

Alphabet de Saltillo, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Financial Statements

As of December 31, 2025 and 2024,
and Independent Auditor's Report.

Alphabet de Saltillo, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Financial Statements

As of December 31, 2025 and 2024

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Independent auditor's report

**To the Stockholders of
Alphabet de Saltillo, S. A. de C. V.**

Opinion

We have audited the financial statements of Alphabet de Saltillo, S. A. de C. V. (the Company), which comprise the statement of financial position as of December 31, 2025, and the statement of comprehensive income, changes in stockholders' equity and of cash flows for the year then ended, and its notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alphabet de Saltillo, S. A. de C. V., as of December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Mexican Financial Reporting Standards (MFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in México in accordance with the Mexican Institute of Public Accounts' A. C.'s Code of Professional Ethics (MIPA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA and MIPA Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information – Sustainability Information

Management is responsible for the other information, which includes the sustainability information presented in Note 16 to the financial statements.

Our opinion on the financial statements does not cover the sustainability information, and we do not express any form of conclusion that provides a degree of assurance regarding it.

In connection with our audit of the financial statements, our responsibility is to read the other information (Sustainability Information) and, in doing so, consider whether there is a material inconsistency between the sustainability information and the financial statements or the knowledge obtained by us in the audit, or whether a material misstatement in the sustainability information appears to exist for any other reason. If, based on the work we have performed, we conclude that there is a material misstatement in this other information (Sustainability Information) we are required to report it. We have nothing to report in this regard.

Responsibilities of management for the financial statements

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

In preparing the 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 but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management, 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.

Baker Tilly México
Independent member firm of
Baker Tilly International

A handwritten signature in blue ink, appearing to read "Gabriel Barranco Hernández", is written over the text of the signature block.

CPA Gabriel Barranco Hernández
Audit Partner

Aguascalientes, Ags. México
May 6, 2026

Alphabet de Saltillo, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Statements of financial position
As of December 31, 2025 and 2024
(Stated in Mexican pesos)

	Notes	2025	2024
Assets			
Current assets:			
Cash and cash equivalents	Note 5	Ps. 12,150,180	Ps. 21,683,727
MSSL Wiring System, Inc. related party	Note 7	190,499,928	144,336,195
Value added tax		5,115,850	17,222,116
Other financial assets		2,131,354	4,487,507
Total current assets		209,897,312	187,729,545
Non current assets:			
Right of use assets	Note 8	49,607,476	59,638,085
Total assets		Ps. 259,504,788	Ps. 247,367,630
Liabilities and stockholders' equity			
Short term liabilities:			
Accounts payable		Ps. 2,077,811	Ps. 5,214,088
Alphabet de México de Monclova, S. A. de C. V.	Note 7	-	8,913,800
Deferred income tax	Note 12	1,725,992	-
Leases obligations	Note 8	17,527,813	21,557,681
Income tax	Note 12	3,811,217	3,004,231
Employees' statutory profit sharing	Note 11	4,766,050	5,750,536
Direct benefits to employees		16,658,655	24,555,029
Accruals and other provisions	Note 10	29,530,013	30,220,550
Total short term liabilities		76,097,551	99,215,915
Long-term liabilities:			
Employees' benefits	Note 9	5,471,879	4,550,697
Lease obligations	Note 8	37,209,558	58,839,833
Total liabilities		118,778,988	162,606,445
Stockholders' equity:			
Capital	Note 13	50,000	50,000
Retained earnings		140,675,800	84,711,185
Total stockholders' equity		140,725,800	84,761,185
Commitments and contingencies	Note 15		
Total liabilities and equity		Ps. 259,504,788	Ps. 247,367,630

The accompanying notes are an integral part to these financial statements which were authorized for their issuance on May 6, 2026 by the officer that sign these financial statements and their notes.


Angel Alviso
Controller

Alphabet de Saltillo, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Statements of comprehensive income
For the years ended December 31, 2025 and 2024
(Stated in Mexican pesos)

	Notes	2025	2024
Maquila services	Note 7	Ps. 593,246,090	Ps. 805,749,945
Other incomes		2,362,678	1,482,513
		<u>595,608,768</u>	<u>807,232,458</u>
Maquila cost and expense	Note 14	539,311,001	756,835,795
Operating profit		<u>56,297,767</u>	<u>50,396,663</u>
Comprehensive financial result:			
Interest paid - net		584,638	4,878,337
Foreign exchange gain - net		(15,239,174)	(2,622,597)
		<u>(14,654,536)</u>	<u>2,255,740</u>
Profit before income tax		<u>70,952,303</u>	<u>48,140,923</u>
Income tax	Note 12	11,681,878	15,527,440
Comprehensive profit for the year		<u>Ps. 59,270,425</u>	<u>Ps. 32,613,483</u>

The accompanying notes are an integral part to these financial statements which were authorized for their issuance on May 6, 2026 by the officer that sign these financial statements and their notes.


Angel Alvizo
Controller

Alphabet de Saltillo, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Statements of changes in stockholders' equity
For the years ended December 31, 2025 and 2024
(Stated in Mexican pesos)

	Capital	Retained earnings	Total
Balance at January 1, 2024	Ps. 50,000	Ps. 52,097,702	Ps. 52,147,702
Comprehensive profit for the year	-	32,613,483	32,613,483
Balance at December 31, 2024	50,000	84,711,185	84,761,185
Other capital movements	-	(3,305,810)	(3,305,810)
Comprehensive profit for the year		59,270,425	59,270,425
Balance at December 31, 2025	Ps. 50,000	Ps. 40,675,800	Ps. 140,725,800

The accompanying notes are an integral part to these financial statements which were authorized for their issuance on May 6, 2026 by the officer that sign these financial statements and their notes.


