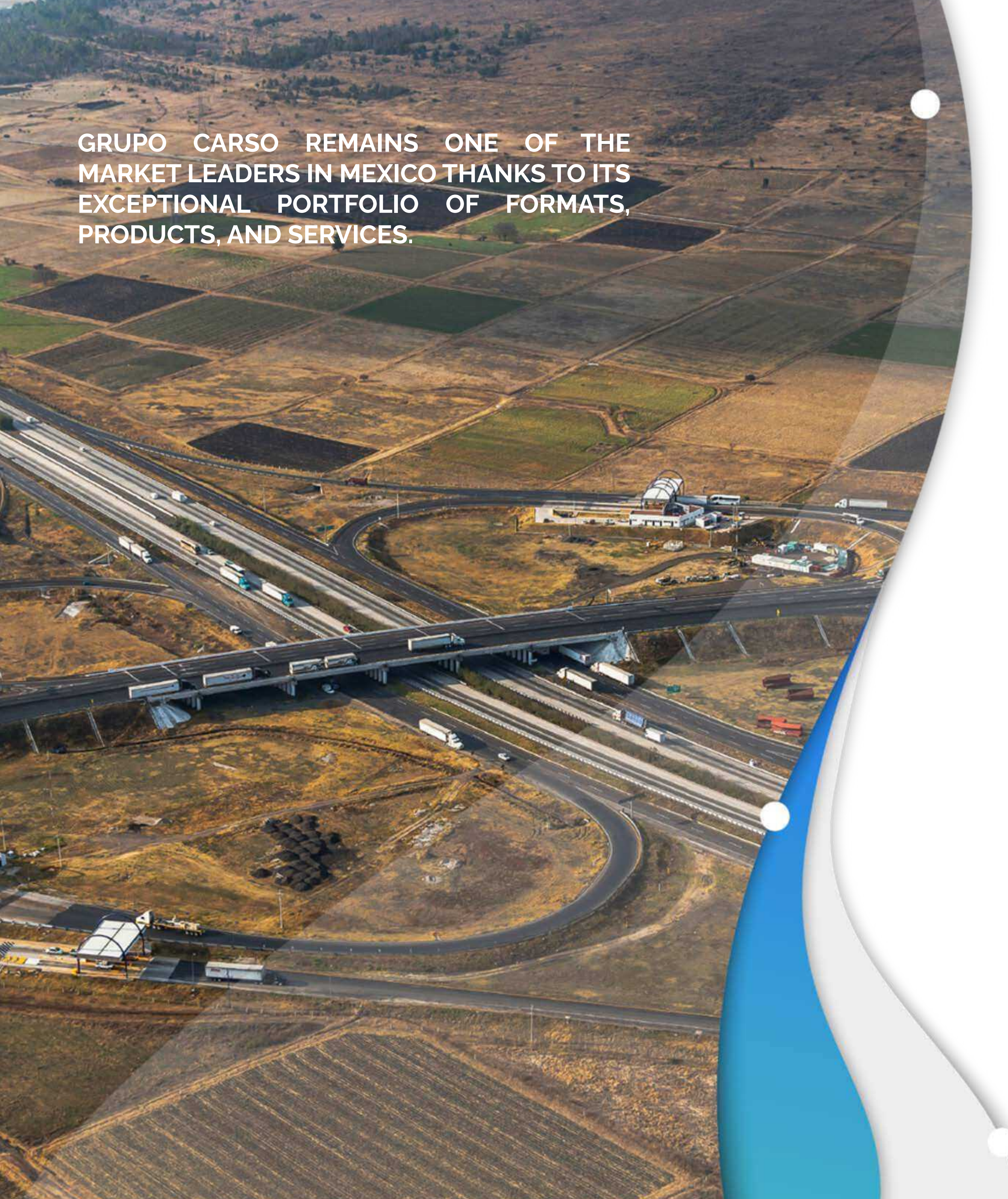
2024
ANNUAL REPORT

GRUPO
carso

INDEX



GRUPO CARSO REMAINS ONE OF THE MARKET LEADERS IN MEXICO THANKS TO ITS EXCEPTIONAL PORTFOLIO OF FORMATS, PRODUCTS, AND SERVICES.

