

## KUO ANNOUNCES FIRST QUARTER 2026 FINANCIAL RESULTS

Mexico City, April 21<sup>st</sup>, 2026

Note: Management considers that, for a better understanding of KUO's performance, the information contained in this report, as well as the explanations of period-to-period variations, is presented based on Proforma Combined Financial Statements. This information reflects the consolidation of the financial information of all subsidiaries, including the proportional consolidation of 50% stake in Herdez Del Fuerte and Synthetic Rubber joint ventures. This approach differs from IFRS 11, which does not account for proportional consolidation. For reference purposes, an additional section is included with explanations of the variations based on the Consolidated Financial Statements.

All figures included in this document are unaudited, expressed in millions of pesos, unless otherwise stated, and may be subject to rounding differences.

EBITDA is presented exclusively under Proforma Combined Financial information as supplementary data, as it is commonly used by investors and analysts to assess the Company's capacity to generate cash flow and service its debt.

To provide a clearer view of the performance of the portfolio businesses, the financial information of the Pork Meat and Herdez Del Fuerte businesses is grouped under the "Consumer Sector," while the financial information of the Synthetic Rubber, Polymers, and Transmissions businesses is grouped within the "Industrial Sector."

KUO S.A.B. de C.V. (BMV: KUO) announced its unaudited results for the first quarter 2026, reporting proforma Revenues of \$12,472 million and proforma Operating Cash Flow of \$1,166 million.

"During the first quarter of 2026, the Consumer sector delivered a solid performance, driven by revenue growth at Herdez del Fuerte, supported by higher sales volumes and a more favorable product mix. Meanwhile, the Pork Meat business sustained stable operating levels, reflecting disciplined management under a more challenging pricing environment.

In the Industrial sector, market conditions remained challenging, marked by softer demand dynamics and the continued impact of tariffs, particularly in the Transmissions business. In addition, the average appreciation of the peso against the U.S. dollar during the period created headwinds for results. In this context, KUO implemented targeted initiatives across the Transmissions and Polymers businesses designed to improve performance and strengthen operational efficiency.

As of the end of the quarter, KUO maintained a solid financial position, with leverage and interest coverage metrics reflecting disciplined capital management. These strengths support the Company's strategy to enhance profitability and continue consolidating portfolio value over the medium and long term," stated Alejandro de la Barreda, Chief Executive Officer of KUO.

### 1Q26 HIGHLIGHTS COMPARED TO 1Q25

#### Proforma Figures

**Revenue** of \$12,472 million, representing an 8% decrease compared to 1Q25, mainly explained by the following factors:

- **Herdez del Fuerte:** Reported a 10% increase, driven by higher sales volumes and a more favorable product mix in the domestic market. Notable performance was observed in the tomato purée, legumes, ketchup, mole, and vegetables categories.

This performance was offset by lower revenues in the following businesses:

- **Pork Meat:** Revenues decreased by 7%, as a result of lower prices in the domestic market and an adverse foreign exchange impact on the export market, partially offset by stable sales volumes.
- **Transmissions:** Revenues contracted by 16%, primarily due to lower sales volumes for certain customers, including Volvo, Daimler, and BRP, compounded by an unfavorable foreign exchange impact.
- **Polymers:** Revenues declined by 23%, reflecting weak demand in the U.S. market, which resulted in lower volumes, along with an additional negative foreign exchange impact.
- **Synthetic Rubber:** Sales were 13% below the same period of the prior year, attributable to lower selling prices that offset stable volumes, as well as an unfavorable foreign exchange impact.

**Exports** accounted for 49% of total sales, mainly in North America and Japan.

**Operating Cash Flow (EBITDA)** of \$1,166 million, representing a 16% decrease compared to 1Q25, mainly driven by the following factors:

- **Herdez del Fuerte:** Recorded a significant increase of 28%, driven primarily by operational efficiencies that improved production costs. Additionally, the margin benefited from lower prices for certain raw materials, such as avocado, and a more favorable product mix.

These positive effects were partially offset by:

- **Pork Meat:** Operating cash flow came in slightly below the level recorded in the same period of the prior year, as a result of an increase in operating expenses that pressured margins, partially offset by lower raw material costs, particularly soybean paste.
- **Transmissions:** The result showed a significant decline, primarily due to a less favorable sales mix that weighed on margins, higher logistics costs associated with the impact of tariffs, and a negative effect from the appreciation of the peso. Additionally, non-recurring benefits were recorded in the same period of the prior year, resulting in a less favorable comparison base.
- **Polymers and Synthetic Rubber:** Both business segments were affected by an unfavorable inventory effect, with repercussions on margins. As a result, operating cash flow declined by 32% and 27%, respectively, compared to the same period of the prior year.

## KUO AND SUBSIDIARIES

Proforma Combined Unaudited Results

KUO (Figures in millions of Mexican pesos)	First Quarter		
	2026	2025	Variation
<b>Revenue</b>	<b>12,472</b>	<b>13,515</b>	<b>-7.7%</b>
Exports	6,129	7,137	-14.1%
Cost of sales	9,746	10,560	-7.7%
General Expenses	2,152	2,158	-0.3%
<b>Operating Profit</b>	<b>574</b>	<b>797</b>	<b>-28.0%</b>
<i>Operating Margin</i>	4.6%	5.9%	-1.3 pp
<b>EBITDA</b>	<b>1,166</b>	<b>1,394</b>	<b>-16.4%</b>
<i>EBITDA Margin</i>	9.3%	10.3%	-1 pp
Financial Expenses – Income	295	397	-25.7%
Income Tax	203	211	-3.8%
Discontinued Operations	8	3,460	-99.8%
<b>Net Majority Income</b>	<b>84</b>	<b>3,649</b>	<b>-97.7%</b>