 Angel Alviso
 Controller

Alphabet de Saltillo, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Statements of cash flows
For the years ended December 31, 2025 and 2024
(Stated in Mexican pesos)

	2025		2024	
Operating activities				
Profit before income tax	Ps.	70,952,303	Ps.	48,140,923
Item related to investing activities:				
Other capital movements		(3,305,810)		-
Depreciation right of use assets		16,624,068		16,081,050
Employee benefits		921,182		164,564
Leases exchange rate		(15,991,196)		(1,513,816)
Interest paid		587,325		4,882,253
Interest gain		(2,687)		(3,916)
Changes in operating assets and liabilities:				
Related parties		(55,077,533)		(16,783,260)
Tax receivables and other assets		14,462,419		(3,339,007)
Accounts payable		(3,136,277)		3,633,175
Employees' statutory profit sharing		(984,486)		149,289
Taxes payable		(10,874,892)		(9,232,402)
Deferred income tax		1,725,992		-
Accruals and other provisions		(690,537)		(1,301,476)
Direct benefits to employees		(7,896,374)		(1,865,799)
Net cash flow from operating activities		7,313,497		39,011,578
Investment activities:				
Lease remediation		3,319,060		(1,261,326)
Interest gain		2,687		3,916
Net cash flows from investment activities		3,321,747		(1,257,410)
Net cash flow from financing activities by lease payments		(20,168,791)		(19,436,927)
(Decrease) increase in cash and cash equivalents		(9,533,547)		18,317,241
Cash and cash equivalents at beginning of year		21,683,727		3,366,486
Cash and cash equivalents at end of year	Ps.	12,150,180	Ps.	21,683,727

The accompanying notes are an integral part to these financial statements which were authorized for their issuance on May 6, 2026 by the officer that sign these financial statements and their notes.


Angel Arviso
Controller

Alphabet de Saltillo, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Notes to the financial statement
For the years ended December 31, 2025 and 2024
(Stated in Mexican pesos)

1. Information of the Company and nature of its operations

Alphabet de Saltillo, S.A. de C.V. (the "Company") started July 1, 2014 a subsidiary of MSSL (GB) Limited, (MSSL) it was founded in March 17, 2011, in accordance with Mexican law under the protection of the maquila program established by the Mexican Government. Its main activity is the design and manufacture of components, modules and electricity distribution systems and signals under a maquila agreement with MSSL Wiring System, Inc. (a related party).

For practical purposes, the Company has determined that its regular operating cycle comprises from January 1 to December 31 of each year.

The Company operates under a temporary importation permit issued by the Ministry of the Economy known as Industria Manufacturera Maquiladora y de Servicios de Exportación (IMMEX by its acronym in Spanish), in accordance with the rules issued by that agency. That permit establishes certain obligations for maquiladoras (contract manufacturers), and initially allows for tax-free importation of materials and other items used in the manufacturing and assembly process in México. Once that process has been concluded, those goods are exported as finished products within the deadlines established for the permit. Furthermore, this program allows for temporary importation, free of value added tax, of the machinery and equipment used in the maquila operation, which must also be returned to the country of origin upon conclusion of the maquila operation, or when it ceases to be used.

As mentioned, the Company belongs to its related party engaged in the manufacture of items used in the automobile industry. The company operates in México in order to take advantage of the possibility of carrying out a certain production process under the aforementioned IMMEX permit. In the case of a maquila service provider rendering services to unrelated parties, Mexican tax provisions require maquila companies to comply with transfer pricing rules applicable to income from maquila services.

Due to the fact that these maquila services are invoiced to its related party MSSL Wiring System Inc. the Company is economically dependent on this entity.

Under the maquila agreement, MSSL Wiring System Inc. retains ownership of inventory and the Company merely processes that inventory as per the specifications and supervision of the MSSL Wiring System Inc. The related party assumes the risk and responsibility of the physical integrity of that inventory and of the quality of the production processes.

2. Basis of preparation of the financial statements

The accompanying financial statements have been prepared in accordance with Mexican Financial Reporting Standards (MFRS) as issued by the Mexican Financial Reporting Standards Board (MFRSB) they have been prepared under the assumption that the Company operates on a going concern basis.

Use of estimates

In preparing the financial statements, MFRS require the use of estimates and assumptions that are critical to measure some of their line items as well as disclosing some contingent assets and liabilities, if any. Actual amounts sometimes can differ from when such estimates and assumptions were originally determined.

MFRS also require Management to exercise judgement in applying the Company's accounting policies. Areas that imply major judgements and uncertainty or, where assumptions and estimates are significant to the financial statements, are described further below.

Reporting currency

The accompanying financial statements have been prepared in Mexican pesos, which is the Company's functional currency.

For purposes of disclosure, "pesos" or "Ps." means Mexican pesos and "dollars" or "USD" means U.S. dollars.

Authorization of the issued financial statements

The financial statements for the year ended December 31, 2025, were authorized for the Plant Controller, Angel Alviso on May 6, 2026. These financial statements must be further approved by the Company's Board of Directors and the Stockholders. In accordance with the General Corporate Law, this body is entitled to amend the financial statements after issuance.

3. New accounting pronouncements

a) New standards and improvements adopted, beginning January 1, 2025

The Company did not adopt any new accounting pronouncements released by Mexican Council of Financial Reporting and Sustainability, A. C. (CINIF) with effective date January 1, 2025, as they are deemed not applicable.

Improvements to NIF 2025

NIF A-1 Conceptual Framework for Financial Reporting Standards

The disclosure of important accounting policies was included so that entities can make a more effective disclosure of them, in accordance with the concept of relative importance, which is necessary for users to understand the information on transactions and other events recognized or disclosed in the financial statements, considering not only the size of the transaction but also its nature.

The disclosure of accounting policies is more useful to the user when it included entity-specific information instead of only standardized information or information that duplicates or summarizes the content of the requirements of the NIF'S.

The provisions of this improvement con into force as of January 1, 2025, allowing its early application for the year 2024. Provided that the entity has chosen to apply in advance the disclosures indicated in the NIF according to the type of entity that corresponds to it. Any accounting changes arising should be recognized bases on NIF B-1 Accounting and Errors Corrections.