CORPORATE

Grupo Carso is one of the largest and most important diversified conglomerates in Latin America. The Group has an important presence in the Mexican economy, in which it maintains a position of market leadership, thanks to an exceptional portfolio of formats, products and services.

Since its foundation 45 years ago, **Grupo Carso** has distinguished itself for its dynamism, its innovation in processes and technologies and for the sustainable management of its resources. Operational synergies have been attained in the sectors of which the Group is composed that have translated into profitability and a constant cash flow, for the creation of a history of long-term growth for its shareholders.

The Group is composed of six sectors, considered as strategic:

Grupo Carso maintains its position as one of the market leaders in Mexico, thanks to its exceptional portfolio of formats, products and Services.

DIVISIONS,

1.

COMMERCIAL AND CONSUMER PRODUCTS
GRUPO SANBORNS

Grupo Sanborns operates some of the most successful commercial formats in Mexico, with widely recognized brands, serving a large percentage of middle-, upper-middle and upper-class consumers in 451 locations and 1,162,000 square meters of commercial area.

Formats:
- Department stores and boutiques
- Store Restaurant
- Electronic, technology and gaming stores
- Self-service stores, with an emphasis on cosmetics and personal care products.

36.1%
Contribution to sales

20.5%
Contribution to operating income.

PRINCIPAL BRANDS:
Sears · Sanborns · iShop · MixUp · Dax

2.

INDUSTRIAL AND MANUFACTURING
GRUPO CONDUMEX

This Group has a portfolio of products and services catering to the telecommunications, construction, electrical, energy, automotive and mining industries.

Services and Products
- Cables (energy, telecommunications, electronic, coaxial, fiber optics, and mining and automotive cables, among others).
- Automotive electric harnesses
- Precision steel pipes
- Power transformers

24.0%
Contribution to sales;

21.9%
Contribution to operating income.

PRINCIPAL BRANDS:
Condumex · Latincasa · Vinanel · Condulac · IEM · Precitubo · Sitcom · Microm · Sinergia · Equiter · Logtec

3.

INFRASTRUCTURE AND CONSTRUCTION

Carso Infraestructura y Construcción serves 5 sectors: the chemical and petroleum industry; the installation of pipelines industry; infrastructure, civil construction and the housing development industry.

It engages in the construction of:

- Highways; tunnels; water treatment plants, and infrastructure works in general
- Offshore oil platforms and equipment for the chemical and petroleum industries
- The drilling of oil and geothermal wells, and well-drilling services
- Commercial strips; industrial plants; office buildings and housing
- Facilities for telecommunications, gas pipelines and aqueducts

20.9%
Contribution to sales

21.9%
Contribution to operating income

PRINCIPAL BRANDS
CICSA · Swecomex · Bronco Drilling · Cilsa · GSM · PC Construcciones · Urvitec

4.

ENERGY
CARSO ENERGY

Carso Energy participates in the energy and petroleum industries. It is presently engaged in the performance of gas transmission services for the Federal Electricity Commission and it has two run-of-the-river hydroelectric plants, Baitun and Bajo de Mina, in the Province of Chiriqui in Panama. Its corporate objective is to take advantage of business opportunities in energy in Mexico and other regions.

It engages in:
- The Performance of gas transmission services;
- The generation of electricity.

1.7%
Contribution to sales;

10.7%
Contribution to operating income.

PRINCIPAL BRANDS
Carso Energy · Carso Oil & Gas · Carso Electric

5.

ELEMENTIA / FORTALEZA

Elementia offers solutions to the construction industry. Fortaleza engages in the production and sale of gray cement, used in the construction industry.

The combined companies offer products such as:
- Fibrocemento (tiles, roof tiles)
- Plastic products (water tanks, cisterns, translucent sheeting)
- Metallic products (sheeting, piping, bars, wire, copper connections)
- Cement, bagged or in bulk.

16.9%
Contribution to sales

21.8%
Contribution to operating income.

PRINCIPAL BRANDS
Nacobre · Mexalit · Plycem · Duralit · Eternit · Allura · Eureka

6.

