

## KUO ANNOUNCES 2Q25 RESULTS

Mexico City, July 15th, 2025

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.

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

To achieve a clearer valuation 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) (KUO) announces unaudited financial results for the second quarter of 2025, reporting \$13,569 million of Revenue and \$1,261 million in EBITDA.

"During the period, EBITDA increased 10%, driven primarily by the outstanding performance of the Pork Meat business and improved margins at Megamex, our branded food operation in the United States. Consolidated Revenues climbed 4%, reflecting higher prices in the Pork Meat business and stronger volume at Megamex. These positive results helped offset weaker demand across the Industrial Sector businesses, which were impacted by exchange rate volatility. The Transmissions business faced additional headwinds due to the imposed tariffs by the United States, placing pressure on operating margins.

Our solid financial position marked by strong liquidity and historically low leverage, allows us to address with greater flexibility the economic challenges, while committed to disciplined debt reduction, reinforcing our financial structure and warranting sustainable long-term growth," said Alejandro de la Barreda, CEO of KUO.

### 2Q25 HIGHLIGHTS COMPARED TO 2Q24

**Revenue** of \$13,549 million, a 4% increase, driven by:

- **Pork Meat:** Revenue increased 17%, supported by stronger prices in both domestic and export markets, along with increased volume driven by strong performance in the domestic market.
- **Megamex:** Higher volume and improved pricing.

These results were partially offset by

- **Transmissions:** Lower North America volume, reflecting reduced demand from GM for Corvette C8 applications, as well as for components for INEOS and Volvo.
- **Polymers:** Waker plastics volume, mainly due to reduced demand from export customers.
- **Synthetic Rubber:** Reduced volume and price pressures caused by competition from Asian producers in the tire market.

**Exports:** Accounted for 53% of total sales, mainly in North America and Japan, highlighting the businesses in the Consumer Sector.

**Operating Cash Flow (EBITDA)** of \$1,261 million, an increase of 10%, explained by:

- **Pork Meat:** Margin expansion across both domestic and export markets, supported by a 12% drop in soybean prices.
- **Megamex:** Margins gains in the U.S. market and improved production efficiencies.

These results were partially offset by:

- **Transmissions:** Higher distribution costs due to the impact of U.S. tariffs, along with an adverse effect from exchange rate fluctuations related to inventory valuation.
- **Polymers and Synthetic Rubber:** Unfavorable impact from inventory devaluation, which affected the profitability of both businesses.

As part of the business portfolio optimization strategy, KUO made significant progress during the second quarter through the divestiture of LND. This transaction allowed the company to fully eliminate its bank debt, totaling US\$31 million.

At the General Shareholders' Meeting held on April 28, shareholders approved a dividend decree of MXN \$450 million which was paid on June 19. Additionally, the cancellation of 19,475,605 treasury shares previously acquired by the company was authorized. As these shares were repurchased against shareholders' equity and held in treasury, the company's capital stock remains unchanged.

## KUO AND SUBSIDIARIES

Proforma Combined Unaudited Results

KUO (Figures in millions of Mexican pesos)	Second Quarter			Accumulated		
	2025	2024	Variation	2025	2024	Variation
<b>Revenue</b>	<b>13,569</b>	<b>13,021</b>	<b>4.2%</b>	<b>27,084</b>	<b>25,160</b>	<b>7.6%</b>
Exports	7,130	7,195	-0.9%	14,268	13,917	2.5%
<b>Operating Profit</b>	<b>651</b>	<b>534</b>	<b>21.8%</b>	<b>1,447</b>	<b>831</b>	<b>74.1%</b>
<i>Operating Margin</i>	<i>4.8%</i>	<i>4.1%</i>	<i>0.7 pp</i>	<i>5.3%</i>	<i>3.3%</i>	<i>2 pp</i>
<b>EBITDA</b>	<b>1,261</b>	<b>1,142</b>	<b>10.4%</b>	<b>2,655</b>	<b>2,037</b>	<b>30.3%</b>
<i>EBITDA Margin</i>	<i>9.3%</i>	<i>8.8%</i>	<i>0.5 pp</i>	<i>9.8%</i>	<i>8.1%</i>	<i>1.7 pp</i>
<b>Net Majority Income</b>	<b>770</b>	<b>-179</b>	<b>N/A</b>	<b>4,420</b>	<b>8</b>	<b>54464.2%</b>

REVENUE (Figures in millions of Mexican pesos)	Second Quarter			Accumulated		
	2025	2024	Variation	2025	2024	Variation
Consumer	8,063	6,964	15.8%	16,095	13,639	18.0%
Industrial	5,407	5,987	-9.7%	10,770	11,375	-5.3%
<b>Total</b>	<b>13,569</b>	<b>13,021</b>	<b>4.2%</b>	<b>27,084</b>	<b>25,160</b>	<b>7.6%</b>