NIF B-2 Statements of cash flows

Derived from the needs of users of financial statements for additional information on supplier financing agreements, also known as reverse factoring, because they have difficulties in:

- a) Analyzing the total amount and conditions of an entity's debt, especially when the financial liabilities that form part of the agreements are classified as trade accounts and other accounts payable.
- b) Identifying the operating and financing cash flows that arise from the agreement, influencing the understanding of how the agreement affects an entity's cash flows and the associated financial ratios.
- c) Understand the effect that agreements have on an entity's exposure to liquidity risk, and.
- d) Compare the financial statement of an entity that uses this type of agreements with those of an entity that does not use them.

It is proposed to add general disclosure standards to provide information on supplier financing agreements that allow users of financial statements to understand this type of agreements and their effects on them.

The provisions of this improvement came into force as of January 1, 2025, allowing its early application for the year 2024, provided that the entity has chosen to apply in advance the disclosures indicated in the specific NIFs according to the type of entity that corresponds to it. The accounting changes that arise, if applicable, must be recognized based in NIF B-1 "Accounting changes and error corrections."

NIF B-3 Statements of Comprehensive Income, NIF B-16 Financial Statements of Non-Profit Entities, NIF C-3, Accounts Receivable.

In order to maintain consistency with the requirements of NIF D-1 "Income from Contracts with Customers, the requirements are introduced to present in the financial statements the income or sales of the period decreased by bonuses, discounts and returns of the period; that is, on a net basis; however, a disclosure of mentioned concepts in notes is permitted separately.

The above modifications impact the presentation requirements of NIF B-3, NIF B-6 and NIF C-3 and came into effect as of January 1, 2025 allowing their early application for fiscal year 2024, provided that entity has chosen to apply in advance the disclosures indicated in the specific NIFs according to the type of entity that corresponds to it, any accounting changes that arise, if any, must be recognized based on NIF B-1 "Accounting Changes and Error Corrections".

NIF B-15 Foreign currency translation

It was concluded that NIF B-15 does not establish what an entity should do when on the date of translation of foreign currencies, it is determinate that a certain currency is not exchangeable, so it is suggested to include the applicable regulation, in convergence with the modification made to IAS 21, "Effects of Variations in Foreign Currency Exchange Rates".

This improvement allows convergence between NIF B-15 and IAS 21, this elimination this difference.

The provision of this improvement came into force as of January 1, 2025, allowing its early application for the year 2024, provided that the entity has chosen to apply in advance the disclosure indicated in the specific NIFs according to the type of entity that corresponds to it. The accounting changes that arise, if applicable, must be recognized based on NIF B-1 "Accounting changes and error corrections"

NIF C-19 Financial instruments payable

Derecognition of financial liabilities

In line with the changes made to International Financial Reporting Standard (IFRS) 9 Financial Instruments, certain requirements were added to derecognize a financial liability when payment is made in cash using an electronic payment system.

This improvement will take effect for fiscal years beginning on or after January 1, 2026; early application is permitted for fiscal year 2024 (and consequently 2025). Any resulting accounting changes must be recognized in accordance with NIF B-1, Accounting Changes and Error Corrections.

Likewise, the following are included as part of the improvements to NIF C-19

Disclosure of contingent events

In order to better understand the nature and scope of the risks arising from financial instruments with contingent clauses, for example ESG or thematic bonds, which are linked to the fulfillment of an environmental, social or governance objective, it was suggested that an entity disclose information that allows users of the financial statements to know the uncertainty of future cash flows, as an investor and/ or issuer of this type of instruments. The proposed disclosure requirements will be applicable only to EIP.

This improvement will take effect for fiscal years beginning on or after January 1, 2026; early application is permitted for fiscal year 2024 (and consequently 2025). Any resulting accounting changes must be recognized in accordance with NIF B-1, Accounting Changes and Error Corrections.

NIF C-20 Financial instruments to collect principal and interest

The clarification of the treatment of an IFCPI was included when it has contractual clauses that could change the amount of the contractual cash flows depending on whether a contingent event occurs that is not directly related to changes on the risk and cost of cash flows as established by NIF C-20 "Financial Instruments to Collect principal and interest"

This improvement will take effect for fiscal years beginning on or after January 1, 2026; early application is permitted for fiscal year 2024 (and consequently 2025). Any resulting accounting changes must be recognized in accordance with NIF B-1, Accounting Changes and Error Corrections.

NIF D-1 Revenue from Contracts with customers

A modification was included to IFRS 17 Insurance Contracts, in which for the accounting recognition of contracts whose main purpose is the provision of services at a fixed payment and whose economic substance is similar to that of an insurance contract, and entity may choose to apply IFRS 15 revenue from ordinary Activities from contracts with Customer, instead of IFRS 17 if, and only if, the specific conditions are met.

For its part, the CINIF considers that an entity that applies NIF, when issuing contracts that in economic substance are similar to an insurance contract, that is, a contract in which one of the parties (issuer of the contract) accepts a significant insurance risk from the other party (contract holder), aggregating to compensate the holder if an uncertain future event occurs (the insured event) that adversely affects the policyholder, must apply NIF D-1 Revenue from contracts with clients, for its accounting recognition, eliminating in these case the option of applying NIF 17 as a supplementary measure. For this reason, a modification to the scope of NIF D-1 is suggested, as long as the condition specific in the regulation themselves are met.

This improvement will take effect for fiscal years beginning on or after January 1, 2026; early application is permitted for fiscal year 2024 (and consequently 2025). Any resulting accounting changes must be recognized in accordance with NIF B-1, Accounting Changes and Error Corrections.

b) Amendments and improvements issued that are not yet in force

CINIF issued a new MFRS, and the document called "improvements to MFRS 2026, which contains specific modification to some existing MFRS. It is considered that these MFRS and improvements to the MFRS will not have a significant impact on the company's financial information. The main improvements that generate accounting changes are the following.

New and changes to existing NIF:

NIF A-2 Uncertainty about going concern

This NIF establishes that if during the development of an entity's activities events and conditions arise that generate uncertainties about its continuity, the entity must evaluate it presumption continuously and determine whether the appropriate basis for preparing its financial statements is as a going concern or not. Also considered are the valuation, presentation and disclosure standard applicable to the financial statements of an entity that:

- i) is a going concern but has significant uncertainties about its status to continue as a going concern,
- ii) continues as going concern but is in a process of legal reorganization with the purposes of maintaining its status as a going concern; or
- iii) is not a going concern.

