

Walmart de México y Centroamérica Reports Results for the First Quarter 2022

FREE TRANSLATION, NOT TO THE LETTER

Mexico City, April 26, 2022

Financial Results

Today, **Wal-Mart de México, S.A.B. de C.V.** reported financial results for the first quarter of 2022. Total revenues increased **10.0%**. EBITDA for the quarter amounted to **\$20.7 billion pesos**, which represented **11.0%** of total revenues, an increase of **6.4%** over last year's levels.

Main figures are:

Results January - March	2022		2021		Growth
	Millions \$MXN	%	Millions \$MXN	%	%
Net Sales	186,409		169,334		10.1
Other Income	1,435		1,423		0.9
Total Revenues	187,844	100.0	170,757	100.0	10.0
Cost of Sales	(143,855)	(76.6)	(130,977)	(76.7)	9.8
Gross Profit	43,989	23.4	39,780	23.3	10.6
General Expenses	(28,285)	(15.1)	(24,983)	(14.6)	13.2
Income before Other Income Net	15,704	8.4	14,797	8.7	6.1
Other Income (Expenses) - Net	233	0.1	143	0.1	62.6
Operating Income	15,937	8.5	14,940	8.7	6.7
Financial Income (Expenses) - Net	(1,593)	(0.8)	(1,677)	(1.0)	(5.0)
Taxes	(3,235)	(1.7)	(3,193)	(1.9)	1.3
Net Income	11,109	5.9	10,070	5.9	10.3
EBITDA	20,723	11.0	19,475	11.4	6.4
EPS (in pesos)	0.636		0.577		10.3
EPS= Earnings per share					

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Openings Q1 2022

Mexico: 9 units

- 8 Bodegas Aurrera
 - 1 Mi Bodega
 - 7 Bodegas Aurrera Express
- 1 Walmart

Central America: 2 units

- 1 Discount Store
- 1 Bodega

Installed Capacity

Sales Area in m ² (March 31, 2022)		
Format	Mexico	Central America
Bodegas and Discount Stores	2,998,678	487,689
Walmarts	2,198,305	184,780
Sam's Clubs	1,179,827	
Supermarkets	158,942	135,224
Total	6,535,752	807,693

Other Events

Walmart de México y Centroamérica, was included for the fifth consecutive year in the “Bloomberg Gender Equality Index”, as a company that maintains a strong focus on providing an inclusive work environment that supports the changing needs of employees and maintains competitive strengths through gender diversity.

Walmart de México was recognized as the Best Retailer in Mexico and the Best Omnichannel Retailer in the Country into the "Retail Hall of Fame Mexico 2021" by America Retail, standing out for its business model, delivering a relevant value proposition, adapting to an increasingly empowered customer, adopting new technologies, and always place the customer first.

Conference Call

Walmart de México y Centroamérica will hold a webcast today at 3:30 PM (CT) to discuss the company's first quarter earnings results for 2022. Access to the webcast is through:

- Investor Relations website www.walmex.mx
- Corporate YouTube <https://www.youtube.com/user/WalmartMexicoyCam>
- Corporate Website www.walmartmexico.com

The presentation and transcript will be available both in English and in Spanish at our website.

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Company Description

WALMEX is a Retail Sector company whose shares are traded in the Mexican Stock Exchange since 1977. As of **March, 2022**, it operated **3,631** units, broken down as follows:

2,765 Mexico	866 Central America
2,206 Bodegas Aurrera:	573 Discount Stores
564 Bodegas	159 Bodegas
431 Mi Bodegas	98 Supermarkets
1,211 Bodegas Express	36 Walmarts
295 Walmarts	
165 Sam's Clubs	
13 Superamas	
86 Walmart Express	

Ticker Symbols

Mexican Stock Exchange:	Bloomberg:	Reuters:	ADR's sponsored program:
Walmex	Walmex* MM WMMVY US	Walmex.Mx WMMVY.Pk	WMMVY

Websites

Investor Relations: www.walmex.mx

Corporate: www.walmartmexico.com

Business formats:

www.walmart.com.mx www.sams.com.mx www.bodegaurrera.com.mx

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Appendix 1: Quarterly Income Statement (million pesos)

Quarter I					
	2022		2021		%
	\$	%Rev.	\$	% Rev.	Growth.
Net Sales	186,409		169,334		10.1
Other Revenues	1,435		1,423		0.9
Total Revenues	187,844	100.0	170,757	100.0	10.0
Cost of Sales	(143,855)	(76.6)	(130,977)	(76.7)	9.8
Gross Profit	43,989	23.4	39,780	23.3	10.6
General Expenses	(28,285)	(15.1)	(24,983)	(14.6)	13.2
Income before other income (expenses) – Net	15,704	8.4	14,797	8.7	6.1
Other Income (expenses) - Net	233	0.1	143	0.1	62.6
Operating Income	15,937	8.5	14,940	8.7	6.7
Financial Income (Expenses) - Net	(1,593)	(0.8)	(1,677)	(1.0)	(5.0)
Income before taxes on profits	14,344	7.6	13,263	7.8	8.1
Taxes on profits	(3,235)	(1.7)	(3,193)	(1.9)	1.3
Net Income	11,109	5.9	10,070	5.9	10.3
EBITDA	20,723	11.0	19,475	11.4	6.4
Earnings per share (in pesos):	0.636		0.577		10.3

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WALMART DE MEXICO, S.A.B DE C.V. Y SUBSIDIARIAS
Consolidated Statements of Comprehensive Income
(Amounts in thousands of Mexican pesos)

