

Motherson Techno Precision México, S. A. de C. V.
(Subsidiary of Motherson Air Travel Agency GmbH)

Financial Statements

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

Motherson Techno Precision México, S. A. de C. V.
(Subsidiary of Motherson Air Travel Agency GmbH)

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Independent auditor's report

To the Stockholders' of Motherson Techno Precision México, S. A. de C. V.

Opinion

We have audited the financial statements of Motherson Techno Precision México, 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, the accompanying financial statements present fairly, in all material respects, the financial position of Motherson Techno Precision México, S. A. de C. V., as of December 31, 2025, and its financial performance and its cash flow for the year 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 Instituto Mexicano de Contadores Públicos A. C.'s Code of Professional Ethics (IMCP Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA and IMCP 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 18 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 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 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, consisting of several overlapping, fluid strokes.

CPA Gabriel Barranco Hernández
Audit Partner

Aguascalientes, Ags. México
March 31, 2026

Motherson Techno Precision México, S. A. de C. V.
(Subsidiary of Motherson Air Travel Agency GmbH)

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. 17,815,649	Ps. 23,191,890
Accounts receivable	Note 9.1	32,276,969	38,273,443
MSSL GmbH	Note 9	7,502,538	7,383,767
Inventories	Note 7	50,589,921	44,017,902
Recoverable taxes	Note 6	10,346,595	10,347,811
Prepaid expenses		4,125,134	3,585,862
Total current assets		122,656,806	126,800,675
Non-current assets:			
Machinery, equipment and leasehold improvements	Note 8	72,250,803	54,306,034
Intangible assets		105,908	189,671
Right of use assets	Note 10	40,349,048	6,848,861
Deferred income tax	Note 11	7,539,889	10,341,655
Deferred profit sharing	Note 16	2,722,510	3,610,289
Total assets		Ps. 245,624,964	Ps. 202,097,185
Liabilities and Stockholders' equity			
Short-term liabilities:			
Suppliers		Ps. 17,112,597	Ps. 14,962,973
Other employees' benefits		39,544	1,091,367
Short-term lease obligations	Note 11	3,240,063	3,464,063
Related parties	Note 9	19,841,221	22,782,842
Accrued expenses and other provisions	Note 12	12,612,009	18,495,670
Total current liabilities		52,845,434	60,796,670
Long-term liabilities:			
Related parties	Note 9	58,695,855	19,399,172
Leases obligations	Note 11	31,609,795	1,937,982
Employees' benefits	Note 13	3,915,546	3,537,124
Total liabilities		147,066,630	85,671,193
Stockholders' equity:			
Capital	Note 20	50,000	50,000
Retained earnings		98,508,334	116,375,992
Total stockholders' equity		98,558,334	116,425,992
Contingences and commitments			
Total liabilities and equity		Ps. 245,624,964	Ps. 202,097,185

The accompanying notes are an integral part of these financial statements which were authorized for their issuance on March 31, 2026, by the officer that sign these financial statements and their notes.


María Leticia Hernández Mitre
Legal Representative

Motherson Techno Precision México, S. A. de C. V.
(Subsidiary of Motherson Air Travel Agency GmbH)

Statements of comprehensive income

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

	Notes	2025	2024
Sales from contracts with customers		Ps. 229,984,124	Ps. 240,472,922
Cost of sales from contracts with customers		186,968,704	156,818,104
Gross profit		43,015,420	83,654,818
Operating expenses		56,185,626	49,835,725
Operating profit		(13,170,206)	33,819,093
Comprehensive financial result:			
Net Interest expense (income)	Nota 15 A1	1,975,449	(3,394,624)
Exchange loss, net	Nota 15 A1	(3,871,135)	2,421,491
		(1,895,686)	(973,133)
Profit before income taxes		(15,065,892)	32,845,960
Income tax		2,801,766	15,369,481
Net profit of the year		Ps. (17,867,658)	Ps. 17,476,479

The accompanying notes are an integral part of these financial statements which were authorized for their issuance on March 31, 2026, by the officer that sign these financial statements and their notes.


María Leticia Hernández Mitre
Legal Representative


Motherson Techno Precision México, S. A. de C. V.
(Subsidiary of Motherson Air Travel Agency GmbH)

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.	98,889,513	Ps.	98,949,513
Net profit of the year		-		17,476,479		17,476,479
Balance at December 31, 2024		50,000		116,375,992		116,425,992
Net profit of the year				(17,867,658)		(17,867,658)
Balance at December 31, 2025	Ps.	50,000	Ps.	98,508,334	Ps.	98,558,334

The accompanying notes are an integral part of these financial statements which were authorized for their issuance on March 31, 2026 by the officer that sign these financial statements and their notes.



