



AXO



CORPORATE PRESENTATION
2Q24 RESULTS

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Our management team

Experienced management team with an average of **22+ years**¹ working together, supported by strong corporate governance



Andrés Gómez
Co-Founder, Chairman & CEO
+30 years in Axo



Carlos Miranda
COO
+15 years in Axo



Raúl del Villar
CFO
+12 years in Axo



Lorena Flores
Sr. VP of Lifestyle
+30 years in Axo



Ricardo Bastón
Sr. VP of Athletics & Off-Price
+30 years in Axo



Santiago Figueroa
Sr. VP of Axo South America
+10 years in Axo South America²



Karina Awad
Sr. VP of HR
Recently joined Axo



Rafael Delgado
VP of Marketing
Recently joined Axo



Notes: ¹ Excludes Santiago Figueroa, Karina Awad, and Rafael Delgado who recently joined Axo; ² Meaning he has been in the Komax team for +10 year

About Axo

As of June 2024

Founded in 1994, we are a multi-brand fashion retailer & wholesaler with presence in:



MEXICO



CHILE



URUGUAY



PERU

3 SEGMENTS

Lifestyle



Off-Price



Athletics & Outdoors



ROBUST OPERATIONS AND TEAM

+10.4k
associates

494k+
of stores space,
100% leased

972 DtC retail
stores ¹ |
8,047
Total retail POS



COMPREHENSIVE DIGITAL OFFERING

8 apps | **37** digital
platforms

30.6m
clients ²

14%
digital sales
2Q24 ³



PARTNER OF CHOICE FOR GLOBAL BRANDS

+30 years
of experience

29 licensed brands⁴ |
14 private label brands |
13 owned multi-brand
retail concepts⁵

Strong **corporate governance and relationship** with our world-class sponsors



Notes: ¹ Includes DtC retail stores and Shop in Shops; ² Considers all channels, brands and regions (Mexico, Chile, Uruguay and Peru). ³ Excludes Guess. ⁴ Does not consider duplicity of brands which we operate in more than one country. Includes Nike, which is a non-exclusive partnership. Excludes Ulta, which will become operational in 2025. ⁵ Excludes private label and licensed brands. Includes TAF and TAF Kids which are not owned but are subject to a long-term licensing agreement.