This NIF comes into force for fiscal years beginning on or after January 1, 2026, allowing for early application

NIF B-1, Basis for the preparation of financial statements (currently NIF B-1, Accounting changes and error corrections)

NIF B-1, Accounting changes and corrections of errors, issued by the CINIF came into force on January 1, 2006 with the purpose of strengthening the comparability of the financial information presented in the financial statements. To achieve this, it incorporated accounting treatments that required the retrospective application of the effects of both the accounting changes and the correction of errors, in order to reflect the financial information as if said events had not occurred. This allowed the financial information for all periods presented to be prepared on a uniform basis, facilitating trend analysis and improving the quality of financial information.

In December 2025, a new NIF B-1, Basis for the preparation of financial statements, was promulgated, providing for its entry into force for entities whose fiscal years begin on or after January 1, 2028, with the proposal to allow its early application for January 1, 2027.

The update of NIF B-1 responds to the convenience of maintaining its alignment with IFRS, in particular with International Accounting Standard 8 (IAS 8), Basis for the Preparation of Financial Statements, and with IFRS 18, Presentation and Disclosure in Financial Statements, which will come into force as of January 1, 2027.

The current NIF B-1 focuses solely on the treatment of accounting changes and error corrections. As part of its modifications, its scope is expanded and its objective is redefined. Consequently, the standard becomes the particular NIF that establishes the fundamental requirements for the preparation and presentation of financial statements, adopting the new name: "Basis for the preparation of financial statements."

The expansion of its scope incorporates the establishment of general standards applicable to the presentation of the financial statements, their content, their identification, their structure, compensation standards, periodicity and comparative information, as well as the basis for the preparation of the financial statements, including the fair presentation and the going concern hypothesis and disclosures in notes. Incorporated into this particular standard are some standards included in the Conceptual Framework that must be taken into account in the preparation of the financial statements.

In the case of corrections of errors, it is emphasized that the financial statements do not comply with NIF if they contain intentional errors, regardless of their relative importance.

NIF B-3, Statement of comprehensive income

Considering the international changes in the presentation and disclosures of the statement of comprehensive income, specifically, those derived from the issuance of IFRS 18, Presentation of Disclosed Information in Financial Statements, by the International Accounting Standards Board (IASB) in April 2024 and in force as of the years beginning on January 1, 2027, the CINIF decided to develop a new NIF B-3 to align it with IFRS 18 in everything applicable to entities that operate in the Mexican environment.

In December 2025, the CINIF promulgated a new NIF B-3, Statement of Comprehensive Income, providing for its entry into force for entities whose fiscal years begin on or after January 1, 2028, with the proposal to allow its early application for January 1, 2027.

(i) Basis for the preparation of the statement of comprehensive income

It is established that, when preparing the statement of comprehensive income, in addition to applying this NIF, an entity must comply with the provisions of NIF B-1, Basis for the preparation of financial statements.

(ii) Change in structure of the statement of comprehensive income

A change is made to the structure of the statement of comprehensive income, because the income, costs and expenses must be presented in one of the five categories defined in this NIF B-3:

- a) operation category;
- b) investment category;
- c) financing category;
- d) category of income taxes; and
- e) category of discontinued operations.

The new proposed structure highlights the incorporation of investment and financing categories, as well as the elimination of the current item called "Comprehensive Financing Result", which is no longer required because the items that compose it must be presented in the category of the item that gave rise to them; Consequently, some classification rules in each category change.

4. Significant accounting policies

a) Foreign currency transactions and operations

Foreign currency transactions are recorded using the exchange rate at the transaction date. Exchange differences resulting from the settlement of such transactions and/or from remeasurement of foreign currency denominated balances using the exchange rate at the reporting date, are recognized in profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies are measured at the exchange rate of the transaction date (historical cost).

b) Recognition of inflation in the financial information

In accordance with MFRS B-10, effective January 1, 2008, the effects of inflation in the financial information ceased to be recognized.

Inflation for the years 2025 and 2024, determined through the National Consumer Price Index (NCPI) was 3.69% and 4.21%; respectively. Accumulated inflation for the last three years to year end 2025 and 2024 is 13.10% and 17.60% respectively; levels which, pursuant to MFRS, correspond to a non-inflationary environment for the reporting years and the next one.

The financial statements as of December 31, 2025 and 2024 are prepared under historical cost basis. Pursuant to MFRS B10, the Company does not recognize the effects of inflation in the financial information as it operates in a non-inflationary economic environment since its incorporation and commencement of its operations.

c) Presentation of the statement of comprehensive income

Costs and expenses, shown in the accompanying statements of profit or loss, are presented based on their function as such classification allows for appropriately assessing gross profit and operating margins.

d) Statements of cash flows

Statements of cash flows have been prepared under the indirect method, presenting cash flows from operating activities beginning by pre-tax net income, and reconciled with non-cash flows items arising from investing and financing activities; then followed by working capital changes, cash flows from investing activities and those from financing activities.

e) Income from contracts with related parties

The Company's revenue is comprised by the revenue of services provided in the manufacturing and assembling of wire harnesses for the automotive industry under the "maquila" treatment to MSSL Wiring System Inc., a related party based in the United States of America

To recognize income, the Company follows the five-step model:

- Identifying the contract with the related party
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to each performance obligation, and
- Recognizing income when each performance obligation is satisfied.

Revenue is recognized at the transaction price, being the expected right of consideration in exchange to transfer the promised good to the customer adjusted by any variable payment or any rebate promised to the customer.