María Leticia Hernandez Mitre
Legal Representative

Motherson Techno Precision México, S.A. de C. V.
(Subsidiary of Motherson Air Travel Agency GmbH)
Statements of cash flows
For the years ended December 31, 2025 and 2024
(Stated in Mexican pesos)

		2025		2024
Operating activities				
Profit before provision for income tax	Ps.	(15,065,892)	Ps.	32,845,960
Items not affecting cash flows:				
Employees benefits'		378,422		578,821
Deferred profit sharing		887,779		4,414,999
Item related to investing activities:				
Depreciation and amortization		17,494,827		16,015,342
Interest income		36,109		713,813
Items related to financing activities:				
Leases interest		1,014,297		297,055
Interest expense		2,820,729		2,680,811
		7,566,271		57,546,801
Operating activities:				
Accounts receivables and others		5,997,690		(7,597,593)
Inventories		(6,572,019)		3,089,708
Prepaid expenses		(539,272)		(625,458)
Related parties		(3,060,392)		6,959,421
Accounts payable		2,149,624		(2,956,958)
Others accounts payables		(1,051,823)		(31,465,723)
Other employees' benefits payment		(5,883,661)		(3,094,986)
Net cash flow from operating activities		(1,393,582)		21,855,216
Investment activities:				
Purchase of machinery and equipment		(68,856,020)		(3,177,501)
Interest received		(36,109)		(713,813)
Net cash flows from investment activities		(68,892,129)		(3,891,314)
Financing activities:				
Related parties		39,296,683		(1,182,306)
Leases payments		28,433,516		(8,874,439)
Interest paid		(2,820,729)		(2,680,811)
Net cash flow from financing activities		64,909,470		(12,737,556)
Increase in cash and cash equivalents		(5,376,241)		5,226,346
Cash and cash equivalents at beginning of year		23,191,890		17,965,544
Cash and cash equivalents at end of year	Ps.	17,815,649	Ps.	23,191,890

The accompanying notes are an integral part of these financial statements which were authorized for their issuance on March 31, 2026 by the officer that sign these financial statements and their notes.

Maria Leticia Hernandez Mitre
Legal Representative

Motherson Techno Precision México, S. A. de C. V.
(Subsidiary of Motherson Air Travel Agency GmbH)

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

Motherson Techno Precision México, S. A. de C. V. (the Company) which is a subsidiary of Motherson Air Travel Agency GmbH (formerly known as Motherson Techno Precision GmbH) and MSSL GmbH, which in turn is a subsidiary of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited) and a corporation incorporated under the laws of Mexico on April 8, 2013 and commences productive activities in 2014. Its main address is San Luis Potosí, SLP and it primarily manufacturing, design, assembly, production and commercialization in any form of any kind of turned and milled parts of high-quality precision, particularly parts for fueling. The Company is a 99.9% owned direct subsidiary of Motherson Air Travel Agency GmbH (formerly known as Motherson Techno Precision GmbH) (direct holding company), and an indirect subsidiary of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited).

Manufacturing and sales operation of the Company are made in accordance with the terms of contracts between Motherson Techno Precision México, S. A. de C. V., and its client Vitesco Technologies GmbH, in the territories and in accordance with such contract signed in 2020 and ends 31 December 2025. During 2024 the sales to Vitesco Technologies GmbH, represent 90% (96% in 2023) of total production of the Company, consequently, is economically dependent on the continuance of the contract.

For practical purposes, the company has defined that its period of operations (normal cycle) and the fiscal year comprise from January 1 to December 31 of each year.

These financial statements and its notes have been translated from the original Spanish language version for the convenience of foreign / English-speaking readers.

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 according to the MFRS.

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.

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 conducted 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.

Authorization of the issued financial statements

The financial statements for the year ended December 31, 2025 were authorized for issue by Mrs. María Leticia Hernandez Mitre, Legal Representative on March 31, 2026. These financial statements must be further approved by the Company's Board of Directors and the Stockholders' Meeting. 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

Derived from the issuance of new standards and improvements for the Mexican Financial Reporting and Sustainability Standards Board, A. C. (MFRSB) to some MFRS that become effective January 1, 2025, the Company made the following adoptions:

Improvements to MFRS in 2025

MFRS A-1 Conceptual Framework of the Financial Reporting Standards

The disclosure of significant accounting policies was included to enable entities to provide more effective disclosure, in accordance with the concept of materiality. Materiality is necessary for users to understand information about transactions and other events recognized or disclosed in 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 includes entity-specific information rather than just standardized information or information that duplicates or summarizes the content of the requirements of the specific MFRS (Mexican Financial Reporting Standards).