<b>REVENUE</b>	<b>First Quarter</b>		
<b>(Figures in millions of Mexican pesos)</b>	<b>2026</b>	<b>2025</b>	<b>Variation</b>
Consumer	7,961	8,032	-0.9%
Industrial	4,414	5,363	-17.7%
<b>Total</b>	<b>12,472</b>	<b>13,515</b>	<b>-7.7%</b>

<b>EBITDA</b>	<b>First Quarter</b>		
<b>(Figures in millions of Mexican pesos)</b>	<b>2026</b>	<b>2025</b>	<b>Variation</b>
Consumer	1,121	1,031	8.7%
Industrial	91	402	-77.4%
<b>Total</b>	<b>1,166</b>	<b>1,394</b>	<b>-16.4%</b>

### **PROFORMA COMBINED REVENUES AND EXPORTS**

During the quarter, revenues reached \$12,472 million, representing an 8% decrease compared to the same period of the prior year. This variation was explained by the mixed performance across the different business segments.

Herdez del Fuerte recorded a 10% increase in revenues, driven mainly by higher sales volumes and a more favorable product mix in the domestic market, with notable performance in the tomato purée, legumes, ketchup, mole, and vegetable categories.

However, this growth was partially offset by lower revenues in other businesses. The Pork Meat business posted a 7% decline, attributable to lower prices in the domestic market and an adverse foreign exchange impact on the export market, partially offset by stable sales volumes. Meanwhile, Transmissions registered a 16% contraction, primarily reflecting reduced volumes sold to certain customers such as Volvo, Daimler, and BRP, combined with an unfavorable foreign exchange effect. In the Polymers business, revenues decreased by 23%, reflecting weaker demand in the U.S. market and an adverse currency impact. Finally, the Synthetic Rubber business reported a 13% decline, driven by lower selling prices that offset stable volumes, as well as a negative foreign exchange effect.

Exports represented 49% of total revenues during the quarter, mainly in North America and Japan.

### **PROFORMA COMBINED OPERATING RESULT AND OPERATING CASH FLOW (EBITDA)**

As of the end of 1Q26, operating cash flow amounted to \$1,166 million, representing a 16% decrease compared to the same period of the prior year. Likewise, operating income declined by 28%. This performance was primarily driven by unfavorable results in certain business segments, which were partially offset by positive performance in other areas.

In the Transmissions business, the decline was mainly attributable to a less favorable sales mix that negatively impacted margins, as well as higher logistics costs resulting from the effects of tariffs and the impact of the appreciation of the peso. Additionally, non-recurring benefits were recorded in the same period of the prior year, resulting in a less favorable comparison base. Meanwhile, the Polymers and Synthetic Rubber businesses were affected by an unfavorable inventory effect that negatively impacted margins, leading to declines in operating cash flow of 32% and 27%, respectively, and reductions in operating income of 40% and 86%, compared to the same period of the prior year. The Pork Meat business reported operating cash flow slightly below that of the same period of the prior

year, as a result of an increase in operating expenses that pressured margins, partially offset by lower raw material costs, particularly soybean paste.

These effects were partially offset by the outstanding performance of Herdez del Fuerte, whose operating cash flow increased by 28% and operating income by 35%, driven mainly by operational efficiencies that lowered production costs. Additionally, margins benefited from lower prices for certain raw materials, such as avocado, as well as a more favorable product mix.

### **PROFORMA COMBINED FINANCIAL EXPENSES**

During 1Q26, net financial expenses totaled \$295 million, explained mainly by interest paid during the period amounting to \$129 million and losses from exchange rate fluctuations of \$166 million.

### **PROFORMA COMBINED INCOME TAX**

Income Tax Provision amounted to \$203 million, reflecting current taxes of \$187 million and deferred income tax of \$16 million.

### **PROFORMA NET MAJORITY INCOME (CONTROLLING INTEREST)**

As of 1Q26, controlling interest net income amounted to \$84 million, compared to net income of \$3,649 million recorded in 1Q25. This variance is mainly explained by the effect of the sale of the Aftermarket business in 2025, and lower revenues in 1Q26.

### **PROFORMA COMBINED INVESTMENT IN PRODUCTIVE ASSETS**

Capital expenditures during 1Q26 amounted to \$445 million, primarily allocated to the Pork Meat business, focusing on efficiency-driven projects, as well as maintenance projects for wastewater treatment facilities at farms.

In the Synthetic Rubber business, resources were allocated to the enhancement of wastewater treatment facilities in Altamira.

Meanwhile, in the Herdez del Fuerte business, resources were primarily allocated to initiatives aimed at strengthening production capacity and enhancing operational efficiency.

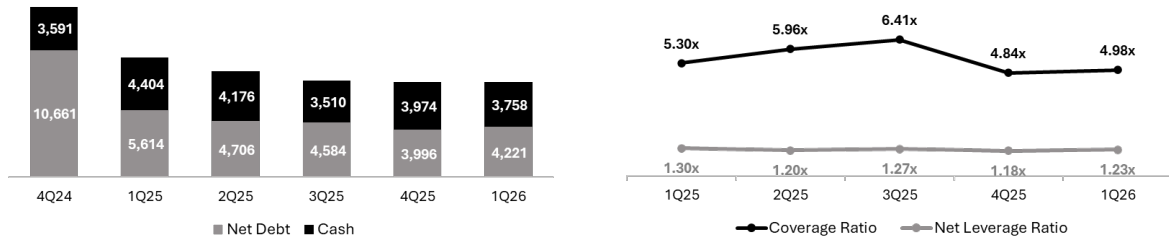
### **PROFORMA COMBINED NET DEBT**

As of the end of 1Q26, KUO reported proforma bank liabilities of \$7,979 million and cash balances of \$3,758 million, excluding restricted cash, resulting in net debt of \$4,221 million. The net leverage ratio was 1.23x<sup>1</sup>, the coverage ratio was 4.98x<sup>1</sup>, and the capitalization ratio was 0.35x<sup>1</sup>. The weighted average cost of debt at quarter-end was 4.84%.

