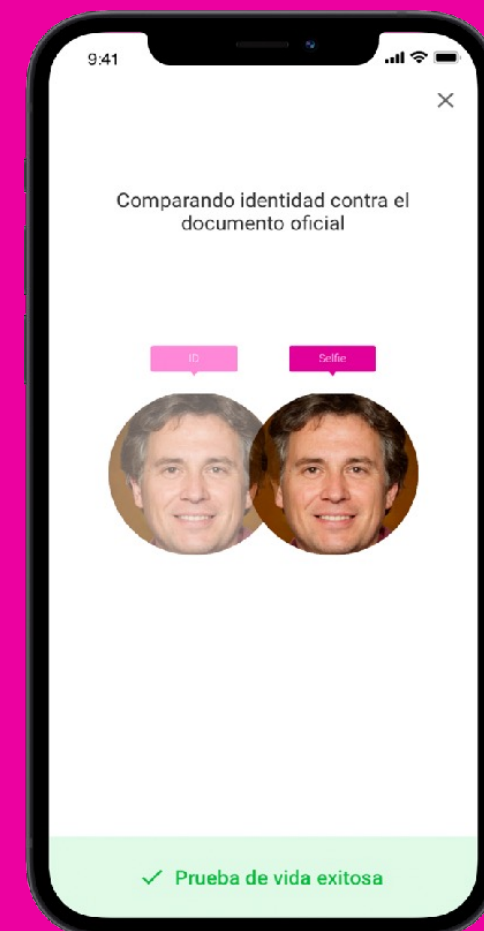
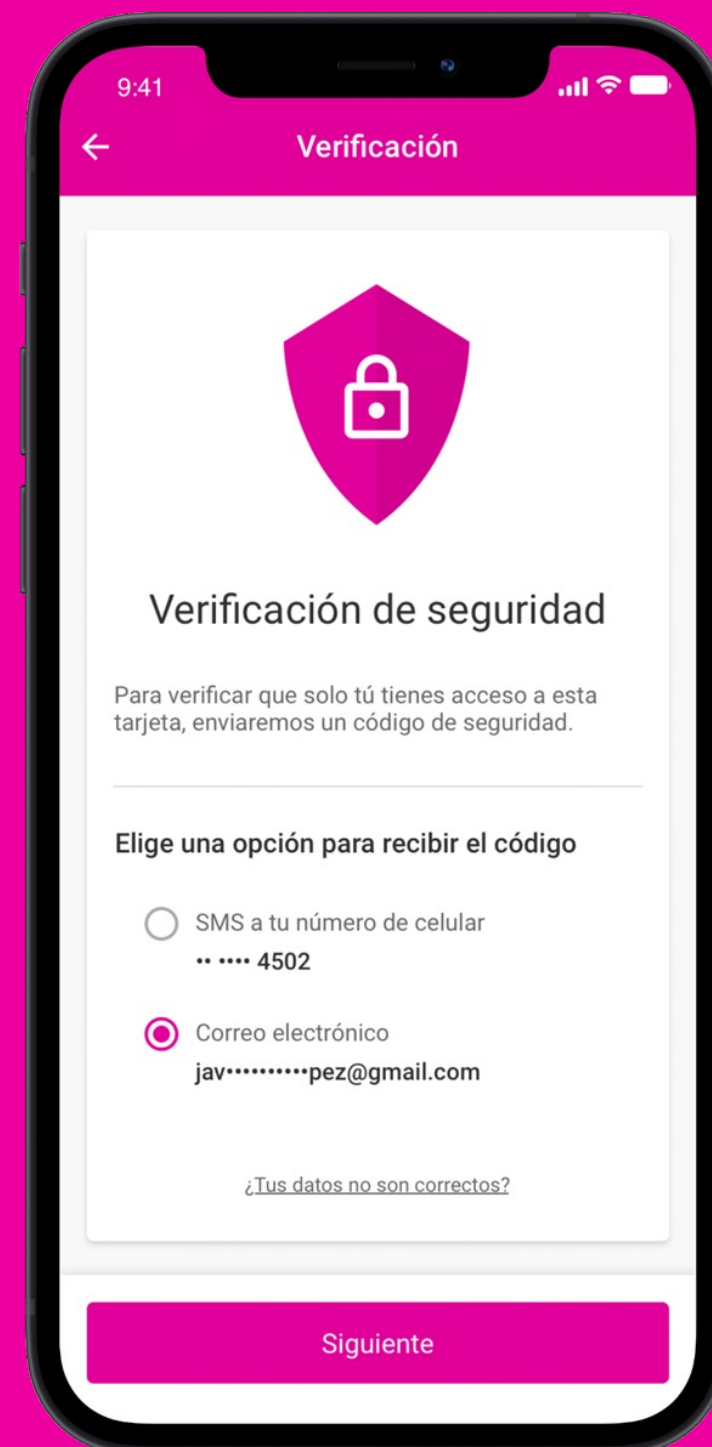


Tires: 4.3x on items sold by Liverpool



Digital Financial Services

Card registration security
First click reliability
Virtual card application and granting
Digitalization of physical cards
New Feature



Omnichannel strategy



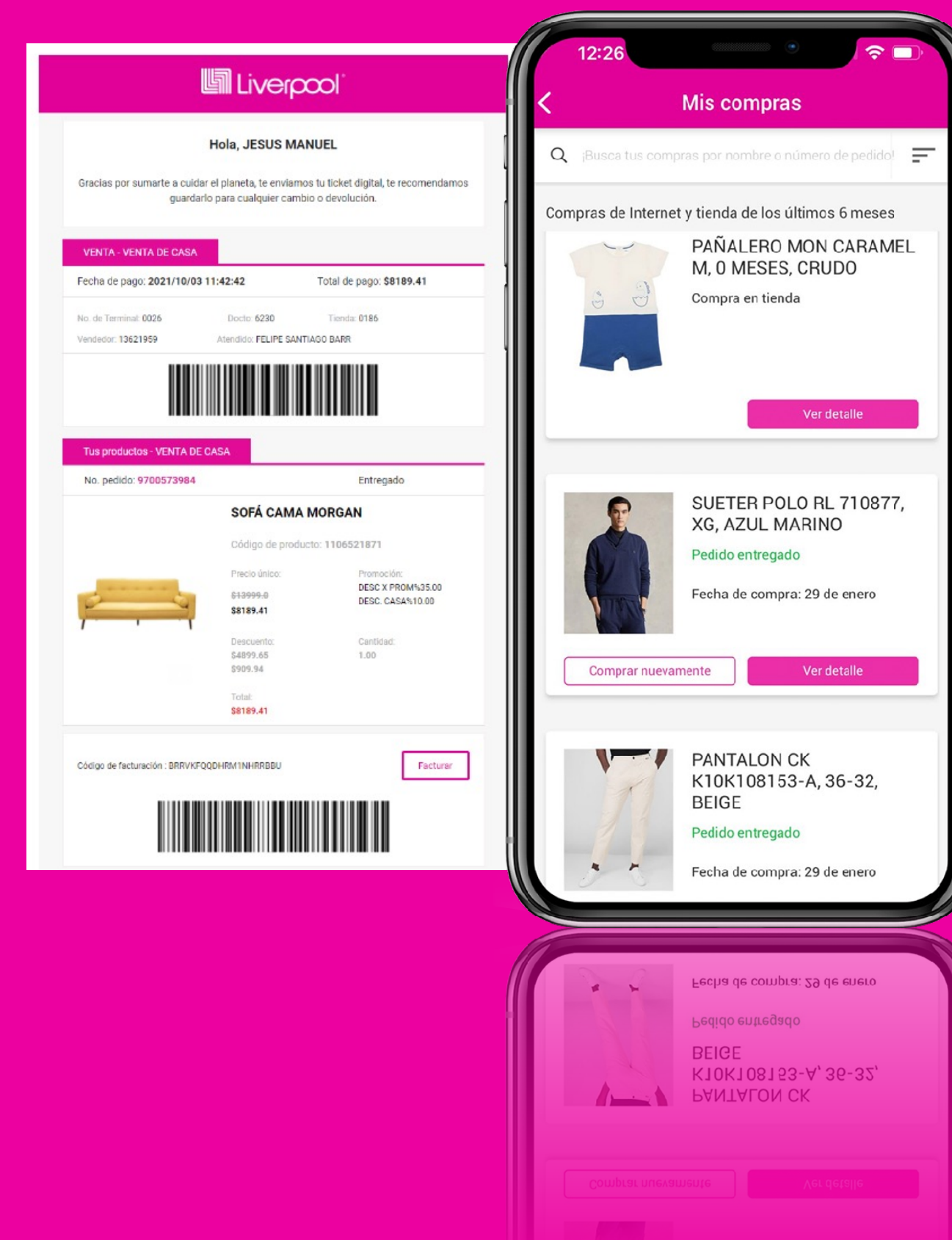
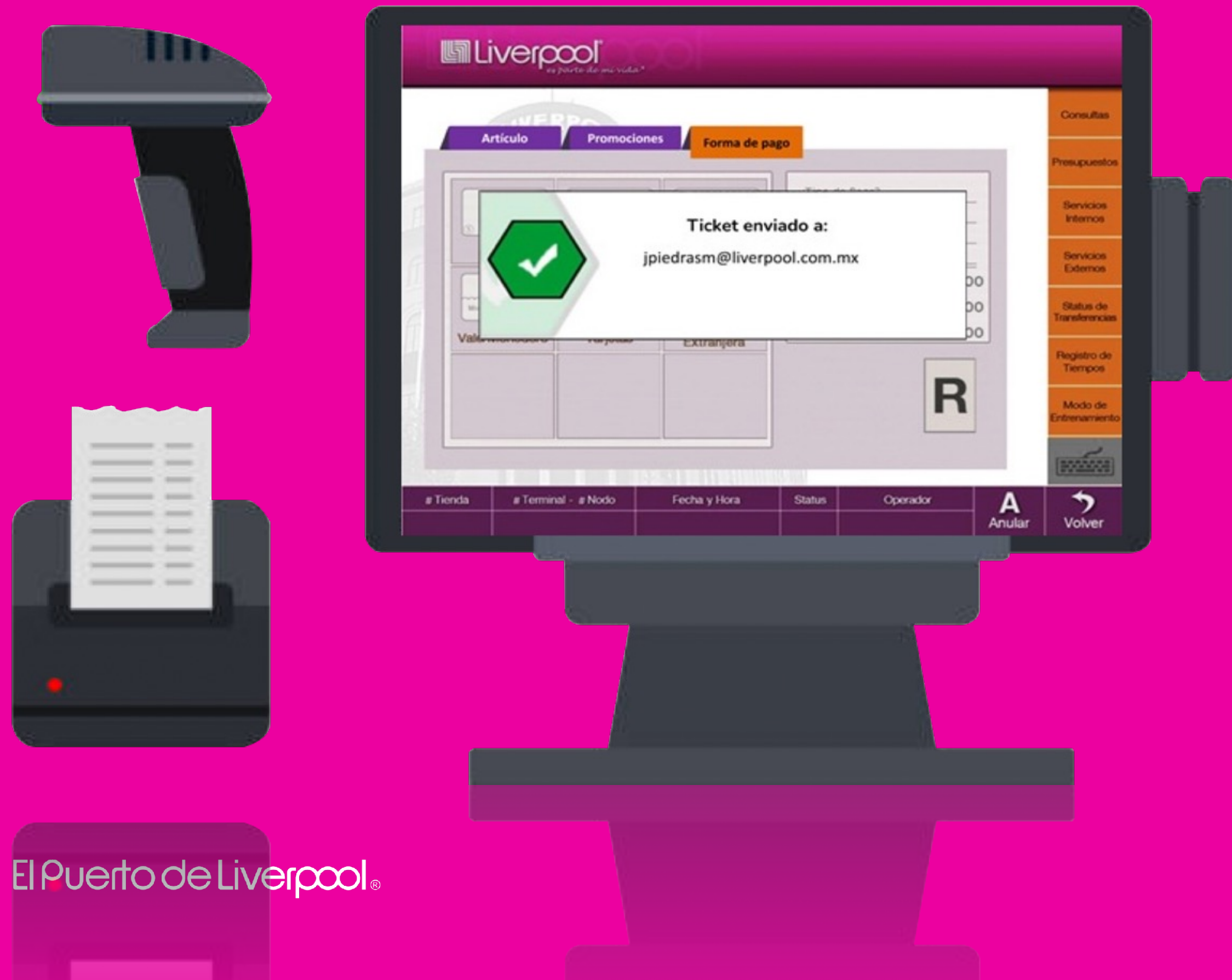
New sale platforms