The provisions of this Improvement are effective as of January 1, 2025, with early adoption permitted for fiscal year 2024, provided the entity has opted to apply the disclosures indicated in the specific MFRS early, according to its entity type. Any resulting accounting changes must be recognized in accordance with MFRS B-1, Accounting Changes and Error Corrections.

The adoption of this Improvement had no effect on the Company's financial statements

MFRS B-2 Statement of cash flows

Due to the need for additional information from financial statement users regarding supplier financing arrangements, also known as reverse factoring, because they have difficulty:

- a) analyzing the total amount and terms of an entity's debt, especially when the financial liabilities that are part of the arrangements are classified as trade accounts and other payables;
- b) identifying the operating and financing cash flows arising from the arrangements, which affects the understanding of how the arrangements impact an entity's cash flows and associated financial ratios;
- c) understanding the effect of the arrangements on an entity's exposure to liquidity risk; and
- d) comparing the financial statements of an entity that uses these types of arrangements with those of an entity that does not.

It is proposed to add general disclosure standards to provide information on supplier financing arrangements that will enable users of financial statements to understand these types of arrangements and their effects on the financial statements.

The provisions of this Improvement became effective on January 1, 2025, with early adoption permitted for fiscal year 2024, provided the entity has opted to apply the disclosures indicated in the specific MFRS (Mexican Financial Reporting Standards) early, in accordance with its entity type. Any resulting accounting changes must be recognized in accordance with MFRS B-1, "Accounting Changes and Error Corrections."

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

To maintain consistency with the requirements of MFRS D-1, Revenue from Contracts with Customers, a requirement was introduced to present in the financial statements the revenue or sales for the period less any bonuses, discounts, and returns for the period; that is, on a net basis. However, separate disclosure of these items in the notes is permitted.

The above modifications impact the presentation requirements of MFRS B-3, MFRS B-6, and NIC C-3 and became effective on January 1, 2025. Early adoption was permitted for fiscal year 2024, provided the entity had opted to apply the disclosures specified in the relevant MFRS early, according to its entity type. Any resulting accounting changes must be recognized in accordance with MFRS B-1, "Accounting Changes and Error Corrections."

The adoption of this Improvement did not affect the Company's financial statements.

MFRS B-15, Foreign Currency Conversion

It was concluded that MFRS B-15 does not specify what an entity should do when, on the foreign currency conversion date, it is determined that a certain currency is not interchangeable. Therefore, it is suggested that the applicable regulations be included, in convergence with the amendments made to IAS 21, The Effects of Changes in Foreign Exchange Rates.

This improvement allows for convergence between MFRS B-15 and IAS 21, thus eliminating this difference.

The provisions of this Improvement became effective on January 1, 2025, with early adoption permitted for fiscal year 2024, provided the entity has opted to apply the disclosures indicated in the specific MFRS early, according to its entity type. Any resulting accounting changes should be recognized in accordance with MFRS B-1, "Accounting Changes and Error Corrections."

The adoption of this Improvement had no effect on the Company's financial statements

MFRS C-6, Property, Plant, and Equipment

Various methods for depreciating fixed assets were established, including the "special depreciation" method. However, after several years since the issuance of this MFRS, it was concluded that this method should not be considered a depreciation method per se, but rather a practical way to apply any of the other methods mentioned in the MFRS. Therefore, it was eliminated. Nevertheless, considering that this methodology is based on using average depreciation rates on a group of less significant assets, an entity may continue to use these weighted determinations, provided that the concept of materiality is observed.

Additionally, the MFRS includes a description of each of the depreciation methods.

The provisions of this Improvement became effective on January 1, 2025, with early adoption permitted for fiscal year 2024, provided the entity has opted to apply the disclosures indicated in the specific MFRS (Mexican Financial Reporting Standards) early, in accordance with its entity type. Any resulting accounting changes must be recognized in accordance with MFRS B-1, "Accounting Changes and Error Corrections."

The adoption of this Improvement did not affect the Company's financial statements.

MFRS D-1, Revenue from Contracts with Customers

An amendment was included to IFRS 17, Insurance Contracts, whereby, for the accounting recognition of contracts whose primary purpose is the provision of services for a fixed fee and whose economic substance is similar to that of an insurance contract, an entity may choose to apply IFRS 15, Revenue from Contracts with Customers, instead of IFRS 17 if, and only if, the specified conditions are met.

