INDEPENDENT
Auditors' Report

To the stockholders and Board of Directors of
El Puerto de Liverpool, S. A. B. de C. V.

Opinion

We have audited the consolidated financial statements of El Puerto de Liverpool, S. A. B. de C. V. and its subsidiaries (the Company), which comprise the consolidated statement of financial position as of December 31, 2021, and the consolidated statements of comprehensive income, of changes in equity and of cash flows for the year then ended and the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2021, and its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's "Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company in accordance with the Professional Code of Ethics of Mexican Institute of Public Accountants together with other requirements applicable to our audit of the consolidated financial statements in Mexico. We have fulfilled our other ethical responsibilities in accordance with those requirements and code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Recoverable value of intangible assets with indefinite life

As mentioned in Notes 1 and 14 to the consolidated financial statements, the Company performs annual tests on the recoverable value of its intangible assets with indefinite life (goodwill, brands and others).

These tests consist of comparing that the estimate of the projected cash flows for the Cash Generating Unit (CGU) to which the intangible assets are allocated is higher than the book value of said assets.

We focused on intangible assets with indefinite lives due to the importance of their balance ($13,258 million as of December 31, 2021) compared to the consolidated financial statements, since the estimation of projected cash flows involves the application of significant judgments by Management to determine the assumptions and premises used.

In particular, we concentrated our audit efforts on: 1) the process followed by Management to identify CGU; 2) the significant assumptions used to estimate the projected cash flows, such as: the estimated rate of growth of sales, the projected EBITDA (Earnings Before Income Tax, Depreciation and Amortization), the discount rate and the terminal value, and the potential effects on the Company's activities due to COVID-19, which required the application of a greater judgment, when evaluating the impact on the projected results for each of the scenarios used.

We evaluated the analysis carried out by Management in which Suburbia was identified as the only CGU and to which goodwill, brands and other intangible assets of indefinite life were assigned.

We evaluated the cash flow projections prepared by Management in several scenarios used (base, optimistic and pessimistic), as well as the weighting that was given to each of them, and the processes used to prepare them, comparing said projections with the historical results, budgets approved by the Company's Board of Directors and market data.

We compared the actual results of the current year with the respective budget, to identify if any assumptions included in the cash flow projections could be considered overly optimistic, and external indicators regarding the future economic recovery derived from COVID-19.

We compared the key assumptions used to estimate the projected cash flows such as: the estimated sales growth rate, the projected EBITDA, the discount rate and the terminal value, in the various scenarios used when considering the potential effects on the Company's activities because of COVID-19.

With the support of our valuation experts, we compared:

- The methodology used to estimate the recoverable value with that commonly used in the market for this type of assets.

- The discount rate used to discount future cash flows, with an estimated market rate considering the Company's leverage level, the expectation of leverage in the short and medium term, and the optimal level of the industry.

We discussed the sensitivity analysis with management and assessed the degree to which the assumptions need to be modified for impairment to occur.

Additionally, we evaluated the consistency of the disclosures included in the notes of the financial statements with the information provided by Management.

Other Information

Management is responsible for the other information. The other information comprises the annual report presented to the National Banking and Securities Commission (CNBV by its Spanish acronym) and the annual information presented to shareholders, but does not include the consolidated financial statements and our auditor's report thereon, which are expected to be made available to us after the date of this report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information not yet received, we will issue the report required by the CNBV and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if required, describe the issue in our report.

Responsibilities of Management and those charged with Governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

Those charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditor´s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and subsidiaries audit. We remain solely responsible for our audit opinion.

We communicated with those charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicated whit them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with Governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is stated below.

PricewaterhouseCoopers, S. C.

José Luis Guzmán
Audit Partner
Mexico City, March 7, 2022

REPORT OF THE
Audit and Corporate Practices Committee

Mexico City, February 17, 2022

To the Board of Directors of
El Puerto de Liverpool, S.A.B. de C.V.

We, the undersigned, appointed as members of the Audit and Corporate Practices Committee of this company, present the report on the activities carried out pursuant to article 43 of the Securities Market Act.

The Committee met four times during the year, addressing, among others, the following points:

I. The General Shareholders' Meeting held March 18, 2021, appointed Mr. Javier Arrigunaga chairman of the Audit and Corporate Practices Committee for fiscal year 2021.