- New Mobile Android POS in Liverpool
- Suburbia kiosks in 60 stores
- Apps in Huawei Operating System

Omnichannel strategy

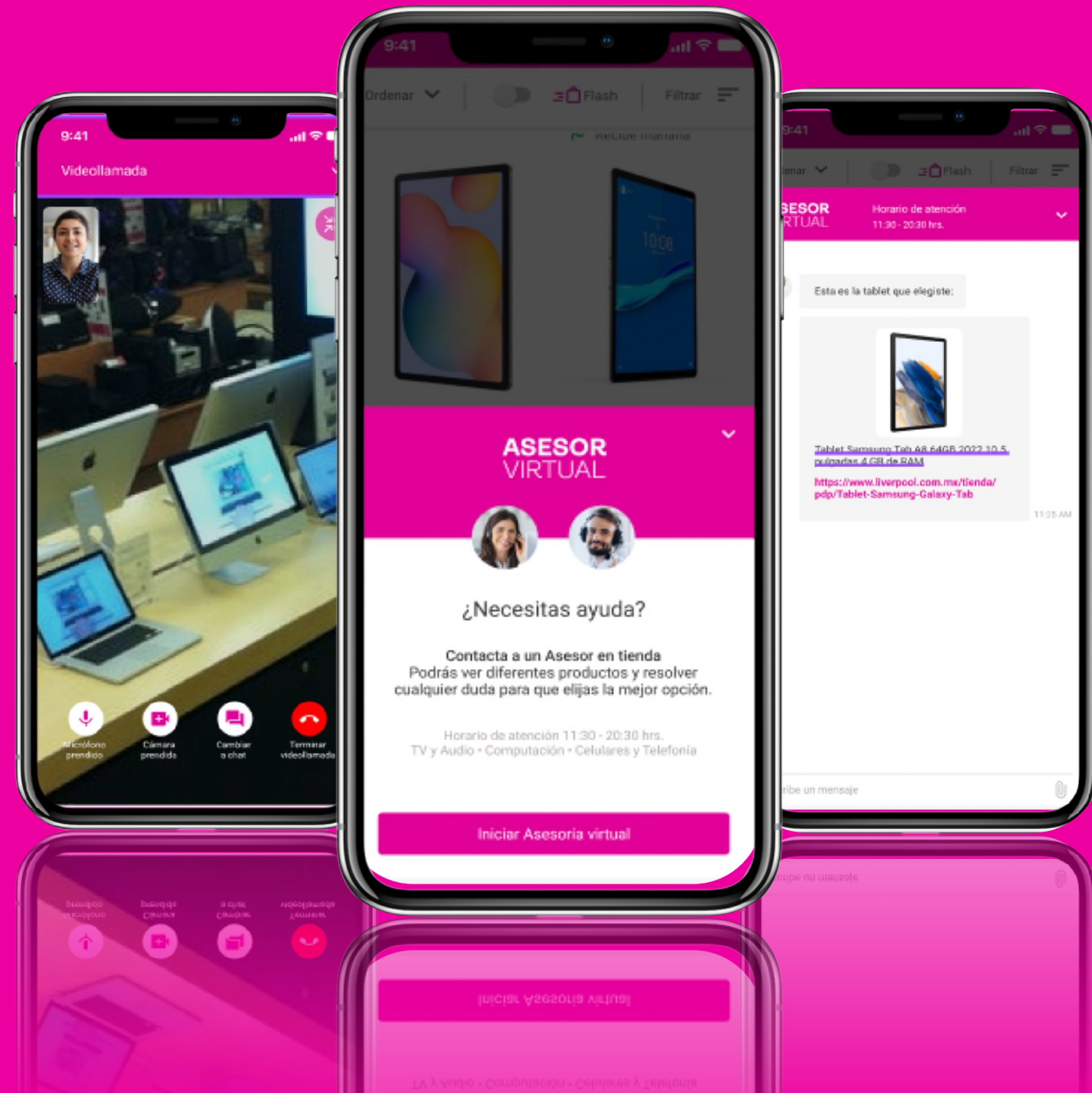
Omnichannel:

- Digital Ticket
- My purchases (in-store and digital channel)



Upcoming features

- Fulfilled by Liverpool logistics model
- Customer care platform
- And the capability to have brand-mixed inventories