Service income

Maquila services are generally contracted for a profit margin over the general expenses consideration and revenue is recognized based on the portion of the service already provided as the customer takes control of the service as it is being provided. Billings for the services are based on a payment schedule; and accordingly, any excess of billed amounts over the effective service provided is adjusted to revenue and a contract liability is recognized. Likewise, any effective portion of the service rendered not yet billed accounts for a revenue and a contract asset recognition (unbilled income).

f) Cash and cash equivalents

Cash and cash equivalents are primarily represented by petty cash and bank, cash is presented at nominal value; changes in value of this caption are recognized in the comprehensive financial result (CFR). (See Note 5).

g) Trade accounts receivables with related party

Trade receivables are initially recognized at the transaction price and subsequently measured at the unconditional consideration amounts, less any expected loss.

To recognize any impairment, the Company uses a simplified matrix approach to determine expected credit losses (ECL) for the lifetime of the receivable. To measure ECL, accounts receivable is grouped based on common credit risk characteristics and/or different patterns of non-performance losses. Estimated rates (percentages) are applied based on default periods and are increased as default periods become longer. (See Note 7).

As of December 31, 2025, there are no accounts receivable that have a probability of default.

h) Prepaid expenses

Prepaid expenses mainly comprise insurance and other upfront payments to service suppliers for which the benefit or inherent risk for the goods or services acquired are not yet transferred to the Company. They are recognized at the amounts paid; when receiving the good or service they are transferred to an asset or expense based on which the payment was intended.

Other assets are comprised by warranty deposits.

i) Leases

The Company accounts for a right-to-use asset arising from lease agreements entered into as a lessee. Its cost comprises the initial measurement of the lease liability, any initial direct costs incurred, an estimate of any cost of dismantling the asset at the end of the lease contract, and any lease payments made prior to the lease official commencement date (net of any incentives received).

Right-of-use assets are depreciated on a straight-line basis from the inception date to the end of the useful life of the right-of-use asset or the end of the lease term, whichever is shorter. In the case of leasing assets whose value is not significant or contracts of less than one year, the rents are directly affected in the results of the year upon accrual.

The liability is measured at the present value of the future payments at the beginning of the lease, discounted at an interest rate implied in the lease, if that rate is easily determinable, the Company's incremental financing rate or a free risk rate. After the initial measurement, the liability will be reduced by the payments made and increased by the interest. The liability is re-measured to reflect any re-evaluation or modification, or if there is a change in payments that are essentially fixed. The measurement adjustment affects the right-of-use asset or affects income if the asset has already been reduced to zero. (See Note 8).

j) Financial liabilities

The Company's financial liabilities include bank loans, lease obligations, suppliers, and other accounts payable.

Financial liabilities are initially measured at fair value and, when applicable, adjusted for transaction costs, unless the Company has designated the financial liability in its initial recognition at fair value through profit or loss (FVTPL).

k) Provisions and contingent liabilities

Provisions are recognized when (i) there is a present obligation (legal or assumed) because of a past event, (ii) there is a likely need of outflow of economic resources, and (iii) amounts can be estimated reliably. (See Note 10).

Contingent liabilities are only recognized when the outflow of economic resources for their settlement is probable and there are reasonable bases for its quantification. Likewise, commitments are recognized only when a loss is known.

l) Employees' benefits

Direct benefits

Obligations for short-term employee direct benefits such as salaries, profit sharing, year-end bonus, paid vacation, illness leave are recognized as expenses in the year the employees are entitled for the benefits.

Seniority premium and indemnifications

The Federal Labor Law in México sets forth payment of seniority premium to personnel being employed for 15 or more years, as well as indemnifications for voluntary or involuntary termination, that are mandatory at the time the labor relationship ceases for termination or retirement. These benefits are determined based on actuarial appraisals considering personnel years of service to cover defined benefit obligations (DBO) in a long-term liability. (See Note 9).

Adjustments to DBO arising from actuarial gains or losses are recognized in OCI and then reclassified to profit or loss based on the remaining average labor life. Costs of unaccrued past services, less fair value of plan assets (if any) are recognized in profit or loss.

As of December 31, 2025, the Company recognized the employee benefits effect, as required by International Financial Reporting Standards (IAS 19), however such obligations must be recognized in accordance with Mexican Financial Reporting Standards (MFRS). Had the liability been recognized, it would have resulted in a credit to the income statement of Ps.123,896, and a debit to retained earnings from prior years of Ps.4,150,126. and a debit to employee benefits of Ps.2,684,153, with an increase in the labor obligation liability by Ps.6,710,383.

m) Employees' statutory profit sharing (ESPS)

Current ESPS is recognized in profit or loss for the year in which is deemed payable and is allocated in its belonging expense item within the statement of comprehensive income.

ESPS is initially calculated based on taxable income as provided in Section II of Article 10 of the Income Tax Law (tax mechanism). As a result of the Reform to Federal Labor Law (FLL) released on April 23, 2021, the mechanism to determine ESPS payable considers a maximum amount; this is compared to ESPS calculated under the tax mechanism to determine current ESPS of the year.

Deferred ESPS is determined from temporary differences arising from comparing book against tax values of assets and liabilities using the enacted rate at year end. Deferred ESPS asset is recognized only if it is probable that will be recoverable in the future.

Current ESPS is determined based on taxable income as provided in Section II of Article 10 of the Income Tax Law. (See Note 11).

As of December 31, 2025 and 2024, the Company did not recognize deferred employees profit sharing as established in MFRS D-3 "Employee benefits".

n) Comprehensive income

Total comprehensive income represents the equity gained during the year, comprised by the net income and other comprehensive items. The Company's other comprehensive items are the result of accumulated translation effects, defined benefit plan adjustments, fair value reassessments, and the effect of deferred taxes being applied directly to equity.

o) Income taxes

Income tax expense is comprised by the current and deferred income tax of the year. Current income tax of the year is presented as a short-term liability, net of any prepayment made during the same year.

Deferred income tax is determined based on temporary differences arising from comparing book against tax values of assets and liabilities using the expected tax rate will be in force in the year the asset would be realized, or the liability would be settled. (See Note 12).

