

Ecosystem of Choice

WHAT DID WE ACHIEVE TOGETHER?

Generate value for our customers and members through an interconnected ecosystem of easy and accessible solutions and services

5.6 million
active **Bait** users

5.4 million
Cashi users



I am Pablo
Bait user

"I look for the best
connectivity at a
price I can afford"

WE EVOLVED INTO AN ECOSYSTEM OF LASTING RELATIONSHIPS

We are an evolving ecosystem, offering solutions to our customers' pain points. We believe that the basis for building an ecosystem lies on supporting our customers to live better through meaningful connections between people, brands, products and services.

We are connecting millions of customers to the digital economy and making it easier for them to access its benefits with simplified solutions through our verticals

We build lasting relationships with our customers, leveraging our reach, our scale and the trust they put on us. This year we have grown by strengthening the relationship between our verticals, customers and members, delivering value at the best price.





BAIT CONNECTIVITY

Two years ago, we launched **Bait** as a solution to connect millions of Mexican families with their loved ones through an affordable connectivity service with internet at home and prepaid mobile telephony that grants them benefits when they shop at our stores.

our value proposition remains based on three pillars



1

Low prices: we keep the lowest rates for internet, data, voice and text message **services with national and international coverage.**

2

Maximum speed coverage: we power the maximum speed experience with **4.5G LTE network.**

3

Connecting through your purchases: we continue grant free megabytes to our customers when they shop at our stores, helping them save money while increasing their loyalty.



5.6 million
active **Bait** users

This year, we expanded the possibilities of **Bait**. With our acceleration strategy, we **closed 2022 with 5.6 million active users and 7.8 million total users**. In addition, we have more than 450 thousand top-up points and several online top-up points; now, our customers have more options to stay connected. We also launched our MiFi Portable Wireless Router, so our customers stay online everywhere.

We are the main Mobile Virtual Network Operator (MVNO) in Mexico by number of users

Having the best coverage in the market with affordable prices for voice and messaging has allowed us to sell more than eight thousand lines of a new connectivity solution that we launched for business partners and to continue with our commitment to increase inclusive opportunities for our associates.

In addition to leveraging our service from our more than 2,800 stores and clubs, and our over five million customers who shop at our stores every day, in 2022 we opened the first four “Centros de Experiencia Bait” in Tlalpan, Tere, Cuautitlán Izcalli and Querétaro. In these experience centers we provide our customers a complete connectivity solution, including the possibility to buy Bait prepaid services, mobile phones and accessories, credit and extended warranties.



I am Bety
Chief Growth officer



We are the fourth largest player in the telecommunications sector by number of users

We leverage data to better understand our customers and generate more value for them, as well as develop new monetization opportunities for our verticals and formats.

We strengthened the relationship with **Walmart Connect** by linking our advertisers to **Bait's** advertising solutions. Now, our advertisers can reach Bait's more than seven million total users through text messages and push notifications. Also, when purchasing a **Bait** line, our customers received a 50 pesos bonus on **Cashi**, which increased the app's downloads as well as purchases made through the wallet.

RESULTS

This year with Bait we achieved:

5.6

million active users by year-end 2022

4 centros

de experiencia **Bait** in Mexico City, State of Mexico and Queretaro

+450 thousand

physical and online recharge points

FINANCIAL SOLUTIONS



In Mexico, only 54M adults have access to financial products and only half of adults with financial products have a formal access to credit

For this reason, and as part of our commitment to making services that improve our customers' lives, we have strengthened our offering of low-cost financial solutions with greater flexibility.



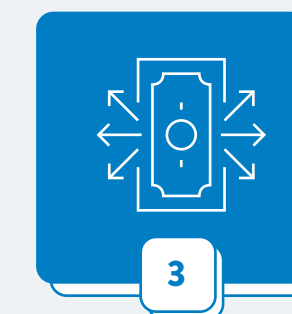
Our financial services strategy is based on three pillars:



Cashi, our digital wallet



Credit



Remittances

*I am Mache
Chief Financial
Services officer*



cashi
más que efectivo

Cashi, our digital wallet

the service for commission-free digital payments through cash top-ups from an app.