Customer Management

Active
Customers

+20%
since 2019 to 2022

In 5 years, we expect a
+42%
increase

digital customers represent
22%
of total customer base

Highly engaged
Customers

Transact
5.0x
vs clients with an average engagement

Omnichannel Customer

3.0x

from 2019 a 2022

In 5 years, we expect a

1.8x

increase

Reaching a share of

+16%

Omnichannel Costumer value

1.9x

from 2019 to 2022

By 2027, we expect a

+13%

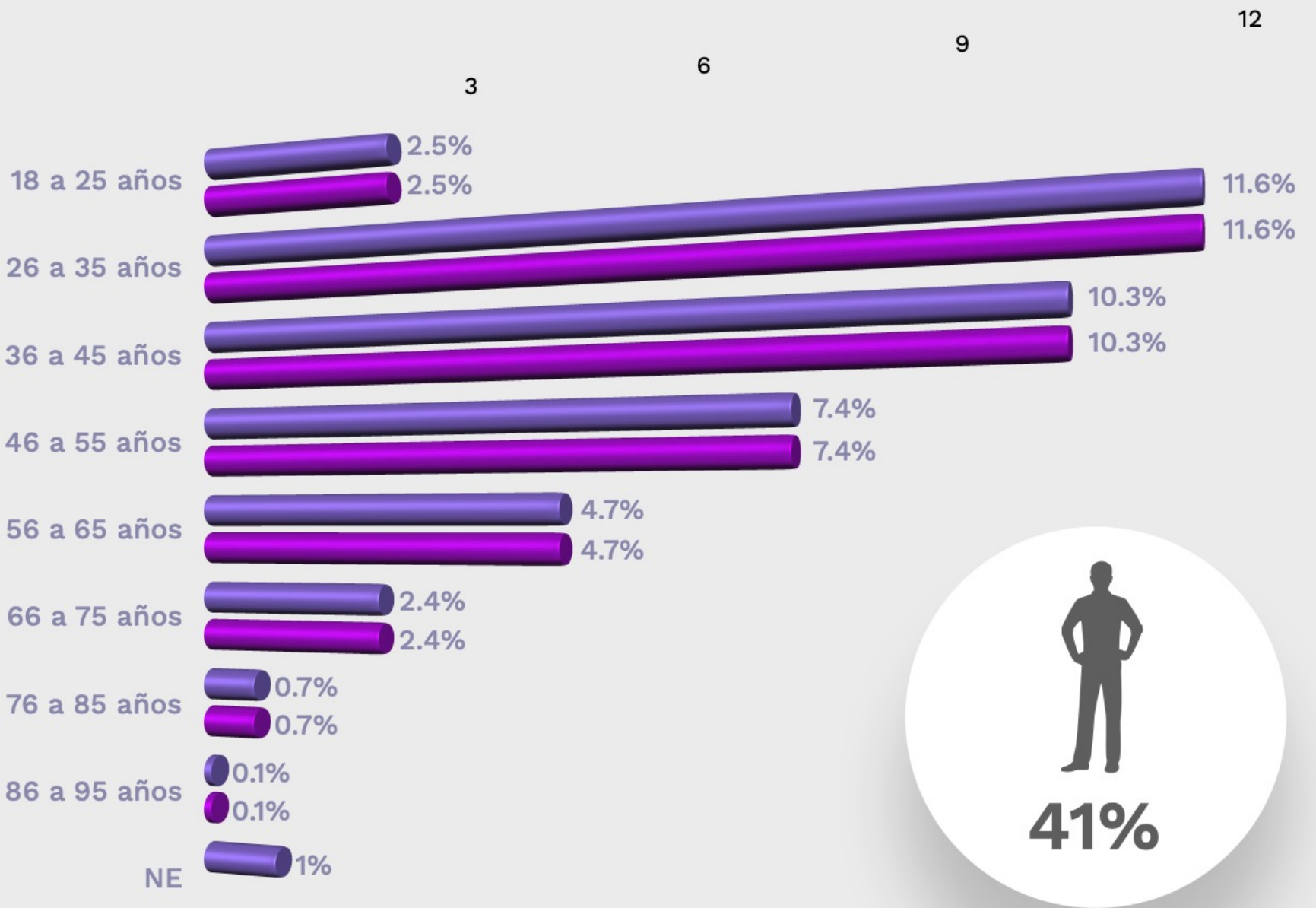
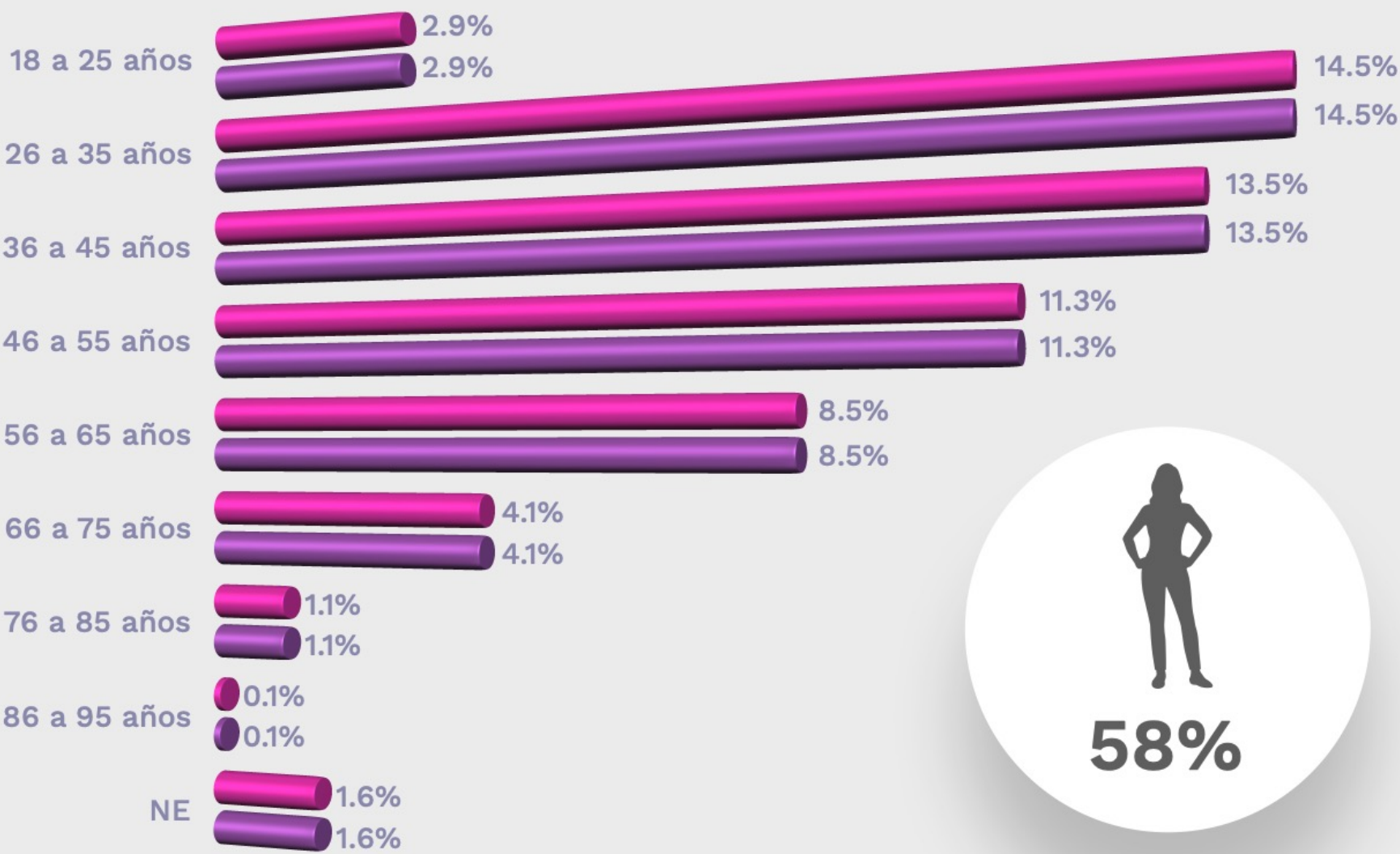
increase

We expect to increase our **Omnichannel Costumer value** from 4.7x to 5.1x in the next 5 years