EBITDA (Figures in millions of Mexican pesos)	Second Quarter			Accumulated		
	2025	2024	Variation	2025	2024	Variation
Consumer	991	650	52.5%	2,023	1,176	72.0%
Industrial	306	474	-35.4%	709	849	-16.6%
<b>Total</b>	<b>1,261</b>	<b>1,142</b>	<b>10.4%</b>	<b>2,655</b>	<b>2,037</b>	<b>30.3%</b>

## **PROFORMA COMBINED REVENUES AND EXPORTS**

During 2Q25, revenues reached MXN \$13,569 million, representing a 4% increase compared to 2Q24. This growth was mainly driven by better selling prices in both domestic and export markets, as well as higher sales volume fueled by the strong performance of the Pork Meat business in the local market. An increase in both volume and price in the U.S. market by Megamex also contributed.

This positive performance was partially offset by lower transmission sales in North America, particularly in GM's Corvette C8 applications and components for INEOS and Volvo. Additionally, there was a weaker demand for plastics from export customers in the Polymers business, and downward price pressure due to Asian competition in the tire market within the Synthetic Rubber segment.

Exports accounted for 53% of total revenues during the quarter, with notable contributions from the Consumer sector businesses in North America and Japan.

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

During 2Q25, Operating Income increased by 22% and Operating Cash Flow grew by 10%, reaching \$651 million and \$1.261 billion, respectively. This positive performance was mainly driven by the strong results of the Pork Meat business, which achieved a reduction in operating expenses and an improvement in margins, along with a favorable foreign exchange effect for Megamex.

## **PROFORMA COMBINED FINANCIAL INCOME**

During 2Q25, Net Financial Income totaled \$183 million, mainly explained by a foreign exchange rate gain of \$413 million resulting from the appreciation of the peso against the dollar during the period, as well as interest expenses of \$166 million and other net financial expenses of \$64 million.

## **PROFORMA COMBINED INCOME TAX**

Provision for Income Taxes of \$207 million, corresponding to current tax of \$125 million and deferred tax of \$82 million.

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

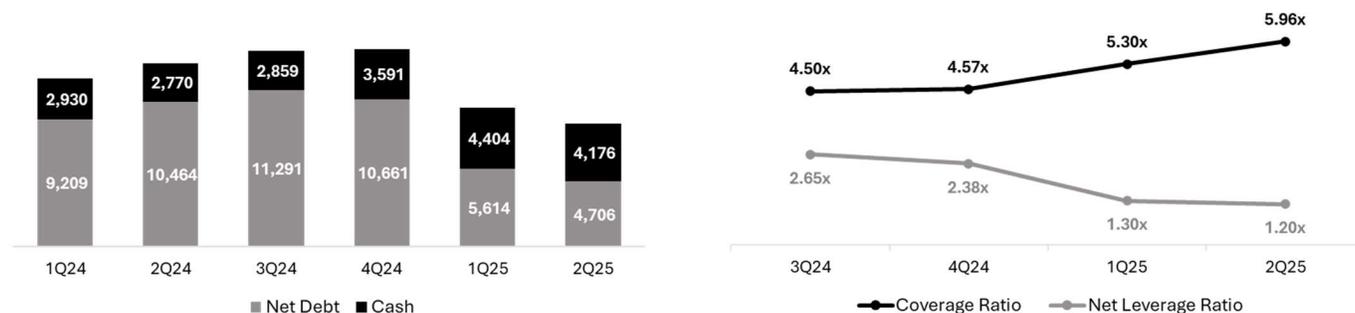
As of 2Q25, Majority Net Income (Controlling Interest) was \$770 million, compared to a loss of \$179 million recorded in 2Q24. This improvement is mainly explained by the strong performance of the Pork Meat business, along with the divestment of the Aftermarket Parts business.

