

## KUO ANNOUNCES 1Q23 RESULTS

Mexico City, April 25th, 2023

Note: Management considers that for better understanding of KUO's performance, this report's information, as well as explanations on variations, is presented on the basis of Proforma Combined Financial Statements, which are the result of the consolidation of financial information of all subsidiaries, including the proportional consolidation of 50% stake on Herdez Del Fuerte and Synthetic Rubber joint ventures, which is different from IFRS 11, since it does not consider proportional consolidation.

Figures in this document are unaudited and expressed in millions of pesos, unless otherwise specified, and may vary due to rounding.

Grupo KUO, S.A.B. de C.V. (BMV: KUO) (KUO), announces its unaudited 1Q23 results with \$14,400 million in Revenue and \$897 million in EBITDA.

"During the quarter we recorded a decrease in Revenue and EBITDA largely explained by lower dynamism in Chemical businesses, joined with a negative inventories' devaluation effect, the peso appreciation against US dollar during the period, in addition to high raw material prices, mainly corn and soy paste in Pork Meat business, coupled with difficulties in Transmissions' supply chain. On the other hand, Herdez Del Fuerte and Aftermarket businesses showed strong performance." Alejandro de la Barrera, KUO's CEO mentioned.

### 1Q23 HIGHLIGHTS COMPARED WITH 1Q22

- **Revenue** of \$14,400 million, a 3% decrease, explained by:
  - Negative impact due to peso appreciation against US dollar during the quarter.
  - **Synthetic Rubber & Polymers:** lower selling prices and volume in applications, per downward price curve in the industry.
  - **Transmissions:** lower transmissions and components' volume, per difficulties with the supply of some parts.

This was partially offset by:

- **Herdez Del Fuerte:** higher selling prices mainly in tomato puree, salsas, and vegetables categories in domestic market, in addition to guacamole and salsas in the United States.
  - **Pork Meat:** increased volume and selling prices.
  - **Aftermarket:** higher sales in all business lines.
- **Exports:** 52% of total sales, mainly driven by Pork Meat & Transmissions businesses.
  - **EBITDA** of \$897 million, a 37% contraction, explained by:
    - Negative impact due to peso appreciation against US dollar during the quarter.
    - **Synthetic Rubber & Polymers:** lower selling prices and volume in applications, coupled with a negative inventories' devaluation effect of \$154 million.
    - **Pork Meat:** sharp increase in raw material prices such as corn and soy paste.
    - **Transmissions:** lower sales.

This was partially offset by:

- **Herdez Del Fuerte:** higher prices in main categories, coupled with decreased costs, underscoring lower avocado price.
- **Aftermarket:** increased sales of brakes, engine, and power train parts, combined with better absorption.
- In January Pork Meat acquired a business that produces flour and fat based on meat waste generated in the processing plants. The investment totaled \$270 million, out of which \$189 were paid and the remaining will be settled in a 12-month term.

## KUO AND SUBSIDIARIES

### Proforma Combined Unaudited Results

KUO (Figures in millions of Mexican pesos)	First Quarter		
	2023	2022	Variation
<b>Revenue</b>	<b>14,400</b>	<b>14,916</b>	<b>-3.5%</b>
Exports	7,495	8,359	-10.3%
<b>Operating Profit</b>	<b>254</b>	<b>752</b>	<b>-66.3%</b>
<i>Operating Margin</i>	<i>1.8%</i>	<i>5.0%</i>	<i>-3.2 pp</i>
<b>EBITDA</b>	<b>897</b>	<b>1,429</b>	<b>-37.2%</b>
<i>EBITDA Margin</i>	<i>6.2%</i>	<i>9.6%</i>	<i>-3.4 pp</i>
<b>Net Majority Income</b>	<b>238</b>	<b>577</b>	<b>-58.7%</b>