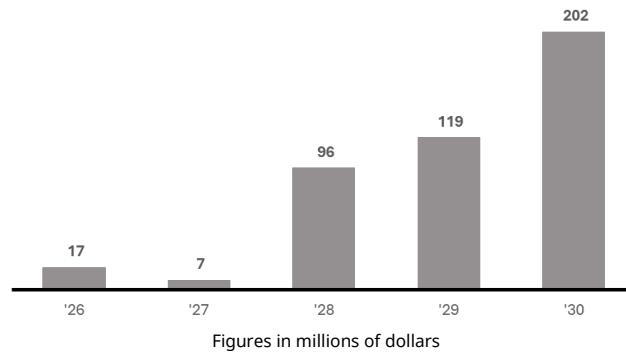
As of 1Q26, 100% of the outstanding debt was at variable interest rates, with 95% classified as long-term and the remaining 5% as short-term. The Company does not exhibit seasonal trends in its credit requirements or available credit lines.

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<sup>1</sup> Calculated in USD.



Below is the debt profile as of the end of March:



KUO has a committed credit facility of \$7,678 million (US\$425 million), of which \$3,613 million (US\$200 million) was utilized as of 1Q26, resulting in an available nominal balance of \$4,065 million (US\$225 million).

As of 1Q26, KUO is in compliance with all obligations under its credit agreements, including among others:

- Restrictions on changes of control, mergers, and/or spin-offs.
- Limitations on the creation of additional liens.
- Restrictions on asset disposition under certain conditions.
- No material changes to the primary line of business.
- Compliance with reporting and disclosure requirements.
- Compliance with tax obligations.
- Restrictions on dividend payments.

A breach of any of the above obligations could result in the early maturity of the related loans. As of 1Q26, KUO is current on all principal and interest payments.

As of 1Q26, KUO does not exhibit seasonal trends in its credit requirements.

**TAX CREDITS**

There are tax assessments arising from audits conducted by the tax authorities amounting to \$5,832 million. Various legal defense actions have been initiated, which remain ongoing, and the outcome cannot be determined. Nevertheless, in December 2025, the Entity recognized an accounting provision to cover potential self-correction, in the amount of \$1,402 million.

During March 2026, settlement agreements were reached with the tax authorities for the resolution of certain tax assessments related to the Pork Meat business, for an aggregate amount of \$448 million, of which \$442 million were paid during the quarter.

## CONTINGENCIES

No contingencies were reported as of 1Q26.

## STOCK BUY-BACK PROGRAM

During 1Q26, the share buy-back fund did not acquire series B or series A shares.

## PROFORMA COMBINED RESULTS BY SECTOR

### CONSUMER

### First Quarter

(Figures in millions of Mexican pesos)

	2026	2025	Variation
<b>Revenue</b>	<b>7,961</b>	<b>8,032</b>	<b>-0.9%</b>
Cost of sales	5,451	5,700	-4.4%
General Expenses	1,645	1,545	6.5%
<b>Operating Profit</b>	<b>865</b>	<b>787</b>	<b>9.9%</b>
Operating Margin	10.9%	9.8%	1.1 pp
<b>EBITDA</b>	<b>1,121</b>	<b>1,031</b>	<b>8.7%</b>
EBITDA Margin	14.1%	12.8%	1.3 pp
Financial Expenses - Income	61	94	-35.1%
Income Tax	238	214	11.2%
<b>Net Majority Income</b>	<b>566</b>	<b>479</b>	<b>18.2%</b>

Note: These figures correspond to the results of the Pork Meat and Herdez Del Fuerte businesses.

During the quarter, the Consumer sector delivered a stable performance, recording a marginal 1% decrease in revenues compared to the same period of the prior year. Notably, the Herdez del Fuerte showed a solid performance, driven by higher sales volumes and a more favorable product mix in the domestic market, supported by strong results in the tomato purée, legumes, ketchup, mole, and vegetables categories. On the other hand, the Pork Meat business was adversely affected by lower prices in the domestic market and an unfavorable foreign exchange impact on export markets, which was partially offset by stable sales volumes.

Operating cash flow increased by 9%, while operating income rose by 10%, mainly attributable to operational efficiencies that improved production costs, margin expansion from lower prices of certain inputs, such as avocado, and a more favorable product mix in the Herdez del Fuerte business. Meanwhile, the Pork Meat business experienced an increase in operating expenses, which was partially offset by a lower cost of raw materials, particularly soybean paste.

The operating margin and EBITDA margin for 1Q26 were 10.9% and 14.1%, respectively.

## INDUSTRIAL

## First Quarter

(Figures in millions of Mexican pesos)	2026	2025	Variation
<b>Revenue</b>	<b>4,414</b>	<b>5,363</b>	<b>-17.7%</b>
Cost of sales	4,324	4,898	-11.7%
General Expenses	309	393	-21.4%
<b>Operating Result</b>	<b>-219</b>	<b>72</b>	<b>N/A</b>
Operating Margin	-5.0%	1.3%	-6.3 pp
<b>EBITDA</b>	<b>91</b>	<b>402</b>	<b>-77.4%</b>
EBITDA Margin	2.1%	7.5%	-5.4 pp
Financial Expenses - Income	38	193	-80.3%
Income Tax	52	-53	N/A
Discontinued Operations	0	1	N/A
<b>Net Majority Income</b>	<b>- 309</b>	<b>- 67</b>	<b>N/A</b>

Note: These figures correspond to the results of the Synthetic Rubber, Polymers, and Transmissions businesses

During the quarter, the Industrial sector recorded an 18% decrease in revenues compared to the same period of the prior year. This performance was mainly driven by lower volumes sold to certain customers, such as Volvo, Daimler, and BRP, within the Transmissions business. In addition, the Polymers segment was adversely affected by weak demand in the U.S. market, resulting in lower sales volumes. For its part, the Synthetic Rubber business reported a decline primarily attributable to lower selling prices, which offset the stability observed in volumes sold. Additionally, the Transmissions, Polymers, and Synthetic Rubber businesses were negatively impacted by foreign exchange effects.