Diversified multi-brand, multi-segment ecosystem

Net Sales as of June 2024

Lifestyle

53%
of net sales

516

DTC RETAIL STORES¹

26

ONLINE STORES

6,332

CORNERS



Off-Price

24%
of net sales

235

DTC RETAIL STORES

2

ONLINE STORES



Athletics & Outdoors

23%
of net sales

221

DTC RETAIL STORES¹

9

ONLINE STORES

743

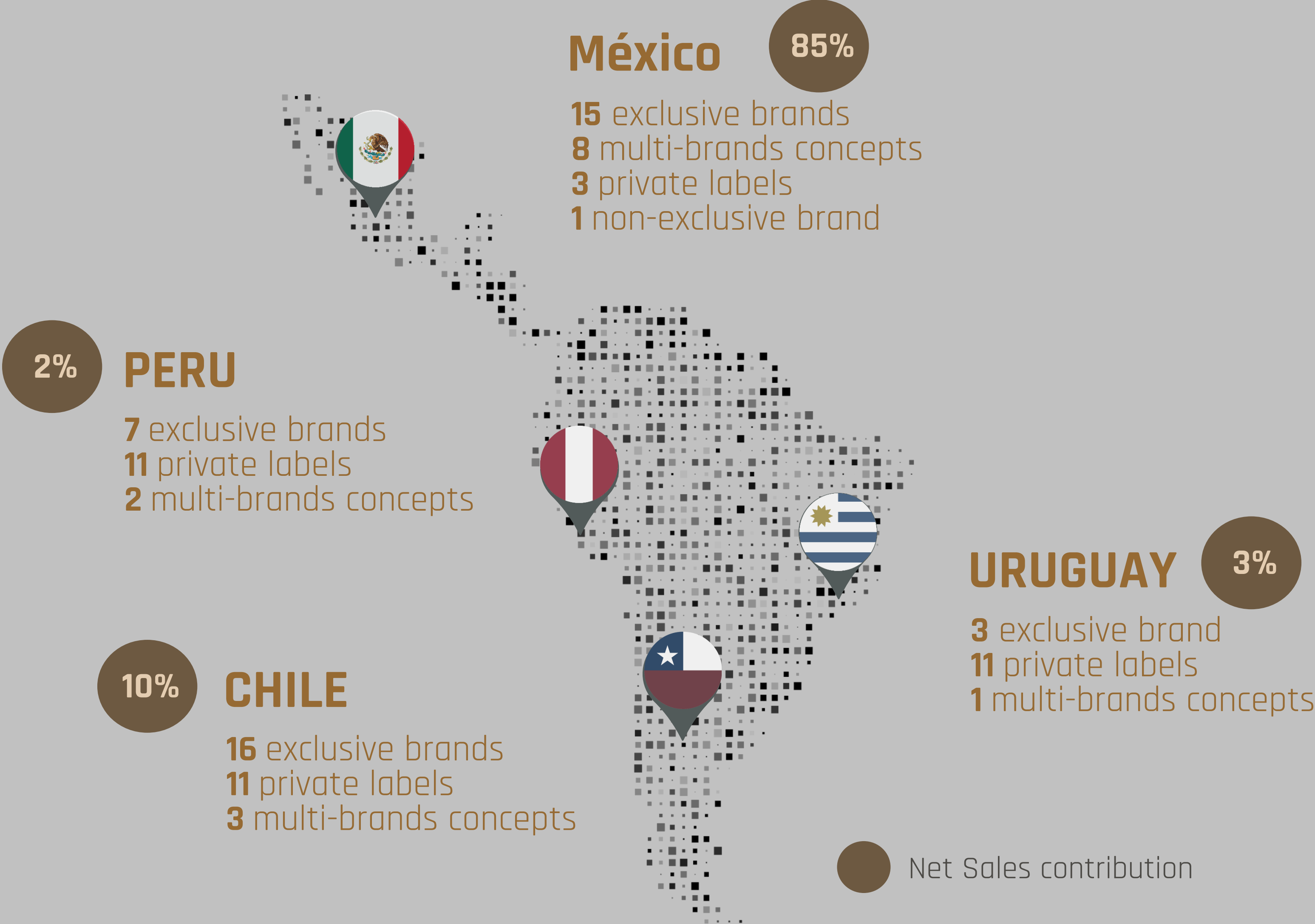
CORNERS



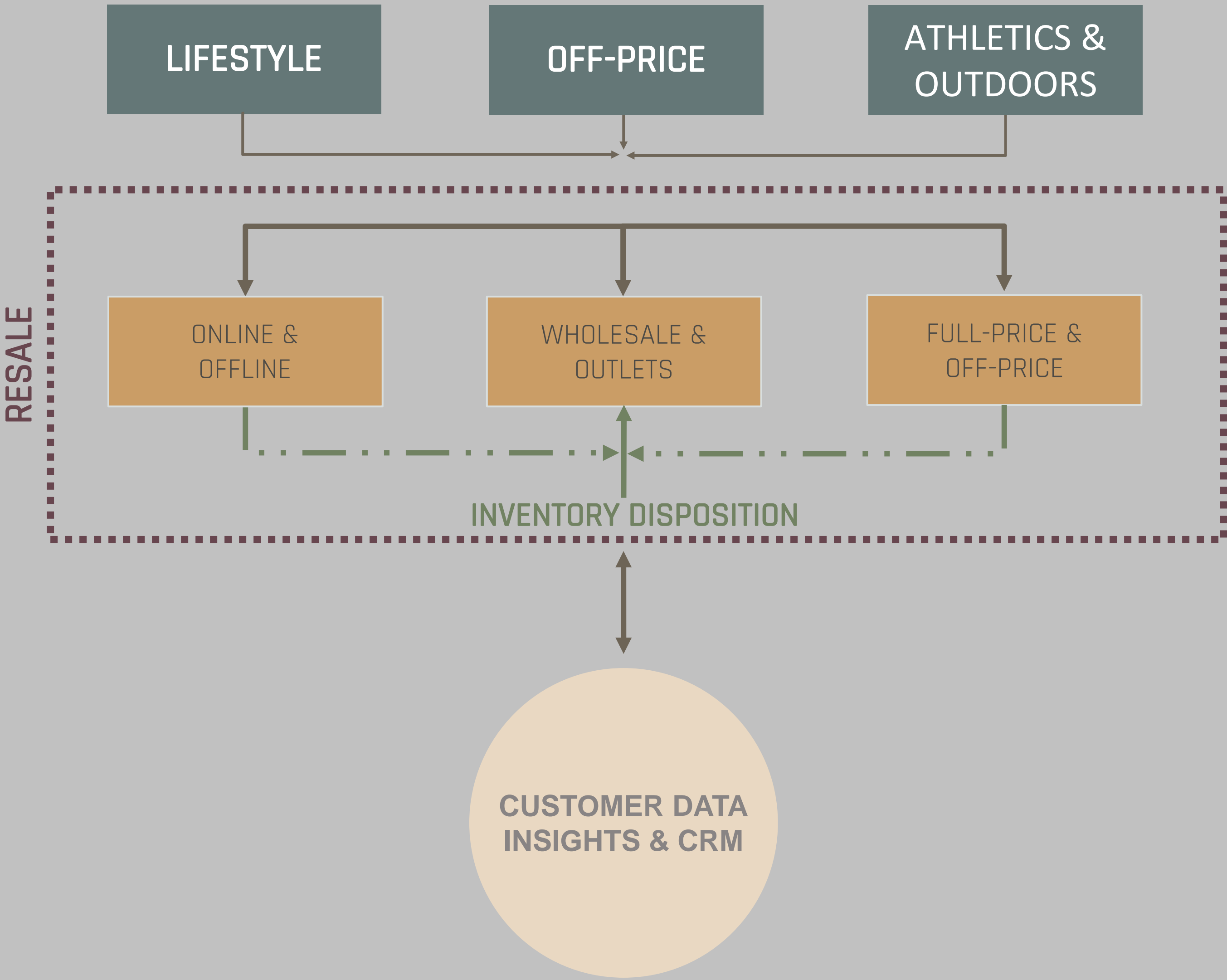
Notes: 1 Includes DtC retail stores and Shop in Shops.

Diversification across countries

Net Sales contribution as of June 2024



Unique ecosystem enables the maximization of product lifecycle and profitability



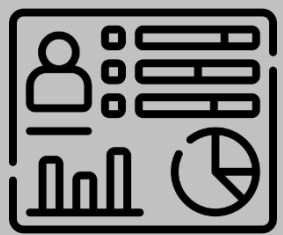
Full control over product lifecycle across channels



Margin maximization



Multiple consumer touchpoints and price ranges

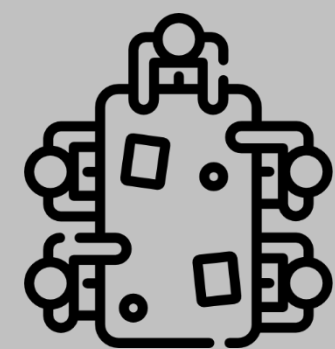


Unique access to customer data



World class sponsors serve as testament to our prominent governance standards and ESG practices

We strive to promote strong corporate governance and ESG practices



Over 1/3 of the board is independent

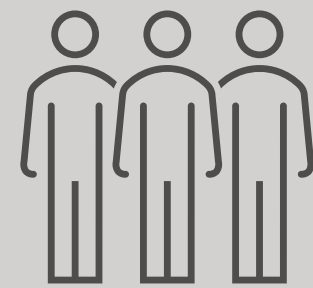
COMMITTEES



Audit



Finance

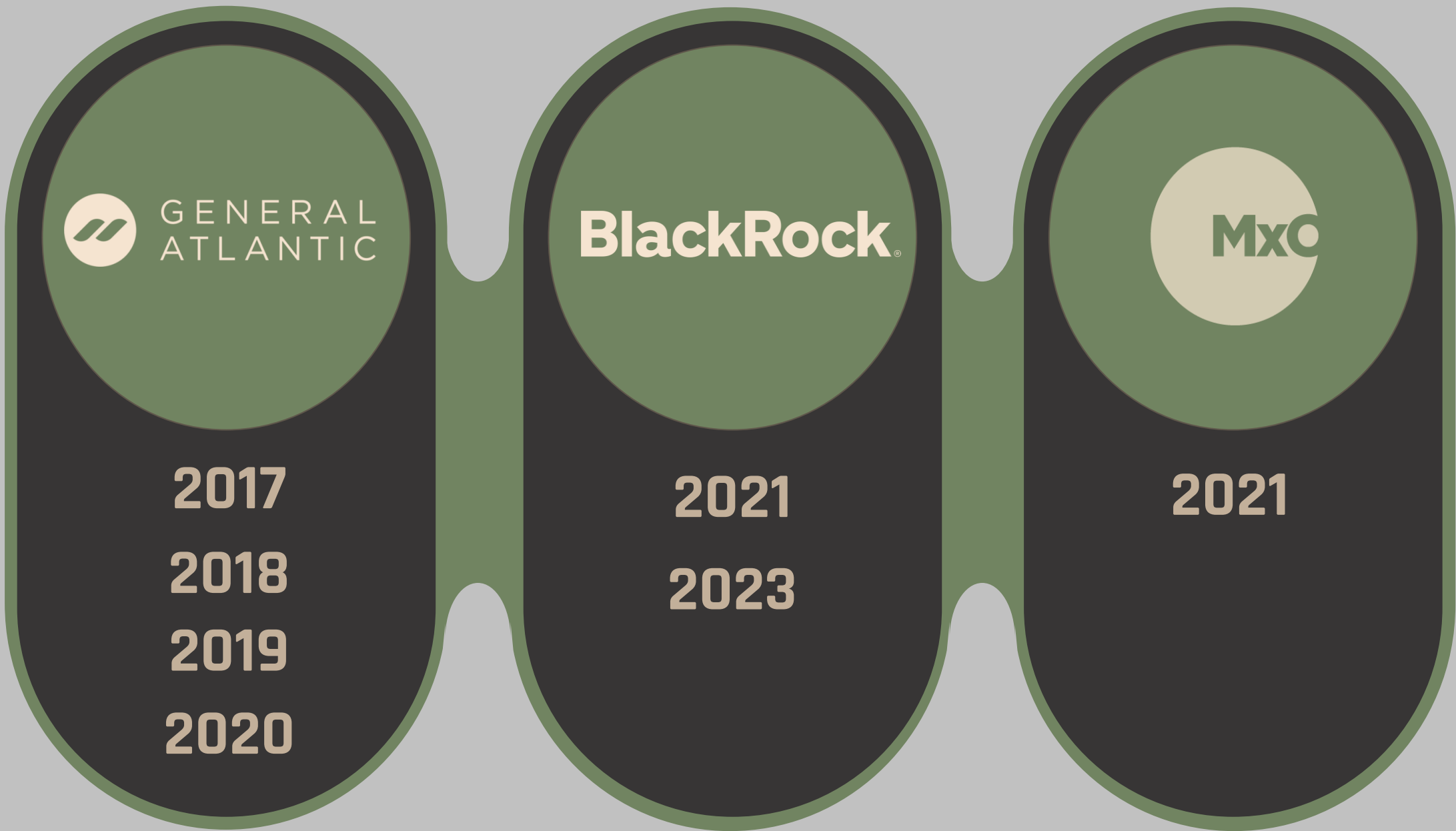


Executive



Compensation

Support and relationship with our world class sponsors go beyond raising capital to accelerate growth



They bring key strategic and operational insights, access to a network of experts and professionals, and further bolster our governance and ESG standards



