

MSSL Wirings Juárez, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Financial Statements

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

MSSL Wirings Juárez, S. A. de C. V.
(Subsidiary of MSSL (GB) Limited)

Financial Statements

As of December 31, 2025 and 2024

Contents:

Independent auditor's report	1 to 3
Financial statements:	
Statements of financial position	4
Statements of comprehensive income	5
Statements of changes in stockholders' equity	6
Statements of cash flows	7
Notes to the financial statements	8 to 24

Independent auditor's report

**To the Stockholders' of
MSSL Wirings Juárez, S. A. de C. V.**

Qualified opinion

We have audited the financial statements of MSSL Wirings Juárez, S. A. de C. V. (the Company), which comprise the statement of financial position as of December 31, 2025, and the statements 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, except for the effect and possible effect of the matters described in the "Basis for qualified opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of MSSL Wirings Juárez, 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 qualified opinion

As mentioned in Note 4m to the accompanying financial statements as of December 31, 2025, the Company partially recognized the effects derived from MFRS D-3 "Employee Benefits", recording in its financial statements only the liability for seniority premium, without recognizing the effects of the liabilities of the retirement benefits for legal compensation, for the amount of Ps.1,742,954. The lack of recognition of said liability in accordance with MFRS D-3 is considered a material deviation from the attached financial statements.

As mentioned in the Note 4j to the accompanying financial statements, as of December 31, 2025 and 2024, the Company has not recognized the effects of MFRS D-5 "Leases", which requires the recognition of a right of use asset as well as a lease liability for the future commitment at net present value of all long-term or high-value leases. It was not practical to determine the effects resulting from the non adoption of said standard, however these are considered important.

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 qualified opinion.

Other Information – Sustainability Information

Management is responsible for the other information, which includes the sustainability information presented in Note 14 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 the management for the financial statements

Management is responsible for the preparation and fair presentation of these 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 of 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 appropriate, 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 the 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 the ISAs, we exercise our 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 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



CPA Gabriel Barranco Hernández
Audit Partner

Aguascalientes, Ags. México
May 6, 2026

MSSL Wirings Juárez, 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		Ps. 841,740	Ps. 3,010,966
MSSL Wiring System, Inc., related party	Note 5	2,748,570	167,265
Valued added tax		243,595	237,827
Prepaid expenses		542,324	616,231
Total current assets		4,376,229	4,032,289
Non current assets:			
Machinery, equipment and leasehold improvements	Note 6	261,316	193,972
Deferred income tax	Note 10	377,451	366,472
Deferred profit sharing	Note 9	108,251	108,251
Other assets		35,678	35,678
Total assets		Ps. 5,158,925	Ps. 4,736,662
Liabilities and stockholders' equity			
Short term liabilities:			
Accounts payable		Ps. 103,024	Ps. 151,182
Employees' statutory profit sharing	Note 9	151,095	229,509
Income tax	Note 10	1,240	34,944
Accrued expenses and other payables	Note 8	2,151,293	2,322,216
Total current liabilities		2,406,652	2,737,851
Long-term liabilities:			
Employees' benefits	Note 7	174,138	135,540
Total liabilities		2,580,790	2,873,391
Stockholders' equity:			
Capital	Note 11	50,000	50,000
Retained earnings		2,528,135	1,813,271
Total stockholders' equity		2,578,135	1,863,271
Commitments and contingencies	Note 13		
Total liabilities and equity		Ps. 5,158,925	Ps. 4,736,662

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


Bruno Martínez
Controller

MSSL Wirings Juárez, 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.	1,581,868	Ps.	1,896,011
Items not affecting cash flows:				
Depreciation and amortization		182,329		126,183
Employee benefits		38,598		(40,372)
Changes in operation assets and liabilities:				
Accounts receivables and other assets		68,139		(359,393)
Accountant payables and others		(219,081)		552,972
Related parties		(2,581,305)		1,588,655
Income tax payment		(911,687)		(1,069,456)
Employees' statutory profit sharing		(78,414)		(9,694)
Net cash flow from operating activities		(1,919,554)		2,684,906
Net cash flow from investments activities by acquisition of machinery equipment and leasehold Improvements		(249,673)		-
(Decrease) increase in cash and cash equivalents		(2,169,226)		2,684,906
Cash and cash equivalents at beginning of year		3,010,966		326,060
Cash and cash equivalents at end of year	Ps.	841,740	Ps.	3,010,966