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

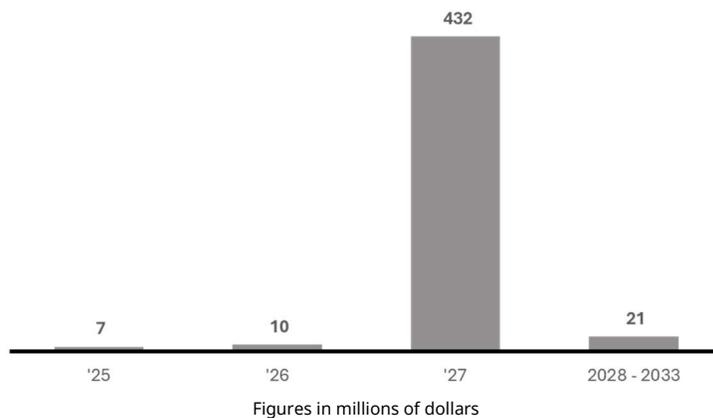
Capital expenditure during 2Q25 totaled \$316 million. Resources were primarily allocated to the Pork Meat business, focusing on process automation projects, farm maintenance, animal welfare improvements, and the acquisition of new equipment for retail outlets. Additionally, in the Synthetic Rubber business, progress was made on the construction of the SSBR rubber production line in Santander and the final stages of the new maritime terminal, aimed at strengthening the business's logistics and operational capabilities.

## PROFORMA COMBINED NET DEBT

At the end of 2Q25, the net leverage ratio was 1.20x<sup>1</sup>, the coverage ratio was 5.96x<sup>1</sup>, and the capitalization ratio was 0.36x<sup>1</sup>. The weighted average cost of debt at the end of the quarter was 5.53%.



Debt profile as of the end of June:



## STOCK BUY-BACK PROGRAM

During 2Q25, the share buy-back fund acquired 10,690 Series B shares and 246 Series A shares.

Note: At KUO's Annual Ordinary Shareholders' Meeting held on April 28, 2025, shareholders approved the cancellation of 19,053,194 Series B shares and 422,411 Series A shares previously held in the buy-back fund.

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

## PROFORMA COMBINED RESULTS BY SECTOR

<b>CONSUMER</b>	<b>Second Quarter</b>			<b>Accumulated</b>			
	(Figures in millions of Mexican pesos)	2025	2024	Variation	2025	2024	Variation
<b>Revenue</b>		<b>8,063</b>	<b>6,964</b>	<b>15.8%</b>	<b>16,095</b>	<b>13,639</b>	<b>18.0%</b>
<b>Operating Profit</b>		<b>755</b>	<b>410</b>	<b>84.4%</b>	<b>1543</b>	<b>692</b>	<b>123.0%</b>
Operating Margin		9.4%	5.9%	3.5 pp	9.6%	5.1%	4.5 pp
<b>EBITDA</b>		<b>991</b>	<b>650</b>	<b>52.5%</b>	<b>2,023</b>	<b>1,176</b>	<b>72.0%</b>
EBITDA Margin		12.3%	9.3%	3 pp	12.6%	8.6%	4 pp

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

The Consumer sector recorded a 16% increase in revenues, mainly driven by better selling prices in both domestic and export markets in the Pork Meat business, along with higher volume and prices in the U.S. market from Megamex.

Operating Cash Flow posted strong growth of 52%. The improvement in results was primarily due to the solid performance of the Pork Meat business, which managed to reduce operating expenses and improve its margin, as well as a favorable foreign exchange rate effect for Megamex.

Operating margin and EBITDA margin during 2Q25 were 9.4% and 12.3%, respectively.

<b>INDUSTRIAL</b>	<b>Second Quarter</b>			<b>Accumulated</b>			
	(Figures in millions of Mexican pesos)	2025	2024	Variation	2025	2024	Variation
<b>Revenue</b>		<b>5,407</b>	<b>5,987</b>	<b>-9.7%</b>	<b>10,770</b>	<b>11,375</b>	<b>-5.3%</b>
<b>Operating Profit</b>		<b>-44</b>	<b>126</b>	<b>N/A</b>	<b>28</b>	<b>166</b>	<b>-83.3%</b>
Operating Margin		-0.8%	2.1%	-2.9 pp	0.3%	1.5%	-1.2 pp
<b>EBITDA</b>		<b>306</b>	<b>474</b>	<b>-35.4%</b>	<b>709</b>	<b>849</b>	<b>-16.6%</b>
EBITDA Margin		5.7%	7.9%	-2.2 pp	6.6%	7.5%	-0.9 pp

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

The Industrial sector recorded a 10% decrease in revenues during the quarter, mainly due to lower transmission sales in North America, particularly to GM for Corvette C8 applications and components for INEOS and Volvo. Additionally, there was a decline in plastic volumes due to reduced demand from export customers in the Polymers business, as well as lower volume and downward price adjustments driven by pressure from Asian competitors in the tire market within the Synthetic Rubber business.

Operating Cash Flow decreased by 35%, primarily due to higher distribution costs resulting from the impact of U.S. tariffs, along with a negative foreign exchange effect related to inventory valuation in the Transmissions business. There was also an unfavorable inventory effect in the Synthetic Rubber and Polymers businesses.

Operating margin and EBITDA margin were -0.8% and 5.7%, respectively.