REVENUE (Figures in millions of Mexican pesos)	First Quarter		
	2023	2022	Variation
<b>Consumer</b>	<b>7,158</b>	<b>6,049</b>	<b>18.3%</b>
<b>Chemical</b>	<b>3,452</b>	<b>4,981</b>	<b>-30.7%</b>
<b>Automotive</b>	<b>3,725</b>	<b>3,823</b>	<b>-2.6%</b>
<b>Total</b>	<b>14,400</b>	<b>14,916</b>	<b>-3.5%</b>

EBITDA (Figures in millions of Mexican pesos)	First Quarter		
	2023	2022	Variation
<b>Consumer</b>	<b>372</b>	<b>373</b>	<b>-0.5%</b>
<b>Chemical</b>	<b>202</b>	<b>667</b>	<b>-69.8%</b>
<b>Automotive</b>	<b>363</b>	<b>414</b>	<b>-12.3%</b>
<b>Total</b>	<b>897</b>	<b>1,429</b>	<b>-37.2%</b>

### PROFORMA COMBINED REVENUE AND EXPORTS

During 1Q23, Revenue reached \$14,400 million, a 3% decrease when compared to 1Q22, mainly explained by lower dynamism in Chemical sector businesses, which recorded lower prices and volume in applications, due to the downward price curve in the industry, as well as lower sales in Transmissions, per problems with the supply of some parts. This coupled with a negative effect due to the peso appreciation during the quarter, which impacts all portfolio businesses.

This was partially offset by higher volume and prices in Pork Meat, higher prices in Herdez Del Fuerte, mainly in tomato puree, salsas, and vegetables categories in domestic market, and guacamole and salsas in the United States, in addition to increased demand in brakes, engines and power train parts in Aftermarket.

The percentage of exports in total Revenue for the quarter reached 52%, mainly driven by Pork Meat & Transmissions businesses.

## PROFORMA COMBINED OPERATING RESULT AND EBITDA

During 1Q23, Operating Result and EBITDA decreased 66% and 37%, reaching \$254 million and \$897 million, correspondingly. This contraction is largely explained by lower sales in Chemical businesses, joined with a negative inventories' devaluation effect, sharp increase in corn and soy paste in Pork Meat, coupled with problems with the supply of some parts in Transmissions, in addition to a negative effect due to peso appreciation against us dollar during the quarter.

This was partially offset by better performance of Herdez Del Fuerte and Aftermarket businesses.

Operating Margin and EBITDA margins were 1.8% and EBITDA 6.2%, correspondingly.

## PROFORMA COMBINED FINANCIAL REVENUE

During 1Q23 KUO recorded Net Financial Revenue of \$84 million, largely explained by an exchange rate gain due to the peso appreciation against US dollar, it is worth mentioning that during the quarter interests paid were higher per the increase in interest rates.

## PROFORMA COMBINED INCOME TAXES

Tax provision of \$100 million comprised by \$354 million in current taxes and deferred taxes of (\$254) million.

## NET MAJORITY INCOME (CONTROLLING INTEREST)

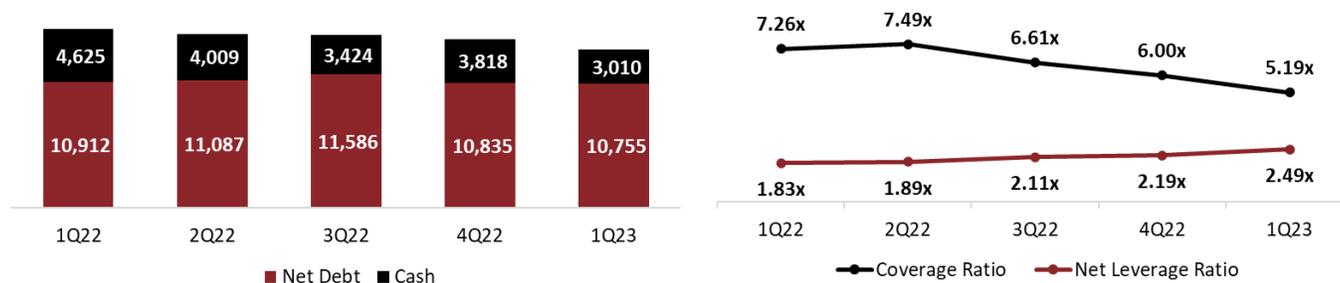
Net Majority Income (Controlling Interest) of \$238 million, a lower figure when compared to the \$577 million recorded in 1Q22, mainly explained by higher costs and expenses.