Significantly enhanced credit profile since international debt IPO in 2021

2021 LTM - Issuance of \$325MM 5NC2 Notes		Delta	2024 LTM - Current
Stores DtC ¹ Online	763 15 ²	+209 stores +22 online stores	972 37
Revenue MXN\$mm	\$12,941mm	+96%	\$25,535mm
Revenue Breakdown & Geographic Presence	<div>Segment³</div> <div>Off-Price 45% 32% digital sales Lifestyle 40% Athletics & Outdoors 15%</div> <div>Geo. Mexico Chile</div>	<div>+Increased presence in Lifestyle & Athletics after Komax acquisition</div> <div>+2 more countries</div>	<div>Segment</div> <div>Off-Price 25% Athletics & Outdoors 22% Lifestyle 53% 14% digital sales</div> <div>Geo. Mexico Peru Chile Uruguay</div>
EBITDA ⁴ MXN\$mm Margin (%)	\$1,862mm 14.4%	2.9x 6.5bps	\$5,348mm 20.9%
Credit Metrics	Debt ⁵ / EBITDA ⁴ x	5.4x	(2.8)x
	Net Debt ⁵ / EBITDA ⁴ x	3.8x	(1.7)x
	Interest Coverage ⁶ x	2.1x	+1.7x
	Ratings Rating Outlook	Moody's Ba2 Outlook Stable FitchRatings BB Outlook Negative Improved outlook by Fitch	Moody's Ba2 Outlook Stable FitchRatings BB Outlook Stable



Notes: ¹ Includes DtC retail stores and Shop in Shops; ²Includes 14 digital stores and Privalia; ³Represents 2Q21 LTM breakdown; ⁴Post-IFRS EBITDA; ⁵ Debt includes leases; ⁶ Defined as LTM Post-IFRS EBITDA / Gross Interest Expense.

2Q24 financial results overview and highlights

As of June 2024

Net sales 2Q24: **+3.4% vs 2Q23**



Lifestyle¹

net sales **+ 4.0%**
compared to 2Q23



Off-Price

net sales **- 5.7%**
compared to 2Q23



Athletics & Outdoors

net sales **+ 12.6%**
compared to 2Q23

Improving Gross Margin levels, **reaching 53.9% vs 51.1% in 2Q23**



EBITDA:
Ps. 1,390.4 million

6.5% YoY growth
Margin of 22.2% vs 21.6% in 2Q23



Op. Margin:
12.9% vs 12.7%

Operating Profit YoY
growth of 5.0%

Debt / EBITDA² 2.60x

Net Debt / EBITDA² 2.08x

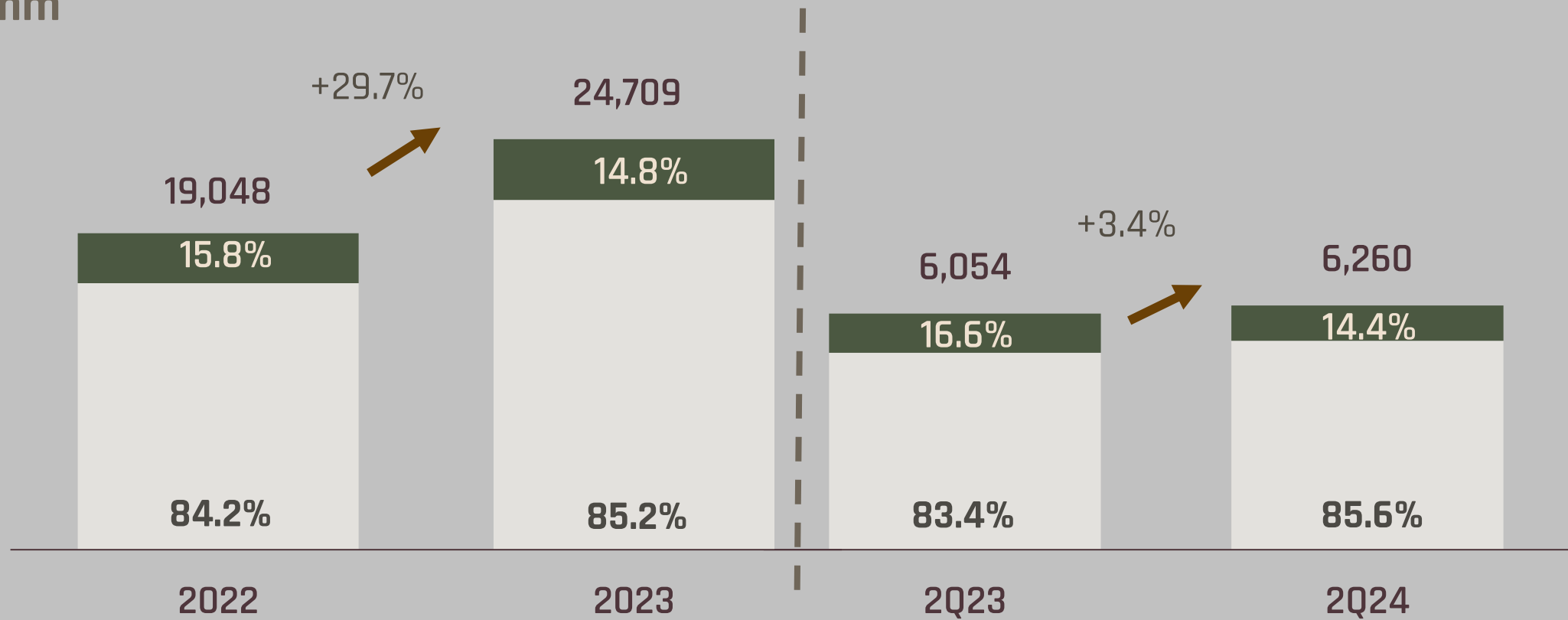


Notes: ¹ Lifestyle includes other non-reportable segments; ² LTM proforma leverage ratio, considers hedge impact

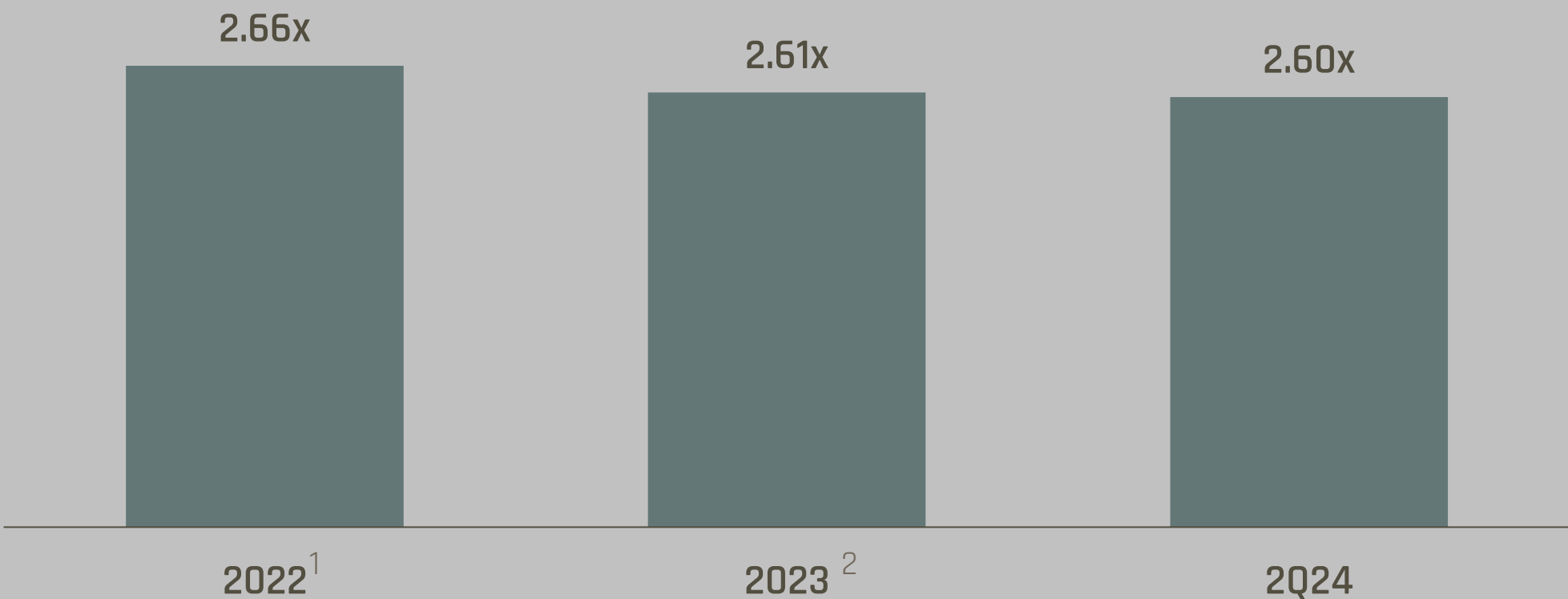
Sustained growth while maintaining financial discipline