## ABOUT KUO

KUO is a leading industrial conglomerate in Mexico, with annual revenues of approximately \$52,000 million during 2024. Its business portfolio includes two segments: Consumer and Industrial.

This press release contains forward-looking statements that reflect KUO management's current views on future events. The phrases "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "should," and similar expressions generally indicate forward-looking statements. These statements are subject to risks, uncertainties, and changes in circumstances. Actual results may differ materially from current expectations due to various factors, including but not limited to, global and local changes in politics, economy, business, competition, market and regulatory factors, as well as changes in cyclical trends in the sectors in which it participates. KUO has no obligation to update these forward-looking statements. Any forward-looking statement is valid only as of the date it is made.

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## 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 June 30<sup>th</sup>, 2025, and 2024

(Figures in millions of Mexican pesos)

Concept	Jun-25	Jun-24	%
Cash and Cash Equivalents	4,386	2,770	58.3%
Accounts and Documents Receivable, net	8,475	8,603	-1.5%
Inventories, net	8,981	8,653	3.8%
Biological assets	1,762	1,728	2.0%
Assets classified as held for sale	681	3,747	-81.8%
Other Current Assets	673	540	24.6%
<b>Current Assets</b>	<b>24,958</b>	<b>26,041</b>	<b>-4.2%</b>
Property, Plant and Equipment, net	15,998	16,208	-1.3%
Right of use Assets	1,239	1,333	-7.1%
Goodwill, Patents and Trademarks	2,602	2,583	0.7%
Projects and Capitalized development	2,330	3,045	-23.5%
Biological assets	713	712	0.1%
Investments in Shares	1	6	-83.3%
Other Non-Current Assets	2,048	2,925	-30.0%
<b>Total non - current Assets</b>	<b>24,931</b>	<b>26,812</b>	<b>-7.0%</b>
<b>Total Assets</b>	<b>49,889</b>	<b>52,853</b>	<b>-5.6%</b>
Bank Loans and Current Portion of long-Term Debt	223	530	-57.9%
Accounts and Notes Payable Suppliers	6,433	7,048	-8.7%
Supplier finance arrangements	5,742	4,899	17.2%
Liabilities directly associated with assets classified as held for sale	774	1,668	-53.6%
Accrued Liabilities and Other accounts payable	6,847	5,980	14.5%
<b>Current Liabilities</b>	<b>20,019</b>	<b>20,125</b>	<b>-0.5%</b>
Long-Term Debt	8,659	12,704	-31.8%
Other Non-Current Liabilities	3,193	3,172	0.7%
<b>Total non - current Liabilities</b>	<b>11,852</b>	<b>15,876</b>	<b>-25.3%</b>
<b>Total Liabilities</b>	<b>31,871</b>	<b>36,001</b>	<b>-11.5%</b>
Capital Stock	2,728	2,728	0.0%
Retained Earnings	9,889	13,255	-25.4%
Profit for the year	4,420	8	N/A
Others	976	856	14.0%
Controlling Interest	18,013	16,847	6.9%
Non- Controlling Interest	5	5	0.0%
<b>Stockholders' Equity</b>	<b>18,018</b>	<b>16,852</b>	<b>6.9%</b>
<b>Liabilities and Stockholders' Equity</b>	<b>49,889</b>	<b>52,853</b>	<b>-5.6%</b>

## 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)

Second Quarter of 2025 and 2024

(Figures in millions of Mexican pesos)

