



Grupo Sanborns

## Grupo Sanborns S.A.B. de C.V.

### Earnings Report

3Q 2022

Mexico City October 24, 2022 – Grupo Sanborns, S.A.B. de C.V. (BMV: GSANBOR)  
Results for the third quarter of 2022.

#### Highlights of the Quarter:

- Sales grew 21.0% reaching Ps. 14,359 million.
- Gross Profit increased 22.4% with a gross margin that went from 34.5% to 34.9% of sales.
- The percentage of non-performing loans over 90 days improved to 4.2% from 3.0% in the 3Q22.
- Loan income increased 26.2% compared to the 3Q21.
- Operating expenses in relation to sales decreased from 30.9% in the 3Q21 to 28.0% in the 3Q22, while in a cumulative way decreased 3.5 percentage points from representing 31.3% to 27.8% of sales at the end of September 2022.
- Operating Result was a gain of Ps. 976 million in the 3Q22 compared to a profit of Ps. 387 million pesos in the 3Q21.
- Quarterly EBITDA improved 62.7% to Ps. 1,460 million in the 3Q22 vs. Ps. 898 million in the 3Q21, with a margin that improved from 7.6% to 10.2%.
- The Controlling Net Income was Ps. 825 million in the 3Q22 compared to Ps. 319 million in 3Q21.
- Comprehensive financing result was an income of Ps. 26 million, which compared favorably versus an expense of Ps. 46 million in the same quarter last year.
- Cash and cash equivalents increased Ps. 2,004 million, 45.8% vs. the 3Q21.
- Inventories increased Ps. 3,127 million, 29.3%, from Ps. 10,656 in the 3Q21 to Ps. 13,783 in the 3Q22.
- We increased trade accounts receivable and sundry debtors by Ps. 1,714 million, 19.4%.



[www.gsanborns.com.mx](http://www.gsanborns.com.mx)



**FINANCIAL SUMMARY (Million pesos, MM MXN)**

Consolidated Results	3Q22	3Q21	Var%	9M22	9M21	Var%
Revenues	14,359	11,870	21.0%	42,550	34,272	24.2%
Gross Profit	5,008	4,093	22.4%	14,469	11,448	26.4%
Operating Income	976	387	152.2%	2,612	662	294.8%
Controlling Net Income	825	319	158.8%	2,157	321	571.9%
EBITDA	1,460	898	62.7%	4,059	2,146	89.1%
Gross Margin	34.9%	34.5%		34.0%	33.4%	
Operating Margin	6.8%	3.3%		6.1%	1.9%	
EBITDA Margin	10.2%	7.6%		9.5%	6.3%	
Net Margin	5.7%	2.7%		5.1%	0.9%	

NC: Not Comparable

**CAPITAL EXPENDITURES (CapEx)**

**Capital expenditures** as of September 30, 2022, totaled Ps. 443 million, amount 95.6% higher than the previous year's figure of Ps. 226 million, mainly **due to the acquisition of furniture and equipment, store remodeling and the opening of the new stores of iShop Tulum, iShop Colima Plaza Sendera and Dax Los Cabos** during the first nine months of the year.

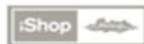
**RETAIL SPACE AND NUMBER OF STORES**

As of September 30, 2022, selling área totaled 1,192,243 m2 including 435 stores, with a slight decrease of 0.1% in the consolidated selling area compared to last year.

Sales Area	September 2022			September 2021			Sqm Var%
	Units	Retail Sqm	Leasable Sqm	Units	Retail Sqm	Leasable Sqm	
Sears	97	856,402		97	856,402		0.0%
Sanborns*	194	283,982		196	285,426		-0.5%
Promotora Musical	143	44,203		138	42,933		3.0%
Other	1	7,657		1	7,657		0.0%
Shopping Centers		2	71,225		2	71,225	0.0%
<b>Total</b>	<b>435</b>	<b>1,192,243</b>	<b>71,225</b>	<b>432</b>	<b>1,192,418</b>	<b>71,225</b>	<b>0.0%</b>

\* Sanborns Home&Fashion, Sanborns Café restaurants and Saks Fifth Avenue. Other includes Sears in Central America.

During the third quarter there were no changes in stores.





**WORKING CAPITAL VS. 3T21**

**Cash and cash equivalents** increased Ps. 2,004 million, a 45.8% increase, from Ps. 4,377 million in the third quarter of 2021 to Ps. 6,381 million in the current quarter. The flow came from the result of operating income, a good portfolio recovery and financial income.

Short-term liabilities increased \$2,344 million, 20.5%, mainly due to an increase in suppliers, and long-term liabilities decreased \$299 million, which was -5.8% due to lower lease liabilities.

Our stockholders' equity grew \$3,867 million pesos to \$37,573 million pesos.

**CONTACTS FOR INVESTORS:**

Mario Bermúdez Dávila  
Chief Financial Officer Grupo Sanborns  
T. +52 (55) 5257-9323  
[mbermudez@sears.com.mx](mailto:mbermudez@sears.com.mx)

Angélica Piña Garnica  
Investor Relations  
T. +52 (55) 1101-2956  
[napinag@gcarso.com.mx](mailto:napinag@gcarso.com.mx)