Five years ago, we launched **Cashi** as a digital financial solution for Mexican families, and this year we focused on enhancing the product value proposition.

In 2022, we reached 5.4 million users, by strengthening our application with

New features such as utility payment reminders to help our customers better organize their finances

Enabling Cashi as an online payment method on our websites, so that our customers can buy online, boosting omnichannel sales

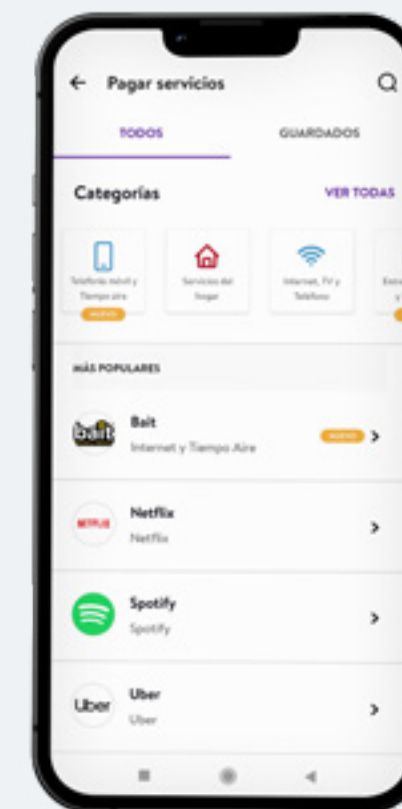
Credit
via the app

Cashi continues to move forward as a connection point between all our verticals and our customers, to offer joint solutions. Since 2022, customers can top-up their **Bait** line through **Cashi**.

The number of users grew by

202%

compared to 2021





Credit

our service to buy now and pay later, online and in stores.

We know that our customers have difficulty accessing affordable financial solutions

The five different types of credit

1

Omni Marketplace Credit

2

Buy Now Pay Later at kiosks

3

Cell phone credit

4

CrediBodega Credit Card for unbanked customers

5

Credit Card in alliance with financial institutions

So we developed credit solutions that meet their needs, so they can pay for the products they need.

Evaluated and approved credits are granted within five minutes, and in less than 15 minutes the funds are made available through **Cashi** so that our customers can purchase the products they need in store or online.