Concept	2Q25	%	2Q24	%	Var.
Net Revenue	13,569	100.0%	13,021	100.0%	4.2%
Cost of Sales	10,819	79.7%	10,648	81.8%	1.6%
<b>Gross Profit</b>	<b>2,750</b>	<b>20.3%</b>	<b>2,373</b>	<b>18.2%</b>	<b>15.9%</b>
Selling and Distribution Expenses	1,376	10.1%	1,281	9.8%	7.4%
Administrative Expenses	742	5.5%	603	4.6%	23.1%
<b>General Expenses</b>	<b>2,118</b>	<b>15.6%</b>	<b>1,884</b>	<b>14.5%</b>	<b>12.4%</b>
Other (Income) Expenses	-19	-0.1%	-45	-0.3%	-57.8%
<b>Operating Profit</b>	<b>651</b>	<b>4.8%</b>	<b>534</b>	<b>4.1%</b>	<b>21.9%</b>
<b>Operating Cash Flow (EBITDA)</b>	<b>1,261</b>	<b>9.3%</b>	<b>1,142</b>	<b>8.8%</b>	<b>10.4%</b>
Interest expense - net	166	1.2%	241	1.9%	-31.1%
Exchange loss (Profit) - net	-413	-3.0%	566	4.3%	N/A
Other financial (income) expenses - net	64	0.5%	45	0.3%	42.2%
<b>Financial Expenses (Income) - net</b>	<b>-183</b>	<b>-1.3%</b>	<b>852</b>	<b>6.5%</b>	<b>N/A</b>
<b>Profit (Loss) before Income Taxes</b>	<b>834</b>	<b>6.1%</b>	<b>-318</b>	<b>-2.4%</b>	<b>N/A</b>
Current tax	125	0.9%	65	0.5%	92.3%
Current (Benefits) differed tax	82	0.6%	-40	-0.3%	N/A
<b>Profit (Loss) from Continuing Operations</b>	<b>627</b>	<b>4.6%</b>	<b>-343</b>	<b>-2.6%</b>	<b>N/A</b>
Profit from Discontinuing Operations - net	143	1.1%	163	1.3%	-12.3%
<b>Consolidated - net Profit (Loss)</b>	<b>770</b>	<b>5.7%</b>	<b>-180</b>	<b>-1.4%</b>	<b>N/A</b>
Profit (Loss) Attributable to Non - Controlling Interests	0	0.0%	-1	0.0%	N/A
Profit (Loss) Attributable - Controlling Interests	770	5.7%	-179	-1.4%	N/A
<b>Other comprehensive loss, net of income tax</b>					
Cumulative translation adjustment	-776	-5.7%	527	4.0%	N/A
Derivative financial instruments	47	0.3%	-2	0.0%	N/A
<b>Items that will be reclassified to profit or loss</b>	<b>-729</b>	<b>-5.4%</b>	<b>525</b>	<b>4.0%</b>	<b>N/A</b>
<b>Consolidated comprehensive income (loss)</b>	<b>41</b>	<b>0.3%</b>	<b>345</b>	<b>2.6%</b>	<b>-88.1%</b>

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

Proforma Combined Statements of Income and Comprehensive Income (Accumulated) - (Unaudited)

International Financial Reporting Standard (With exception of IFRS 11)

Second Quarter of 2025 and 2024

(Figures in millions of Mexican pesos)

Concept	Accum 25	%	Accum 24	%	Var.
Net Revenue	27,084	100.0%	25,160	100.0%	7.6%
Cost of Sales	21,379	78.9%	20,651	82.1%	3.5%
<b>Gross Profit</b>	<b>5,705</b>	<b>21.1%</b>	<b>4,509</b>	<b>17.9%</b>	<b>26.5%</b>
Selling and Distribution Expenses	2,789	10.3%	2,526	10.0%	10.4%
Administrative Expenses	1,501	5.5%	1,195	4.7%	25.6%
<b>General Expenses</b>	<b>4,290</b>	<b>15.8%</b>	<b>3,721</b>	<b>14.8%</b>	<b>15.3%</b>
Other Income	-32	-0.1%	-43	-0.2%	-25.6%
<b>Operating Profit</b>	<b>1,447</b>	<b>5.3%</b>	<b>831</b>	<b>3.3%</b>	<b>74.1%</b>
<b>Operating Cash Flow (EBITDA)</b>	<b>2,655</b>	<b>9.8%</b>	<b>2,037</b>	<b>8.1%</b>	<b>30.3%</b>
Interest expense - net	400	1.5%	467	1.9%	-14.3%
Exchange loss (profit) - net	-240	-0.9%	620	2.5%	N/A
Other financial (income) expenses - net	53	0.2%	97	0.4%	-45.4%
<b>Financial Expenses - net</b>	<b>213</b>	<b>0.8%</b>	<b>1,184</b>	<b>4.7%</b>	<b>-82.0%</b>
<b>Profit (Loss) before Income Taxes</b>	<b>1,234</b>	<b>4.6%</b>	<b>-353</b>	<b>-1.4%</b>	<b>N/A</b>
Current tax	318	1.2%	182	0.7%	74.7%
Current (Benefits) deferred tax	100	0.4%	-222	-0.9%	N/A
<b>Profit (Loss) from Continuing Operations</b>	<b>816</b>	<b>3.0%</b>	<b>-313</b>	<b>-1.2%</b>	<b>N/A</b>
Profit from Discontinuing Operations - net	3,603	13.3%	320	1.3%	N/A
<b>Consolidated - net Profit (Loss)</b>	<b>4,419</b>	<b>16.3%</b>	<b>7</b>	<b>0.0%</b>	<b>N/A</b>
Profit (Loss) Attributable to Non - Controlling Interests	-1	0.0%	-1	0.0%	0.0%
Profit (Loss) Attributable - Controlling Interests	4,420	16.3%	8	0.0%	N/A
<b>Other comprehensive loss, net of income tax</b>					
Actuarial loss from employee benefits	-28	-0.1%	0	0.0%	N/A
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>-28</b>	<b>-0.1%</b>	<b>0</b>	<b>0.0%</b>	<b>N/A</b>
Cumulative translation adjustment	-551	-2.0%	334	1.3%	N/A
Derivative financial instruments	-13	0.0%	2	0.0%	N/A
Equity in other comprehensive income of joint ventures	0	0.0%	0	0.0%	N/A
<b>Items that will be reclassified to profit or loss</b>	<b>-564</b>	<b>-2.1%</b>	<b>336</b>	<b>1.3%</b>	<b>N/A</b>
<b>Consolidated comprehensive loss</b>	<b>3,827</b>	<b>14.1%</b>	<b>343</b>	<b>1.4%</b>	<b>N/A</b>