II. On audit matters:

a) We evaluated the external audit plan and proposal for professional services accepted by Management. Furthermore, pursuant to the "General Provisions Applicable to the Entities and Issuers Supervised by the National Banking and Securities Commission that Engage Services of an Independent Audit of their Basic Financial Statements", we recommended to the Board of Directors that the firm PricewaterhouseCoopers be hired as external auditor, through its audit partner José Luis, Guzmán Ortiz, CPA, as External Independent Examiner, to audit the financial statements of the Company and its Subsidiaries for the fiscal year ended December 31, 2021. The Committee also learned of the additional services this firm supplies and mechanisms for safeguarding its independence and avoiding self-review, and concluded that these mechanisms are appropriate.

b) We evaluated and found that the Company has internal and external mechanisms that provide reasonable certainty of compliance with the Laws and Regulations applicable to it.

c We were apprised of the Company's bookkeeping policies as well as their impact on the figures contained in the financial statements as of December 31, 2021 and 2020, ensuring that the financial information was duly presented.

d) We followed up on the organization and functions of the Company's Internal Audit Department; received its annual report of activities for the year 2021, the relevant findings, and its audit plan for the year 2022.

e) We ascertained that the company has operating systems, policies and procedures by which it may be considered to have an appropriate climate of internal control and bookkeeping.

f) We were apprised of the Company's degree of adherence to the Code of Best Corporate Practices, recommended by the Mexican Stock Exchange, per the report based on information as of December 31, 2020, filed on May 28, 2021.

g) We were informed of any lawsuits and litigations in progress, as well as the results of those concluded during the period in question.

h) We reviewed the audited consolidated financial statements as of December 31, 2021 and the notes thereto.

i) We were apprised of the status of the reserves and estimates included in the financial statements as of December 31, 2021.

j) We were informed of the observations and recommendations of the External Auditors, related to their examination of the consolidated financial statements as of December 31, 2020.

k) We reviewed the statistics on transactions reported to the authorities in pursuant to anti-money laundering regulations.

III. On the matter of corporate practices:

a) We consider the performance of senior management to have been appropriate and efficient, considering the circumstances under which they have discharged their responsibilities.

b) We were informed of transactions with related parties and found that the amounts thereof were not significant with respect to the Company's operations, and that they were conducted in accordance with market conditions.

c) We performed an overall review of the criteria by which overall remuneration is determined for key Company's directors; we consider such remuneration to be reasonable and consistent with market conditions.

As a result of the activities carried out by this Committee, and having heard the opinion of the Company's Independent Auditors, we hereby recommend that the Board of Directors submit the financial statements of El Puerto de Liverpool, S.A.B. de C.V. and Subsidiaries as of December 31, 2021, in the terms in which such statements have been prepared and presented by Company management, to the General Shareholders' Meeting for its approval.

Sincerely,

The Audit and Corporate Practices Committee

Juan Miguel Gandoulf | **Javier Arrigunaga** | **José Cohen**

CONSOLIDATED STATEMENTS OF
Financial Position

Figures expressed in thousands of pesos

	Note		December 31 2021		2020
Assets					
CURRENT ASSETS:					
Cash and cash equivalents	7	$	32,494,873	$	26,195,936
Short-term loan portfolio - Net	8		31,514,923		25,315,337
Value added tax recoverable			2,767,846		2,841,763
Income tax recoverable			-		1,352,277
Other accounts receivable - Net	9		1,111,685		2,265,152
Inventory			23,120,308		21,475,001
Prepaid expenses			1,335,977		1,474,576
Total current assets		$	92,345,612	$	80,920,042
NON - CURRENT ASSETS:					
Long-term loan portfolio - Net	8		6,825,777		7,524,492
Long-term other accounts receivable - Net	9		261,849		254,334
Derivative financial instruments	10		4,516,211		2,913,181
Investments in associates	11		9,152,496		8,103,937
Investment properties - Net	12		22,431,079		22,129,016
Property, furniture and equipment - Net	13		52,573,640		50,684,928
Intangible assets - Net	14		15,880,069		15,900,027
Right of use assets	18		11,513,536		11,657,953
Deferred income tax	21.2		6,470,404		4,755,459
Total assets		$	221,970,673	$	204,843,369
Liabilities					
CURRENT LIABILITIES:					
Suppliers		$	29,577,960	$	24,379,789
Creditors			10,658,765		8,268,588
Provisions	15		3,765,394		2,895,211
Short-term debt	16		4,108,112		749,891
Deferred income	8		2,347,740		2,190,202
Short term lease liabilities	18		2,004,445		1,973,296
Dividends payable	20.1		1,011,602		2,016,713
Short-term derivative financial instruments	10		5,082		59,882
Income tax payable			2,116,123		-
Total current liabilities		$	55,595,223	$	42,533,572
NON - CURRENT LIABILITIES:					
Long-term debt	16	$	29,825,109	$	37,804,135
Long-term lease liabilities	18		10,555,645		10,437,714
Long-term derivative financial instruments	10		-		66,229
Employee benefits - Net	17		2,739,046		2,729,902
Deferred income tax	21.2		3,368,131		3,451,786
Total liabilities		$	102,083,154	$	97,023,338
STOCKHOLDERS' EQUITY:					
Capital stock	20	$	3,374,282	$	3,374,282
Retained earnings			106,879,767		95,670,435
Capital reserves	20.2		9,373,976		8,531,932
Stockholders' equity attributable to parent company			119,628,025		107,576,649
Non-controlling interests			259,494		243,382
Total stockholders' equity			119,887,519		107,820,031
Total liabilities and equity		$	**221,970,673**	$	**204,843,369**