As of June 2024

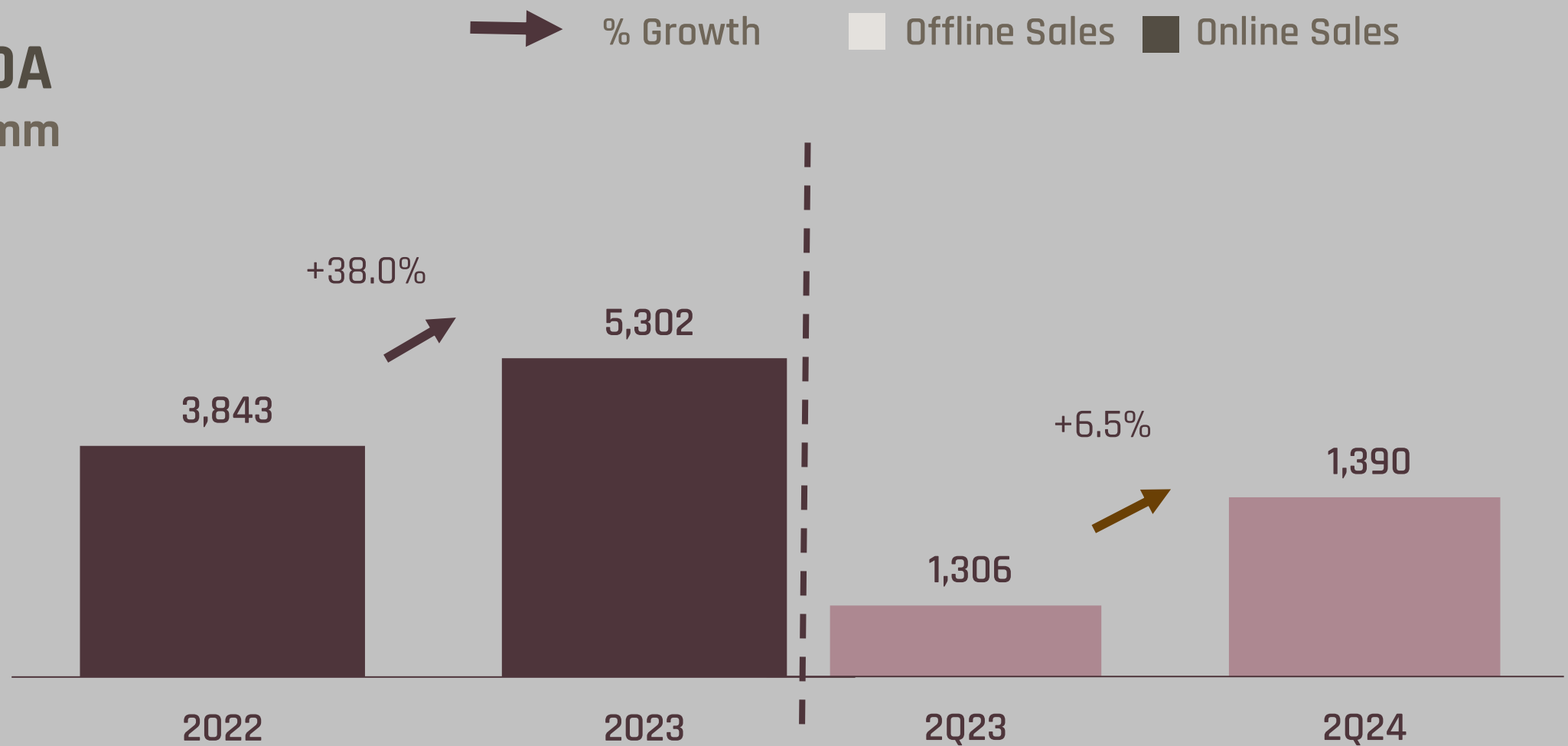
Net sales
MXN\$mm



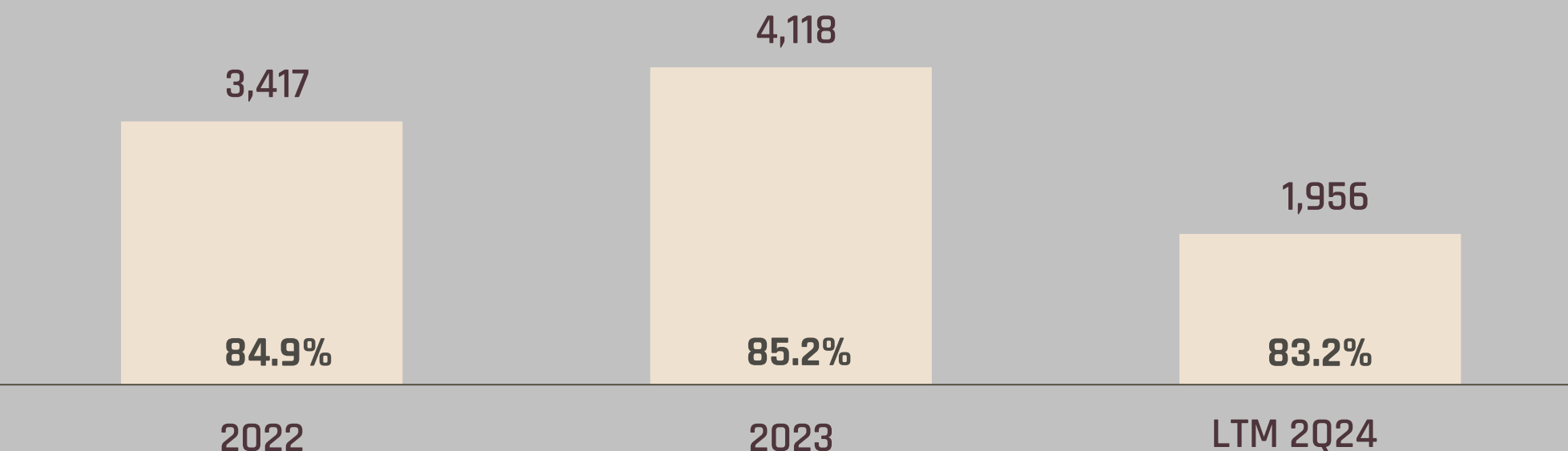
Debt / EBITDA



EBITDA
MXN\$mm



EBITDA - CapEx (ex. Acquisitions)
MXN\$mm



Notes: ¹ Ratio based on the agreement with local bond holders, excluding a non-operational and non-recurring expense of \$309 million on EBITDA; ² Proforma leverage ratio; ³ Adjusted stands for (+/-) non-recurring items. During 2022 the company had an income derived from a business acquisition recognized as profit at a bargain price; ⁴ Adjusted stands for a non-recurring item without cash flow derived from an impairment of a subsidiary's goodwill.