Customer Base, Population Pyramid, Life Cycle

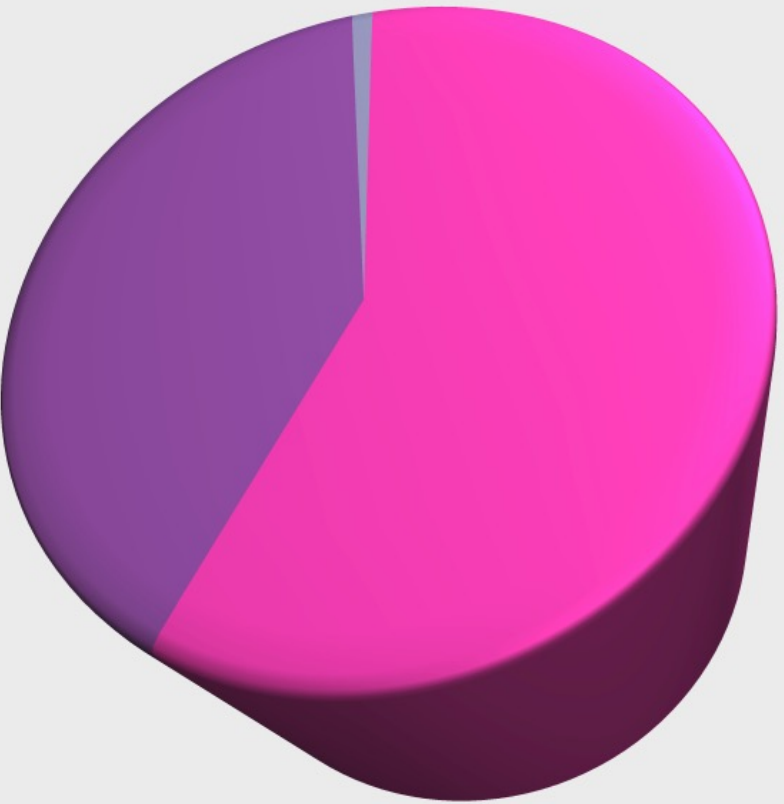
Customer Experience

Age ranges by gender



Customer distribution by gender

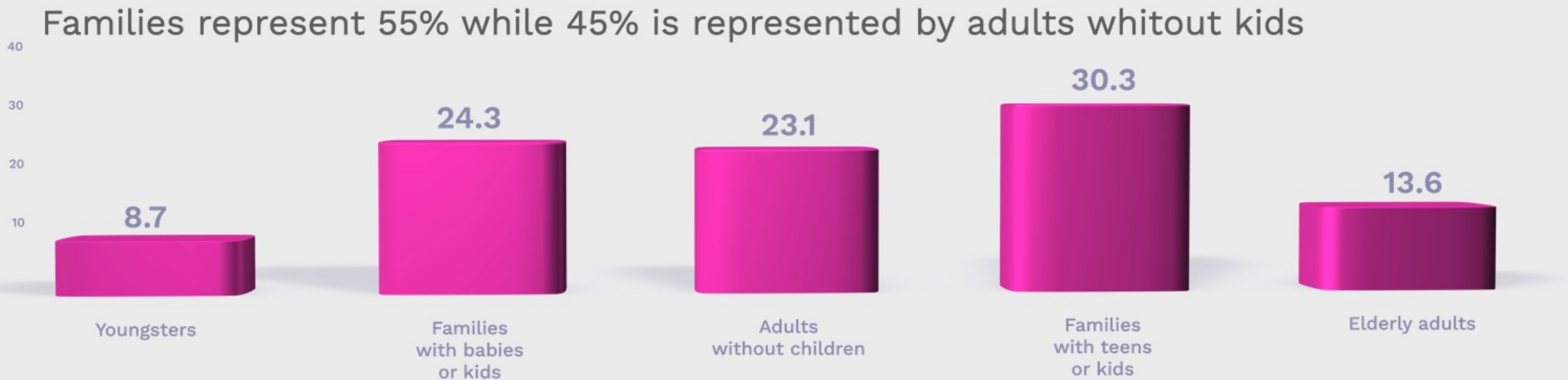
Male
41%



Female
58%

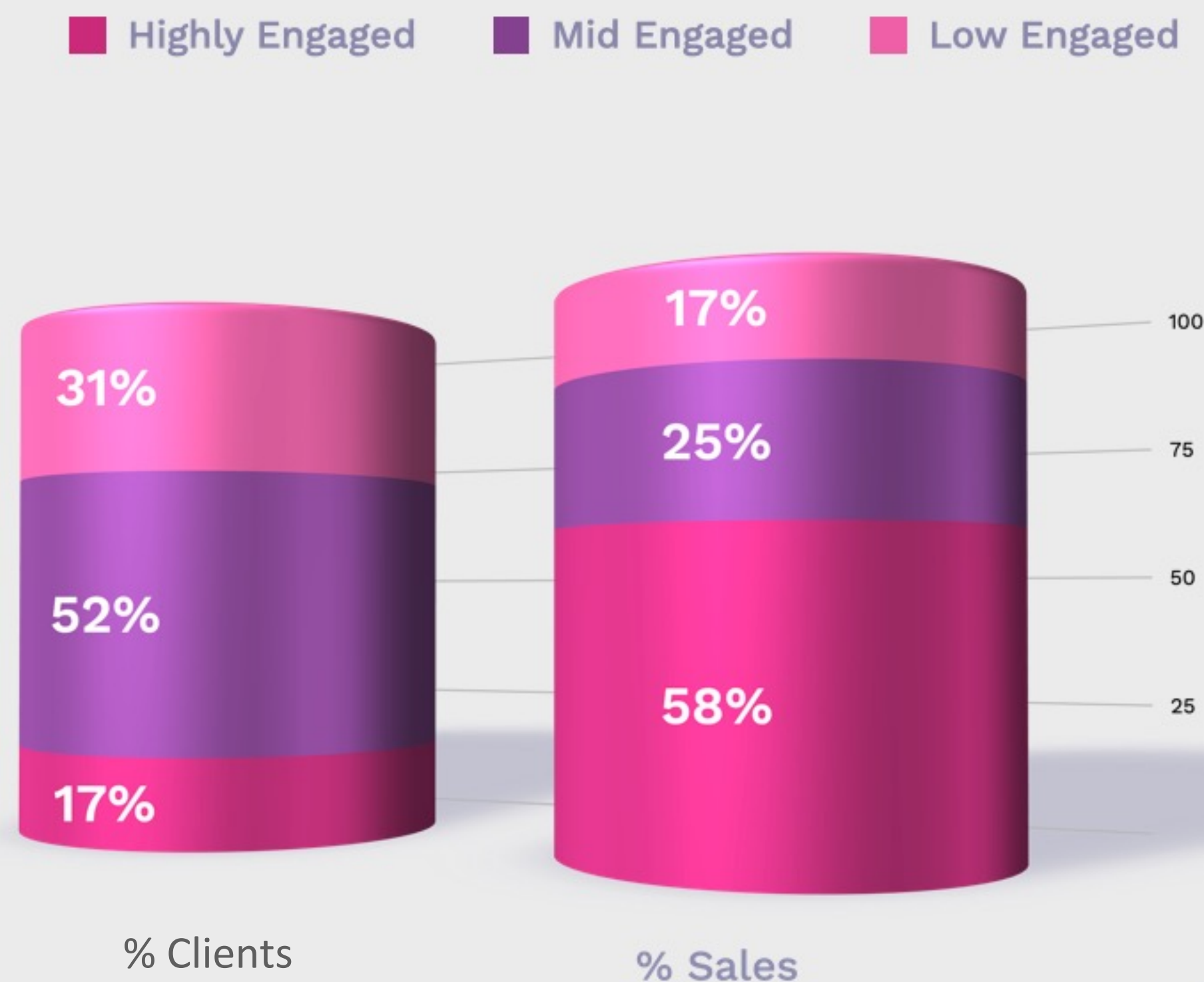
Customer Base, Population Pyramid, Life Cycle

Customer Experience

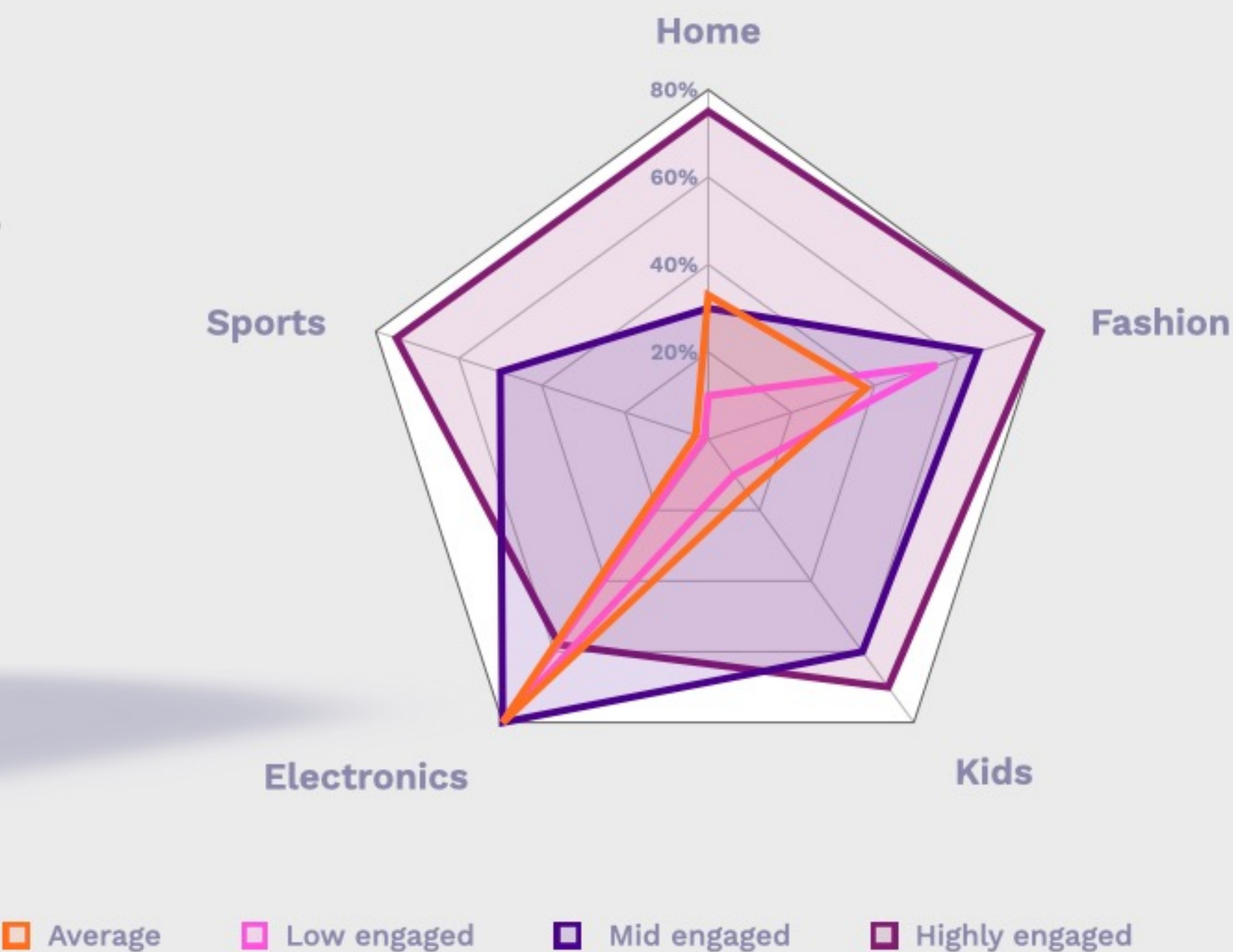


Customers and sales by segment

Customer Experience



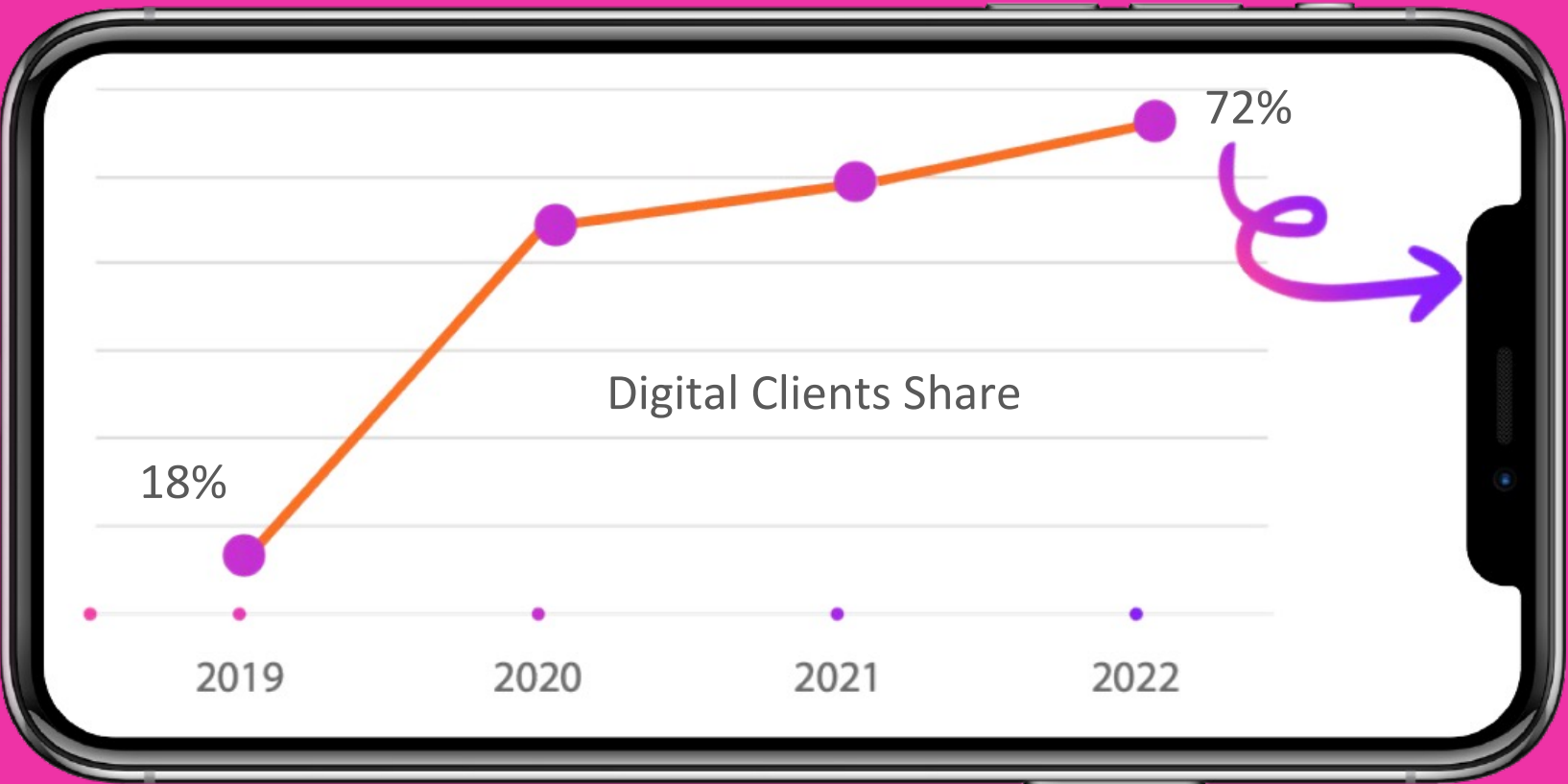
Percentage of customers with sales per category