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF Comprehensive Income

Figures expressed in thousands of pesos, except earnings per share

	Note		Year ended on December 31, 2021		2020
Operating revenue:					
Net sales of merchandise		$	135,700,434	$	100,016,923
Interest earned from customers			11,138,534		11,953,744
Leasing income			3,090,038		2,579,175
Services			780,745		509,044
Other income			311,994		413,661
Total revenue	2.22		151,021,745		115,472,547
Costs and expenses:					
Cost of sales			93,950,314		73,599,463
Provision for impairment of the loan portfolio			1,859,558		5,182,681
Administrative expenses			36,478,513		32,878,303
Total costs and expenses	23		132,288,385		111,660,447
Operating income			18,733,360		3,812,100
Interest expense			(4,649,854)		(4,210,487)
Foreign exchange loss			(1,033,370)		(2,883,367)
Financing cost			(5,683,224)		(7,093,854)
Foreign exchange gain			1,324,545		2,666,153
Return on investments			1,276,461		1,510,777
Financial income			2,601,006		4,176,930
Equity in the results of associates	11.2		737,292		(523,773)
Profit before income tax			16,388,434		371,403
Income tax	21		(3,510,175)		382,321
Consolidated net income			12,878,259		753,724
Other comprehensive income, net of taxes:					
Components to be subsequently reclassified to income:					
Cash flow hedges- Net of income tax			857,445		(30,510)
Translation effect of investment in associates			197,076		146,762
Components to not to be subsequently reclassified to income:					
Remeasurement of the liability for defined benefits - Net of income tax			(84,837)		(7,210)
Consolidated comprehensive income		$	13,847,943	$	862,766
Net income attributable to:					
Controlling interest		$	12,868,176	$	750,115
Non-controlling interests			10,083		3,609
			12,878,259	$	753,724
Basic and diluted earnings per share	20.4	$	9.57	$	0.56
Comprehensive income attributable to:					
Controlling interest		$	13,831,831	$	859,070
Non-controlling interests			16,112		3,696
			13,847,943		862,766
Basic and diluted earnings per share		$	10.29	$	0.64

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF
Changes in Stockholders' Equity

December 31, 2021 and 2020
Figures expressed in thousands of pesos, unless dividends paid per share

	Note		Capital stock		Retained earnings
Balance at January 1, 2020		$	3,374,282	$	97,320,175
Changes in accounting policies on investment in associates			-		(83,684)
Comprehensive income:					
Net income			-		750,115
Remeasurement of the liability for defined benefits - net of income tax			-		(7,297)
Translation effect of investment in associates			-		-
Cash flow hedges			-		-
Total comprehensive income			-		742,818
Transaction with owners:					
Increase in reserve of repurchase of shares	20.2		-		(295,580)
Repurchase of shares	20.2		-		-
Dividends paid ($1.50 and $0.90 pesos per share)			-		(2,013,294)
Total transactions with stockholders			-		(2,308,874)
Balance at December 31, 2020			3,374,282		95,670,435
Changes in accounting policies on investment in associates			-		25,919
Comprehensive income:					
Net income			-		12,868,176
Remeasurement of the liability for defined benefits - net of income tax			-		(90,866)
Translation effect of investment in associates			-		-
Cash flow hedges			-		-
Total comprehensive income			-		12,777,310
Transaction with owners:					
Decrease in reserve of repurchase of shares	20.2		-		419,397
Repurchase of shares	20.2		-		-
Dividends paid ($1.50 pesos per share)			-		(2,013,294)
Total transactions with stockholders			-		(1,593,897)
Balance at December 31, 2021		**$**	**3,374,282**	**$**	**106,879,767**

The accompanying notes are an integral part of these consolidated financial statements.