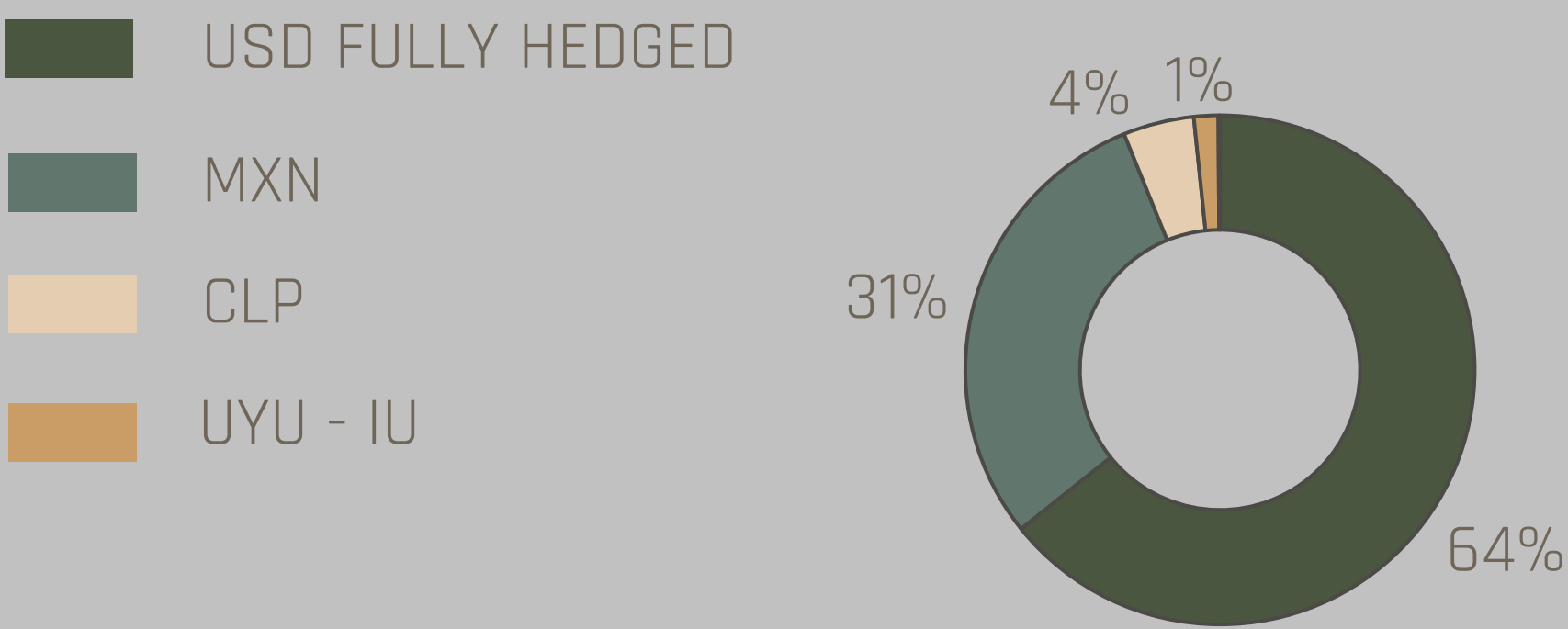
Healthy leverage and liquidity profile

As of June 2024

Debt Summary

- Total Debt: MXN\$10,498.0mm/ Net Debt: MXN\$7,724.8mm
- Average Tenor: 1.9 years and all-in Average Cost¹: 11.32%
- Interest Rate Mix: Fixed 80% / Variable 20%
- International Bond 100% Hedge to MXN
- International Ratings (Moody's / Fitch): Ba2 / BB

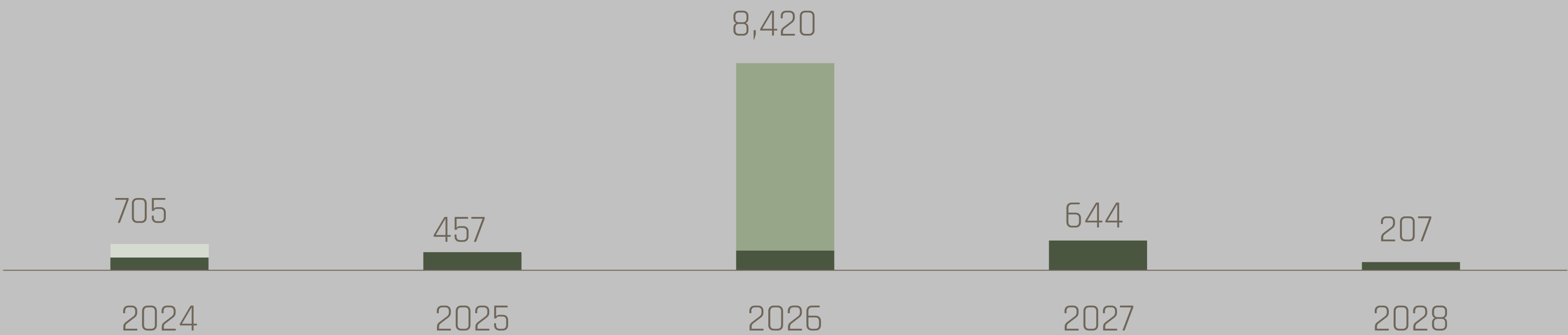
Currency Breakdown



Amortization Profile

MXN\$mm

- Bank Debt
- Public Debt
- Working Capital Debt



Notes: ¹Includes hedge cost for international bond. ²Senior notes fully hedged

Summary financial statements – income statement

As of June 2024

MXN\$mm	2021	2022	2023	Var %	2Q23	2Q24	Var %
Net Sales and Service Revenue	16,111	19,048	24,709	29.7%	6,054	6,260	3.4%
Cost of Sales	(8,658)	(9,863)	(12,213)	23.8%	(2,960)	(2,886)	(2.5%)
Gross Profit	7,453	9,185	12,496	36.0%	3,094	3,374	9.1%
<i>Gross Margin</i>	46.3%	48.2%	50.6%	235 bps	51.1%	53.9%	280 bps
Total Operating Expenses	(6,129)	(6,755)	(9,524)	41.0%	(2,322)	(2,564)	10.4%
Operating Profit	1,324	2,429	2,972	22.3%	772	810	5.0%
<i>Operating Profit Margin</i>	8.2%	12.8%	12.0%	(73) Bps	12.7%	12.9%	20 bps
Net Finance Cost	(1,133)	(1,039)	(1,125)	8.2%	(279)	(561)	101.3%
Profit Before Tax	191	1,390	1,847	32.9%	493	250	(49.4%)
Income Tax Expense	(105)	(410)	(802)	95.4%	(154)	(85)	(44.9%)
Profit for the Period	86	980	1,045	6.7%	339	165	(51.4%)
<i>Profit Margin</i>	0.5%	5.1%	4.2%	(91) bps	5.6%	2.6%	(297) bps
EBITDA Build Up							
Operating Profit	1,324	2,429	2,972	22.3%	772	810	5.0%
Depreciation and Amortization ¹	1,331	1,597	2,111	32.2%	534	580	8.7%
EBITDA	2,655	3,843²	5,083³	32.3%	1,306	1,390	6.5%
<i>EBITDA Margin</i>	16.5%	20.2%	20.6%	39 bps	21.6%	22.2%	65 bps
Non-operating and non-cash items	309	(183)	(219)	N/M	-	-	-



Notes: ¹ Includes depreciation, right-of-use-asset depreciation and amortization; ² During 2022 the company had an income derived from a business acquisition recognized as profit at a bargain price; ³ During 2023 the company had a non-recurring item without cash flow derived from an impairment of a subsidiary's goodwill

Summary financial statements – balance sheet

As of June 2024

MXN\$mm	2021	2022	2023	2Q24
Cash and Cash Equivalents	4,551	4,828	4,354	2,773
Inventories, net	2,759	3,641	5,040 ¹	5,467
Accounts and Other Receivable, net ²	1,413	1,205	2,026	2,310
Goodwill	3,704	3,704	4,823	4,823
Leasehold Improvements, Furniture and Equipment, net	1,536	1,921	2,491	2,522
Right-of-Use Assets	1,959	2,534	3,276	3,444
Other Assets ³	5,781	5,589	6,252	6,579
Total Assets	21,702	23,422	28,262	27,918
Trade Accounts Payable and Other Liabilities ⁴	2,717	3,437	4,397	3,690
Borrowings from Banks / Debt ⁵	131	-	656	957
Debt ⁴ (Excluding Current Portion)	8,224	7,853	8,734	9,045
Lease Liabilities	2,027	2,584	3,320	3,480
Other Liabilities ⁶	2,069	2,749	3,528	3,287
Total Liabilities	15,167	16,624	20,635	20,458
Total Stockholders' Equity	6,535	6,797	7,627	7,460



Notes: ¹ Includes Ps. 1,501.5 million of South America acquisition; ² Includes accounts receivables, other accounts receivables and receivables from related parties; ³ Includes prepaid expenses, financial instruments, equity-accounted investees, intangible assets (net), deferred income taxes, security deposits, deferred income taxes, derivative financial instruments LT and other long-term credits; ⁴ Includes current trade payables, current royalties and commissions payable; ⁵ Debt registered on Balance Sheet is net of amortized cost related to debt issuance and financial instruments hedge impact; ⁶ Includes provisions, income tax payable, income taxes, employee statutory profit sharing payable, related parties, advances from customers, deferred revenue, business acquisition liability, financial instruments, deferred income taxes, employee benefits, liabilities of purchase of shares and other liabilities.