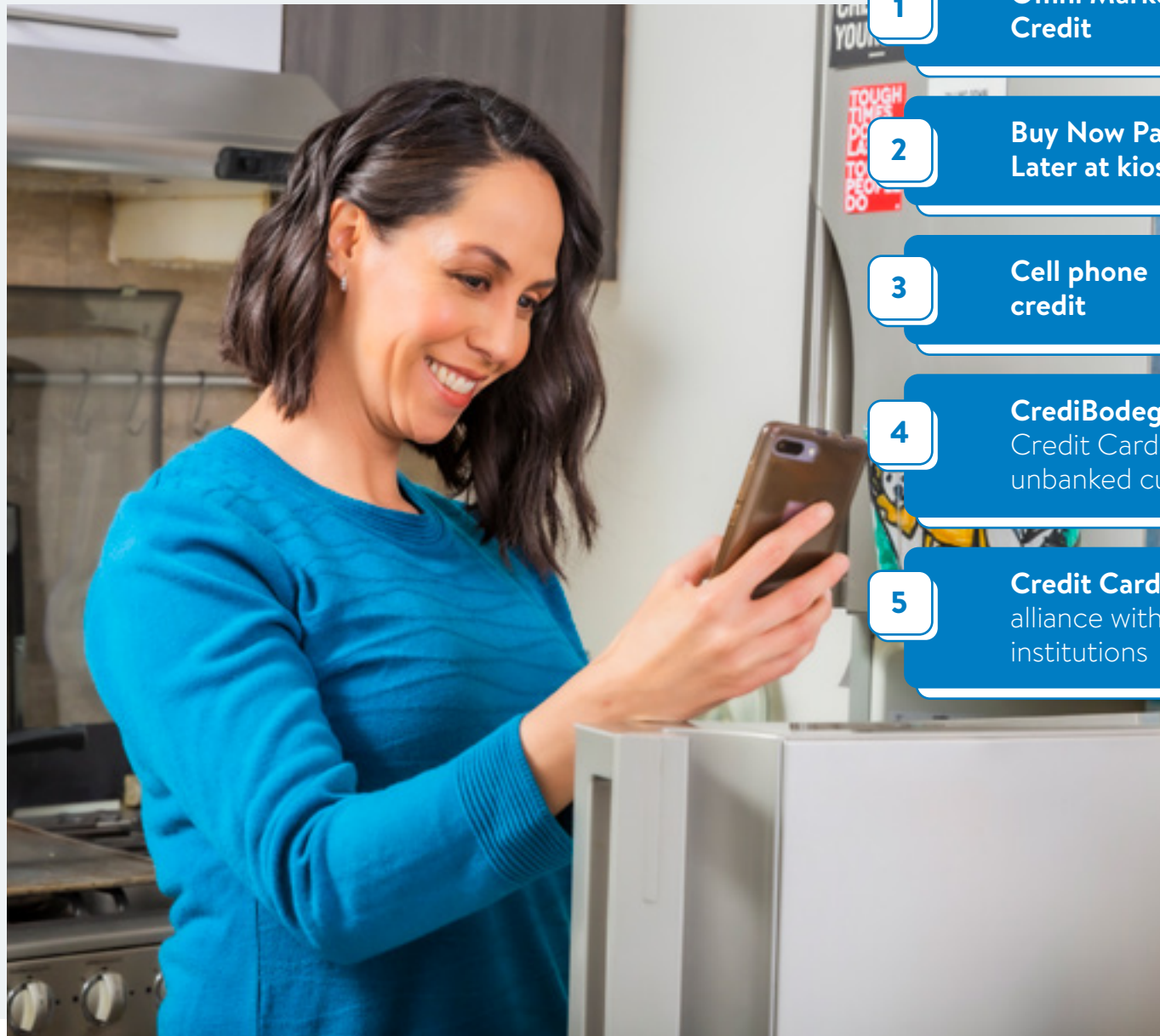
This year, we built a stronger online credit offering, so we enabled new lenders in the Digital Credit **Marketplace** in more than 100 stores, leveraging eCommerce kiosks in Walmart and Bodega. Within this offering is the “Buy Now Pay Later” credit, in which through registering in the app and selecting the most convenient credit offer, computer products, electronics, toys and more items can be purchased on credit with fixed payments, with no down payment, no annual fees and not requiring the use of a debit or credit card.

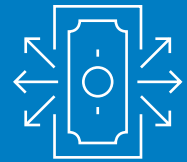
We have several credit options for the different profiles and needs of our customers. For example, **CrediBodega** is aimed at our Bodega customers, within whom financial inclusion is lower and prefer small payments.

Almost 500 thousand credits were granted through our partners, which is twice the number of loans compared to 2021



In 2022, we succeeded in offering CrediBodega in 300 stores and started a pilot to originate it digitally





Remittances

our service to collect money sent from the United States to Mexico.

60% of women in Mexico, our formats' main customers, receive money through remittances

In 2022, we processed **two billion dollars of transactions** in our stores, allowing that **more than 1 million customers collect remittances** through our network.

We are the second chain with the highest number of collection points for remittances



And they are constantly looking for the **best cost options** to make the most of their money.

That's why we offer **our remittance solution at the most competitive rate in our more than 2,800 stores**, seven days a week, making their money go even further, helping them add more products to their shopping basket thanks to the savings obtained through our rates.