During the quarter, operating cash flow decreased significantly by 77% compared to the same period of the previous year, while an operating loss of \$219 million was recorded, compared to operating income of \$72 million in the same period last year. This variance was mainly explained by a less favorable sales mix in the Transmissions business, which negatively affected margins, as well as by higher logistics costs associated with tariff effects and the appreciation of the Mexican peso. Additionally, non-recurring benefits were recognized in the same period of the prior year, resulting in a less favorable comparison base. Meanwhile, the Polymers and Synthetic Rubber businesses were adversely affected by an unfavorable inventory effect, which had a negative impact on margins during the period.

The operating margin and EBITDA margin for 1Q26 were -5.0% and 2.1%, respectively.

## ABOUT KUO

KUO is a leading industrial conglomerate in Mexico, with annual revenues of approximately \$52,567 million during 2025. Its business portfolio includes two segments: Consumer and Industrial.

This press release contains forward-looking statements that reflect KUO management's current expectations regarding future events. Words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "should," as well as similar expressions, generally identify such forward-looking statements. These statements are subject to risks, uncertainties, and changes in circumstances, and therefore actual results may differ materially from those expressed or implied by current expectations, due to various factors, including, among others, global and local changes in the political, economic, business, competitive, market, and regulatory environment, as well as variations in the cyclical nature of the industries in which the Company operates. KUO undertakes no obligation to update or revise any forward-looking statements. Any such statements speak only as of the date on which they are made.

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

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

Proforma Combined Statement of Financial Position (Unaudited)

International Financial Reporting Standard (Except IFRS 11)

As of March 31st, 2026 and 2025

(Figures in millions of Mexican pesos)

Concept	Mar 26	Mar 25	%
Cash and Cash Equivalents	3,871	4,611	-16.0%
Accounts and Documents Receivable, net	8,285	8,461	-2.1%
Inventories, net	8,118	9,447	-14.1%
Biological assets	1,737	1,800	-3.5%
Assets classified as held for sale	6	735	-99.2%
Other Current Assets	500	652	-23.3%
<b>Current Assets</b>	<b>22,517</b>	<b>25,706</b>	<b>-12.4%</b>
Property, Plant and Equipment, net	15,832	16,508	-4.1%
Right of use Assets	1,339	1,322	1.3%
Goodwill, Patents and Trademarks	2,823	2,716	3.9%
Projects and Capitalized development	1,805	2,540	-28.9%
Biological assets	702	712	-1.4%
Investments in Shares	1	1	0.0%
Other Non-Current Assets	3,386	2,223	52.3%
<b>Total non - current Assets</b>	<b>25,888</b>	<b>26,022</b>	<b>-0.5%</b>
<b>Total Assets</b>	<b>48,405</b>	<b>51,728</b>	<b>-6.4%</b>
Bank Loans and Current Portion of long-Term Debt	416	230	80.9%
Accounts and Notes Payable Suppliers	7,072	6,910	2.3%
Supplier finance arrangements	4,315	6,059	-28.8%
Liabilities directly associated with assets classified as held for sale	5	872	-99.4%
Accrued Liabilities and Other accounts payable	8,138	6,744	20.7%
<b>Current Liabilities</b>	<b>19,946</b>	<b>20,815</b>	<b>-4.2%</b>
Long-Term Debt	7,563	9,156	-17.4%
Other Non-Current Liabilities	3,389	3,329	1.8%
<b>Total non - current Liabilities</b>	<b>10,952</b>	<b>12,485</b>	<b>-12.3%</b>
<b>Total Liabilities</b>	<b>30,898</b>	<b>33,300</b>	<b>-7.2%</b>
<b>Controlling Interest</b>	<b>17,502</b>	<b>18,423</b>	<b>-5.0%</b>
Non- Controlling Interest	5	5	0.0%
<b>Stockholders' Equity</b>	<b>17,507</b>	<b>18,428</b>	<b>-5.0%</b>
<b>Liabilities and Stockholders' Equity</b>	<b>48,405</b>	<b>51,728</b>	<b>-6.4%</b>

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

Proforma Combined Statements of Income and Comprehensive Income (Unaudited)

International Financial Reporting Standard (Except IFRS 11)

First Quarter, 2026 and 2025

(Figures in millions of Mexican pesos)