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

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

International Financial Reporting Standards (except for IFRS 11)

For the periods ended June 30<sup>th</sup>, 2025, and 2024

(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 at beginning of 2024</b>	\$ 2,728	\$ 12,546	\$ 736	\$ 484	\$ 16,494	\$ 5	\$ 16,499
Transfer Consolidated net Income	-	736	(736)	-	-	-	-
Repurchase of ordinary shares	-	10	-	-	10	-	10
Transfer to retained earnings	-	(37)	-	37	-	-	-
Consolidated comprehensive income	-	-	8	335	343	-	343
<b>Balance ending June, 2024</b>	<b>\$ 2,728</b>	<b>\$ 13,255</b>	<b>\$ 8</b>	<b>\$ 856</b>	<b>\$ 16,847</b>	<b>\$ 5</b>	<b>\$ 16,852</b>
<b>Balances at beginning of 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	-	(2,050)	-	-	(2,050)	-	(2,050)
Repurchase of ordinary shares	-	48	-	-	48	-	48
Transfer to retained earnings	-	(12)	-	12	-	-	-
Consolidated comprehensive income	-	-	4,420	(593)	3,827	-	3,827
<b>Balance ending June, 2025</b>	<b>\$ 2,728</b>	<b>\$ 9,889</b>	<b>\$ 4,420</b>	<b>\$ 976</b>	<b>\$ 18,013</b>	<b>\$ 5</b>	<b>\$ 18,018</b>

Number of shares 436,890,543

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

Consolidated Statement of Financial Position - IFRS (Unaudited)

International Financial Reporting Standard

As of June 30<sup>th</sup>, 2025, and 2024

(Figures in millions of Mexican pesos)

Concept	Jun-25	Jun-24	%
Cash and Cash Equivalents	3,771	1,510	149.7%
Accounts and Documents Receivable, net	3,743	3,993	-6.3%
Inventories, net	5,505	5,395	2.0%
Biological assets	1,762	1,728	2.0%
Assets classified as held for sale	0	3,747	N/A
Other Current Assets	571	452	26.3%
<b>Current Assets</b>	<b>15,352</b>	<b>16,825</b>	<b>-8.8%</b>
Property, Plant and Equipment, net	10,109	10,425	-3.0%
Right of use Assets	886	930	-4.7%
Goodwill, Patents and Trademarks	327	336	-2.7%
Projects and Capitalized development	2,096	2,851	-26.5%
Biological assets	713	712	0.1%
Investments in Shares	10,468	10,380	0.8%
Other Non-Current Assets	1,645	2,575	-36.1%
<b>Total non - current Assets</b>	<b>26,244</b>	<b>28,209</b>	<b>-7.0%</b>
<b>Total Assets</b>	<b>41,596</b>	<b>45,034</b>	<b>-7.6%</b>
Bank Loans and Current Portion of long-Term Debt	0	132	N/A
Accounts and Notes Payable Suppliers	2,583	3,174	-18.6%
Supplier finance arrangements	4,865	4,111	18.3%
Liabilities directly associated with assets classified as held for sale	0	1,668	N/A
Accrued Liabilities and Other accounts payable	5,517	4,600	19.9%
<b>Current Liabilities</b>	<b>12,965</b>	<b>13,685</b>	<b>-5.3%</b>
Long-Term Debt	8,035	11,914	-32.6%
Other Non-Current Liabilities	2,583	2,588	-0.2%
<b>Total non - current Liabilities</b>	<b>10,618</b>	<b>14,502</b>	<b>-26.8%</b>
<b>Total Liabilities</b>	<b>23,583</b>	<b>28,187</b>	<b>-16.3%</b>
Capital Stock	2,728	2,728	0.0%
Retained Earnings	9,889	13,255	-25.4%
Profit for the year	4,420	8	N/A
Others	976	856	14.0%
Controlling Interest	18,013	16,847	6.9%
Non- Controlling Interest	0	0	N/A
<b>Stockholders' Equity</b>	<b>18,013</b>	<b>16,847</b>	<b>6.9%</b>
<b>Liabilities and Stockholders' Equity</b>	<b>41,596</b>	<b>45,034</b>	<b>-7.6%</b>