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



Bruno Martinez
Controller

MSSL Wirings Juárez, 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.	927,669	Ps. 977,669
Comprehensive profit of the year		-		885,602	885,602
Balance at December 31, 2024		50,000		1,813,271	1,863,271
Comprehensive profit of the year		-		714,864	714,864
Balance at December 31, 2025	Ps.	50,000	Ps.	2,528,135	Ps. 2,578,135

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


Bruno Martínez
Controller

MSSL Wirings Juárez, 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	
Income services	Note 5	Ps.	31,814,740	Ps.	31,668,467
Other income			47,287		22,631
			<u>31,862,027</u>		<u>31,691,098</u>
Services cost and expenses	Note 12		<u>30,260,973</u>		<u>29,801,728</u>
Operating profit			1,601,054		1,889,370
Comprehensive financial result:					
Exchange (loss) profit			<u>(19,186)</u>		<u>6,641</u>
Profit before income taxes			1,581,868		1,896,011
Income tax	Note 10		<u>867,004</u>		<u>1,010,409</u>
Comprehensive profit of the year		Ps.	<u>714,864</u>	Ps.	<u>885,602</u>

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



Bruno Martínez
Controller

MSSL Wirings Juárez, 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

MSSL Wirings Juárez, S. A. de C. V. (the Company) was incorporated in accordance to the Mexican laws on March 20, 2015 and is a 99.99% owned subsidiary of MSSL (GB) Limited (Holding company).

Business concentration

The Company is dedicated to render administrative, financing and accounting services to its related party MSSL Wiring System, Inc. (MWS) in the United States. Revenues are carried out through a service agreement, which provides that these services are to be billed based on costs incurred plus profit margin.

For practical purposes, the Company has defined that its normal operating period covers from January 1 to December 31 of each year.

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) and except what is described in Note 4j and 4m to the financial statements 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.

Functional, recording and reporting currency.

The Company accounts for its operations and maintains its accounting books in Mexican pesos. However, the currency in which most of its operations are carried out and of its economic environment is the US Dollar (functional currency). The financial statements are presented in Mexican pesos and have not been translated to the functional currency as they have been prepared for legal purposes and under requirement of the Company's stockholders.

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 issue by Bruno Martinez, Controller on May 6, 2026. These financial statements must be further approved by the Board of Directors and the Stockholders' Meeting. In accordance with the General Corporations Law, this body are 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 used 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 t 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 classifies 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 agreements 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 used 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 improvements 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 effects 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 Exchanges 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"

Property, Plant and equipment

Various methods of depreciation of fixed assets are establishes, including the " special depreciation" method; however, currently, after several years of having issued this NIF, it was concluded that mentioned method should not be considered properly a depreciation method, but only a practical way of applying any other of the methods is bases on using average depreciation rate on a group of unimportant assets, an entity may continue using these weighted determinations, provided that the concept of relative importance is taken into account

Additionally, the NIF included a description of each of the depreciation methods.

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 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) Recognition of income

The main activity of the company is the provision of services, based on its contract with its related party MSSL Wiring System, Inc. The income derived from the contract with MSSL Wiring System, Inc. is recognized at the time that control of the services is transferred to it, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for said services. For the determination of revenues of 2025 and 2024, the Company uses a profit factor of 4.88% and 5.89% respectively on the costs and expenses incurred in the maquila process for the fiscal year under review.

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

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

The Company applies this model for each contract or combination of contracts with customers. Likewise, it identifies a portfolio of contracts when performance obligations have similar characteristics among various clients.

To recognize revenue, the Company follows the five-step model: Identifying the contract with the customer, Identifying the performance obligations, Determining the transaction price, Allocating the transaction price to each performance obligation, and Recognizing revenue when each performance obligation is satisfied.

The Company applies this model for each contract or combination of contracts with customers.

f) Cash and cash equivalents

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

g) Trade receivables

Trade receivables, including related parties, are initially recognized at the transaction price and subsequently measured at unconditional consideration amounts, less any expected loss. Long-term receivables are initially recognized at fair value plus transaction costs (if any) and subsequently measured at amortized cost, less any expected loss.

Trade accounts receivable represent amounts due from customers and are generated by sales of goods or services provided in the normal course of the company's operation. When collectability is expected in a period of one year or less from the closing date, they are presented as current assets. If the above is not complied with, they are presented as non-current assets.