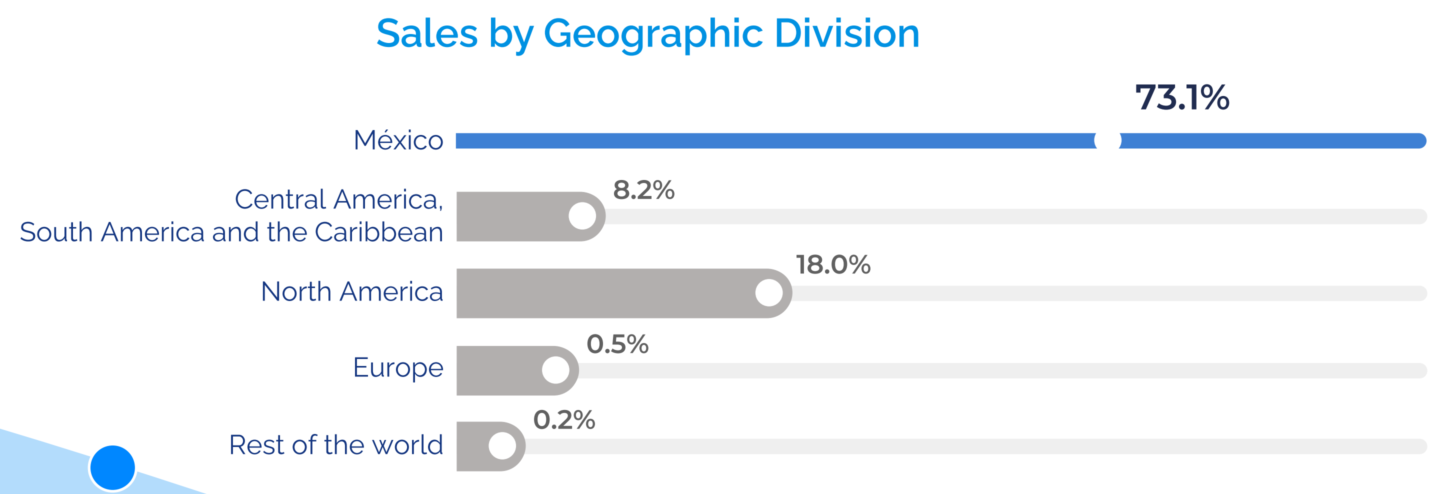
HIDROCARBUROS
ZAMAJAL

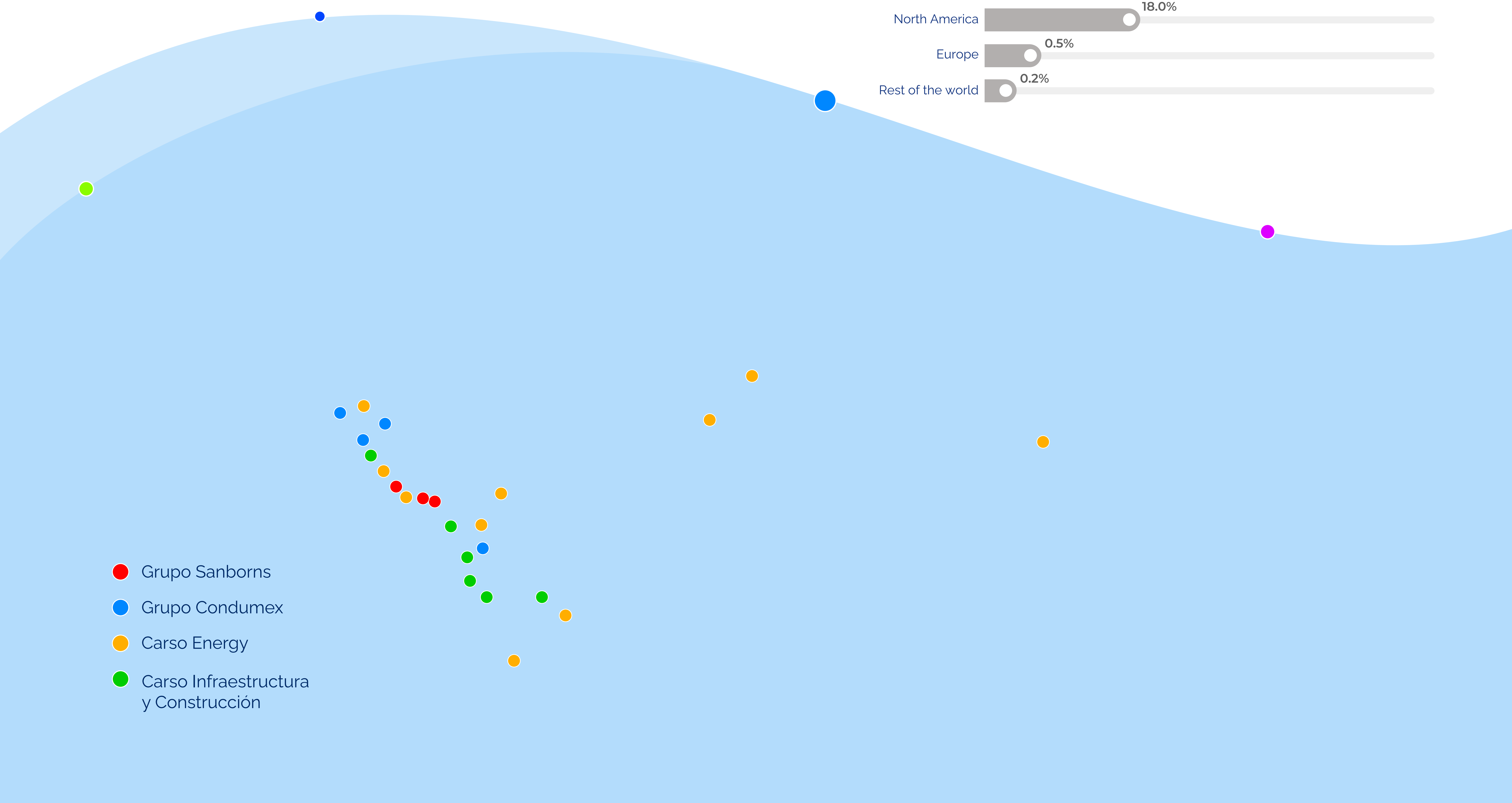
A new hydrocarbons division that engages in exploration for oil and gas in the shallow and deep waters of the Gulf of Mexico. It includes Talos Energy Mexico 7, which owns 17.4% of the Zama petroleum deposit, an important oil field located offshore in Tabasco. It also owns Petrobal Upstream Operations, an entity that holds a 50% share in the Ichalkil and Pokoch fields, located offshore in Campeche.