A deferred tax asset is recognized for temporary deductible differences, including the benefit of tax loss carryforwards and other tax credits, only if it is probable that future taxable income will be available to utilize those temporary differences or losses. The carrying amount of the asset is reviewed at the reporting date and is reduced to the extent it is unlikely to have sufficient tax benefits available to which the asset can be realized. Accordingly, any deferred tax asset allowance previously created is reversed otherwise.

Deferred income tax of applicable items recognized aside of profit or loss are associated to the underlying transaction, and therefore, recognized in OCI.

As of December 31, 2025 and 2024 the Company did not recognized the totality the effects of deferred taxes on the movement of temporary items under the provisions of MFRS D-4 "Income tax".

Uncertain tax treatments

The Company assesses every year the uncertainty over tax treatments in connection with income tax, considering any new positions taken by the tax authority and/or tax amendments during the year that can affect those tax treatments adopted by the Company in prior years.

For those uncertain treatments where Management may conclude are not probable that the tax authority will accept them, Management uses the "most likely amount" method to estimate income tax determinations.

5. Cash and cash equivalents

As of December 31, 2025 and 2024, cash and cash equivalents are comprised as follows:

	As of December 31,	
	2025	2024
Petty cash	Ps. 10,062	Ps. 10,062
Bank deposits	12,140,118	21,673,665
	<u>Ps. 12,150,180</u>	<u>Ps. 21,683,727</u>

6. Inventory for maquila process

At December 31, 2025 and 2024, the Company held inventory of raw materials, imported on a temporary basis for maquila process of USD.16,116,629 and USD.20,783,191, respectively; which must be returned or exported to another country once such inventory has been transformed, in accordance with the fast track export program.

7. Related parties

The account receivable by Ps.190,499,928 and Ps.144,336,195 as of December 31, 2025 and 2024; respectively, with MSSL Wiring System, Inc. Represents the open balance regarding the maquila contract services in Mexican pesos.

The account payable by Ps.8,913,800 as of December 31, 2024, with Alphabet de México de Monclova, S. A. de C. V., this account payable is a expense refund. Represents the open balance in Mexican pesos.

Transactions with MSSL (GB) Limited, carried out in the ordinary course of business were as follows:

	Year ended December 31,	
	2025	2024
Revenue for maquila service	<u>Ps. 593,246,090</u>	<u>Ps. 805,749,945</u>

8. Leases

The Company has lease contracts for many items of machinery, vehicles and other equipment used in its operations. Leases of property and plant generally have lease terms between 3 and 5 years, while equipment generally have lease terms between 1 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are some lease contracts that include extension and termination options and variable lease payments.

Information related to right of use assets, is shown below:

	As of December 31,	
	2025	2024
Right of use asset	Ps. 59,638,085	Ps. 67,320,554
Addition	6,593,459	8,398,581
Amortization	(16,624,068)	(16,081,050)
	<u>Ps. 49,607,476</u>	<u>Ps. 59,638,085</u>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As of December 31,	
	2025	2024
Lease obligations	Ps. 80,397,514	Ps. 89,328,749
Remediation	3,319,060	(1,261,326)
Addition	6,593,459	8,398,581
Interest	587,325	4,882,253
Exchange fluctuation	(15,991,196)	(1,513,816)
Payments of lease liabilities	(20,168,791)	(19,436,927)
Rents pending payment	54,737,371	80,397,514
Short-term lease obligations	17,527,813	21,557,681
Long-term lease obligations	<u>Ps. 37,209,558</u>	<u>Ps. 58,839,833</u>

Amortization and interest amount into the statements of comprehensive income as of December 31, 2025 and 2024 were as follows:

	Year ended December 31,	
	2025	2024
Amortization	Ps. 16,624,068	Ps. 16,081,050
Interest expense generated	587,325	4,882,253
Exchange rate fluctuation	(15,991,196)	(1,513,816)

9. Employees' benefits

a) The value of the Defined Benefit Obligations (DBO) as of December 31, 2025 and 2024 amounted to Ps.5,471,879 and Ps.4,550,697, respectively.

b) Reconciliation of the initial and final balances of the PNBD:

	As of December 31,	
	2025	2024
OBD at the beginning of the period	Ps. 4,550,697	Ps. 4,386,133
Present service cost	1,064,729	1,257,913
Financial cost of OBD	468,321	393,784
Remediations	(611,868)	(1,487,133)
OBD at the end of the period	<u>Ps. 5,471,879</u>	<u>Ps. 4,550,697</u>

c) Main actuarial hypotheses.

The main actuarial assumptions used, expressed in absolute terms, as well as the discount rates, performance of plan assets, salary increase and changes in indices or other variables, referring to December 31, 2025 and 2024, are as follows:

<u>Demographic:</u>		
Mortality		EMSSA 2009
Disability		EISS 97 table
		2025 2024
Financial assumptions		% %
Discount rate		9.70 11.00
Minimum salary increase		5.00 5.00
Long-term inflation		4.00 4.00

10. Accruals and other provisions

Movements on provisions and accrued liabilities are as follows:

	Balance as of 31 December 2024		Increasing	Payments	Balance as of 31 December 2025			
Current:								
Local taxes	Ps.	17,773,253	Ps.	181,492,660	Ps.	180,967,046	Ps.	18,298,867
Salaries		6,268,075		244,441,768		244,839,158		5,870,685
Fees and service		4,720,632		37,468,510		39,409,841		2,779,301
Other provisions		1,458,590		12,280,734		11,158,164		2,581,160
	Ps.	30,220,550	Ps.	475,683,672	Ps.	476,374,209	Ps.	29,530,013

Include provision of vacation and vacation premium:

	Balance as of 31 December 2024		Increasing	Payments	Balance as of 31 December 2025			
Vacations	Ps.	15,094,864	Ps.	39,863,470	Ps.	38,964,150	Ps.	15,094,864

11. Employees' statutory profit sharing (ESPS)

The Company is subject to the payment of the ESPS, which is calculated using the procedures established by the Law of income tax (LIT). On January 1, 2014, the new LIT entered into force, which modifies the procedure to determine the taxable base for the calculation of the ESPS, which must be determined based on the provisions of Article 9 of the LIT, where the taxable base for ESPS is the reported taxable income for income tax purposes, without reducing the ESPS paid or deferred tax losses and decreasing the amount of non-deductible exempt wages, as well as historical tax depreciation that would have been determined if there had not been applied immediate deductions to property, plant and equipment in prior years to 2014.