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.

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 services they are transferred to an asset or expense based on which the payment was intended. Prepayments in foreign currency are recognized at the exchange rate of the transaction date and are not subject to remeasurement due to foreign exchange fluctuation.

i) Machinery, equipment and leasehold improvements

They are initially recognized for their acquisition or construction cost. Acquisition cost includes all purchasing or construction costs incurred until the date in which they are in use conditions, as well as any subsequent cost to enhance their potential service. If an item of machinery and equipment is made up of various components with different estimated useful lives, the important individual components are depreciated over their individual useful lives. Repair and maintenance cost are recognized in the income statement as incurred.

The depreciation of Machinery, equipment and leasehold improvements is determined on the value resulting from the acquisition cost less the residual value of the Machinery, equipment and leasehold improvements, using the straight-line method (as it is considered by the company management that such method is the one that best reflects the use of such assets) and based on its estimated useful life.

Depreciation is calculated upon the value of the assets, using the straight-line method and based on their estimated useful lives (See Note 6), which are annually reviewed considering their residual value.

When these assets are comprised in various components with different estimated useful lives, material individual components are depreciated during their individual useful lives. Maintenance costs and repair costs are charged to profit or loss as incurred.

The Company periodically assesses net carrying values, useful lives, and depreciation methods. Where appropriate, the effect of any change in accounting estimates is recognized prospectively at year end.

Type	Useful life
Machinery and equipment	5 years
Computer equipment	3 years
Furniture and fixture	5 years

When there is a substantial period of construction or installation of property, plant and equipment, the accrued comprehensive financial result is capitalized to the qualifying assets.

The Company periodically assesses net carrying values, useful lives, and depreciation methods. Where appropriate, the effect of any change in accounting estimates is recognized prospectively at year end.

When the Company incurs major inspections or maintenance costs, the cost is recognized in the carrying value of the corresponding asset as a replacement, provided that all recognition requirements are met. The remaining portion of any major repairs or maintenance previously recognized must be cancelled. The Company subsequently depreciates the recognized cost based on the estimated useful life.

Improvements to leased facilities are accounted for at their acquisition cost and amortized during the lease term.

The value of Machinery, equipment and leasehold improvements is reviewed when there are indications of impairment in the book value. When the recovery value, which is the greater of the selling price and the use value (which is the present value of future cash flow) is less than the net book value, the difference is recognized as an impairment loss. The impairment loss is reversed when the circumstances that previously gave rise such loss no longer exist and there is clear evidence of an increase in the netbook value of the impairment property, plant, and equipment. The amount of impairment loss is reversed, reducing the depreciation of the period in which the review occurs.

As of December 2025 and 2024, there are no indications of impairment.

j) Leases

The Company accounts for a right-to-use asset arising from lease agreements entered as a lessee. Its cost comprises the initial measurement of the lease liability, any initial direct costs incurred, an estimate of any cost of disarming 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 using the straight-line method from the lease initial date to the earlier of the asset's end of its useful life or to the end of the lease term.

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 determined, 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.

As of December 31, 2025 and 2024, the Company has not recognized the effects of MFRS D-5 "Leases", which requires the recognition of a right of use asset as well as a lease liability for the future commitment at net present value of all long-term or high-value leases. It was not practical to determine the effects resulting from the non-adoption of said standard, however these are considered important.

k) 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).

Subsequently, financial liabilities are measured at amortized cost using the effective interest rate method, except for derivatives and financial liabilities originally designated at FVTPL.

All interest-related charges and, if applicable, changes in the fair value of an instrument, are recognized in profit or loss and included within the comprehensive financial result.

l) 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.

Contingent liabilities are only recognized when the outflow of economic resources for their statements probable and there are reasonable bases for its quantification. Likewise, commitments are recognized only when a loss is known. (See note 7).

m) 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 Mexico 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 7).

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 asset (if any) are recognized in profit or loss.

As of December 31, 2025 and 2024, the Company partially recognized the effects derived from MFRS D-3 "Employee Benefits", recording in its financial statements only the liability for seniority premium, without recognizing the effects of the liabilities of the retirement benefits for legal compensation, for the amount of Ps.1,742,954 and Ps.1,631,780 respectively.

n) Employees' statutory profit sharing (ESPS)

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

Effective January 1, 2022, 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 (LFT for its Spanish acronym) released on April 23, 2023 (see Note 9), 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 books against tax values of assets and liabilities. The rate is determined based upon the current ESPS as described in the preceding paragraph, either the tax rate, or that which is determined by the Company pursuant the maximum amount payable as set forth in the LFT. Deferred ESPS assets are recognized only if it is probable that they will be recoverable in the future. (See Note 9).

o) Income taxes

Income tax expense is comprised by the current and deferred income tax of the year. The 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 books 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.