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

Consolidated Statement of Income and Comprehensive Income - IFRS (Unaudited)  
International Financial Reporting Standard  
Second Quarter of 2025 and 2024  
(Figures in millions of Mexican pesos)

Concept	2Q25	%	2Q24	%	Var.
Net Revenue	9,086	100.0%	8,916	100.0%	1.9%
Cost of Sales	7,495	82.5%	7,602	85.3%	-1.4%
<b>Gross Profit</b>	<b>1,591</b>	<b>17.5%</b>	<b>1,314</b>	<b>14.7%</b>	<b>21.1%</b>
Selling and Distribution Expenses	706	7.8%	691	7.8%	2.2%
Administrative Expenses	477	5.2%	383	4.3%	24.5%
<b>General Expenses</b>	<b>1,183</b>	<b>13.0%</b>	<b>1,074</b>	<b>12.0%</b>	<b>10.1%</b>
Participation in Joint Ventures	-249	-2.7%	-120	-1.3%	107.5%
Other (Income) Expenses	-1	0.0%	-53	-0.6%	-98.1%
<b>Operating Profit</b>	<b>658</b>	<b>7.2%</b>	<b>413</b>	<b>4.6%</b>	<b>59.3%</b>
<b>Operating Cash Flow (EBITDA)</b>	<b>1,261</b>	<b>13.9%</b>	<b>1,142</b>	<b>12.8%</b>	<b>10.4%</b>
Interest expense - net	141	1.6%	210	2.4%	-32.9%
Exchange loss (Profit) - net	-401	-4.4%	567	6.4%	N/A
Other financial (income) expenses - net	94	1.0%	87	1.0%	8.0%
<b>Financial Expenses (Income) - net</b>	<b>-166</b>	<b>-1.8%</b>	<b>864</b>	<b>9.7%</b>	<b>N/A</b>
<b>Profit (Loss) before Income Taxes</b>	<b>824</b>	<b>9.1%</b>	<b>-451</b>	<b>-5.1%</b>	<b>N/A</b>
Current tax	49	0.5%	5	0.1%	N/A
Current (Benefits) differed tax	148	1.6%	-114	-1.3%	N/A
<b>Profit (Loss) from Continuing Operations</b>	<b>627</b>	<b>6.9%</b>	<b>-342</b>	<b>-3.8%</b>	<b>N/A</b>
Profit from Discontinuing Operations - net	143	1.6%	163	1.8%	-12.3%
<b>Consolidated - net Profit (Loss)</b>	<b>770</b>	<b>8.5%</b>	<b>-179</b>	<b>-2.0%</b>	<b>N/A</b>
Profit (Loss) Attributable to Non - Controlling Interests	0	0.0%	0	0.0%	N/A
Profit (Loss) Attributable - Controlling Interests	770	8.5%	-179	-2.0%	N/A
<b>Other comprehensive loss, net of income tax</b>					
Cumulative translation adjustment	-107	-1.2%	-32	-0.4%	N/A
Derivative financial instruments	0	0.0%	-2	0.0%	N/A
Equity in other comprehensive income of joint ventures	-622	-6.8%	559	6.3%	N/A
<b>Items that will be reclassified to profit or loss</b>	<b>-729</b>	<b>-8.0%</b>	<b>525</b>	<b>5.9%</b>	<b>N/A</b>
<b>Consolidated comprehensive income (loss)</b>	<b>41</b>	<b>0.5%</b>	<b>346</b>	<b>3.9%</b>	<b>-88.2%</b>

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

Consolidated Statement of Income and Comprehensive Income (Accumulated) - IFRS (Unaudited)  
 International Financial Reporting Standard  
 Second Quarter of 2025 and 2024  
 (Figures in millions of Mexican pesos)