Summary financial statements – cash flow

As of June 2024

MXN\$mm	2021	2022	2023	2Q23	2Q24
Profit for the Period	86	980	1,046	427	174
Other Operating Non-Cash Items ¹	3,160	3,008	4,563	1,531	2,216
Changes in Working Capital ²	(398)	(204)	(1,405)	(1,719)	(1,920)
Net Cash Provided by Operating Activities	2,848	3,784	4,203	239	470
Business Acquisition ³	-	(115)	(2,034)	(1,777)	-
Investment in Associates	(76)	-	-	-	147
Acquisition of Furniture, Equipment and Leasehold Improvements	(224)	(609)	(919)	(388)	(394)
Other ⁴	(11)	87	16	95	63
Net Cash Provided by Investing Activities	(311)	(637)	(2,937)	(2,070)	(184)
Unlevered Free Cash Flow⁵	2,537	3,146	1,266	(1,830)	286
Equity Related ⁶	542	(633)	(334)	(314)	(498)
Differed Business Acquisition Payment ³	(474)	-	-	-	-
Debt Related ⁷	(1,769)	(2,217)	(1,400)	272	(1,425)
Net Cash Provided by Financing Activities	(1,702)	(2,850)	(1,734)	(42)	(1,924)
Net Increase (decrease) in Cash and Cash Equivalents	835	297	(468)	(1,872)	(1,638)
Effect of Exchange Rate Changes		(20)	(5)	(48)	57
End of Period Cash and Cash Equivalents	4,551	4,828	4,354	2,907	2,676

Notes: ¹ Income taxes, depreciation, right-of-use asset depreciation, amortization, impairment of goodwill, loss on disposal of fixed assets, intangibles & key money, share profit of equity accounted investees, employee statutory profit sharing, interest income and expense, changes in employee benefit valuation, derivative financial instruments, unrealized exchange rate gain and loss, amortized cost of debt, other times and non-cash / non-recurring expenses, effect of exchange rate changes on cash and cash equivalents; ² Includes accounts receivable, accounts receivable from related parties, other receivables, inventories, prepayments, trade accounts payable and acquired liabilities, accruals, royalties and commissions payables, income taxes paid, derivative financial instruments, employee statutory profit sharing paid, accounts payable to related parties, differed revenue and advances from customers, Net of the Acquisition. ³ For payments related to business acquisition that were paid after a year or more, they are registered in financing activities; ⁴ Includes acquisition of intangible assets, increase in security deposits, dividends received from associates, and interest received; ⁵ Net cash provide by operating activities + net cash provided by investing activities. Does not include interest expense and IFRS 16 cashflow effect; ⁶ Includes proceeds from issue of share capital, payment of dividends; ⁷ Includes lease payments, acquisition of key money paid to a lessor, incentives received from landlords, proceeds from issue of debt, cost of issuing debt, proceeds from loans, cost of obtaining bank loans, interests paid, payments of bonds and payments of loans