Santiago de Abiega

General Manager Financial Services

Digital



Digital Customers

	2022	2023
Digital Customers	4.8 Million	5.6 Million

Liverpool

77%

80%

Suburbia

55%

70%



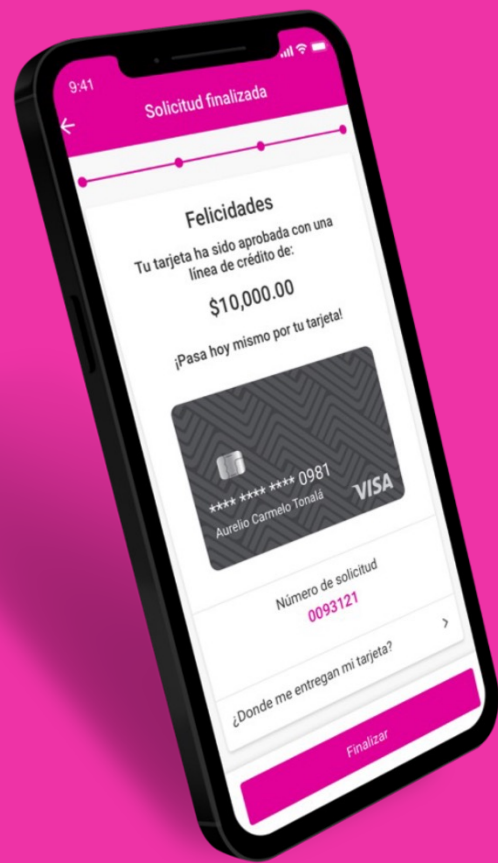
Online Sales

68% with Liverpool cards



42.6% of the payments received were digital

Achievements and challenges



NEW CREDIT CARDS

Liverpool
Suburbia

2022
1.12 Million

Digital
28%
40%

2023
1.25 Million

Digital
60%
60%



Secured Card

New accounts:
Sales:

2022	2023
5,823	12,080
\$36 mm	\$89 mm



Personal loans

Loans:
Amount granted:

2022	2023
6,612	24,609
\$249 mm	\$552 mm

2023 Initiatives



New Products:

- Car loans (BYD)
- Balance transfer
- PYME loans (marketplace sellers)
- Motorcycles loans

National launch:

- Secured card
- Minipagos
- LiverpoolCa\$h
- FácilCa\$h

National Launch: 'Minipagos'

New APP for digital origination



100%
Digital Origination

Facial recognition
integration

Digital signature
integration

Approval: 7min
Formalization: 10min

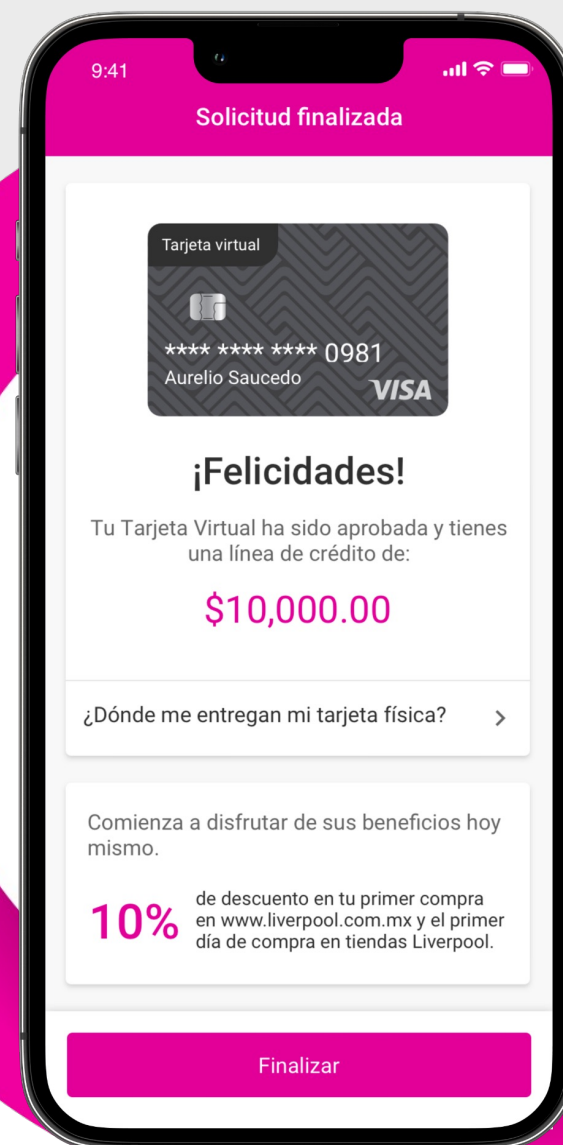
2022 Real

New accounts: 16,393
Amount: \$42 mdp

2023 Budget

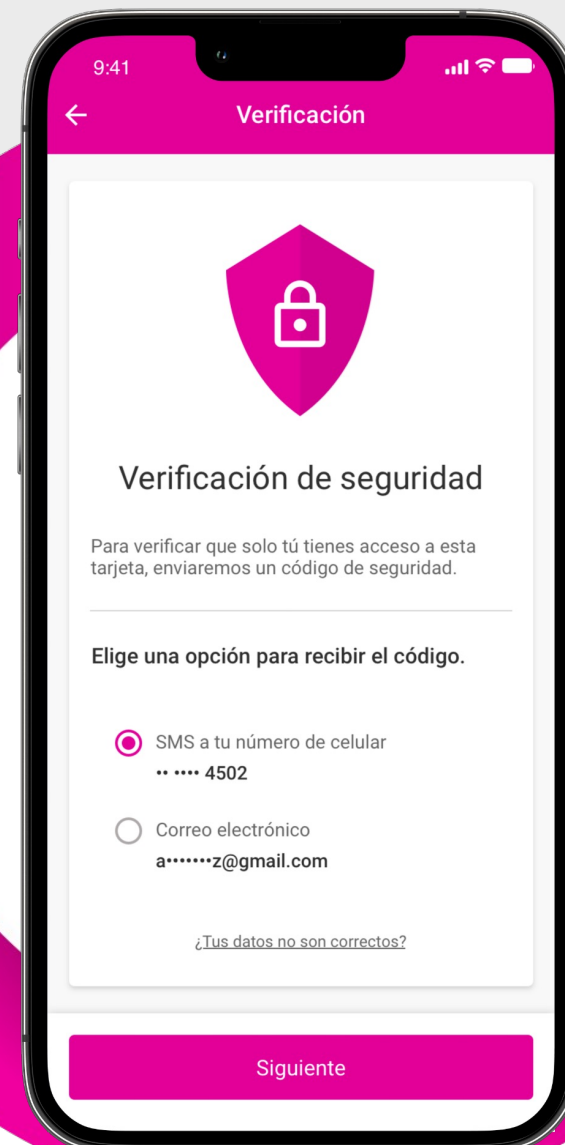
New accounts: 101,214
Amount: \$259 mdp

Achievements 2022 / Digital projects



Digital origination /
Immediate purchase
availability.

83,465
Cards Issued



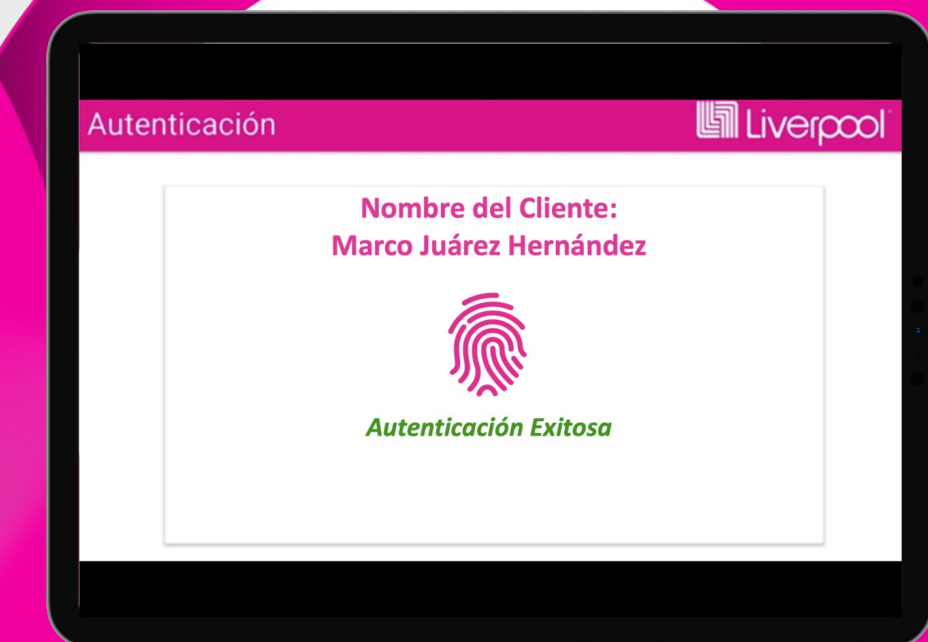
Improved experience and
security for card registration