Concept	1Q 26	%	1Q 25	%	% Var
Net Revenue	12,472	100.0%	13,515	100.0%	-7.7%
Cost of Sales	9,746	78.1%	10,560	78.1%	-7.7%
<b>Gross Profit</b>	<b>2,726</b>	<b>21.9%</b>	<b>2,955</b>	<b>21.9%</b>	<b>-7.7%</b>
Selling and Distribution Expenses	1,445	11.6%	1,413	10.5%	2.3%
Administrative Expenses	727	5.8%	759	5.6%	-4.2%
<b>General Expenses</b>	<b>2,172</b>	<b>17.4%</b>	<b>2,172</b>	<b>16.1%</b>	<b>0.0%</b>
Other Income	(20)	-0.2%	(14)	-0.1%	42.9%
<b>Operating Profit</b>	<b>574</b>	<b>4.6%</b>	<b>797</b>	<b>5.9%</b>	<b>-28.0%</b>
<b>Operating Cash Flow (EBITDA)</b>	<b>1,166</b>	<b>9.3%</b>	<b>1,394</b>	<b>10.3%</b>	<b>-16.4%</b>
Interest expense - net	129	1.0%	235	1.7%	-45.1%
Exchange loss - net	166	1.3%	173	1.3%	-4.0%
Other financial income - net	-	0.0%	(11)	-0.1%	N/A
Financial Expenses - net	295	2.4%	397	2.9%	-25.7%
<b>Profit before Income Taxes</b>	<b>279</b>	<b>2.2%</b>	<b>400</b>	<b>3.0%</b>	<b>-30.3%</b>
Current tax	187	1.5%	193	1.4%	-3.1%
Deferred tax	16	0.1%	18	0.1%	-11.1%
<b>Profit from Continuing Operations</b>	<b>76</b>	<b>0.6%</b>	<b>189</b>	<b>1.4%</b>	<b>-59.8%</b>
Profit from Discontinuing Operations - net	8	0.1%	3,460	25.6%	-99.8%
<b>Consolidated - net Profit</b>	<b>84</b>	<b>0.7%</b>	<b>3,649</b>	<b>27.0%</b>	<b>-97.7%</b>
Profit Attributable to Non - Controlling Interests	-	0.0%	-	0.0%	N/A
Profit Attributable - Controlling Interests	84	0.7%	3,649	27.0%	-97.7%
<b>Other comprehensive loss, net of income tax</b>					
Actuarial loss from employee benefits	-	0.0%	(28)	-0.2%	N/A
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>-</b>	<b>0.0%</b>	<b>(28)</b>	<b>-0.2%</b>	<b>N/A</b>
Cumulative translation adjustment	(20)	-0.2%	225	1.7%	N/A
Derivative financial instruments	6	0.0%	(60)	-0.4%	N/A
<b>Items that will be reclassified to profit or loss</b>	<b>(14)</b>	<b>-0.1%</b>	<b>165</b>	<b>1.2%</b>	<b>N/A</b>
<b>Consolidated comprehensive income</b>	<b>70</b>	<b>0.6%</b>	<b>3,786</b>	<b>28.0%</b>	<b>-98.2%</b>

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

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

International Financial Reporting Standards (except for IFRS 11)

For the periods ended March 31<sup>st</sup>, 2026, and 2025

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

Concept	Contributed Capital		Earned Capital				Total Stockholders' Equity
	Capital stock	Retained earnings	Consolidated net Income	Other comprehensive income	Controlling interest	Non - Controlling interest	
<b>Balances as of January 1, 2025</b>	\$ 2,728	\$ 13,253	\$ (1,350)	\$ 1,557	\$ 16,188	\$ 5	\$ 16,193
Transfer Consolidated net Income	-	(1,350)	1,350	-	-	-	-
Dividends declared	-	(1,600)	-	-	(1,600)	-	(1,600)
Repurchase of ordinary shares	-	49	-	-	49	-	49
Transfer to retained earnings	-	(12)	-	12	-	-	-
Consolidated comprehensive income	-	-	3,649	137	3,786	-	3,786
<b>Balance as of March 31, 2025</b>	<b>\$ 2,728</b>	<b>\$ 10,340</b>	<b>\$ 3,649</b>	<b>\$ 1,706</b>	<b>\$ 18,423</b>	<b>\$ 5</b>	<b>\$ 18,428</b>
<b>Balances as of January 1, 2026</b>	<b>\$ 2,728</b>	<b>\$ 9,806</b>	<b>\$ 4,054</b>	<b>\$ 844</b>	<b>\$ 17,432</b>	<b>\$ 5</b>	<b>\$ 17,437</b>
Transfer Consolidated net Income	-	4,054	(4,054)	-	-	-	-
Consolidated comprehensive income	-	-	84	(14)	70	-	70
<b>Balance as of March 31, 2026</b>	<b>\$ 2,728</b>	<b>\$ 13,860</b>	<b>\$ 84</b>	<b>\$ 830</b>	<b>\$ 17,502</b>	<b>\$ 5</b>	<b>\$ 17,507</b>

Number of shares 436,890,543

## 1Q26 HIGHLIGHTS COMPARED TO 1Q25

Consolidated Figures

**Revenues** totaled \$7,917 million, 12% lower than the result reported in 1Q25, mainly explained by:

- **Pork Meat:** Revenues decreased by 7%, as a result of lower prices in the domestic market and an adverse foreign exchange impact on the export market, partially offset by stable sales volumes.
- **Transmissions:** Revenues contracted by 16%, primarily due to lower sales volumes for certain customers, including Volvo, Daimler, and BRP, compounded by an unfavorable foreign exchange impact.
- **Polymers:** Revenues declined by 23%, reflecting weak demand in the U.S. market, which resulted in lower volumes, along with an additional negative foreign exchange impact.

**Exports:** Accounted for 48% of total sales, mainly in North America and Japan.

**Operating Result** of \$432 million, a 38% decrease explained by the following factors:

- **Pork Meat:** Contraction in results, driven by an increase in operating expenses, partially offset by a lower cost of raw materials, particularly soybean paste.
- **Transmissions:** A significant decline in results, mainly due to a less favorable sales mix, higher logistics costs associated with the impact of tariffs, and a negative effect from the appreciation of the Mexican peso. Additionally, non-recurring benefits were recognized in the same period of the prior year, resulting in a less favorable comparison base.
- **Polymers:** A reduction was recorded as a result of an unfavorable inventory effect.