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 assets 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. (See Note 10).

p) Stockholder's equity

The stockholder's equity, the legal reserve, the contributions for future capital increases, the share subscription premium, the retained earnings, are expressed as follows: i) movements made as January 1, 2008, as of historical cost and ii) movements made before January of 2008, at their updated values, determinates by applying to their historical values factors derived from the INCP until December 31, 2007. Consequently, the different concepts as stockholders 'equity are expressed at its modified historical cost. (See Note 11).

q) 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. Related parties

As of December 31, 2025 and 2024, accounts receivable with MSSL Wiring System Inc. by Ps.2,748,570 and Ps.167,265, respectively, is generated because of service agreement.

In 2015, the Company entered into a service agreement to render for the supply, storage, distribution, classification, inspection, testing or verification of goods; design or engineering of products; maintenance and support of computer systems, data processing; training, consulting and evaluation for the improvement of human capital; assurance of the quality and processes of the companies in the sector of technologies of the information and processes of administration, finances, accounting, collection, payroll, human and legal resources; control of production and clinical analysis to its related party MSSL Wiring System, Inc. (MWS) in the United States, whom provides that these services are to be billed based on costs incurred plus a profit marginal.

Transactions with related parties, carried out in the ordinary course of business were as follows:

	Years ended, December 31,	
	2025	2024
Income services	Ps. 31,814,740	Ps. 31,668,467

6. Machinery, equipment, and leasehold improvements

a) Machinery, equipment, and leasehold improvements are comprised as follows:

	As of December 31,		Depreciation rate
	2025	2024	
Leasehold improvements	Ps. 1,700,787	Ps. 1,700,787	20%
Furniture and fixture	491,634	204,056	20%
Machinery and equipment	204,056	161,394	20%
Computer equipment	161,394	241,961	33%
	2,557,871	2,308,198	
Accumulated depreciation and amortization	(2,296,555)	(2,114,226)	
	Ps. 261,316	Ps. 193,972	

b) Depreciation expense for the years ended December 31, 2025 and 2024 amounted to Ps.182,329 and Ps.126,183, respectively.

The Company has not recognized the effects of MFRS D-5 "Leases", which requires the recognition of a right of use asset as well as a lease liability for the future commitment at net present value of all long-term or high-value leases.

7. Employees' benefits

a) The value of the Defined Benefit Obligations (DBO) as of December 31, 2025 and 2024 amounted to Ps.174,138 and Ps.135,540, respectively.

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

	As of December 31,	
	2025	2024
ODB at the beginning of the year	Ps. 135,540	Ps. 175,912
Present service cost	27,629	32,190
Financial cost of OBD	14,508	15,995
Remediations	(3,539)	(30,608)
Paid benefits from the plan	-	(57,949)
PNC recognized in income or loss profit	Ps. 174,138	Ps. 135,540

c) Main actuarial assumptions

The main actuarial assumptions used, expressed in absolute terms, as well as the discount rates, return on plan assets, salary increase and changes in the indices or other variables, referred to December 31, 2025 and 2024, are shown below:

Demographic:

Mortality		EMSSA 2009	
Disability		EISS 97 table	
		2025	2024
Financial assumptions		%	%
Discount rate		9.70	11.05
Minimum salary increase		5.00	5.00
Long-term inflation		4.00	4.00

8. Accruals and other provisions

Movements on provisions and accrued liabilities were as follows:

	Balance as of December 31, 2024		Increasing	Payments	Balance as of December 31, 2025			
Current:								
Local taxes	Ps.	1,113,979	Ps.	9,503,140	Ps.	(9,598,671)	Ps.	1,018,448
Vacation		654,654		2,377,971		(2,263,428)		769,223
Salaries		411,921		19,381,645		(19,610,870)		182,696
Fees and service		123,662		162,199		(124,935)		160,926
Other provisions		18,000		230,250		(228,250)		20,000
	Ps.	2,322,216	Ps.	31,655,205	Ps.	(31,826,154)	Ps.	2,151,293

9. Employees' statutory profit sharing (ESPS)

a. 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 payable of Ps.1,560,646 (Ps.2,295,088 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.