## PROFORMA COMBINED INVESTMENT IN PRODUCTIVE ASSETS

Investment in productive assets throughout 1Q23 totaled \$407 million, this amount was mainly allocated in Pork Meat and Synthetic Rubber businesses.

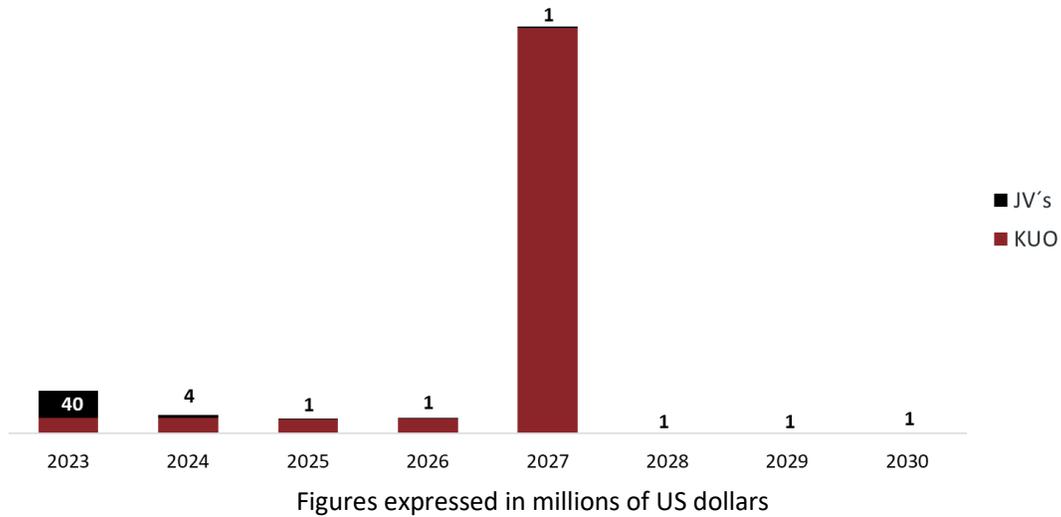
## PROFORMA COMBINED NET DEBT

At the end of 1Q23, net leverage ratio reached 2.49x<sup>1</sup>, coverage ratio 5.19x<sup>1</sup>, and capitalization ratio 0.48x<sup>1</sup>. Average cost of debt at the end of the quarter was 6.4%.



<sup>1</sup> Calculated in US dollars.

Following is the debt profile at the end of March:



**BUY-BACK PROGRAM**

During 1Q23, buy-back program purchased 43,697 series B shares, and 7,000 series A shares, closing the quarter with a total of 18,109,814 series B shares, and 412,879 series A shares.

## PROFORMA COMBINED RESULTS BY SECTOR

<b>CONSUMER</b>		<b>First Quarter</b>		
(Figures in millions of Mexican pesos)	<b>2023</b>	<b>2022</b>	<b>Variation</b>	
<b>Revenue</b>	<b>7,158</b>	<b>6,049</b>	<b>18.3%</b>	
<b>Operating Profit</b>	<b>136</b>	<b>168</b>	<b>-18.9%</b>	
Operating Margin	1.9%	2.8%	-0.9 pp	
<b>EBITDA</b>	<b>372</b>	<b>373</b>	<b>-0.5%</b>	
EBITDA Margin	5.2%	6.2%	-1 pp	

Note: Figures comprise the results of Pork Meat and Herdez Del Fuerte businesses

Consumer sector recorded 18% Revenue growth during the quarter, explained by higher demand in both businesses. Pork Meat recorded increased volume and prices, while Herdez Del Fuerte registered higher prices, underscoring tomato puree, salsas, and vegetables categories in domestic market, along with salsas and guacamole in the United States

EBITDA recorded a similar figure when compared to 1Q22, explained by the sharp increase in raw material prices such as corn and soy paste, as well as a negative effect due to the peso appreciation against us dollar during the quarter in Pork Meat business. Herdez Del Fuerte achieved operating efficiencies, in addition to decreased costs, underscoring lower avocado prices.