**KUO AND SUBSIDIARIES**

Consolidated Unaudited Results

KUO (Figures in millions of Mexican pesos)	First Quarter		
	2026	2025	Variation
<b>Revenue</b>	<b>7,917</b>	<b>9,035</b>	<b>-12.4%</b>
Exports	3,778	4,440	-14.9%
Cost of sales	6,558	7,327	-10.5%
General Expenses	1,188	1,234	-3.7%
Operating Result	261	221	18.1%
<b>Operating Profit</b>	<b>432</b>	<b>695</b>	<b>-37.8%</b>
<i>Operating Margin</i>	5.5%	7.7%	-2.2 pp
Financial Expenses - Income	296	404	-26.7%
Income Tax	60	102	-41.2%
Discontinued Operations	8	3,460	-99.8%
<b>Net Majority Income</b>	<b>84</b>	<b>3,649</b>	<b>-97.7%</b>

**REVENUE****First Quarter**

(Figures in millions of Mexican pesos)

	2026	2025	Variation
Consumer	4,747	5,116	-0.9%
Industrial	3,056	3,779	-17.7%
<b>Total</b>	<b>7,917</b>	<b>9,035</b>	<b>-12.4%</b>

**CONSOLIDATED REVENUES AND EXPORTS**

During the quarter, consolidated revenues amounted to \$7,917 million, representing a 12% decrease compared to the same period of the prior year. This variance was mainly explained by lower prices observed in the domestic market and an adverse foreign exchange impact on the export market, partially offset by stable sales volumes in the Pork Meat business. Additionally, the Transmissions business reported a 16% contraction in revenues, primarily attributable to lower volumes sold to certain customers, including Volvo, Daimler, and BRP, as well as an unfavorable foreign exchange effect. Meanwhile, the Polymers business recorded a 23% decline in revenues, resulting from weaker demand in the U.S. market and an adverse foreign exchange impact.

Exports represented 48% of total revenues during the quarter, mainly to North America and Japan.

**CONSOLIDATED OPERATING RESULT**

As of 1Q26, operating income amounted to \$432 million, representing a 38% decrease compared to 1Q25. This variation was mainly attributable to the performance of the Transmissions business, which was affected by a less favorable sales mix, higher logistics costs arising from the impact of tariffs, and a negative effect from the appreciation of the Mexican peso. Additionally, non-recurring benefits were recognized in the same period of the prior year, resulting in a less favorable comparison base. Meanwhile, the Polymers business was adversely affected by an unfavorable inventory effect, while the Pork business faced an increase in operating expenses, partially offset by a lower cost of raw materials, particularly soybean paste.

**CONSOLIDATED FINANCIAL EXPENSES**

During 1Q26, net financial expenses totaled \$296 million, explained mainly by interest paid during the period amounting to \$110 million, losses from exchange rate fluctuations of \$160 million and other financial expenses of \$26 million.

**CONSOLIDATED INCOME TAX**

Income Tax Provision of \$60 million, corresponding to current taxes of \$48 million and deferred tax of \$12 million.

**CONSOLIDATED NET MAJORITY INCOME (CONTROLLING INTEREST)**

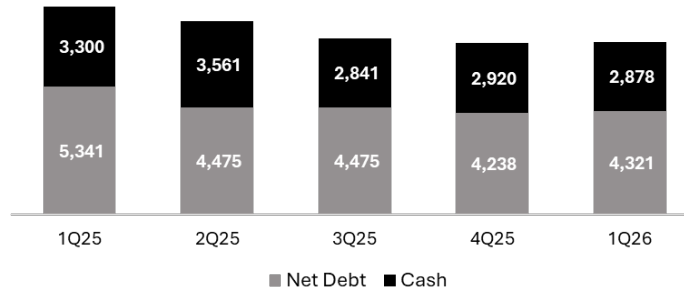
As of 1Q26, controlling interest net income amounted to \$84 million, compared to net income of \$3,649 million recorded in 1Q25. This variance is mainly explained by the effect of the sale of the Aftermarket business in 2025, and lower revenues in 1Q26.

**CONSOLIDATED INVESTMENT IN PRODUCTIVE ASSETS**

Capital expenditures during 1Q26 amounted to \$341 million, primarily allocated to the Pork Meat business, focusing on efficiency-driven projects, as well as maintenance projects for wastewater treatment facilities at farms.

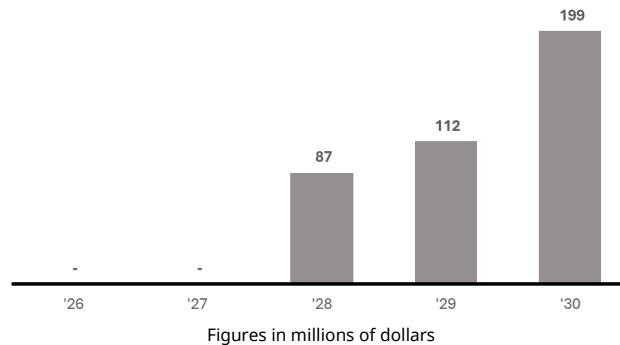
**CONSOLIDATED NET DEBT**

At the end of 1Q26, KUO reported proforma bank liabilities of \$7,199 million and cash of \$2,878 million, excluding restricted cash, resulting in net debt of \$4,321 million.



As of 1Q26, 100% of outstanding debt was at variable interest rates, with 100% classified as long-term. The Company does not exhibit seasonal trends in its credit requirements or available credit lines.

Below is the debt profile as of the end of March:



KUO has a committed credit facility of \$7,678 million (US\$425 million), of which \$3,613 million (US\$200 million) was utilized as of 1Q26, resulting in an available nominal balance of \$4,065 million (US\$225 million).

As of 1Q26, KUO is compliant with all obligations under its credit agreements, including among others:

- Restrictions on changes of control, mergers, and/or spin-offs.
- Limitations on the creation of additional liens.
- Restrictions on asset dispositions under certain conditions.
- No material changes to the primary line of business.
- Compliance with reporting and disclosure requirements.
- Compliance with tax obligations.
- Restrictions on dividend payments.

A breach of any of the above obligations could result in the early maturity of the related loans. As of 1Q26, KUO is current on all principal and interest payments.

As of 1Q26, KUO does not exhibit seasonal trends in its credit requirements.