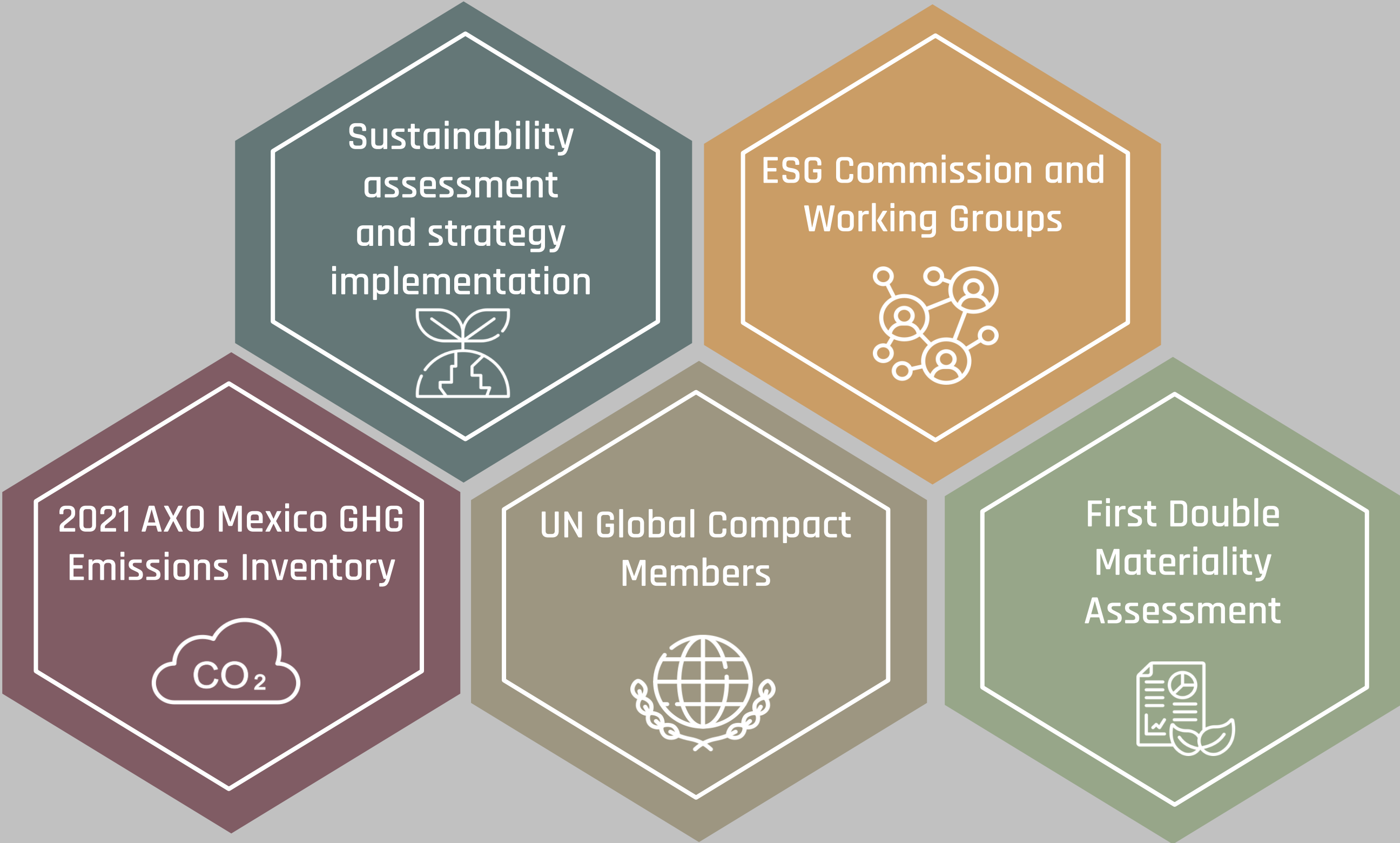


Appendix



Axo's Sustainability Strategy

Milestones



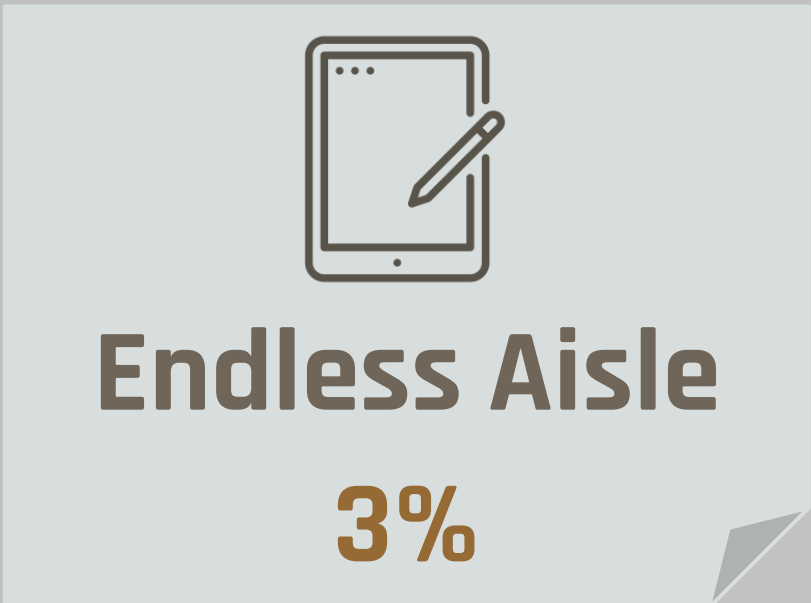
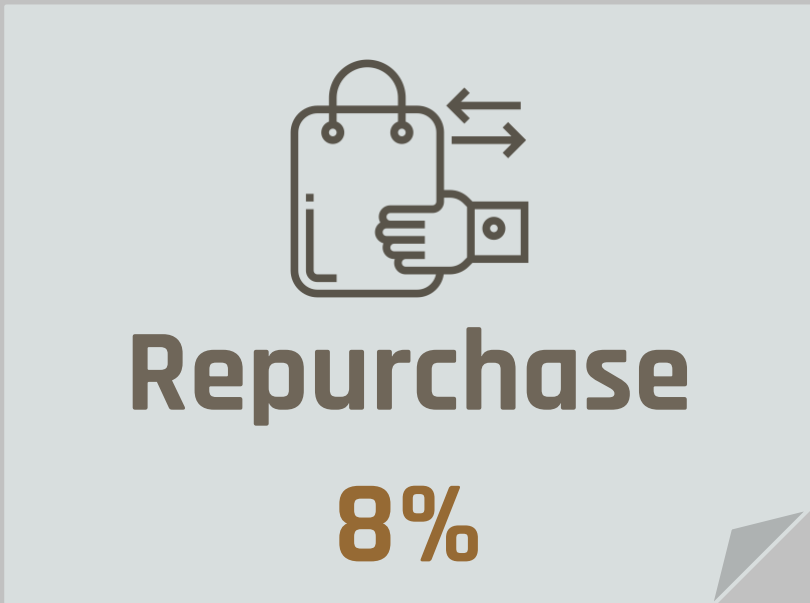
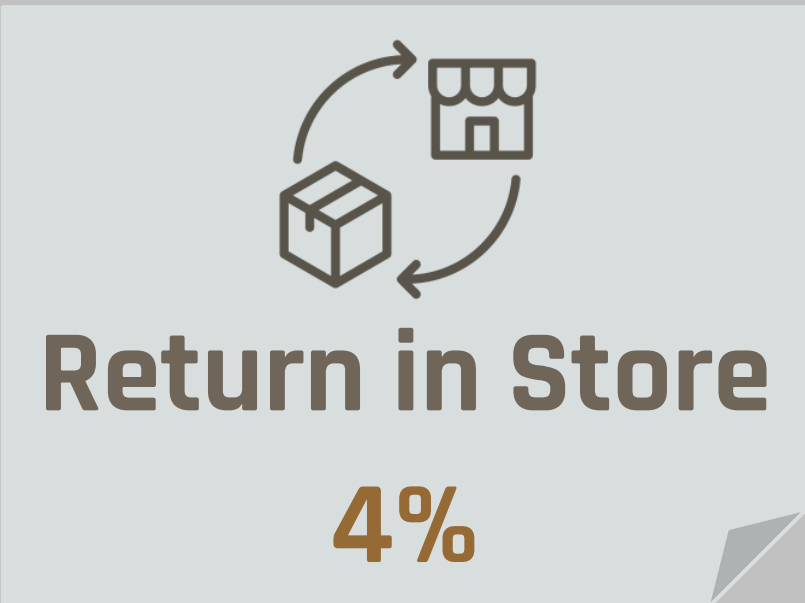
Next Steps



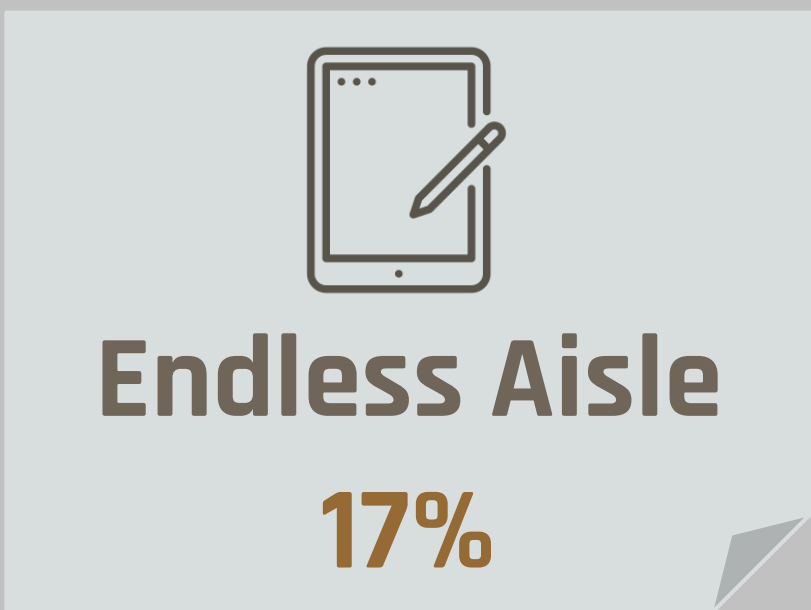
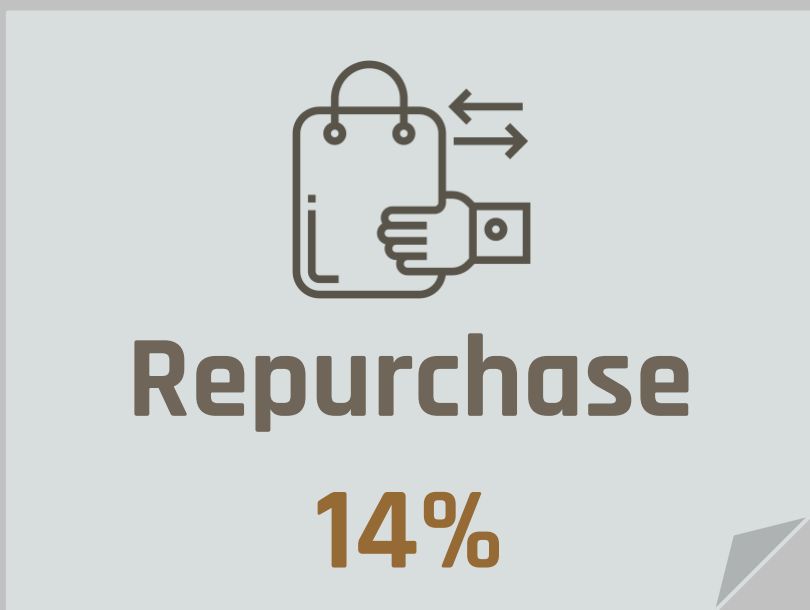
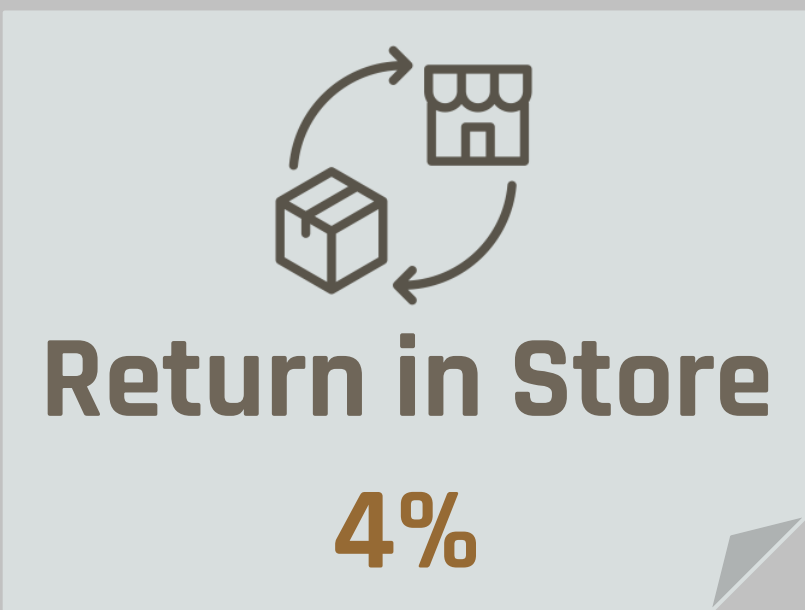
Omnichannel Customer Service KPIs