Operating and EBITDA margins were 1.9% and 5.2% correspondingly.

In January Pork Meat acquired "PCP del Sureste", a plant that produces flour and fat based on meat waste generated in the two processing plants in Yucatan. The acquisition is part of the strategy to strengthen the value chain. The investment totaled \$270 million, out of which \$189 was paid and the remaining will be settled in a 12-month term.

<b>CHEMICAL</b>		<b>First Quarter</b>		
(Figures in millions of Mexican pesos)	<b>2023</b>	<b>2022</b>	<b>Variation</b>	
<b>Revenue</b>	<b>3,452</b>	<b>4,981</b>	<b>-30.7%</b>	
<b>Operating Profit</b>	<b>79</b>	<b>528</b>	<b>-85.0%</b>	
Operating Margin	2.3%	10.6%	-8.3 pp	
<b>EBITDA</b>	<b>202</b>	<b>667</b>	<b>-69.8%</b>	
EBITDA Margin	5.8%	13.4%	-7.6 pp	

Note: Figures comprise the results of Synthetic Rubber and Polymers businesses

Chemical sector recorded 31% Revenue decrease during the quarter, explained by lower selling prices and volume in applications in both businesses, because of the downward price curve in the industry, joined with a negative effect due to the peso appreciation against US dollar during the period.

EBTIDA recorded a 70% decrease derived from lower sales, coupled with a negative inventories' devaluation effect in both businesses of \$154 million.

Operating and EBITDA margins were 2.3% and 5.8% correspondingly.

<b>AUTOMOTIVE</b>	<b>First Quarter</b>		
(Figures in millions of Mexican pesos)	<b>2023</b>	<b>2022</b>	<b>Variation</b>
<b>Revenue</b>	<b>3,725</b>	<b>3,823</b>	<b>-2.6%</b>
<b>Operating Profit</b>	<b>91</b>	<b>102</b>	<b>-10.2%</b>
Operating Margin	2.4%	2.7%	-0.3 pp
<b>EBITDA</b>	<b>363</b>	<b>414</b>	<b>-12.3%</b>
EBITDA Margin	9.7%	10.8%	-1.1 pp

Note: Figures comprise the results of Transmissions and Aftermarket businesses

Automotive sector recorded 3% Revenue decrease during the quarter, explained by lower transmissions and components sales in Transmissions business, due to difficulties with the supply of some parts, coupled with a negative effect due to the peso appreciation against us dollar during the period. This was partially offset by higher demand of brakes, engine, and power train parts in Aftermarket business.

EBITDA decreased 12% when compared to 1Q22, largely explained by lower Transmissions' sales, which was partially offset by higher volume and better absorption in Aftermarket business.

Operating and EBITDA margins were 2.4% and 9.7% correspondingly.

## ANALYST COVERAGE

In accordance with the provisions of article 4.033.01 subsection VIII of the BMV's rules of procedure on maintenance requirements, we report that the Broker/Credit Institutions which provide coverage analysis of our securities are Grupo Bursátil Mexicano S.A. de C.V. "GBM" (Alejandro Azar) and NAU Securities (Pedro Baptista).

## ABOUT KUO

Grupo KUO is a leading industrial conglomerate in Mexico, with annual sales amounting approximately \$64,000 million as of December 31st, 2022, exports to around 70 countries across every continent and approximately 24,000 employees. Its current business portfolio includes three sectors: Consumer, Chemical and Automotive.