For its part, the CINIF considers that an entity applying MFRS (Mexican Financial Reporting Standards), when issuing contracts that are economically similar to an insurance contract that is, a contract in which one party (the issuer) accepts a significant insurance risk from the other party (the contract holder), agreeing to compensate the holder if an uncertain future event (the insured event) adversely affects the insurance holder, must apply MFRS D-1, Revenue from Contracts with Customers, for its accounting recognition, eliminating in these cases the option of applying IFRS 17 as a supplementary measure. Therefore, a modification to the scope of MFRS D-1 is suggested, provided that the conditions specified in the standard itself are met.

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 MFRSs according to the type of entity that corresponds to it. The accounting changes that arise, if applicable, must be recognized based on MFRS B-1 "Accounting changes and error corrections".

New MFRS 2026

MFRS A-2, Uncertainty of going concern

This MFRS establishes that if, during the course of an entity's activities, events and conditions arise that create uncertainties about its ability to continue as a going concern, the entity must continually evaluate this assumption and determine whether the appropriate basis for preparing its financial statements is as a going concern or not. It also considers the valuation, presentation, and disclosure standards applicable to the financial statements of an entity that:

i) is a going concern but has significant uncertainties about its ability to continue as a going concern; ii) continues as a going concern but is undergoing a legal reorganization process to maintain its going concern status; or iii) is not a going concern.

This MFRS is effective for fiscal years beginning on or after January 1, 2026, and early adoption is permitted.

Improvements to MFRS 2026

The modification that generates accounting changes in valuation, presentation or disclosure in the financial statements of entities are the following:

MFRS B-1, Basis for the Preparation of Financial Statements (currently MFRS B-1, Accounting Changes and Error Corrections)

MFRS B-1, Accounting Changes and Error Corrections, issued by the CINIF (Mexican Financial Reporting Standards Board), became effective on January 1, 2006, with the purpose of strengthening the comparability of financial information presented in financial statements. To achieve this, it incorporated accounting treatments that required the retrospective application of the effects of both accounting changes and error corrections, in order to reflect the financial information as if these 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 MFRS B-1, Basis for the Preparation of Financial Statements, was issued, with its entry into force scheduled for entities whose fiscal years begin on or after January 1, 2028, and a proposal to allow its early adoption on January 1, 2027.

The update to MFRS B-1 responds to the need to maintain its alignment with IFRS, particularly with International Accounting Standard 8 (IAS 8), Basis for the Preparation of Financial Statements, and IFRS 18, Presentation and Disclosure in Financial Statements, which will become effective on January 1, 2027.

The current MFRS B-1 focuses solely on the treatment of accounting changes and error corrections. As part of its modifications, its scope is broadened and its objective is redefined. Consequently, the standard becomes the specific MFRS (Mexican Financial Reporting Standard) 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 financial statements, their content, identification, structure, offsetting rules, periodicity, and comparative information, as well as the basis for the preparation of financial statements, including fair presentation, the going concern assumption, and disclosures in the notes. Certain standards included in the Conceptual Framework, which must be considered in the preparation of financial statements, are incorporated into this specific standard.

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

MFRS B-3, Statement of Comprehensive Income

Considering the international changes in the presentation and disclosure of the statement of comprehensive income, specifically those resulting from the issuance of IFRS 18, Presentation in Financial Statements, by the International Accounting Standards Board (IASB) in April 2024, effective for fiscal years beginning on or after January 1, 2027, the CINIF decided to develop a new MFRS B-3 to align it with IFRS 18 in all aspects applicable to entities operating in the Mexican environment.

In December 2025, the CINIF (Mexican Financial Reporting Standards Board) issued a new MFRS B-3, Statement of Comprehensive Income, scheduled to take effect for entities whose fiscal years begin on or after January 1, 2028, with a proposal to allow its early adoption on 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 MFRS, an entity must comply with the provisions of MFRS B-1, Basis for the Preparation of Financial Statements.

(ii) Change in the Structure of the Statement of Comprehensive Income

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

- a) operating category;
- b) investing category;
- c) financing category;
- d) income tax category; and
- e) discontinued operations category.

The proposed new structure highlights the incorporation of investment and financing categories, as well as the elimination of the current item called "Comprehensive Financing Result" (CFR), which is no longer required because the items that comprise it must be presented in the category of the item that originated them; consequently, some classification rules change within each category.

Improvements to MFRS 2026

The modifications that generate accounting changes in valuation, presentation or disclosure in the financial statements of entities are the following:

MFRS B-11, Disposal of Long-Lived Assets and Discontinued Operations.