\$130 mdp saved in access
theft to digital channels



Purchases + PIN
Omnichannel PIN
Generation

\$50 mdp saved



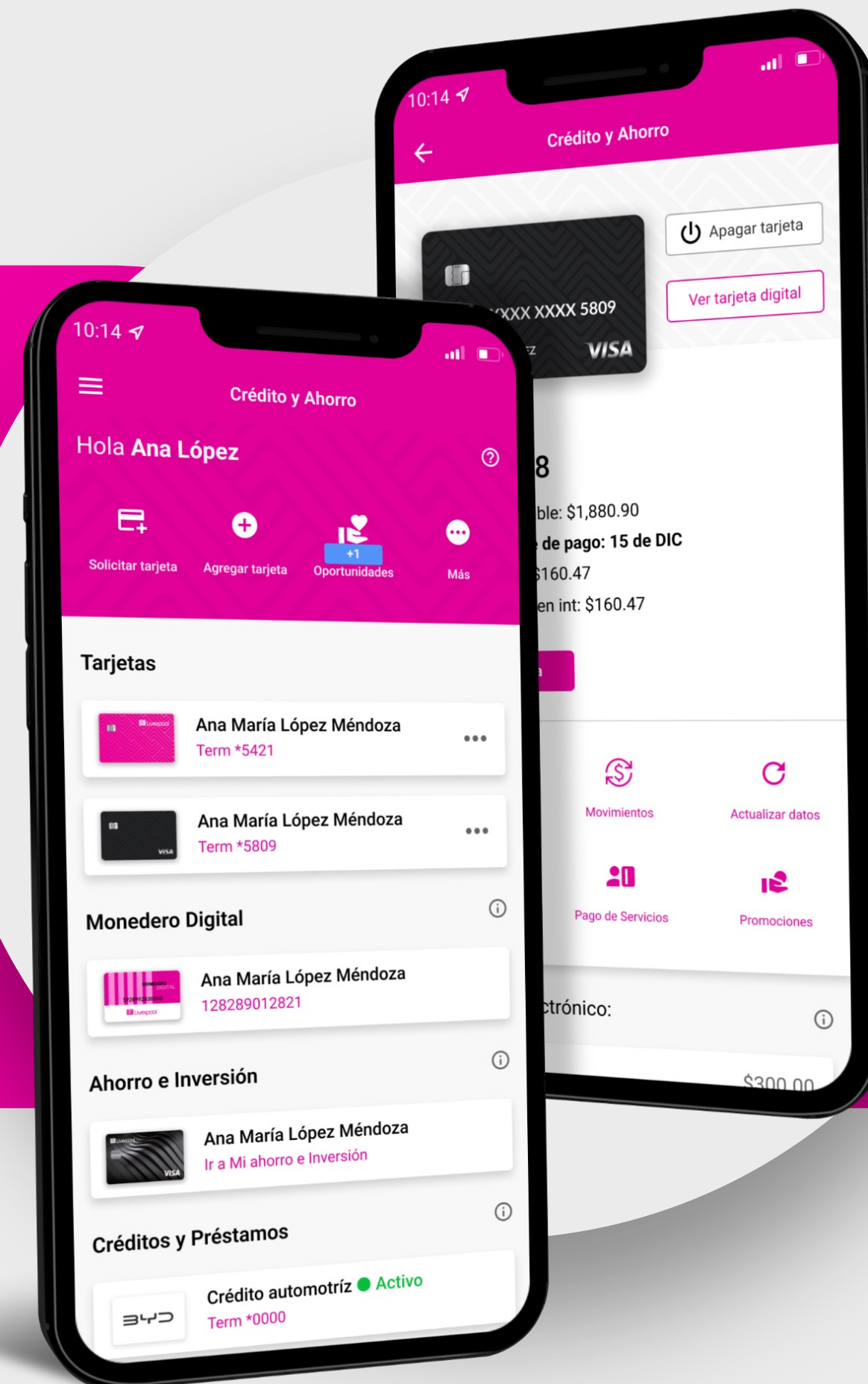
Biometrics pilot stage

10,875
Registered customers

Digital projects 2023

New products and functionalities

- Personal online loans
- Virtual Card (Dynamic CVV)
- UX interface



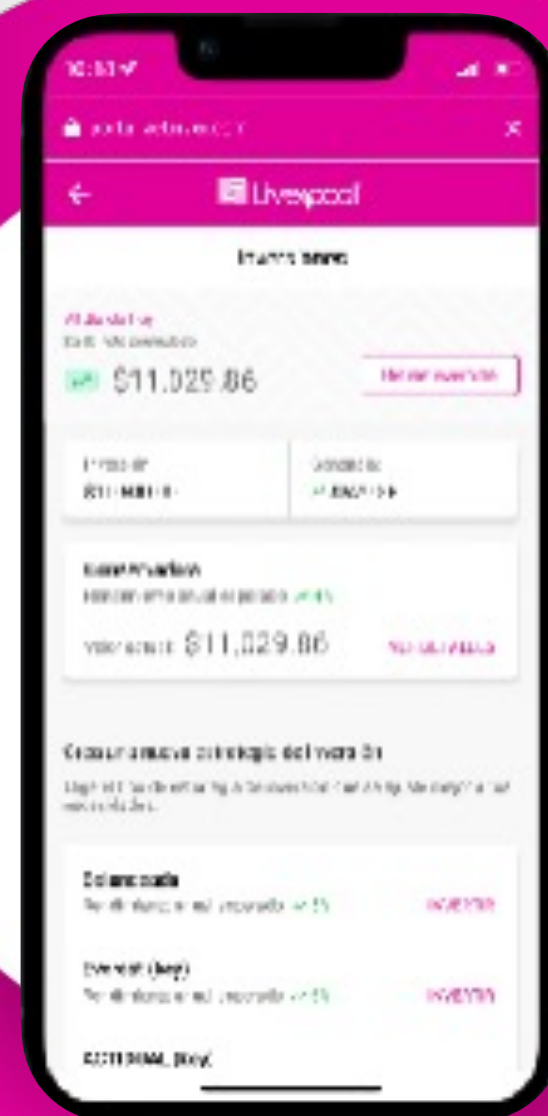
Biometrics for omnichannel use

- Increased security and agility for credit origination and customer authentication.
- Biometric authentication for Click & Collect merchandise delivery.
- Verification with government issued ID (INE)

Savings and investments (Actinver)



Pocket integrated account origination



Attractive investment options



Card and account management

Negotiation and Construction

Pilot (Employees)

Phase 1

May 2023

4Q 2023

Risk management

Strong portfolio quality observed in 2022 combined with a solid level of reserves

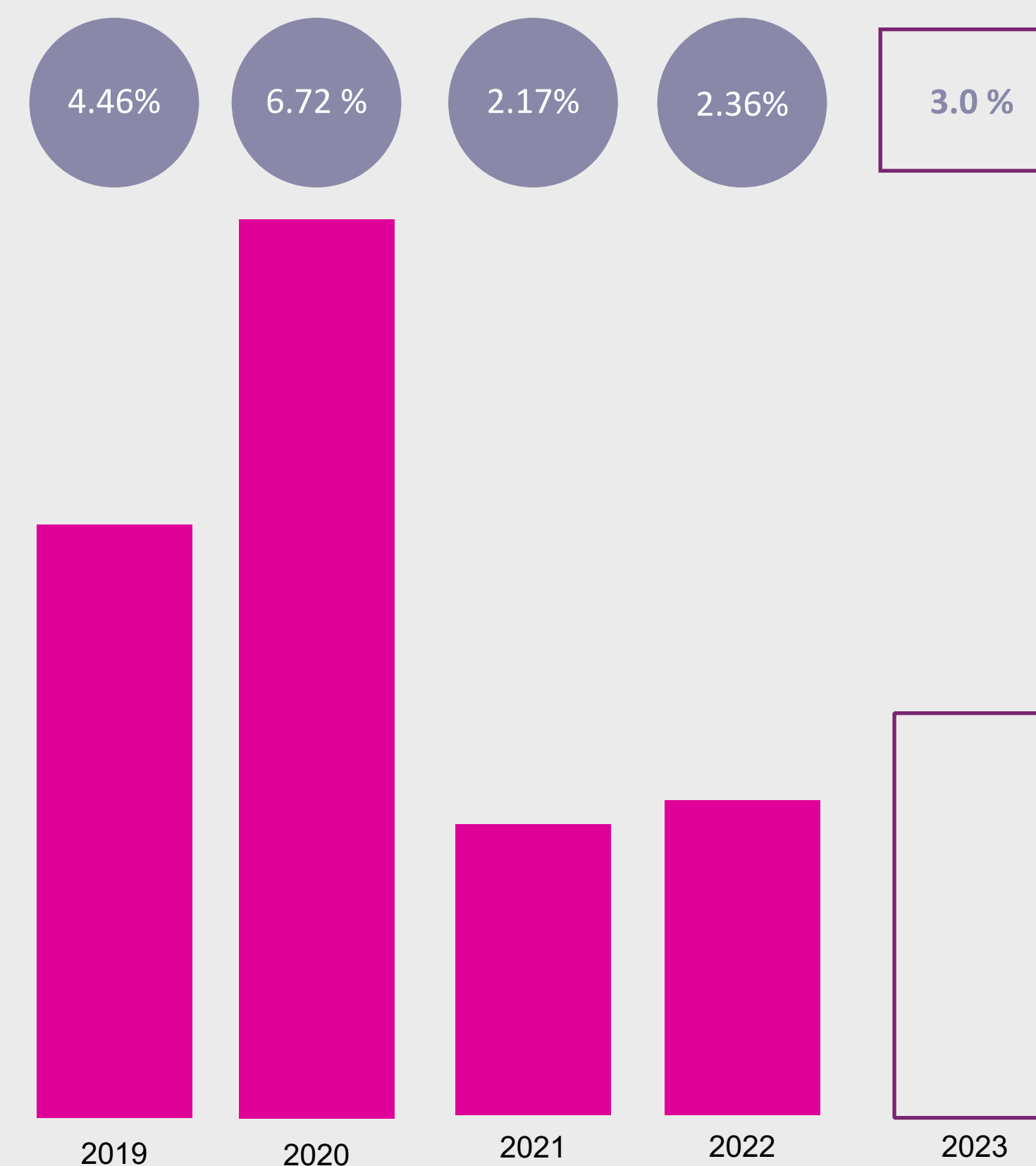
- NPL 2.36%
- Reserves coverages:
 - 4x vs. NPLs
 - 2x 2023 expected write offs
 - 9.6% of total outstanding balances

2023 Provisions expectations

- NPL 3.0% (vs. 4.46% pre-crisis level)
- Provisions growing 33% as result of:
 - Volume: 18% portfolio growth in 2022
 - 12% expected portfolio growth in 2023
 - 2022:
 - 1.1M accounts were booked (+28% vs. 2021)
 - 2.5M line increases and overdrafts (+46% vs. 2021)
- Keep a strong level of reserve coverages:
 - 3x vs. NPLs
 - 1.6x 2024 expected write offs
 - 8.8% of total outstanding balances

Non Performing Loans (NPL)

As % of total outstandings



Alejandro Melgar

General Manager Suburbia

Value Proposition



Store Layout Customer Journey



103 stores with the new layout

Store Layout **Standard Stores**



Store Layout

Our New Stores





Profitability

- **The right brands** and categories per location
- **Hardline** proposal
- **Private** labels
- **Merchandise** allocation