This press release contains forward-looking statements that reflect the current opinions of Grupo KUO's management regarding future events. The words or phrases "predict", "believe", "estimate", "expect", "have the intention of", "may", "plan" and "should" and similar expressions generally indicate comments about expectations. These comments are subject to risks, uncertainties and changing circumstances. Final results may be materially different from current expectations because of various factors, which include but are not limited to global and local changes in politics, the economy, business, competition and market and regulatory factors, cyclical trends consumer, chemical and automotive sectors. KUO has no obligation whatsoever to update these comments on expectations. Any comment on expectation is valid only on the date on which it is made.

# contact

**Antonia Gutiérrez**  
+52 (55) 5261 8309  
antonia.gutierrez@desc.com

**Ana Claudia Joaquín**  
+52 (55) 5267 8157  
ana.joachin@desc.com

ir@kuo.com.mx



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### GRUPO KUO, S.A.B. DE C.V. AND SUBSIDIARIES

Proforma Combined Statement of Financial Position (Unaudited)

International Financial Reporting Standard (With exception of IFRS 11)

As of March 31st, 2023, and 2022

(Figures in millions of Mexican pesos)

Concept	Mar-23	Mar-22	%
Cash and Cash Equivalents	3,010	4,625	-34.9%
Accounts and Documents Receivable, net	8,879	9,294	-4.5%
Inventories, net	11,746	11,833	-0.7%
Other Current Assets	2,332	2,523	-7.6%
<b>Current Assets</b>	<b>25,967</b>	<b>28,275</b>	<b>-8.2%</b>
Property, Plant and Equipment, net	17,188	17,669	-2.7%
Right of use Assets	1,669	1,807	-7.6%
Goodwill, Patents and Trademarks	2,648	2,383	11.1%
Projects and Capitalized development	3,504	4,527	-22.6%
Investments in Shares	13	24	-45.8%
Other Non-Current Assets	3,253	2,364	37.6%
<b>Total non - current Assets</b>	<b>28,275</b>	<b>28,774</b>	<b>-1.7%</b>
<b>Total Assets</b>	<b>54,242</b>	<b>57,049</b>	<b>-4.9%</b>
Bank Loans and Current Portion of long-Term Debt	1,273	709	79.5%
Accounts and Notes Payable Suppliers	13,389	14,732	-9.1%
Accrued Liabilities and Other accounts payable	6,564	6,811	-3.6%
<b>Current Liabilities</b>	<b>21,226</b>	<b>22,252</b>	<b>-4.6%</b>
Long-Term Debt	12,492	14,828	-15.8%
Other Non-Current Liabilities	3,673	3,429	7.1%
<b>Total non - current Liabilities</b>	<b>16,165</b>	<b>18,257</b>	<b>-11.5%</b>
<b>Total Liabilities</b>	<b>37,391</b>	<b>40,509</b>	<b>-7.7%</b>
Capital Stock	2,728	2,728	0.0%
Retained Earnings	12,973	11,558	12.2%
Profit for the year	238	577	-58.8%
Others	907	1,676	-45.9%
Controlling Interest	16,846	16,539	1.9%
Non- Controlling Interest	5	1	N/A
<b>Stockholders' Equity</b>	<b>16,851</b>	<b>16,540</b>	<b>1.9%</b>
<b>Liabilities and Stockholders' Equity</b>	<b>54,242</b>	<b>57,049</b>	<b>-4.9%</b>

**GRUPO KUO, S.A.B. DE C.V. AND SUBSIDIARIES**

Proforma Combined Statements of Income and Comprehensive Income (Unaudited)

International Financial Reporting Standard (With exception of IFRS 11)

First Quarter of 2023 and 2022

(Figures in millions of Mexican pesos)