Statement of Cash Flows.

This standard specifies how to present comparative statements of cash flows when the period includes effects arising from the disposal of long-lived assets and the discontinuation of operations. It also states that these effects must be presented prospectively in the statement of financial position and retrospectively in the statement of comprehensive income.

An entity must present in the statement of cash flows the net cash flows attributable to the disposal of long-lived assets and discontinued operations as follows:

- a) classified, as appropriate, into operating, investing, and financing activities, if this classification is not disclosed in the notes;
- b) prospectively; Therefore, prior period cash flow statements presented comparatively with the financial statements of the period in which the decision was made to dispose of long-lived assets or discontinue an operation should not be restated.

If an entity chooses not to present a breakdown of the effects of discontinued operations in the statement of comprehensive income, it must disclose information for the current period and for all prior periods presented comparatively with the current period, so that the information disclosed for those periods relates to all operations that were discontinued before the end of the last period presented.

The provisions of this Improvement are effective as of January 1, 2026, with early application permitted for fiscal year 2025. Any resulting accounting changes should be recognized in accordance with MFRS B-1, Accounting Changes and Error Corrections.

The adoption of this Improvement did not affect the Company's financial statements.

4. Significant accounting policies

a) Foreign currency transactions

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 2025 and 2024, as determined by the National Consumer Price Index (INPC), was 3.69% and 4.21%, respectively. The cumulative inflation for the three years immediately preceding 2025 and 2024 was 12.56% and 16.69%, respectively; levels that, according to IFRS, correspond to a non-inflationary environment for the reported years and the following year.

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) Revenues from contracts with customers

The Company is primarily engaged in manufacturing and selling parts for the automotive industry, and it primarily manufacturing, design, assembly, production and commercialization in any form of any kind of turned and milled parts of high-quality precision, particularly parts for fueling.

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

- Identifying the contract with the customers
- 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.

Revenues from sale of automotive parts (and it primarily manufacturing, design, assembly, production and commercialization in any form of any kind of turned and milled parts of high-quality precision, particularly parts for fueling.) is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the parts. The normal credit term is 30 to 90 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of parts, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

f) Cash and cash equivalents

Cash and cash equivalents are primarily represented by petty cash, bank and time deposits, and highly liquid short-term investments with maturities of 90 days or less, with slight risk of changes in value. Cash is presented at nominal value and investments at fair value; changes in value of this caption are recognized in the comprehensive financial result. (See Note 5).

g) Accounts receivables

Trade receivables are initially recognized at the transaction price and subsequently measured at the unconditional consideration amounts, less any expected loss. (Where trade receivables contain significant financing components pursuant MFRS D-1, they are initially recognized at fair value plus transaction costs and subsequently measured at amortized cost using the effective interest rate method, less any expected loss. (see note 6).

To recognize any impairment, the Company uses a simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. To measure ECL, accounts receivable is grouped based on shared credit risk characteristics and the days past due. Expected loss rates are applied based on the payment profiles of sales over the last 2 years and the corresponding credit losses experienced within this period.

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. 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 lease hold improvements

Machinery, equipment and lease hold improvements initially recognized at their acquisition cost.

Where 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.

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.

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

The acquisition value of property, plant and equipment includes the cost that have been initially incurred to be acquired or constructed, as well as those incurred subsequently to replace them or increase 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 property, plant and equipment is determinates on the value resulting from the acquisition cost less the residual value of the property, plant and equipment, using the straightline 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 as follows:

	Annual rates
Machinery and equipment	17%
Leasehold improvements	5%
Computer equipment	30%
Office furniture and equipment	8%
Vehicles	25%
Tools	35%

j) 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 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 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 reevaluation 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 11).

k) Financial liabilities

The Company's financial liabilities include related parties 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).

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 settlement is probable and there are reasonable bases for its quantification. Likewise, commitments are recognized only when a loss is known.

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 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 11).

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.

n) 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 profit 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. 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 FLL. Deferred ESPS asset is recognized only if it is probable that will be recoverable in the future. (See Note 10).

o) 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.

p) 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 16).

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. (See Note 16).