	Quarter ended March 31	
	2022	2021
Net Sales	\$ 186,408,820	\$ 169,334,315
Other revenues	1,435,206	1,422,485
Total revenues	187,844,026	170,756,800
Cost of sales	(143,854,641)	(130,977,083)
Gross profit	43,989,385	39,779,717
General expenses	(28,284,923)	(24,982,769)
Income before other income and expenses	15,704,462	14,796,948
Other income	326,279	229,568
Other expenses	(93,588)	(86,453)
Operating income	15,937,153	14,940,063
Financial income	434,389	424,443
Financial expenses	(2,027,175)	(2,100,979)
Income before income taxes	14,344,367	13,263,527
Income taxes	(3,235,563)	(3,193,279)
Consolidated net income	<u>\$ 11,108,804</u>	<u>\$ 10,070,248</u>
Other comprehensive income:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Cumulative translation adjustment	\$ (3,960,559)	\$ 2,827,112
Other comprehensive (loss) income	(3,960,559)	2,827,112
Comprehensive income	<u>\$ 7,148,245</u>	<u>\$ 12,897,360</u>
Basic earnings per share (in pesos)	<u>\$ 0.636</u>	<u>\$ 0.577</u>

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WALMART DE MEXICO, S.A.B DE C.V. Y SUBSIDIARIAS

Consolidated Statement of Financial Position

(Amounts in thousands of Mexican pesos)

	March 31	
	2022	2021
Assets		
Current Assets:		
Cash and cash equivalents	\$35,045,830	\$29,848,265
Account receivable, net	15,648,467	15,788,243
Inventories	80,562,419	66,992,370
Prepaid expenses and other	741,939	1,068,223
Total current assets	131,998,655	113,697,101
Non-current assets:		
Property and equipment, net	137,838,785	134,820,584
Right-of-use assets	54,348,067	50,948,222
Investment properties, net	5,497,831	6,128,690
Intangibles properties, net	36,925,627	38,990,500
Deferred tax assets	12,735,577	9,538,250
Other non-current assets	2,160,419	2,067,567
Total assets	\$ 381,504,961	\$ 356,190,914
Liabilities and equity		
Current liabilities:		
Accounts payable	\$85,701,094	\$79,176,662
Short-term lease liability	3,315,602	3,203,340
Other accounts payable	22,765,715	47,540,218
Income taxes payable	1,954,755	2,046,460
Total current liabilities	113,737,166	131,966,680
Long-term liabilities:		
Leases and other long-term liabilities	65,707,490	61,681,590
Income tax liabilities	8,356,891	6,222,755
Employee benefits	2,369,386	2,742,267
Total liabilities	\$ 190,170,933	\$ 202,613,292
Equity:		
Capital stock	45,468,428	45,468,428
Retained earnings	138,419,681	93,265,538
Other comprehensive income	10,828,971	17,238,480
Premium on sale of shares	5,065,118	4,682,305
Employee stock option plan fund	(8,448,170)	(7,077,129)
Total equity	191,334,028	153,577,622
Total liabilities and equity	\$ 381,504,961	\$ 356,190,914

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WALMART DE MEXICO, S.A.B DE C.V. Y SUBSIDIARIAS

Consolidated Statement of Cash Flows

(Amounts in thousands of Mexican pesos)

	Quarter ended	
	March 31	
	2022	2021
Operating activities		
Income before income taxes	\$14,344,367	\$13,263,527
Items related to investing activities:		
Depreciation and amortization	4,785,947	4,534,480
Loss from disposal of property and equipment and impairment	43,925	32,681
Stock option compensation expenses	90,101	114,319
Interest earned	(133,214)	(117,408)
Items related to financing activities:		
Interest on lease liabilities	1,713,145	1,610,283
Unrealized, exchange rate fluctuation	(262,783)	163,355
Provision for labor obligations	159,835	153,445
Interest in charge	20,477	39,391
Cash flow from operating activities	20,761,800	19,794,073
Variances in:		
Accounts receivable	(922,273)	773,579
Inventories	(779,981)	1,734,935
Prepaid expenses and other assets	118,097	(342,097)
Accounts payable	(13,295,765)	(13,919,173)
Other accounts payable	(4,877,869)	(5,451,610)
Income tax paid	(4,683,285)	(4,133,515)
Employee benefits	(86,311)	(70,775)
Net cash flow operating activities	(3,765,587)	(1,614,583)
Investing activities		
Long-lived assets	(2,353,135)	(2,334,436)
Interest collected	133,214	117,408
Proceeds from sale of property and equipment	23,765	37,170
Employee stock option plan fund	(1,786,322)	(386,494)
Net cash flow used in from investing activities	(3,982,478)	(2,566,352)
Financing activities		
Interest paid	(20,477)	(39,391)
Payment of leases liability	(2,427,742)	(2,252,443)
Net cash flow used in investing activities	(2,448,219)	(2,291,834)
Effect of changes in the value of cash	2,425,579	650,674
Net increase (decrease) in cash and cash equivalents	(7,770,705)	(5,822,095)
Cash and cash equivalents at beginning of year	42,816,535	35,670,360
Cash and cash equivalents at end of year	\$ 35,045,830	\$ 29,848,265
Non-cash transactions:		
Additions of right-of-use assets	\$ 779,823	\$ 566,050
Modifications and actualizations	\$ 944,465	\$ 600,732

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