Concept	1Q23	%	1Q22	%	Var.
Net Revenue	14,400	100.0%	14,916	100.0%	-3.5%
Cost of Sales	12,098	84.0%	12,562	84.2%	-3.7%
<b>Gross Profit</b>	<b>2,302</b>	<b>16.0%</b>	<b>2,354</b>	<b>15.8%</b>	<b>-2.2%</b>
Selling and Distribution Expenses	1,335	9.3%	1,219	8.2%	9.5%
Administrative Expenses	714	5.0%	711	4.8%	0.4%
<b>General Expenses</b>	<b>2,049</b>	<b>14.2%</b>	<b>1,930</b>	<b>12.9%</b>	<b>6.2%</b>
Other Income	-1	0.0%	-328	-2.2%	-99.7%
<b>Operating Profit</b>	<b>254</b>	<b>1.8%</b>	<b>752</b>	<b>5.0%</b>	<b>-66.2%</b>
<b>EBITDA</b>	<b>897</b>	<b>6.2%</b>	<b>1,429</b>	<b>9.6%</b>	<b>-37.2%</b>
Interest expense - net	294	2.0%	250	1.7%	17.6%
Exchange profit - net	-469	-3.3%	-176	-1.2%	166.5%
Other financial expenses - net	91	0.6%	40	0.3%	127.5%
<b>Financial (Income) Expenses - net</b>	<b>-84</b>	<b>-0.6%</b>	<b>114</b>	<b>0.8%</b>	<b>N/A</b>
<b>Profit before Income Taxes</b>	<b>338</b>	<b>2.3%</b>	<b>638</b>	<b>4.3%</b>	<b>-47.0%</b>
Current tax	354	2.5%	273	1.8%	29.7%
Benefits deferred tax	-254	-1.8%	-212	-1.4%	19.8%
<b>Consolidated - net Profit</b>	<b>238</b>	<b>1.7%</b>	<b>577</b>	<b>3.9%</b>	<b>-58.8%</b>
Profit Attributable to Non - Controlling Interests	0	0.0%	0	0.0%	N/A
Profit Attributable - Controlling Interests	238	1.7%	577	3.9%	-58.8%
<b>Other comprehensive loss, net of income tax</b>					
Cumulative translation adjustment	-525	-3.6%	-259	-1.7%	102.7%
Derivative financial instruments	-6	0.0%	1	0.0%	N/A
<b>Items that will be reclassified to profit or loss</b>	<b>-531</b>	<b>-3.7%</b>	<b>-258</b>	<b>-1.7%</b>	<b>105.8%</b>
<b>Consolidated comprehensive (loss) income</b>	<b>-293</b>	<b>-2.0%</b>	<b>319</b>	<b>2.1%</b>	<b>N/A</b>

**GRUPO KUO, S.A.B. DE C.V. AND SUBSIDIARIES**

Proforma Combined Statement of Changes in Stockholders' Equity - IFRS (Unaudited)

International Financial Reporting Standards (with exception of IFRS 11)

For the periods ended March 31st, 2023 and 2022

(Figures in millions of Mexican pesos, except shares information)

Concept	Contributed Capital		Earned Capital		Controlling interest	Non - Controlling interest	Total Stockholders' Equity
	Capital stock	Retained earnings	Consolidated net Income	Other comprehensive income			
<b>Balances at beginning of 2022</b>	\$ 2,728	\$ 8,860	\$ 2,710	\$ 1,933	\$ 16,231	\$ 2	\$ 16,233
Transfer Consolidated net Income	-	2,710	(2,710)	-	-	-	-
Repurchase of ordinary shares	-	(12)	-	-	(12)	-	(12)
Consolidated comprehensive income	-	-	577	(257)	320	(1)	319
<b>Balance ending March, 2022</b>	\$ 2,728	\$ 11,558	\$ 577	\$ 1,676	\$ 16,539	\$ 1	\$ 16,540
<b>Balances at beginning of 2023</b>	\$ 2,728	\$ 11,104	\$ 1,872	\$ 1,437	\$ 17,141	\$ 5	\$ 17,146
Transfer Consolidated net Income	-	1,872	(1,872)	-	-	-	-
Repurchase of ordinary shares	-	(2)	-	-	(2)	-	(2)
Consolidated comprehensive income	-	-	238	(531)	(293)	-	(293)
<b>Balance ending March, 2023</b>	\$ 2,728	\$ 12,974	\$ 238	\$ 906	\$ 16,846	\$ 5	\$ 16,851