Capital reserves	Total stockholder's equity attributable to the controlling shareholders	Non - controlling interest	Total stockholder's equity
$ 8,140,395	$ 108,834,852	$ 239,686	$ 109,074,538
-	(83,684)	-	(83,684)
-	750,115	3,609	753,724
-	(7,297)	87	(7,210)
146,762	146,762	-	146,762
(30,510)	(30,510)	-	(30,510)
116,252	859,070	3,696	862,766
295,580	-	-	-
(20,295)	(20,295)	-	(20,295)
-	(2,013,294)	-	(2,013,294)
275,285	(2,033,589)	-	(2,033,589)
8,531,932	107,576,649	243,382	107,820,031
-	25,919	-	25,919
-	12,868,176	10,083	12,878,259
-	(90,866)	6,029	(84,837)
197,076	197,076	-	197,076
857,445	857,445	-	857,445
1,054,521	13,831,831	16,112	13,847,943
(419,397)	-	-	-
206,920	206,920	-	206,920
-	(2,013,294)	-	(2,013,294)
(212,477)	(1,806,374)	-	(1,806,374)
$ 9,373,976	**$ 119,628,025**	**$ 259,494**	**$ 119,887,519**

CONSOLIDATED
Cash Flow Statements

Figures expressed in thousands of pesos

	Note	Year ended on December 31, 2021	2020
Operating activities			
Profit before income tax		$ 16,388,434	$ 371,403
Adjustment from items not implying cash flows:			
Depreciation and amortization		5,175,344	5,194,182
Provision for impairment of the loan portfolio	8	1,859,558	5,182,681
Lease concessions	18	(44,334)	(233,232)
Inventory reserve		1,042,621	922,727
Equity in the results of associates	11.2	(737,292)	523,773
(Income) cost on sale of property, furniture and equipment		(54,393)	708,280
Net cost for the period of employee benefits	17	374,102	445,754
Trading derivative financial instruments		(382,378)	-
Interest earned		(6,183,850)	(7,322,875)
Interest expense		4,649,854	4,210,487
		5,699,232	9,631,777
(Increase) decrease in:			
Interest earned from customers		6,297,609	7,211,422
Loan portfolio		(7,474,188)	224,196
Inventory		(2,687,928)	942,693
Value added tax recoverable		73,917	(489,483)
Other accounts receivable		1,145,952	(317,492)
Prepaid expenses		138,599	330,301
Increase (decrease) in:			
Suppliers		5,198,171	1,709,550
Provisions		870,183	704,412
Deferred income		157,538	(134,066)
Creditors		2,504,273	(1,010,748)
Employee benefits paid		(494,911)	(196,036)
Taxes paid		(1,693,951)	(3,955,677)
Net cash inflow from operating activities		26,122,930	15,022,252
Investment activities			
Capital increase in associates		(226,281)	(129,672)
Dividends received from associates		80,081	-
Acquisition of property, furniture and equipment	13	(4,442,720)	(3,697,145)
Acquisition of investment property	12	(641,313)	(148,515)
Sale of property, furniture and equipment		53,143	52,296
Investment in new information technology developments	14	(891,411)	(668,503)
Net cash outflows from investing activities		(6,068,501)	(4,591,539)
Cash to be applied in financing activities		20,054,429	10,430,713
Financing activities			
Dividends paid	20.1	(3,018,405)	(8)
Interest paid	16	(3,594,599)	(2,961,220)
Contracted debt		-	8,500,000
Debt paid	16	(5,102,565)	(6,500,000)
Principal of lease payments	18	(1,031,671)	(776,716)
Interest of lease payments	18	(1,097,033)	(1,111,336)
Sale of shares	20.2	206,920	546,493
Repurchase of shares	20.2	-	(566,788)
Net cash flows from financing activities		(13,637,353)	(2,869,575)
Increase in cash and cash equivalents		6,417,076	7,561,138
Cash and cash equivalents at the beginning of the year		26,195,936	18,959,340
Effects of exchange rate changes on cash and cash equivalents		(118,139)	(324,542)
Cash and cash equivalents at end of year		$ 32,494,873	$ 26,195,936

The accompanying notes are an integral part of these consolidated financial statements.