Expansion Plan



Current
Store
Count



+15 in 2023
+20 in 2024

Service statement

Workspace



Assistance



Greeting



Yes!, We have it



Kindness



Customer satisfaction



Omnichannel

Kiosks

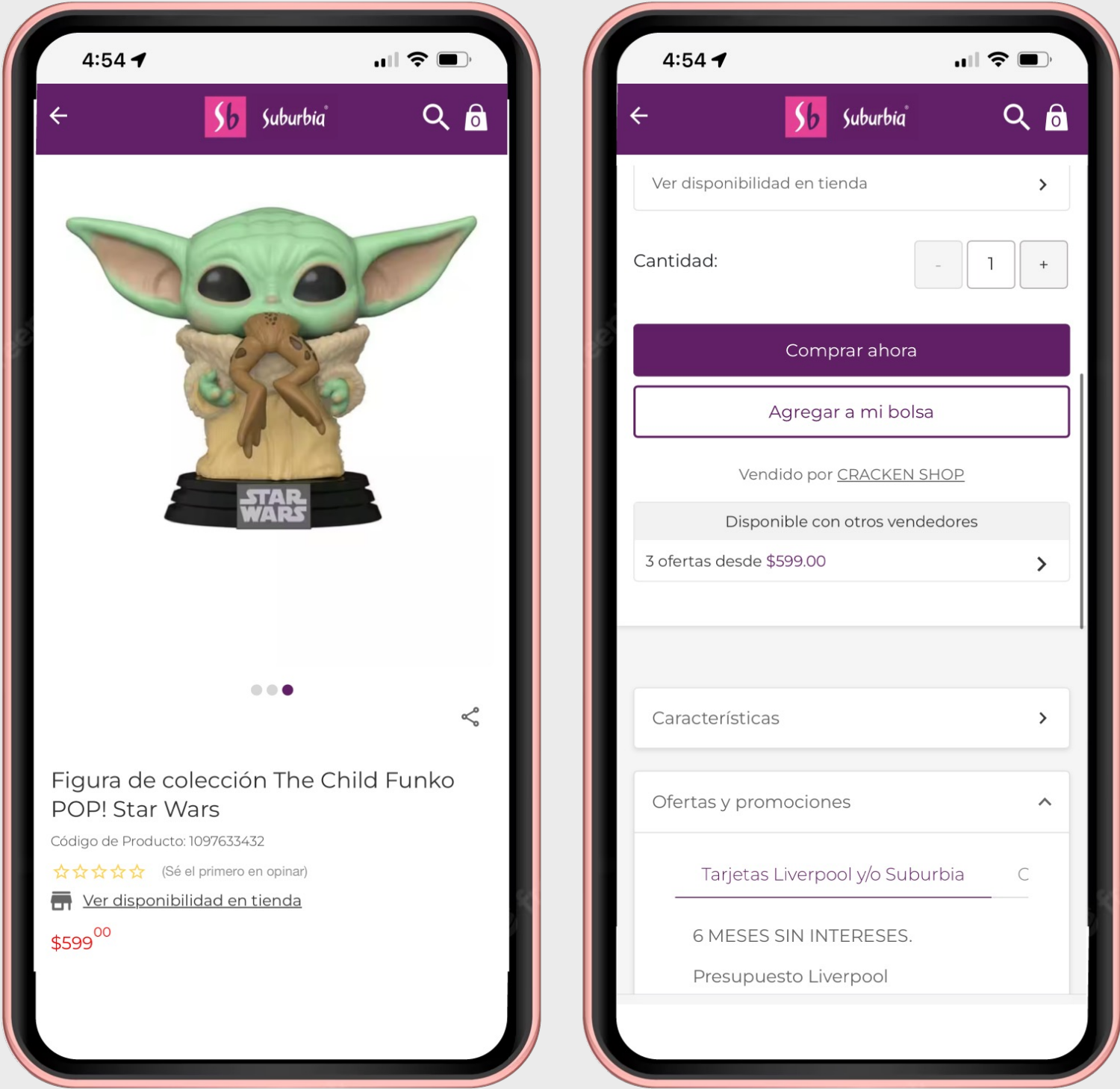
2022
60 Stores

2023
Additional 70
stores



Marketplace

- Launched Sep
- 80% of our assortment





Charles Johnson

General Manager Boutiques

David García

Automotive Division Director



BYD:

BUILD YOUR DREAMS

Build Your Dreams

BYD

Brand based
in China,
focus on new
energies and
innovation

Market Cap:
\$104.9 B USD
(4th rank)

Product line
from lifters to
monorails

1st volume
maker on EV
sales globally

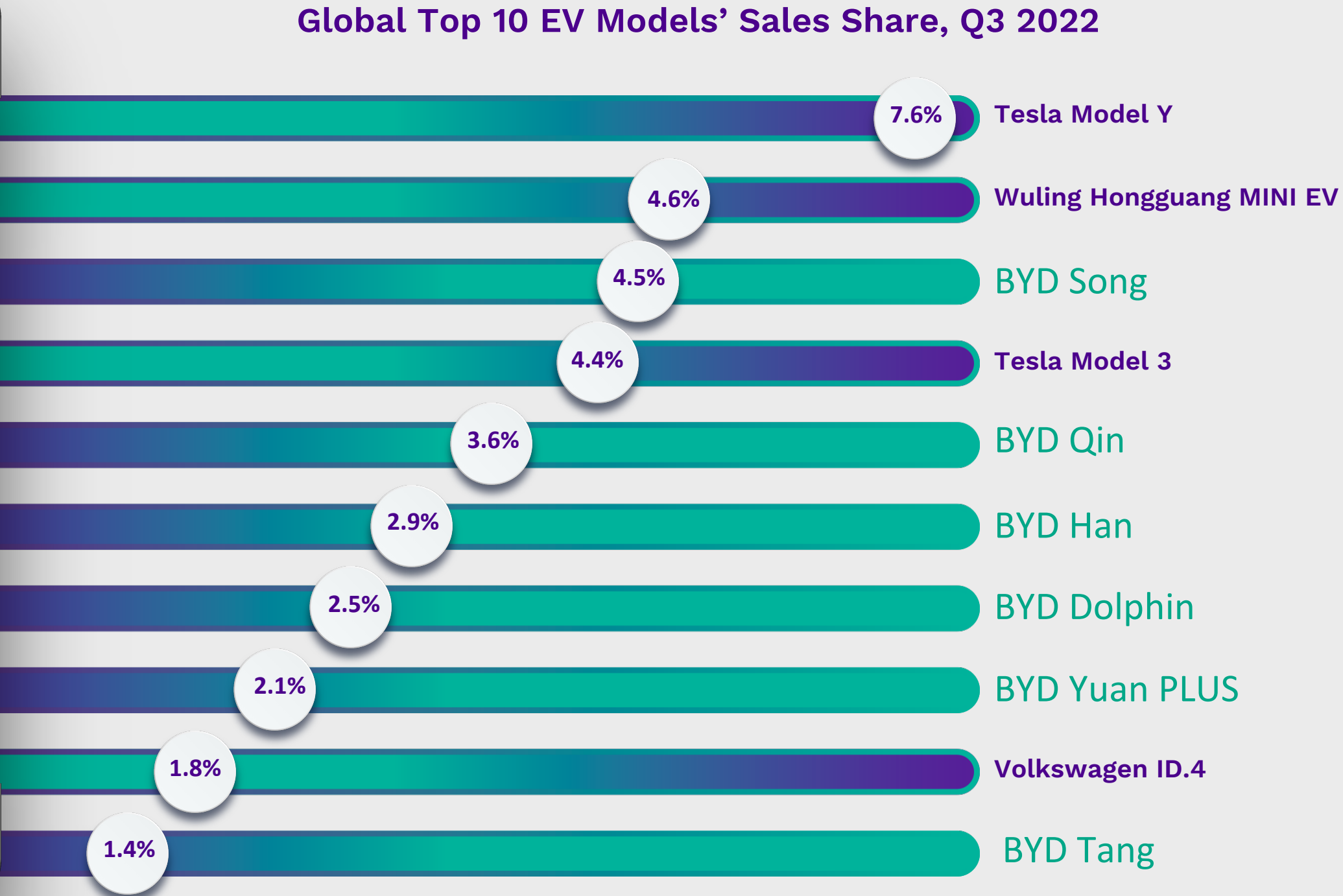
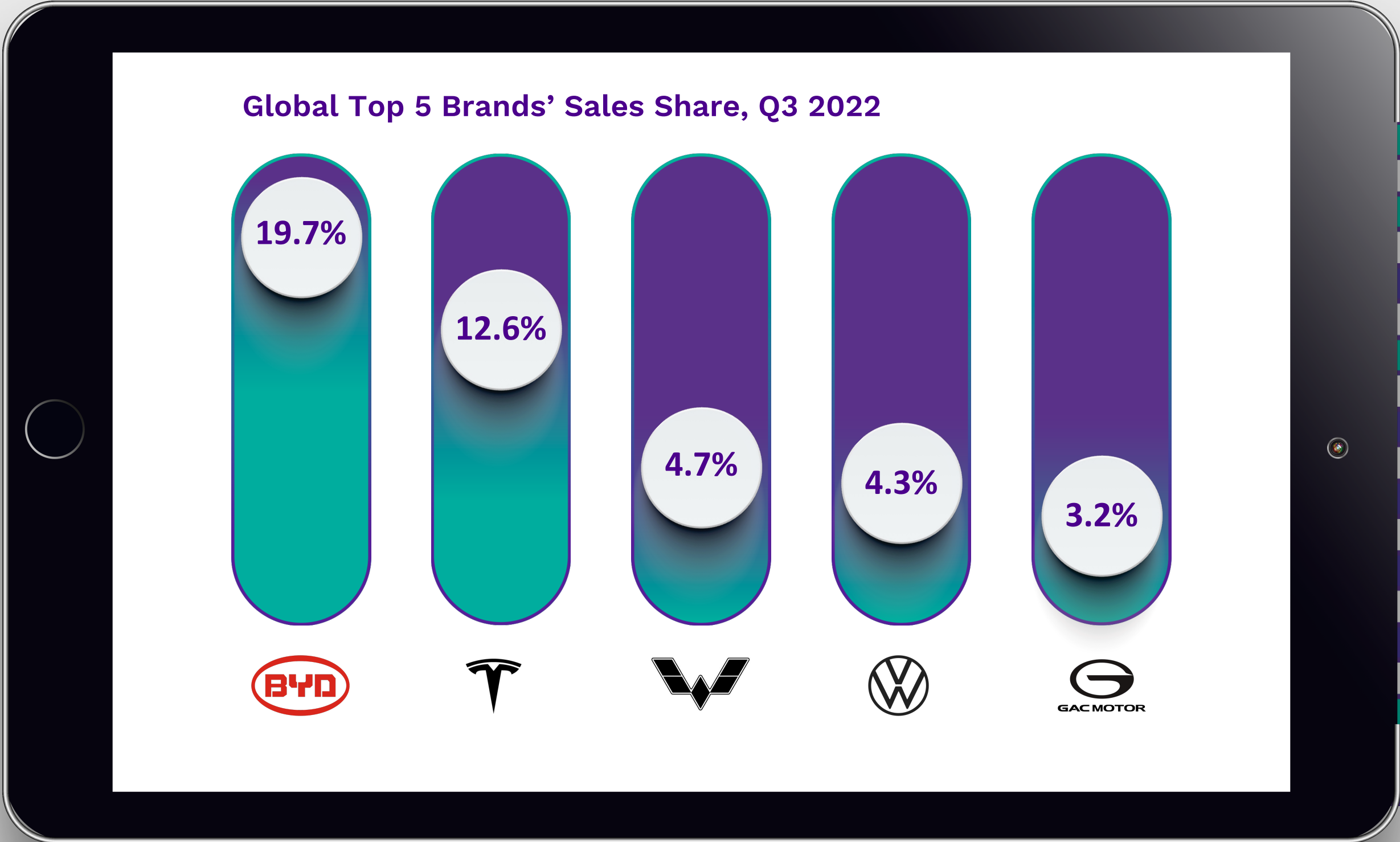
Still not
operating in
the USA (2024
forecast)