Number of shares 456,366,148

**GRUPO KUO, S.A.B. DE C.V. AND SUBSIDIARIES**

Consolidated Statement of Financial Position - IFRS (Unaudited)

International Financial Reporting Standard

As of March 31st, 2023, and 2022

(Figures in millions of Mexican pesos)

Concept	Mar-23	Mar-22	%
Cash and Cash Equivalents	1,655	3,092	-46.5%
Accounts and Documents Receivable, net	4,264	4,797	-11.1%
Inventories, net	8,273	8,207	0.8%
Other Current Assets	2,299	2,447	-6.0%
<b>Current Assets</b>	<b>16,491</b>	<b>18,543</b>	<b>-11.1%</b>
Property, Plant and Equipment, net	11,756	11,903	-1.2%
Right of use Assets	1,385	1,475	-6.1%
Goodwill, Patents and Trademarks	355	138	157.2%
Projects and Capitalized development	3,438	4,379	-21.5%
Investments in Shares	10,759	11,247	-4.3%
Other Non-Current Assets	2,900	2,195	32.1%
<b>Total non - current Assets</b>	<b>30,593</b>	<b>31,337</b>	<b>-2.4%</b>
<b>Total Assets</b>	<b>47,084</b>	<b>49,880</b>	<b>-5.6%</b>
Bank Loans and Current Portion of long-Term Debt	529	556	-4.9%
Accounts and Notes Payable Suppliers	9,006	10,518	-14.4%
Accrued Liabilities and Other accounts payable	5,194	5,474	-5.1%
<b>Current Liabilities</b>	<b>14,729</b>	<b>16,548</b>	<b>-11.0%</b>
Long-Term Debt	12,297	14,012	-12.2%
Other Non-Current Liabilities	3,212	2,781	15.5%
<b>Total non - current Liabilities</b>	<b>15,509</b>	<b>16,793</b>	<b>-7.6%</b>
<b>Total Liabilities</b>	<b>30,238</b>	<b>33,341</b>	<b>-9.3%</b>
Capital Stock	2,728	2,728	0.0%
Retained Earnings	12,973	11,558	12.2%
Profit for the year	238	577	-58.8%
Others	907	1,676	-45.9%
Controlling Interest	16,846	16,539	1.9%
Non- Controlling Interest	0	0	N/A
<b>Stockholders' Equity</b>	<b>16,846</b>	<b>16,539</b>	<b>1.9%</b>
<b>Liabilities and Stockholders' Equity</b>	<b>47,084</b>	<b>49,880</b>	<b>-5.6%</b>

**GRUPO KUO, S.A.B. DE C.V. AND SUBSIDIARIES**

Consolidated Statement of Income and Comprehensive Income - IFRS (Unaudited)

International Financial Reporting Standard

First Quarter of 2023 and 2022

(Figures in millions of Mexican pesos)