## TAX CREDITS

There are tax assessments arising from audits conducted by the tax authorities amounting to \$5,832 million. Various legal defense actions have been initiated, which remain ongoing, and the outcome cannot be determined. Nevertheless, in December 2025, the Entity recognized an accounting provision to cover potential self-correction, in the amount of \$1,402 million.

During March 2026, settlement agreements were reached with the tax authorities for the resolution of certain tax assessments related to the Pork Meat business, for an aggregate amount of \$448 million, of which \$442 million were paid during the quarter.

## CONTINGENCIES

No contingencies were reported as of 1Q26.

## CONSOLIDATED RESULTS BY SECTOR

### CONSUMER

### First Quarter

(Figures in millions of Mexican pesos)	2026	2025	Variation
<b>Revenue</b>	<b>4,747</b>	<b>5,116</b>	<b>-7.2%</b>
Cost of sales	3,517	3,891	-9.6%
General Expenses	763	732	4.2%
<b>Operating Profit</b>	<b>467</b>	<b>493</b>	<b>-5.3%</b>
Operating Margin	9.8%	9.6%	0.2 pp
Financial Expenses - Income	75	109	-31.2%
Income Tax	100	107	-6.5%
<b>Net Majority Income</b>	<b>292</b>	<b>277</b>	<b>5.4%</b>

The Consumer sector recorded a 7% decline in revenues, mainly due to price reductions in both the domestic and export markets, despite stable sales volumes in the Pork business.

Operating income decreased by 5%, attributable to an increase in operating expenses, which was partially offset by a lower cost of raw materials, particularly soybean paste.

The operating margin for 1Q26 stood at 9.8%.

**INDUSTRIAL****First Quarter**

(Figures in millions of Mexican pesos)

	2026	2025	Variation
<b>Revenue</b>	<b>3,056</b>	<b>3,779</b>	<b>-19.1%</b>
Cost of sales	3,068	3,473	-11.7%
General Expenses	212	262	-19.1%
<b>Operating Result</b>	<b>-224</b>	<b>44</b>	<b>N/A</b>
Operating Margin	-7.3%	1.2%	-8.5 pp
Financial Expenses - Income	26	185	-85.9%
Income Tax	46	-56	N/A
<b>Net Majority Income</b>	<b>- 296</b>	<b>- 85</b>	<b>N/A</b>

The Industrial sector recorded a 19% decline in revenues, mainly attributable to a reduction in volumes sold to certain customers, including Volvo, Daimler, and BRP, within the Transmissions business. In addition, the Polymers business was adversely affected by lower demand in the U.S. market. Both businesses also faced an unfavorable foreign exchange effect.

Operating results were primarily impacted by the contraction of the Transmissions business, associated with a less favorable sales mix, higher logistics costs arising from the impact of tariffs, and a negative effect from the appreciation of the Mexican peso. Additionally, non-recurring benefits were recognized in the same period of the prior year, resulting in a less favorable comparison base. This was further compounded by an unfavorable inventory-related effect in the Polymers business.

The operating margin was -7.3%.

## ABOUT KUO

KUO is a leading industrial conglomerate in Mexico, with annual revenues of approximately \$52,567 million during 2025. Its business portfolio includes two segments: Consumer and Industrial.

This press release contains forward-looking statements that reflect KUO management's current expectations regarding future events. Words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "should," as well as similar expressions, generally identify such forward-looking statements. These statements are subject to risks, uncertainties, and changes in circumstances, and therefore actual results may differ materially from those expressed or implied by current expectations, due to various factors, including, among others, global and local changes in the political, economic, business, competitive, market, and regulatory environment, as well as variations in the cyclical nature of the industries in which the Company operates. KUO undertakes no obligation to update or revise any forward-looking statements. Any such statements speak only as of the date on which they are made.

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

Consolidated Statement of Financial Position - IFRS (Unaudited)

International Financial Reporting Standard

As of March 31st, 2026 and 2025

(Figures in millions of Mexican pesos)

Concept	Mar 26	Mar 25	%
Cash and Cash Equivalents	2,991	3,511	-14.8%
Accounts and Documents Receivable, net	2,815	3,530	-20.3%
Inventories, net	5,008	6,010	-16.7%
Biological assets	1,737	1,800	-3.5%
Assets classified as held for sale	6	-	N/A
Other Current Assets	405	521	-22.3%
<b>Current Assets</b>	<b>12,962</b>	<b>15,372</b>	<b>-15.7%</b>
Property, Plant and Equipment, net	10,086	10,417	-3.2%
Right of use Assets	918	942	-2.5%
Goodwill, Patents and Trademarks	207	335	-38.2%
Projects and Capitalized development	1,504	2,318	-35.1%
Biological assets	702	712	-1.4%
Investments in Shares	10,885	11,077	-1.7%
Other Non-Current Assets	2,976	1,812	64.2%
<b>Total non - current Assets</b>	<b>27,278</b>	<b>27,613</b>	<b>-1.2%</b>
<b>Total Assets</b>	<b>40,240</b>	<b>42,985</b>	<b>-6.4%</b>
Accounts and Notes Payable Suppliers	2,404	2,928	-17.9%
Supplier finance arrangements	3,615	5,093	-29.0%
Liabilities directly associated with assets classified as held for sale	5	-	N/A
Accrued Liabilities and Other accounts payable	6,795	5,303	28.1%
<b>Current Liabilities</b>	<b>12,819</b>	<b>13,324</b>	<b>-3.8%</b>
Long-Term Debt	7,199	8,641	-16.7%
Other Non-Current Liabilities	2,720	2,597	4.7%
<b>Total non - current Liabilities</b>	<b>9,919</b>	<b>11,238</b>	<b>-11.7%</b>
<b>Total Liabilities</b>	<b>22,738</b>	<b>24,562</b>	<b>-7.4%</b>
<b>Controlling Interest</b>	<b>17,502</b>	<b>18,423</b>	<b>-5.0%</b>
Non- Controlling Interest	-	-	N/A
<b>Stockholders' Equity</b>	<b>17,502</b>	<b>18,423</b>	<b>-5.0%</b>
<b>Liabilities and Stockholders' Equity</b>	<b>40,240</b>	<b>42,985</b>	<b>-6.4%</b>