In 2025 the Company determined a basis ESPS of Ps.47,660,500 (Ps.57,505,360 in 2024). The taxable base of ESPS differs from the accounting result mainly due to the fact that historical depreciation is recognized for accounting purposes, while for the purposes of ESPS caused, the same taxable base is recognized as for income tax, as mentioned in the previous paragraph, which generates differences in the time in which some items are accrued or deducted from accounting and for effects of ESPS caused, as well as those items that only affect the accounting result or ESPS caused by the year.

	Years ended December 31	
	2025	2024
Employees' statutory profit sharing	Ps. 4,766,050	Ps. 5,750,536

12. Income tax

- i. The tax income law establishes that the applicable income tax rate for 2025, and 2024 years is 30% of tax income.

Likewise, on December 26, 2013, a presidential decree was published in the Official Gazette of the Federation (DOF by its Spanish acronym), which grants the following benefits to the maquiladora industry:

- An additional deduction of 47% or 53%, as the case may be, on the benefits exempted from taxes paid to employees in the relevant activity of the maquila operation (since 2014, the Law limits the deduction of these payments up to 47% of them, under certain conditions the deduction can amount to 53%). The maquiladoras that apply this benefit must inform the Mexican authorities of the amount and determination thereof, for which they will have until the month of March of the corresponding year (for 2025 the due date is March 2026).
- For product sales made in México between a resident abroad and the maquiladora, valued at 16% VAT, if certain requirements are met, the acquirer will be able to credit and receive VAT from the operation in the same month as the sale.

Additionally, according to the miscellaneous fiscal resolution in force, among other rules, the following are applicable to the maquiladora industry:

The Income tax law establishes that income associated with productive activities must originate only from maquila activities. In this sense, said rule establishes that such income may also include those obtained by other maquila services provided to related parties residing abroad and other miscellaneous income, indicating that this type of income must be clearly identified in the records of the maquila their relative expenses and as long as they do not exceed 10% of the maquila income.

As of December 31, 2025, and 2024, revenues other than maquila correspond to less than 1% in both years, in relation to the total income of the Company. The Income tax law modified the definition of "Maquila Operation". Income related to productive activities should now come only from maquila activities, as indicated in the IMMEX Decree. Additionally, the law provides rules on the machinery and equipment used for the maquila activity, which are consistent with the current definition of the IMMEX Decree.

Derived from the reform that amended the Income Tax Law for 2022, which eliminated the paragraph of Article 182 that allowed the use of APAs (Advance Pricing Agreements), leaving the Safe Harbor as the sole and mandatory option for maquiladora companies (IMMEX) in México to comply with their transfer pricing obligations before the Mexican tax authority (SAT).

The "Safe Harbor" option establishes a mechanism under which maquiladora companies are required to determine taxable income equal to the higher of applying 6.9% to the value of the assets used in the maquila operation (based on certain criteria) or 6.5% to the total costs and expenses of the operation. During 2025, the Company complied with the Safe Harbor provisions.

During 2024, the Company applied the APA option under the “Fast Track” method, through which a 6.10% markup was determined. The Qualified Maquiladora Approach (QMA) determined for 2024 was considered in the determination of the revenue reflected in the statement of comprehensive income. On December 10, 2021, the Company submitted a request to the Mexican Tax Administration Service (SAT) to obtain authorization to apply, for the fiscal years ended December 31, 2021, 2022, 2023, and 2024, the provisions set forth in the penultimate paragraph of Article 182 of the Income Tax Law.

The 2024 fiscal year was the last year of application of this scheme, so the Company's Administration is in the process of complying with the obligations of articles 179 and 180 in the MITL regarding transfer pricing requirements.

- ii. In accordance with the current income tax law and the rules, in 2025 the Company determined a tax profit of Ps.41,807,963 (fiscal profit of Ps.51,758,133 in 2024). The fiscal result differs from the accounting result, mainly for those items that accumulate over time and are deducted differently for accounting and tax purposes, due to the recognition of the effects of inflation for fiscal purposes, as well as those items that only affect the accounting result or the fiscal.
- iii. The income tax provision is analyzed as follows:

	Years ended December 31,	
	2025	2024
Current income tax	Ps. 12,542,389	Ps. 15,527,440
Deferred income tax	1,725,992	-
Income tax receivable previous years (APA 2019)	(2,586,503)	-
	<u>Ps. 11,681,878</u>	<u>Ps. 15,527,440</u>

- iv. The effective rate and statutory rate reconciliation at December 31, 2025 and 2024 is as follows:

	Years ended December 31,	
	2025	2024
Profit before income tax	Ps. 70,952,303	Ps. 47,518,031
Tax rate	30%	30%
Income tax at legal rate	21,285,691	14,255,409
Plus (less) the following items		
Annual inflation adjustment	(114,604)	471,199
Non-deductible	246,479	439,005
Income tax receivable previous years (APA 2019)	(2,586,503)	-
Leases	(5,684,578)	3,768
Other items, net	(1,464,607)	(255,377)
Income tax	<u>Ps. 11,681,878</u>	<u>Ps. 15,527,440</u>
Effective tax rate	16%	31%

13. Stockholders' equity

- a) As of December 31, 2025 and 2024, the share capital is variable, with an authorized fixed minimum of Ps.50,000 fully subscribed and paid in cash, the maximum share capital of the company will be unlimited. The minimum fixed share capital is represented by nominative, common and released representative of the fixed portion of the capital without the right to withdrawal. Both the fixed and the variable portion of the share capital are represented by shares of the series "B", their nominal value is as follows.