Concept	1Q23	%	1Q22	%	Var.
Net Revenue	10,011	100.0%	10,305	100.0%	-2.9%
Cost of Sales	8,801	87.9%	9,115	88.5%	-3.4%
<b>Gross Profit</b>	<b>1,210</b>	<b>12.1%</b>	<b>1,190</b>	<b>11.5%</b>	<b>1.7%</b>
Selling and Distribution Expenses	749	7.5%	693	6.7%	8.1%
Administrative Expenses	510	5.1%	527	5.1%	-3.2%
<b>General Expenses</b>	<b>1,259</b>	<b>12.6%</b>	<b>1,220</b>	<b>11.8%</b>	<b>3.2%</b>
Participation in Joint Ventures	-259	-2.6%	-349	-3.4%	-25.8%
Other Expenses (Income)	7	0.1%	-291	-2.8%	N/A
<b>Operating Profit</b>	<b>203</b>	<b>2.0%</b>	<b>610</b>	<b>5.9%</b>	<b>-66.7%</b>
<b>EBITDA</b>	<b>897</b>	<b>9.0%</b>	<b>1,429</b>	<b>13.9%</b>	<b>-37.2%</b>
Interest expense - net	269	2.7%	232	2.3%	15.9%
Exchange profit - net	-467	-4.7%	-190	-1.8%	145.8%
Other financial expenses - net	126	1.3%	63	0.6%	100.0%
<b>Financial (Income) Expenses - net</b>	<b>-72</b>	<b>-0.7%</b>	<b>105</b>	<b>1.0%</b>	<b>N/A</b>
<b>Profit before Income Taxes</b>	<b>275</b>	<b>2.7%</b>	<b>505</b>	<b>4.9%</b>	<b>-45.5%</b>
Current tax	197	2.0%	102	1.0%	93.1%
Benefits deferred tax	-160	-1.6%	-174	-1.7%	-8.0%
<b>Consolidated - net Profit</b>	<b>238</b>	<b>2.4%</b>	<b>577</b>	<b>5.6%</b>	<b>-58.8%</b>
Profit Attributable to Non - Controlling Interests	0	0.0%	0	0.0%	N/A
Profit Attributable - Controlling Interests	238	2.4%	577	5.6%	-58.8%
<b>Other comprehensive loss, net of income tax</b>					
Cumulative translation adjustment	-8	-0.1%	0	0.0%	N/A
Derivative financial instruments	-6	-0.1%	1	0.0%	N/A
Equity in other comprehensive income of joint ventures	-517	-5.2%	-258	-2.5%	100.4%
<b>Items that will be reclassified to profit or loss</b>	<b>-531</b>	<b>-5.3%</b>	<b>-257</b>	<b>-2.5%</b>	<b>106.6%</b>
<b>Consolidated comprehensive (loss) income</b>	<b>-293</b>	<b>-2.9%</b>	<b>320</b>	<b>3.1%</b>	<b>N/A</b>

**GRUPO KUO, S.A.B. DE C.V. AND SUBSIDIARIES**

Consolidated Statement of Changes in Stockholders' Equity - IFRS (Unaudited)

International Financial Reporting Standard (IFRS)

For the periods ended March 31st, 2023 and 2022

(Figures in millions of Mexican pesos, except shares information)

Concept	Contributed Capital		Earned Capital		Controlling interest	Non - Controlling interest	Total Stockholders' Equity
	Capital stock	Retained earnings	Consolidated net Income	Other comprehensive income			
<b>Balances at beginning of 2022</b>	\$ 2,728	\$ 8,860	\$ 2,710	\$ 1,933	\$ 16,231	\$ -	\$ 16,231
Transfer Consolidated net Income	-	2,710	(2,710)	-	-	-	-
Repurchase of ordinary shares	-	(12)	-	-	(12)	-	(12)
Consolidated comprehensive income	-	-	577	(257)	320	-	320
<b>Balance ending March, 2022</b>	\$ 2,728	\$ 11,558	\$ 577	\$ 1,676	\$ 16,539	\$ -	\$ 16,539
<b>Balances at beginning of 2023</b>	\$ 2,728	\$ 11,104	\$ 1,872	\$ 1,437	\$ 17,141	\$ -	\$ 17,141
Transfer Consolidated net Income	-	1,872	(1,872)	-	-	-	-
Repurchase of ordinary shares	-	(2)	-	-	(2)	-	(2)
Consolidated comprehensive income	-	-	238	(531)	(293)	-	(293)
<b>Balance ending March, 2023</b>	\$ 2,728	\$ 12,974	\$ 238	\$ 906	\$ 16,846	\$ -	\$ 16,846

Number of shares 456,366,148