Concept	Accum 25	%	Accum 24	%	Var.
Net Revenue	18,121	100.0%	17,116	100.0%	5.9%
Cost of Sales	14,822	81.8%	14,738	86.1%	0.6%
<b>Gross Profit</b>	<b>3,299</b>	<b>18.2%</b>	<b>2,378</b>	<b>13.9%</b>	<b>38.7%</b>
Selling and Distribution Expenses	1,438	7.9%	1,343	7.8%	7.1%
Administrative Expenses	981	5.4%	779	4.6%	25.9%
<b>General Expenses</b>	<b>2,419</b>	<b>13.3%</b>	<b>2,122</b>	<b>12.4%</b>	<b>14.0%</b>
Participation in Joint Ventures	-470	-2.6%	-339	-2.0%	38.6%
Other (Income) Expenses	-3	0.0%	-58	-0.3%	-94.8%
<b>Operating Profit</b>	<b>1,353</b>	<b>7.5%</b>	<b>653</b>	<b>3.8%</b>	<b>107.2%</b>
<b>Operating Cash Flow (EBITDA)</b>	<b>2,655</b>	<b>14.7%</b>	<b>2,037</b>	<b>11.9%</b>	<b>30.3%</b>
Interest expense - net	352	1.9%	409	2.4%	-13.9%
Exchange loss (Profit) - net	-230	-1.3%	626	3.7%	N/A
Other financial (income) expenses - net	116	0.6%	179	1.0%	-35.2%
<b>Financial Expenses - net</b>	<b>238</b>	<b>1.3%</b>	<b>1,214</b>	<b>7.1%</b>	<b>-80.4%</b>
<b>Profit (Loss) before Income Taxes</b>	<b>1,115</b>	<b>6.2%</b>	<b>-561</b>	<b>-3.3%</b>	<b>N/A</b>
Current tax	69	0.4%	34	0.2%	102.9%
Current (Benefits) differed tax	230	1.3%	-283	-1.7%	N/A
<b>Profit (Loss) from Continuing Operations</b>	<b>816</b>	<b>4.5%</b>	<b>-312</b>	<b>-1.8%</b>	<b>N/A</b>
Profit from Discontinuing Operations - net	3,604	19.9%	320	1.9%	N/A
<b>Consolidated - net Profit (Loss)</b>	<b>4,420</b>	<b>24.4%</b>	<b>8</b>	<b>0.0%</b>	<b>N/A</b>
Profit (Loss) Attributable to Non - Controlling Interests	0	0.0%	0	0.0%	N/A
Profit (Loss) Attributable - Controlling Interests	4,420	24.4%	8	0.0%	N/A
<b>Other comprehensive loss, net of income tax</b>					
Actuarial loss from employee benefits	-28	-0.2%	0	0.0%	N/A
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>-28</b>	<b>-0.2%</b>	<b>0</b>	<b>0.0%</b>	<b>N/A</b>
Cumulative translation adjustment	6	0.0%	-39	-0.2%	N/A
Derivative financial instruments	-31	-0.2%	2	0.0%	N/A
Equity in other comprehensive income of joint ventures	-540	-3.0%	372	2.2%	N/A
<b>Items that will be reclassified to profit or loss</b>	<b>-565</b>	<b>-3.1%</b>	<b>335</b>	<b>2.0%</b>	<b>N/A</b>
<b>Consolidated comprehensive Income (Loss)</b>	<b>3,827</b>	<b>21.1%</b>	<b>343</b>	<b>2.0%</b>	<b>N/A</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 June 30<sup>th</sup>, 2025, and 2024

(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 2024</b>	\$ 2,728	\$ 12,546	\$ 736	\$ 484	\$ 16,494	\$ -	\$ 16,494	
Transfer Consolidated net Income	-	736	(736)	-	-	-	-	
Repurchase of ordinary shares	-	10	-	-	10	-	10	
Transfer to retained earnings	-	(37)	-	37	-	-	-	
Consolidated comprehensive income	-	-	8	335	343	-	343	
<b>Balance ending June, 2024</b>	<b>\$ 2,728</b>	<b>\$ 13,255</b>	<b>\$ 8</b>	<b>\$ 856</b>	<b>\$ 16,847</b>	<b>\$ -</b>	<b>\$ 16,847</b>	
<b>Balances at beginning of 2025</b>	\$ 2,728	\$ 13,253	\$ (1,350)	\$ 1,557	\$ 16,188	\$ -	\$ 16,188	
Transfer Consolidated net Income	-	(1,350)	1,350	-	-	-	-	
Dividends declared	-	(2,050)	-	-	(2,050)	-	(2,050)	
Repurchase of ordinary shares	-	48	-	-	48	-	48	
Transfer to retained earnings	-	(12)	-	12	-	-	-	
Consolidated comprehensive income	-	-	4,420	(593)	3,827	-	3,827	
<b>Balance ending June, 2025</b>	<b>\$ 2,728</b>	<b>\$ 9,889</b>	<b>\$ 4,420</b>	<b>\$ 976</b>	<b>\$ 18,013</b>	<b>\$ -</b>	<b>\$ 18,013</b>	

Number of shares 436,890,543