6 out of 10
most sold
EV globally
are BYD



Build Your Dreams

BYD



Source: Counterpoint Global Passenger Electric Vehicle Model Sales Tracker, Q3 2022

CDMX Operation

BYD



BYD Initial stage

- Two Stand Alone Dealerships with service centers (*Atizapán + Perisur*)
- Two Boutiques (*Plaza Satélite + Insurgentes*)
- One Pop Up Store
- Marketing activations inside Liverpool stores



BUILD YOUR DREAMS



BUILD YOUR DREAMS

VISION

**BYD will become #1
EV brand in Mexico**

**Liverpool will become #1
dealer of EV in the country**

**Evolution of charging
infrastructure focused on
CX to an electric station**

Gerardo Muñoz

Chief Information & Technology Officer

Our customers are in top of mind

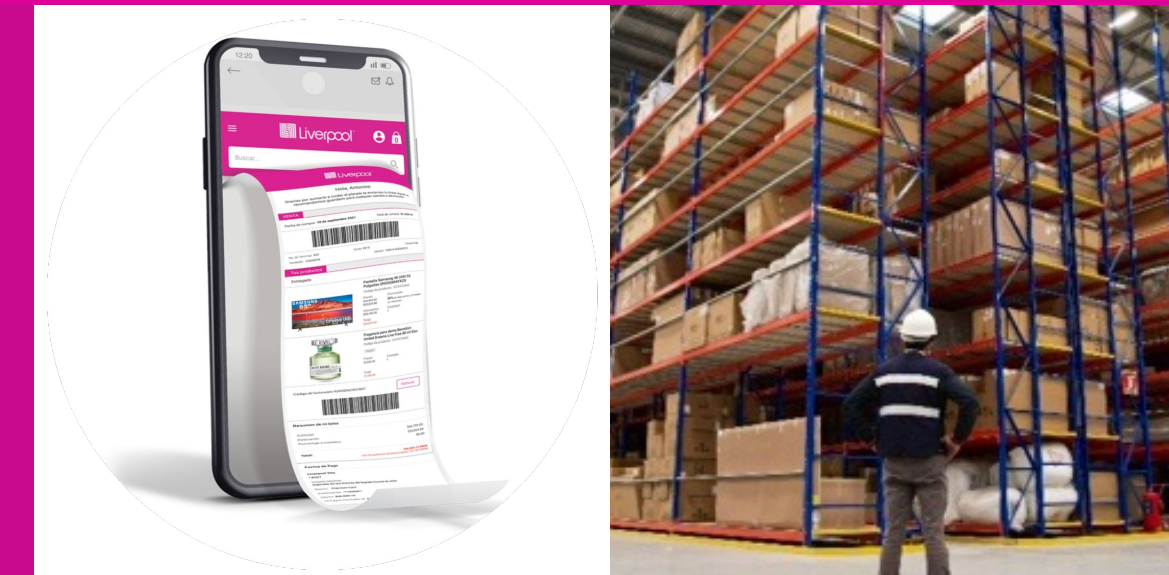
Our purpose:

We serve our customers,
creating technology
solutions to make their
lives easier, everywhere
and everytime



Ensure the right
customer experience in
every single touchpoint

Become a true enabler
for business evolution



Adopt new ways
of working

Architecting the future

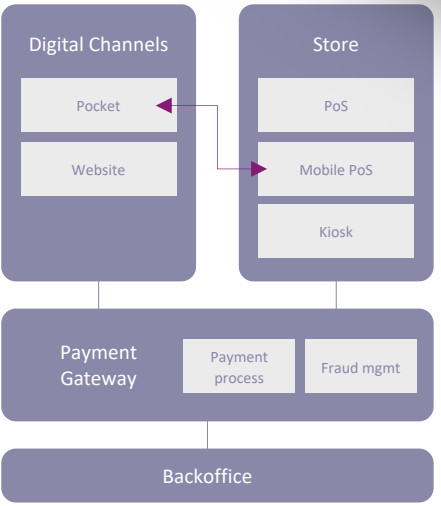
It all starts with the customer

Focus on customer journeys and business capabilities



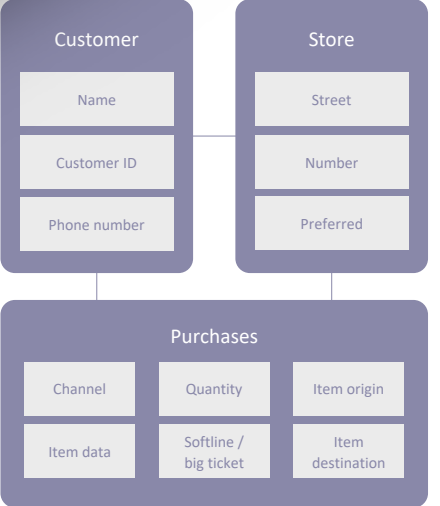
Solution design with a platform view

Composable technology approach for the long run

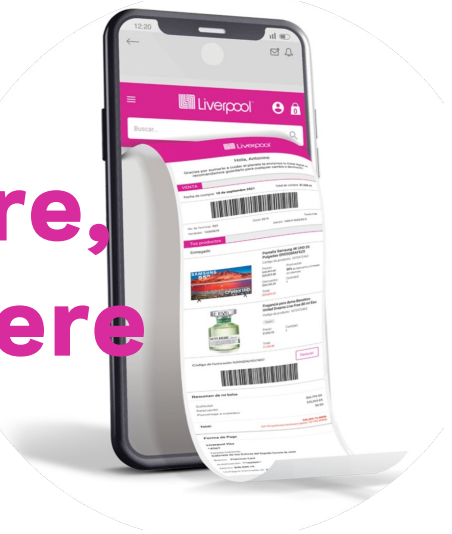


Focus on data to maximize its value

Activate data to capture the most of its value



What got us here, won't get us there



Tech Modernization as a permanent program

**Evolve as the
business does**

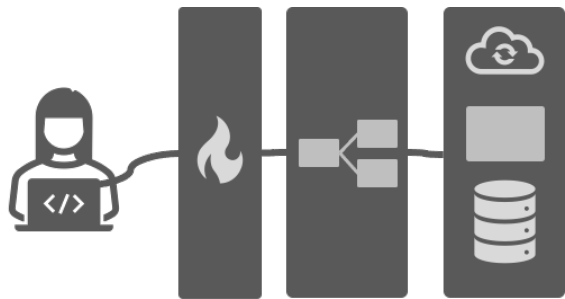
**Working
together**

Business partnership
to drive value



**Empowering
the Business**

Low-Code/No-Code
platform enables
business users to
remove dependencies



**Built for
today,
designed for
tomorrow**

Up-to-date
technology with
modern design
patterns

Changing how we work, remaining who we are



It's all about
the people

**Professional
development**

**Talent
retention**

**Internship
programs**



**Fostering
agility and
collaboration**

Way of working



**Operational
Excellence**

**Building an adaptive
operating model**

Keeping our customers and business safe



PCI Compliant

This is serious,
so we are

**Rely on the
experts**

It's about
prevention



**Reinforcing processes
and practices**

Penetration Testing

It's also about
responsiveness



Incident Response Plan

**Security Operations
Center**



Zahie Edid

Chief Human Resources Officer



CUSTOMER EXPERIENCE

- CUSTOMERS
- EMPLOYEES
- SUPPLIERS
- COMMUNITY
- COMPETITORS
- INVESTORS
- AUTHORITIES
- MEDIA



Environmental Commitments 2040

Goal

1.

CARBON FOOTPRINT
Reduction of 260,000 tons
of CO₂eq
Net Zero by 2040

2.

WASTE FOOTPRINT
Recycling 100% of all possible waste

3.

WATER FOOTPRINT
Achieve water balance

Results 2022

49,675 tons of CO₂eq
reduced which represents 19% of our 2040 goal

8,969 tons
34.5% of our 2040 recycling goal

0.43m³/m²
Second year measurement in order to establish our
short and long term goals towards 0.25m³/m² by 2040



Social Commitments 2030



1.
**EDUCATION
FOR LIFE**
100,000 active users

**10,363 active users
in 2022.**

20,975 accumulated
since 2021



2.
GENDER EQUALITY
Training for women in
middle and upper
management

40.6% female
representation in our
leadership



Corporate Governance Commitments 2030

1.
**RESPONSIBLE
SOURCING**
100% of strategic
suppliers audited

30% coverage of our
suppliers
87% with factory audits
in the highest scores



2.
**PRODUCTS
IDENTIFIED WITH
SUSTAINABLE
ATTRIBUTES**

4.7% of our assortment
has sustainable
attributes


Proudly

MEMBER OF
**Dow Jones
Sustainability Indices**
MILA & Pacific Alliance




Red México

Member of the
Global Compact
Mexico Network -
Suburbia



Member of the
S&P/BMV Total
Mexico ESG Index

INTEGRIDAD
CORPORATIVA
500

First Place in the
IC500 (Corporate
Integrity) ranking -
2nd consecutive
year



Making a
difference
together

Enrique Güijosa

Chief Financial Officer

The Liverpool experience in one day.

LIVERPOOL DAY