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
Banks	Ps. 17,809,952	Ps. 23,172,255
Fixed	5,697	19,635
	<u>Ps. 17,815,649</u>	<u>Ps. 23,191,890</u>

6. Accounts receivable

As of December 31, 2025 and 2024, accounts receivable are analyzed as follows:

	As of December 31,	
	2025	2024
Continental Powertrain USA, LLC	Ps. 17,504,293	Ps. 18,908,544
Continental Powertrain Romania, SRL	10,723,589	15,460,636
Eaton Cummins Automated Transmission Technologies	1,647,027	-
Vitesco Technologies USA, LLC	-	1,906,260
Others	3,393,488	2,989,431
Accruals for bad debts	(991,428)	(991,428)
	<u>Ps. 32,276,969</u>	<u>Ps. 38,273,443</u>

7. Recoverable taxes

As of December 31, 2025 and 2024, tax recoverable are analyzed as follows:

	As of December 31,	
	2025	2024
Prepayments income tax	Ps. 6,692,297	Ps. 5,954,102
Recoverable value added tax	3,654,298	4,393,709
	<u>Ps. 10,346,595</u>	<u>Ps. 10,347,811</u>

8. Inventories

As of December 31, 2025 and 2024, inventories are analyzed as follows:

	As of December 31,	
	2025	2024
Raw material	Ps. 23,720,966	Ps. 12,447,159
Work in progress	19,457,674	17,901,817
Finished goods	6,466,752	12,742,553
Spare parts for machines	944,529	926,373
	<u>Ps. 50,589,921</u>	<u>Ps. 44,017,902</u>

C. During the years ended December 31, 2025 and 2024, transactions with related parties are shown below:

	Year ended as of December 31,			
	2025		2024	
Income:				
Sale of inventories	Ps.	21,469,442	Ps.	19,108,386
Other income		2,012,830		888,844
	Ps.	23,482,272	Ps.	19,997,230
Expenses				
Interest	Ps.	2,909,789	Ps.	2,383,756
Services		2,298,006		2,190,213
Software		781,113		590,984
Purchase of materials		660,670		701,533
Travel expenses		76,492		205,444
Purchase of machinery and equipment		-		847,394
Other expenses		85,476		105,539
	Ps.	6,811,546	Ps.	14,941,190

10. Machinery, equipment and leasehold improvements

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

	As of December 31,				Depreciation rate
	2025		2024		
Components subject to depreciation					
Machinery and equipment	Ps.	125,401,452	Ps.	121,761,206	17%
Leasehold improvements		7,486,286		5,972,111	5%
Computer equipment		4,690,149		4,617,878	30%
Office furniture and equipment		934,830		905,799	8%
Tools		7,967,327		5,914,152	35%
		146,480,044		139,171,146	
Accumulated depreciation and		(96,919,043)		(86,596,581)	
		49,561,001		52,574,565	
Components not subject to depreciation					
Construction in process		31,572,063		10,613,730	
Construction in process' impairment		(8,882,261)		(8,882,261)	
Machinery and equipment, net	Ps.	72,250,803	Ps.	54,306,034	

As of December 31, 2024, the Company recognized an impairment on its construction in progress amounted to Ps. 8,882,261, derived from the evaluation of the continuity of the project for which it was acquired. The Company is in the process to find another project to use this asset.

b) Depreciation expense for the years ended December 31, 2025 and 2024, amounted to Ps. 10,322,462 and Ps. 8,962,928 respectively.

11. Leases

Right of use assets and lease liabilities are comprised as shown below:

	As of December 31,			
	Buildings	Motor vehicles	Other equipment	Total
As at 1 January 2024	Ps. 12,734,843	Ps. 1,026,136	Ps. 10,494	Ps. 13,771,473
Additions	-	-	-	-
Depreciation/amortization expense	(6,163,249)	(748,869)	(10,494)	(6,922,612)
As at 31 December 2024	Ps. 6,571,594	Ps. 277,267	Ps. -	Ps. 6,848,861
As at 1 January 2025	Ps. 6,571,594	Ps. 277,267	Ps. -	Ps. 6,848,861
Additions	39,374,287	1,084,707	-	40,458,994
Depreciation/amortization expense	(5,836,941)	(995,156)	(126,710)	(6,958,807)
As at 31 December 2025	Ps. 40,108,940	Ps. 366,818	Ps. (126,710)	Ps. 40,349,048

The Company has lease contracts for various items of buildings, vehicles and other equipment used in its operations. Leases of buildings generally have lease terms between 3 and 5 years, while motor vehicles and other equipment generally have lease terms between 2 and 3 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

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

	As of December, 31	
	2025	2024
Beginning balance	Ps. 5,402,045	Ps. 13,979,429
Additions	40,458,993	-
Interest	1,014,296	297,055
Exchange foreign	(4,424,798)	(1,848,483)
Payments	(7,600,679)	(7,025,956)
Final balance	Ps. 34,849,858	Ps. 5,402,045
Current	Ps. 3,240,063	Ps. 3,464,063
Non-current	Ps. 31,609,795	Ps. 1,937,982

The following are the amounts recognized in the statements of comprehensive income:

	Years ended as of December, 31			
	2025		2024	
Depreciation expense of right of use assets	Ps.	6,958,807	Ps.	6,922,612
Interest expense on lease liabilities		1,014,296		297,055
	Ps.	7,973,103	Ps.	7,219,667

12. Employees' benefits

The company has two separate pension plans for its unionized and non-unionized workers, both of which are classified as defined benefit pension plans. The average remaining working lifetime of the company's employees is 3 years.