In addition, this year we re-launched the **Walmart to Walmart (W2W)** remittance service, through which our customers are able to send remittances from our stores in the United States directly to any Walmart store in Mexico, at a rate over 50% below the market average.

We are connecting the verticals with the core business so that they reinforce each other to better serve our customers.

RESULTS

This year, with our Financial Solutions we achieved:

5.4

million **Cashi** users

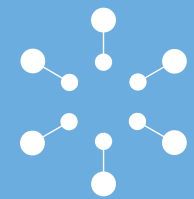
~500 thousand

credits granted

1 million

customers collected remittances through our network





WALMART CONNECT

With **Walmart Connect**, we improve our advertisers' sales through an enhanced shopping experience for our customers. We leverage data and technology to help connect our advertisers and customers in meaningful ways.

With our first party data, we accompany and help customers in making better purchasing decisions through offers from the brands they are looking for, displaying advertising at the right time. Thanks to the five million customers who shop daily in our stores and our positioning as the leading omnichannel retailer in Mexico and Central America, our advertisers significantly increase the conversion of their campaigns.

The good results that our advertisers are getting by running campaigns with us, are increasing their confidence in our service and are reflected in higher investments. During the year, we doubled the brands we work with.

In 2022, about 400 companies trusted us and run more than 4500 omnichannel campaigns.



We are the largest omnichannel platform in Mexico



Walmart Connect is connecting all of our verticals with advertisers. This year, together with **Bait** and Nestlé, we launched our first Mobile Advertising campaign and reached nearly half a million customers with geo-segmentation.

During the Hot Sale, we provided customers with unique entertainment options, such as the Margarita *la Diosa de la Cumbia* concert for Bodega customers, reaching more than 80 thousand people. We teamed up with **Cashi** to give our customers a unique value promotion that boosted sales through the app during the event, while **Bait** offered even lower prices and gave **Cashi** users an additional bonus.

In addition, during “El Fin Irresistible”, which was also the biggest sales event of the year for **Walmart Connect**, we continued to offer entertaining moments, hosting two virtual concerts for our Walmart and Bodega customers. The *Los Angeles Azules* concert for Bodega customers had a reach of 4.6 million views. We are excited to continue connecting with our customers digitally.

This year, we developed innovative, technology-based products and services. We launched our Retail Media Platform to give our advertisers the opportunity to self-manage their sponsored product campaigns, starting a pilot test with Unilever, P&G and Nestlé.

In addition, we enabled an option for our advertisers to highlight their products and maximize their sales by automating sponsored product search services. This is how we launched our first campaign, helping small and medium-sized advertisers to increase the positioning of their products.

We have an advertising business of more than 2.1 billion pesos

RESULTS

This year with Walmart Connect we achieved:

400

advertisers trusted us

+4,500

omnichannel campaigns



HEALTH

Today, the majority of population cannot afford private health services in Mexico, so a large sector is looking for agile and low-cost solutions

As part of our commitment to helping people save money and live better, we looked to reinforce our health solution by providing our customers with a health membership that ties all health benefits together with our 1,500 pharmacies and 500 doctor's offices.

This year, we launched our health membership on a pilot test, through which our customers can access the following benefits through one of our four types of memberships (*Individual básica, Familiar básica, Individual plus and Familiar plus*):

- Remote medical, nutritional and psychological counseling and assistance via video or telephone call
- Consultations with specialists at preferential prices
- Ambulance services in case of emergency
- Home doctor with preferential cost
- Discounts in laboratories
- 5% discount at Walmart pharmacies
- Cinema 2x1
- And, depending on the type of membership, free medical and dental consultations at Walmart stores

In 2022, we delivered access to health solutions to more than one million patients

We also promote our memberships through Bait's points of sale



RESULTS

This year in Health we achieved:

500

stores with doctor's office

300 thousand

memberships



Our Walmart Ecosystem

The connections of our verticals allow us to build relationships with our customers and offer them a simplified solution package

Customers like Andrea now have a seamless experience in accessing the digital economy