	As of December 31,	
	Number of stocks	Amount
Fixed capital, series B	50,000	Ps. 50,000

- b) According to the general law of commercial companies, the company must separate from the net income of each year at least 5% to increase the legal reserve until it reaches 20% of the share capital. As of December 31, 2024, the legal reserve have not been recognized.
- c) The earnings distributed in excess of the balances of the accounts CUFINRE and CUFIN (Net Tax Income Account), shall be subject to corporate income tax in force at the time of distribution rate. The payment of this tax may be credited against income tax.

As of December 31, 2025 and 2024, the CUFIN and CUCA accounts have the following values:

	As of December 31,	
	2025	2024
CUCA	Ps. 94,413	Ps. 91,054
CUFIN	224,658,797	192,110,976

14. Maquila cost and expense

As of December 31, 2025 and 2024, the maquila expenses are as follows:

	Year ended December 31,	
	2025	2024
Wages and salaries	Ps. 372,771,168	Ps. 490,140,325
Social security and payroll tax	75,848,994	93,719,855
Administrative and operative expenses	28,761,079	63,122,642
Maintenance expenses and supplies	19,293,946	53,804,474
Amortization	16,624,068	16,081,050
Freight expenses	9,946,254	17,914,060
Professional fees and services	5,223,860	6,787,605
Employees' statutory profit sharing	4,766,050	5,750,536
Other expenses	6,075,582	9,515,248
	Ps. 539,311,001	Ps. 756,835,795

15. Commitments and contingencies

Commitments

As of December 31, 2025 and 2024, the Company has the following inherent commitments to the IMMEX program:

- All income from production operations must arise exclusively from its maquila operation, although the company may receive income from services rendered, goods leased, waste sold, goods sold (not manufactured by the Company) and other income pertaining to its operations, provided certain requirements are met and that income does not exceed 10% of the maquila operation income.
- To allocate the goods temporarily imported under the IMMEX program for authorized purposes.
- Return the merchandise abroad in the corresponding terms according to what is established in the Customs Law or in the maquila program. As of December 31, 2025 and 2024, the Company has in its custody inventories owned by its related party, temporarily imported, with an approximated value of USD.16,116,629.and USD. 20,783,191, respectively.
- Keep the imported goods temporarily at the addresses registered in the program.
- Request the Ministry of Economy, prior processing before the Tax Administration Service (TAS), the registration of changes in the data stated in the application for the approval of the maquila program, such as company name, address and federal taxpayer registry, as well as suspension of activities.
- Keep an automated inventory control with certain minimum information.
- Submit an annual report electronically to the Ministry of Economy and the TAS, regarding total sales and exports, corresponding to the immediately preceding fiscal year, no later than the last business day of the month of May of the following year.
- Additionally, when returning temporarily imported materials and supplies, the maquiladora must pay the import taxes corresponding to those materials whose country of origin has not signed a free trade agreement; Likewise, the VAT corresponding to the importation of machinery and equipment must be paid, once the IMMEX program is canceled and these assets remain in México.

Contingencies

- a) The Company has entered into service agreements with related parties, under which the Company provides services of maquila necessary for the Company's operation. These agreements are for an undefined period.

In compliance with Mexican Income Tax Law, the Company is subject to tax reviews from authorities up to five fiscal years prior to the last annual tax return filed. Therefore, the Company is contingent to any tax assessment as a result of a tax authority review, plus fines and penalties.

Companies that carry out transactions with domestic and foreign related parties are subject to tax limitations and obligations regarding their determined agreed-upon prices. These prices must be equal to those that would be used with or between independent related parties in comparable transactions. In the case the tax authority determined differences on such prices in a review, the Company would be liable for the assessed tax omitted plus fines and surcharges and, an additional penalty that could reach the total amount of the omitted tax assessed by the authority.

- b) As of December 31, 2025 and 2024, the Company has made imports under the temporary importation program, which in case of exceeding the limit set by the authorities, must be liquidated with final import taxes.
- c) At December 31, 2025 and 2024, the Company had under custody temporarily imported assets owned by his holding company with an approximate value of Ps.2,938,462.24 and Ps.3,662,606, respectively.

16. Sustainability Reporting Standards (NIS)

On May 13, 2024, the Mexican Financial Reporting and Sustainability Standards Board (CINIF) issued the Sustainability Reporting Standards (Normas de Información de Sostenibilidad, or "NIS"), which aim to promote the disclosure of information that enables entities to consistently identify, assess, and communicate their performance, impacts, risks, and opportunities related to environmental, social, and governance (ESG) matters, in order to support decision-making by users of financial information and contribute to sustainable growth.

The NIS represent the first step toward aligning the Mexican regulatory framework with international sustainability disclosure standards and were issued under a two-phase implementation strategy. In Phase 1, CINIF issued the following standards:

- NIS A-1, Conceptual Framework for Sustainability Reporting Standards, which establishes the basis for the preparation and disclosure of sustainability information by entities that issue financial statements in accordance with the Mexican Financial Reporting Standards (NIF), including the qualitative characteristics that such information must meet.

- NIS B-1, Basic Sustainability Indicators, which defines the guidelines for the identification and disclosure of the Basic Sustainability Indicators (IBSO), consisting of quantitative and qualitative metrics of general application, organized under the Environmental, Social, and Governance pillars.

NIS A-1 and NIS B-1 are effective for fiscal years beginning on or after January 1, 2025, with early adoption permitted. In accordance with these standards, in the initial year of application, entities are only required to present information for the most recent reporting period, i.e., the year ended December 31, 2025, without comparative information for prior periods.

Phase 2 of the NIS, expected to become effective in 2027, will focus on the incorporation of risk management strategies, governance, and financial planning.

Management considers that the adoption of the NIS does not modify the recognition, measurement, or presentation of the line items in the financial statements as of December 31, 2025; however, it will result in the progressive strengthening of sustainability-related disclosures, as well as greater integration of ESG factors into decision-making processes, risk management, and oversight by the Entity's governing bodies.

The company will continue to monitor the evolution of the Sustainability Reporting Standards, as well as the issuance of thematic NIS corresponding to Phase 2 of CINIF's strategy, and will timely assess their impact on future policies, controls, and disclosures, considering at all times regulatory expectations and market best practices.


Angel Aviso
Controller