As of June 2024

Lifestyle KPIs

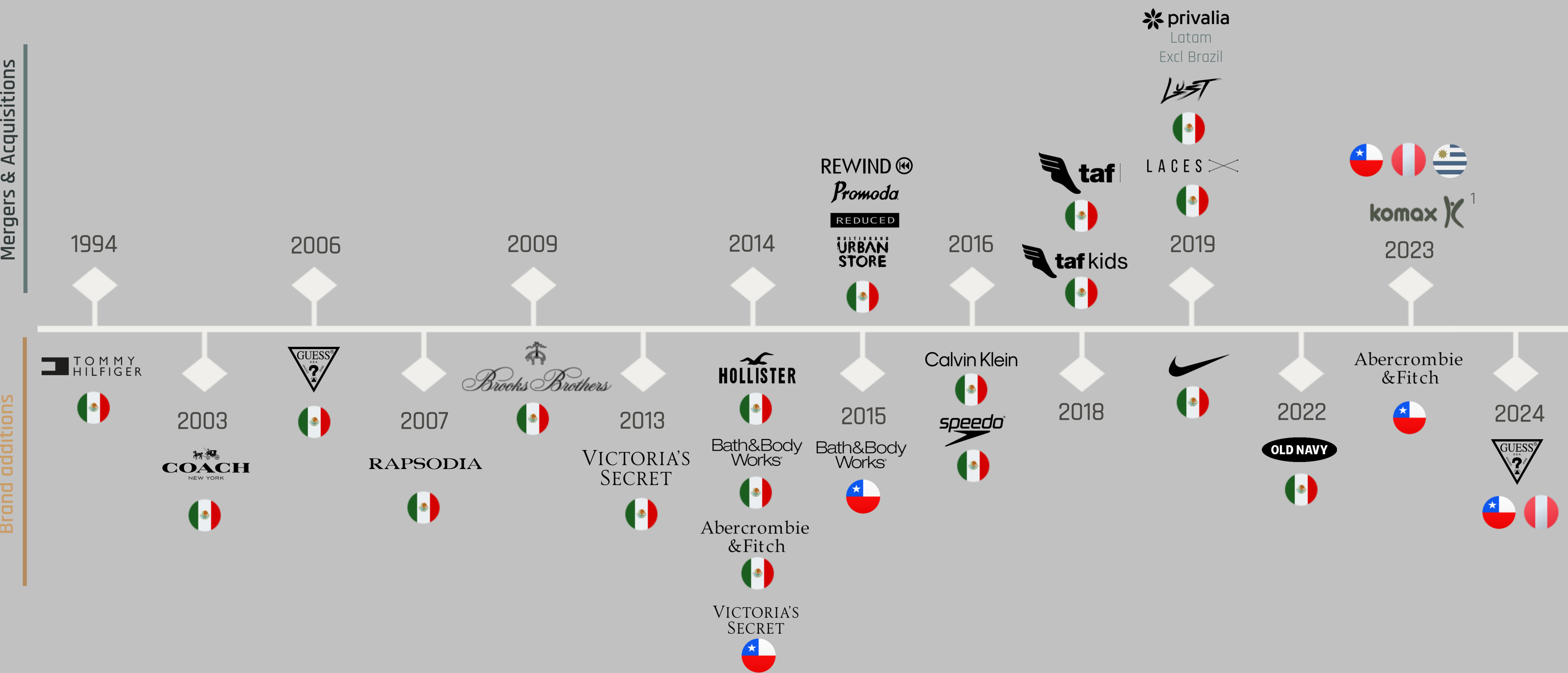


Athletics KPIs



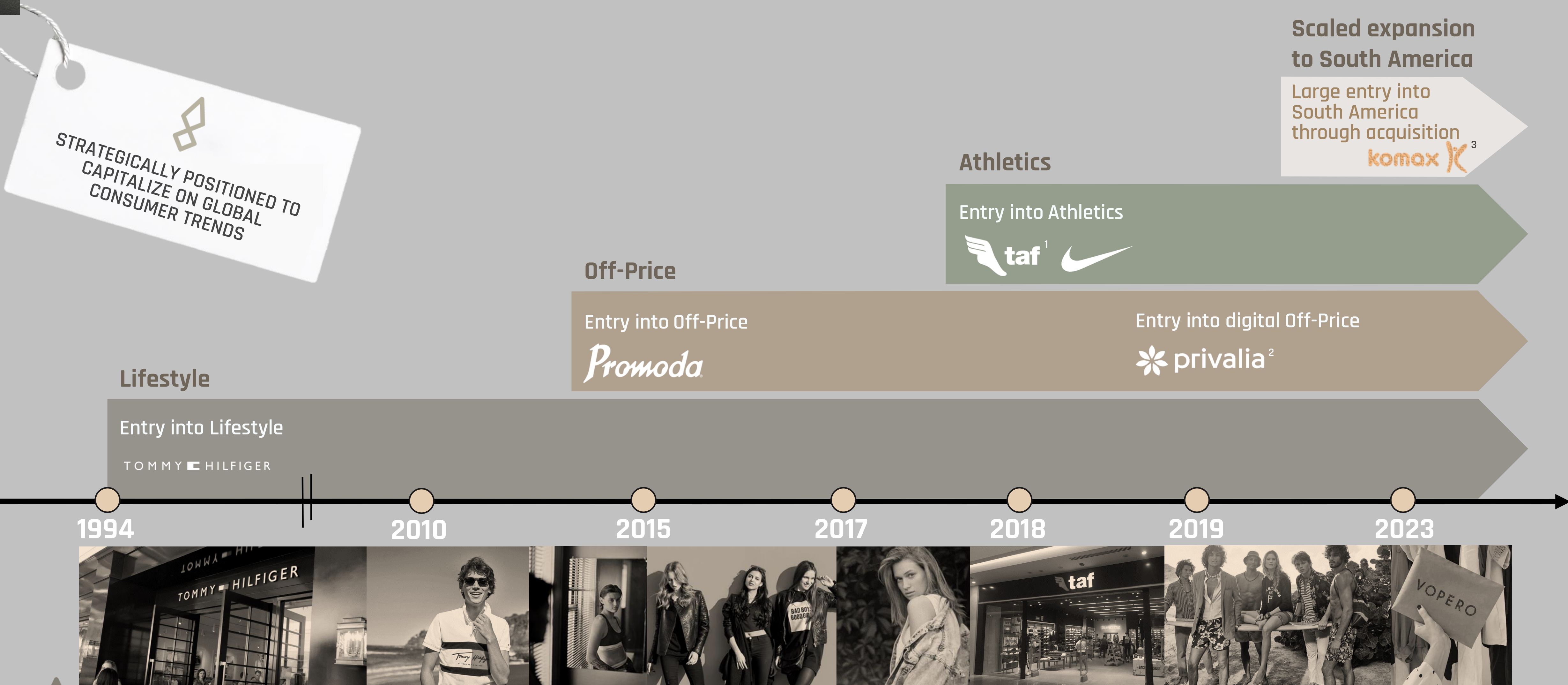
Notes: S&P: Shop & Pickup: buy online & pick up in-store; RIS: Return in Store: buy online and return in-store; Repurchase: Pick up in-store and make a purchase at the store; Endless Aisle: the offer to our customers a range of products that are not available in physical store

Diversified portfolio through successful M&A and brand additions



Notes: ¹ Brands that are part of the acquisition: The North Face, Brooks Brothers, Kipling, Banana Republic, GAP, Old Navy, DC, Mammot, UGG, Surprise I. Marcas en Chile: Andesgear, Marmot, Kivul, Kliper.cl, SiSi, among others.

Axo's journey to become a unique fashion ecosystem



Source: Company public information
Note: ¹ TAF was acquired in December 2018 and results were consolidated since the year ended 2019; ² Privalia was acquired in December 2019 and results were consolidated since the year ended 2020; ³ Komax acquisition closed on March 22, 2023.