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

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

International Financial Reporting Standard

First Quarter, 2026 and 2025

(Figures in millions of Mexican pesos)

Concept	1Q 26	%	1Q 25	%	% Var
Net Revenue	7,917	100.0%	9,035	100.0%	-12.4%
Cost of Sales	6,558	82.8%	7,327	81.1%	-10.5%
<b>Gross Profit</b>	<b>1,359</b>	<b>17.2%</b>	<b>1,708</b>	<b>18.9%</b>	<b>-20.4%</b>
Selling and Distribution Expenses	716	9.0%	732	8.1%	-2.2%
Administrative Expenses	472	6.0%	504	5.6%	-6.3%
<b>General Expenses</b>	<b>1,188</b>	<b>15.0%</b>	<b>1,236</b>	<b>13.7%</b>	<b>-3.9%</b>
Participation in Joint Ventures	(261)	-3.3%	(221)	-2.4%	18.1%
Other Income	-	0.0%	(2)	0.0%	N/A
<b>Operating Profit</b>	<b>432</b>	<b>5.5%</b>	<b>695</b>	<b>7.7%</b>	<b>-37.8%</b>
<b>Operating Cash Flow (EBITDA)</b>	<b>1,166</b>	<b>14.7%</b>	<b>1,394</b>	<b>15.4%</b>	<b>-16.4%</b>
Interest expense - net	110	1.4%	210	2.3%	-47.6%
Exchange loss - net	160	2.0%	171	1.9%	-6.4%
Other financial expenses - net	26	0.3%	23	0.3%	13.0%
<b>Financial Expenses - net</b>	<b>296</b>	<b>3.7%</b>	<b>404</b>	<b>4.5%</b>	<b>-26.7%</b>
<b>Profit before Income Taxes</b>	<b>136</b>	<b>1.7%</b>	<b>291</b>	<b>3.2%</b>	<b>-53.3%</b>
Current tax	48	0.6%	21	0.2%	128.6%
Deferred tax	12	0.2%	81	0.9%	-85.2%
<b>Profit from Continuing Operations</b>	<b>76</b>	<b>1.0%</b>	<b>189</b>	<b>2.1%</b>	<b>-59.8%</b>
Profit from Discontinuing Operations - net	8	0.1%	3,460	38.3%	-99.8%
<b>Consolidated - net Profit</b>	<b>84</b>	<b>1.1%</b>	<b>3,649</b>	<b>40.4%</b>	<b>-97.7%</b>
Profit Attributable to Non - Controlling Interests	-	0.0%	-	0.0%	N/A
Profit Attributable - Controlling Interests	84	1.1%	3,649	40.4%	-97.7%
<b>Other comprehensive loss, net of income tax</b>					
Actuarial loss from employee benefits	-	0.0%	(28)	-0.3%	N/A
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>-</b>	<b>0.0%</b>	<b>(28)</b>	<b>-0.3%</b>	<b>N/A</b>
Cumulative translation adjustment	6	0.1%	114	1.3%	-94.7%
Derivative financial instruments	5	0.1%	(31)	-0.3%	N/A
Equity in other comprehensive income of joint ventures	(25)	-0.3%	82	0.9%	N/A
<b>Items that will be reclassified to profit or loss</b>	<b>(14)</b>	<b>-0.2%</b>	<b>165</b>	<b>1.8%</b>	<b>N/A</b>
<b>Consolidated comprehensive income</b>	<b>70</b>	<b>0.9%</b>	<b>3,786</b>	<b>41.9%</b>	<b>-98.2%</b>

**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 31<sup>st</sup>, 2026, and 2025

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

Concept	Contributed Capital		Earned Capital				Total Stockholders' Equity
	Capital stock	Retained earnings	Consolidated net Income	Other comprehensive income	Controlling interest	Non - Controlling interest	
<b>Balances as of January 1, 2025</b>	\$ 2,728	\$ 13,253	\$ (1,350)	\$ 1,557	\$ 16,188	\$ -	\$ 16,188
Transfer Consolidated net Income	-	(1,350)	1,350	-	-	-	-
Dividends declared	-	(1,600)	-	-	(1,600)	-	(1,600)
Repurchase of ordinary shares	-	49	-	-	49	-	49
Transfer to retained earnings	-	(12)	-	12	-	-	-
Consolidated comprehensive income	-	-	3,649	137	3,786	-	3,786
<b>Balance as of March 31, 2025</b>	<b>\$ 2,728</b>	<b>\$ 10,340</b>	<b>\$ 3,649</b>	<b>\$ 1,706</b>	<b>\$ 18,423</b>	<b>\$ -</b>	<b>\$ 18,423</b>
<b>Balances as of January 1, 2026</b>	<b>\$ 2,728</b>	<b>\$ 9,806</b>	<b>\$ 4,054</b>	<b>\$ 844</b>	<b>\$ 17,432</b>	<b>\$ -</b>	<b>\$ 17,432</b>
Transfer Consolidated net Income	-	4,054	(4,054)	-	-	-	-
Consolidated comprehensive income	-	-	84	(14)	70	-	70
<b>Balance as of March 31, 2026</b>	<b>\$ 2,728</b>	<b>\$ 13,860</b>	<b>\$ 84</b>	<b>\$ 830</b>	<b>\$ 17,502</b>	<b>\$ -</b>	<b>\$ 17,502</b>
<b>Number of shares 436,890,543</b>							