An analysis of the net periodic cost, the net defined benefit liability and the fair value of plan associated with the Company's post-employment benefits pension plan, seniority premiums, and termination benefit plan as at and for the years ended 31 December 2025 and 2024 is as follows:

a. An analysis of changes in the company's net defined benefit liability is as follows:

	As of December 31, 2025		
	Retirement benefits	Termination benefits	Total
Net defined benefit liability:			
Net defined benefit liability as at 1 January 2024	Ps. 318,376	Ps. 2,639,927	Ps. 2,958,303
Current year service cost	80,073	1,060,442	1,140,515
Net interest on net defined benefit liability	32,166	237,045	269,211
Benefits paid	(32,391)	(675,385)	(707,776)
Actuarial loss from settlements	100,401	(223,530)	(123,129)
Net defined benefit liability as at 31 December 2024	498,625	3,038,499	3,537,124
Current year service cost	102,353	1,087,333	1,189,686
Net interest on net defined benefit liability	54,396	296,904	351,300
Reductions and early settlements	-	(1,436,632)	(1,436,632)
Actuarial loss from settlements	71,262	202,806	274,068
Net defined benefit liability as at 31 December 2025	Ps. 726,636	Ps. 3,188,910	Ps. 3,915,546

b. Cost of the period:

	As of December 2025,		
	Retirement benefits	Termination benefits	Total
Analysis of the cost of the period for 2025:			
Current year service cost	Ps. 102,353	Ps. 1,087,333	Ps. 1,189,686
Net interest cost on net defined benefit liability	54,396	296,904	351,300
Reductions and early settlements	-	(1,436,632)	(1,436,632)
Actuarial loss (gain) from settlements	71,262	202,806	274,068
Cost of the period for 2025	Ps. 228,011	Ps. 150,411	Ps. 378,422

	As of December 2024,		
	Retirement benefits	Termination benefits	Total
Analysis of the cost of the period for 2024:			
Current year service cost	Ps. 80,073	Ps. 1,060,442	Ps. 1,140,515
Net interest cost on net defined benefit liability	32,166	237,045	269,211
Benefits paid	(32,391)	(675,385)	(707,776)
Actuarial loss (gain) from settlements	100,401	(223,530)	(123,129)
Cost of the period for 2024	Ps. 180,249	Ps. 398,572	Ps. 578,821

c. The key assumptions used in the actuarial study, expressed in absolute terms, were as follows:

	2025	2024
Financial assumptions:		
Discount rate	11.00%	10.20%
Expected salary increase rate	5.80%	5.00%
Inflation rate	6.00%	4.00%
Biometric assumptions:		
Mortality rate	EMSSA 2009	EMSSA 2009
Disability in active employees	IMSS – 97	IMSS – 97

13. Employees' statutory profit sharing (ESPS)

a) ESPS determination

Under the tax mechanism in force, ESPS is determined by applying a 10% rate to the taxable income, reconciled by inflation adjustment, inflation effects on depreciation, payments of ESPS during the year, and amounts of other non-deductible benefits to employees. However, pursuant the mechanism to determine ESPS payable in accordance with the Reform to LFT, effective year 2022, the Company has determined a ESPS payable in the year, computing the equivalent of three-month period of salary or the average of ESPS paid in the immediate three years before, for each employee; resulting in a lower amount to that determined under the described tax mechanism and, represents the Company's current ESPS for that year.

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

	Year ended December 31	
	2025	2024
Statutory employees' profit sharing	Ps. -	Ps. 1,091,367
Deferred statutory employees' profit sharing	887,779	4,414,999
	<u>Ps. 887,779</u>	<u>Ps. 5,506,366</u>

c. Deferred employees' profit sharing

An analysis of the company's deferred employee profit sharing assets as at 31 December 2025 and 2024 is as follows:

	Year ended December 31	
	2025	2024
Deferred SEPS assets:		
Provisions	Ps. 1,352,008	Ps. 2,034,304
Lease liability	3,484,986	540,205
Machinery and equipment	1,554,001	373,185
Retirement benefits and termination benefits	391,555	353,712
Other asset	190,156	207,960
Asset use rights	(4,034,905)	(684,886)
Prepaid expenses	(215,291)	(102,417)
Construction in process' impairment	-	888,226
Deferred employee profit sharing asset, net	<u>Ps. 2,722,510</u>	<u>Ps. 3,610,289</u>

Based on financial and tax projections prepared by Company management, the Company has determined that its net deferred employee profit sharing asset.