At December 31, 2025 and 2024, the employees' profit-sharing provision recognized in the statements of comprehensive income as follows:

	Years ended December 31,	
	2025	2024
Current ESPS	Ps. 156,065	Ps. 229,509

b. As of December 31, 2025, and 2024, the effects of temporary differences of assets and liabilities to determine deferred ESPS are detailed below:

	As of December 31,	
	2025	2024
Deferred tax assets:		
Other provisions	Ps. 17,769	Ps. 49,370
Fixed assets	183,854	198,671
Prepaid expenses	(75,806)	(93,589)
Insufficient provision	(17,566)	(46,201)
	Ps. 108,251	108,251

10. Income tax

In 2025, the Company determined a tax profit of Ps.2,926,608 (Ps.3,368,030 in 2024) for the years ended December 31, 2025 and 2024 the tax rate was 30%.

The tax result differs from the accounting result, mainly in such items cumulative by the time and deducted differently for accounting and tax purposes, by the recognition of the inflation effects for tax purposes, as well such items only affecting either the accounting or tax result.

a. The income tax provision is analyzed as follows:

	Years ended December 31,	
	2025	2024
Current income tax	Ps. 877,983	Ps. 1,010,409
Deferred income tax	(10,979)	-
	Ps. 867,004	Ps. 1,010,409

b. 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.	1,581,868	Ps.	1,896,011
Tax rate		30%		30%
Income tax at legal rate		474,560		568,803
Plus (less) the following items:				
Annual inflation adjustment		11,921		13,421
Non-deductible		497,064		410,869
Other permanent items		(116,541)		17,316
Income tax	Ps.	867,004	Ps.	1,010,409
Effective tax rate		55%		53%

c. An analysis of deferred taxes shown in the balance sheet is as follows:

	As of December 31,			
	2025		2024	
Deferred tax assets:				
Other provisions	Ps.	53,306	Ps.	148,110
Fixed assets		551,563		596,014
Prepaid expenses		(227,418)		(280,766)
Insufficient provision		-		(96,886)
	Ps.	377,451	Ps.	366,472

11. Stockholders' equity

a) The common stock consists of ordinary nominative stock at par value of one peso each. As of December 31, 2025 and 2024, the capital stock is as follows:

	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. At December 31, 2025 and 2024 the legal reserve have not been recognized.

c) Fiscal values

Stock reimbursements and dividends, except for those restated tax balances of paid in common stock (CUCÁ, for its Spanish acronym) and retained earnings (CUFIN, for its Spanish acronym) will be subject to income tax to the Company at the rate in effect at distribution date. The tax paid may be credited against the annual income tax for the year in which the tax on dividend is paid and the two immediately following years.

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

	As of December 31,	
	2025	2024
CUCA	Ps. 81,588	Ps. 78,685
CUFIN	4,781,805	4,233,832

12. Services cost and expenses

As of December 31, 2025 and 2024, the services cost and expenses have the following values:

	As of December 31,	
	2025	2024
Wages and salaries	Ps. 20,880,230	Ps. 20,766,741
Social security and payroll tax	3,853,347	3,689,116
Administrative and operative expenses	3,132,746	2,994,871
Rent expenses	1,785,496	1,624,525
Fees expenses	469,318	524,957
Maintenance expenses and supplies	54,873	88,508
Other expenses	84,963	113,010
	Ps. 30,260,973	Ps. 29,801,728

13. Commitments and contingencies

At December 31, 2025, MSSL Wirings Juárez, S.A. de C.V., is responsible for the following commitments and contingencies:

In accordance with the Income Tax Law, companies that carry out transactions with related parties are subject to fiscal limitations and obligations, in terms of determining agreed prices, since they must be comparable to those that would be used with or between independent parties. in comparable operations. If the tax authorities review the prices and reject the amounts determined, they could demand, in addition to the collection of the tax and corresponding accessories (updating and surcharges), fines on the omitted contributions, which could be up to 100% about the updated amount of contributions. c. In accordance with current tax legislation, authorities have the power to review up to five fiscal years prior to the last income tax return filed; or up to 10 exercises to find fiscal inconsistencies in the five exercises prior to the last statement.

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.

14. 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.



Bruno Martínez
Controller