**ADDITIONAL CHARTS:**

Income Statement (Million Pesos)	3Q22			3Q21			9M22			9M21		
					Var %						Var%	
<b>Total Revenues</b>	<b>14,359</b>	<b>100.0%</b>	<b>11,870</b>	<b>100.0%</b>	<b>21.0%</b>	<b>42,550</b>	<b>100.0%</b>	<b>34,272</b>	<b>100.0%</b>	<b>24.2%</b>		
COGS	9,351	65.1%	7,777	65.5%	20.2%	28,081	66.0%	22,824	66.6%	23.0%		
<b>Gross Profit</b>	<b>5,008</b>	<b>34.9%</b>	<b>4,093</b>	<b>34.5%</b>	<b>22.4%</b>	<b>14,469</b>	<b>34.0%</b>	<b>11,448</b>	<b>33.4%</b>	<b>26.4%</b>		
SG&A	4,021	28.0%	3,669	30.9%	9.6%	11,833	27.8%	10,732	31.3%	10.3%		
Other income (expenses) Net	-11	-0.1%	-37	-0.3%	-69.3%	-24	-0.1%	-54	-0.2%	-55.0%		
<b>Operating Income</b>	<b>976</b>	<b>6.8%</b>	<b>387</b>	<b>3.3%</b>	<b>152.2%</b>	<b>2,612</b>	<b>6.1%</b>	<b>662</b>	<b>1.9%</b>	<b>294.8%</b>		
Comprehensive Financial Result	26	0.2%	-46	-0.4%	NC	45	0.1%	-204	-0.6%	NC		
Share of Profit of Associates and JV's.	51	0.4%	22	0.2%	130.2%	133	0.3%	-91	-0.3%	NC		
<b>Income before Taxes</b>	<b>1,053</b>	<b>7.3%</b>	<b>363</b>	<b>3.1%</b>	<b>190.3%</b>	<b>2,790</b>	<b>6.6%</b>	<b>366</b>	<b>1.1%</b>	<b>661.9%</b>		
Taxes	159	1.1%	6	0.1%	2383.4%	433	1.0%	-86	-0.3%	NC		
<b>Consolidated Net Income</b>	<b>894</b>	<b>6.2%</b>	<b>356</b>	<b>3.0%</b>	<b>150.9%</b>	<b>2,357</b>	<b>5.5%</b>	<b>452</b>	<b>1.3%</b>	<b>421.4%</b>		
Profit attributable to non-controlling int.	70	0.5%	38	0.3%	84.0%	200	0.5%	131	0.4%	52.4%		
<b>Profit attributable to owners of parent Co.</b>	<b>825</b>	<b>5.7%</b>	<b>319</b>	<b>2.7%</b>	<b>158.8%</b>	<b>2,157</b>	<b>5.1%</b>	<b>321</b>	<b>0.9%</b>	<b>571.9%</b>		
<b>EBITDA</b>	<b>1,460</b>	<b>10.2%</b>	<b>898</b>	<b>7.6%</b>	<b>62.7%</b>	<b>4,059</b>	<b>9.5%</b>	<b>2,146</b>	<b>6.3%</b>	<b>89.1%</b>		

NC: Not Comparable





Balance Sheet figures (Million Pesos)	3Q22	4Q21	Var%
Cash & Equivalents	6,380.9	7,304.9	-12.6%
Trade and other current receivables	10,532.9	10,328.8	2.0%
Recoverable Taxes	332.0	628.4	-47.2%
Other Financial Assets	161.2	44.4	0.0%
Inventories	13,782.7	11,343.6	21.5%
Other Non-Financial Assets	0.0	0.0	0.0%
<b>Current Assets</b>	<b>31,189.8</b>	<b>29,650.1</b>	<b>5.2%</b>
Other Non-Current Trade Receivables	1,108.9	1,162.8	-4.6%
Other Non-Current Financial Assets	1.3	1.3	0.0%
Investments in Subs., JV's and associates	2,701.7	2,601.1	3.9%
Property, Plant and Equipment	11,886.0	12,220.1	-2.7%
Investment Properties	2,495.8	2,495.8	0.0%
Assets for Rights of Use	3,671.0	3,976.8	-7.7%
Intangible Assets other than Goodwill	86.1	99.2	-13.2%
Deferred Tax Assets	2,056.5	1,970.3	4.4%
Other Non-Current Non-Fin. Assets	983.8	997.0	-1.3%
<b>Non-Current Assets</b>	<b>24,991.1</b>	<b>25,524.5</b>	<b>-2.1%</b>
<b>Total Assets</b>	<b>56,180.9</b>	<b>55,174.6</b>	<b>1.8%</b>
Trade and Other current payables	7,690.3	9,069.0	-15.2%
Short-Term Taxes Payable	1,133.3	1,322.2	-14.3%
Short-Term Lease Liabilities	1,158.2	1,153.8	0.4%
Other Short-Term non-financial liabilities	870.4	964.0	-9.7%
Total Current Provisions	2,916.3	2,381.7	22.4%
<b>Current Liabilities</b>	<b>13,768.5</b>	<b>14,890.8</b>	<b>-7.5%</b>
Long-Term Taxes Payable	300.8	238.9	25.9%
Long-Term Lease Liabilities	3,307.2	3,613.9	-8.5%
Other L.T. Non-Financial Liabilities	0.0	0.0	0.0%
Long-Term Provisions for employee benefits	136.3	106.4	28.1%
Other non-current Provisions	18.8	18.4	0.0%
Deferred Tax Liabilities	1,076.3	1,080.5	-0.4%
<b>Non-Current Liabilities</b>	<b>4,839.4</b>	<b>5,058.1</b>	<b>-4.3%</b>
<b>Total Liabilities</b>	<b>18,607.9</b>	<b>19,948.9</b>	<b>-6.7%</b>
<b>Total Equity</b>	<b>37,573.0</b>	<b>35,225.7</b>	<b>6.66%</b>
Shares Outstanding (´000)	2,246,351	2,246,732	0.0%
Closing Stock Price	22.00	28.50	-22.8%
NA=Not Applicable			