Current and deferred employee profit sharing are presented as part of operating costs in the statement of income.

14. Income tax

In 2025, the Company determined a tax loss of Ps. 23,647,595 (Ps. 13,352,058.21 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 is analyzed as follows:

	Years ended December 31	
	2025	2024
Current income tax	Ps. -	Ps. 2,786,952
Deferred income tax	2,801,766	12,582,529
	<u>Ps. 2,801,766</u>	<u>Ps. 15,369,481</u>

b. The effective rate and statutory rate reconciliation as of December 31, 2025 and 2024 is as follows:

	Year ended December 31,	
	2025	2024
Profit before income tax	Ps. (15,656,732)	Ps. 32,845,960
Tax rate	30%	30%
Income tax at legal rate	(4,697,020)	9,853,788
Plus (less) the following items		
Non-deductible	1,634,048	1,547,826
Inflation effect on property, plant and equipment	1,597,559	-
Annual Inflation adjustment	(56,783)	(610,083)
Other permanent items	4,146,710	4,577,950
Income tax	<u>Ps. 2,801,766</u>	<u>Ps. 15,369,481</u>
Effective tax rate	<u>(19)%</u>	<u>47%</u>

c. As of December 31, 2025 and 2024, the main temporary differences on which that deferred income tax was recognized as follows:

	As of December 31	
	2025	2024
Deferred tax assets:		
Provisions	Ps. 4,056,024	Ps. 6,102,911
Machinery and leasehold	4,662,003	1,119,554
Benefits employees	1,174,664	1,061,137
Employee profit sharing	189,115	327,410
Fees not paid at the end of the year	273,038	326,451
Accruals for bad debts	297,428	297,428
Lease liability	10,454,957	1,620,614
Construction in process' impairment	-	2,664,678
Asset use rights	(12,104,714)	(2,054,659)
Deferred employee profit sharing	(816,753)	(816,619)
Prepaid expenses	(645,873)	(307,250)
Deferred tax Asset	<u>Ps. 7,539,889</u>	<u>Ps. 10,341,655</u>

15. Stockholders' equity

a. The common stock consists of ordinary nominative shares at par value of one peso each. As of December 31, 2024 and 2023 the capital stock is as follows:

	Year ended December 31, 2025	
	Number of shares	Amount
Fixed capital, series A	50,000 Ps.	50,000

b) In accordance with the Mexican Corporations Act, the Company is required to appropriate at least 5% of the net income of each year to increase the legal reserve. This practice must be continued each year until the legal reserve reaches 20% of the value of the Company's share capital. At 31 December 2025 the legal reserve is \$10,000 (\$10,000 in 2024).

c) There was no dividend decree between the closing date of the accompanying financial statements and the date of authorization to issue them.

Earnings distributed in excess of the Net taxed profits account (CUFIN, by its acronym in Spanish) and CUFINRE balances will be subject to the payment of corporate income tax at the statutory rate at that time. The payment of this tax may be credited against the Company's current income tax and income tax payable for the two subsequent years or against provisional tax payments.

Dividends paid to individuals and foreign corporations from earnings generated as of 1 January 2014 shall be subject to an additional 10% withholding tax.

b) Fiscal values

Stock reimbursements and dividends, except for those restated tax balances of paid in common stock (CUCA, 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:

	December 31,	
	2025	2024
CUCA account balance	Ps. 89,200	Ps. 86,026
CUFIN account balance	148,820,409	142,824,360

15. Financial risk management

The Company's exposure to risks that could affect its future financial performance is to market, credit and liquidity risks.


Market risk. Arises from the use of foreign currencies in the Company's common operations and the use of interest rates, which could affect future economic transactions, foreign currency denominated financial assets and liabilities and variability of interest rates in long-term borrowings. Management of these risks is addressed through measuring forecasted cash flows, some sensitivity analyses and treasury policies executed by the Company's Management.

16. Contingencies

a. 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.

b. 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.

The attached notes are an integral part of these financial statements which were authorized for issuance on March 31, 2026, by the officers who sign at the bottom of the financial statements and notes.



María Leticia Hernández Mitre
Legal Representative