0.5%
Contribution to sales

-2.5%
Contribution to operating income

GEOGRAPHICAL



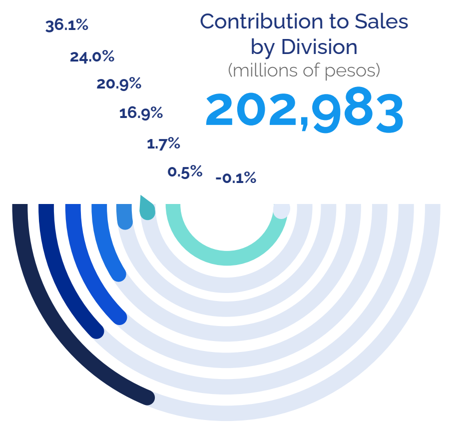


KEY FINANCIAL INFORMATION
GRUPO CARSO 2024

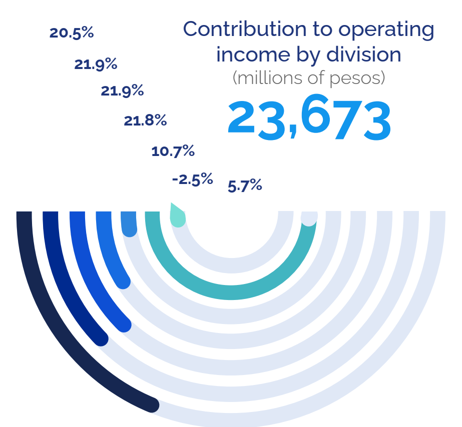
(Amounts in thousand pesos, except earnings per share, which is shown in pesos, and outstanding shares)	2022	2023	2024	Var % 2024-2023
Sales	$181,538,679	$198,455,309	$202,983,419	2.3%
Gross Profit	$44,359,947	$52,428,493	$50,056,471	-4.5%
Operating Income	$25,965,096	$24,393,399	$23,673,264	-3.0%
EBITDA	$27,478,334	$30,930,224	$30,966,865	0.1%
Controlling Participation in Net Income	$19,061,904	$13,519,384	$14,456,973	6.9%
Earnings per share (EPS)*	8.47	6.00	6.41	6.8%
MARGINS				
Gross	24.4%	26.4%	24.7%	-1.8% pp
Operating	14.3%	12.3%	11.7%	-0.6% pp
EBITDA	15.1%	15.6%	15.3%	-0.3% pp
Net	10.5%	6.8%	7.1%	-0.3% pp
REVENUES				
Retail	$64,745,699	$73,326,668	73,353,031	0.0%
Industrial	$49,599,602	$44,619,685	$48,786,772	9.3%
Infrastructure and Construction	$38,813,412	$45,009,965	$42,504,591	-5.6%
Elementia / Fortaleza	$36,310,278	$32,261,583	$34,264,203	6.2%
Energy	$4,114,856	$3,476,672	$3,354,824	-3.5%
Zamajal	0	0	$939,994	NC
EBITDA**				
Retail	$7,124,285	$7,110,926	$7,024,222	-1.2%
Industrial	$6,850,756	$5,842,446	$5,908,733	-1.1%
Infrastructure and Construction	$4,887,478	$7,451,680	$6,163,403	17.3%
Elementia / Fortaleza	$5,770,591	$6,168,958	$7,320,977	-18.7%
Energy	$3,378,834	$3,007,109	$2,920,944	-2.9%
Zamajal	0	$-9	$330,236	NC
EBITDA MARGINS				
Retail	11.0%	9.7%	9.6%	-01 pp
Industrial	13.8%	13.1%	12.1%	-1.0 pp
Infrastructure and Construction	12.6%	16.6%	14.5%	2.1 pp
Elementia / Fortaleza	16.6%	19.1%	21.4%	2.2 pp
Energy	82.1%	86.5%	87.1%	0.6 pp
Zamajal	82.1%	86.5%	35.1%	NC pp
Total Assets	$239,382,102	$250,473,788	$280,339,840	11.9%
Total Liabilities	$104,527,859	$106,318,044	$118,323,693	11.3%
Stockholders' Equity	$134,854,243	$144,155,720	$162,026	-99.9%
Compounded Average Outstanding Shares ('000)	$2,251,633	$2,252,660	$2,256,167	0.16%

* EPS: Calculated as Controlling Participation in Net Income divided by the compounded average shares outstanding.
** EBITDA: Income before income taxes plus depreciation and amortization, interest income and expense, foreign exchange loss and (gain), surplus from appraisals of shopping centers, impairment of machinery and equipment and exploration expenses, environmental remediation, valuation effect of derivative financial instruments, equity in income of associated companies and joint ventures, valuation of labor obligations, portfolio impairment, and other items. EBITDA Conciliation in Note 33 of the FInancial Statements.
pp: Variation in percentage points.

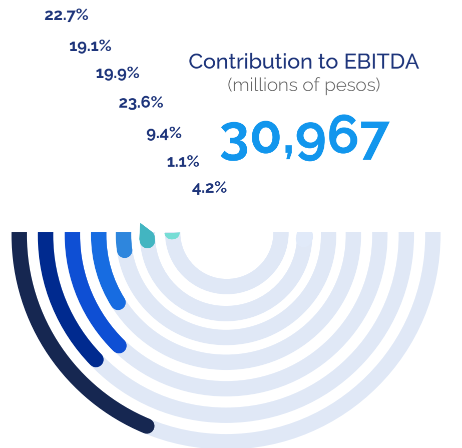
INFORMATION



73,353	Retail
48,787	Industrial and manufacturing
42,505	Infrastructure and Construction
34,264	Elementia / Fortaleza
3,355	Energy
940	Zamajal
-220	Otros



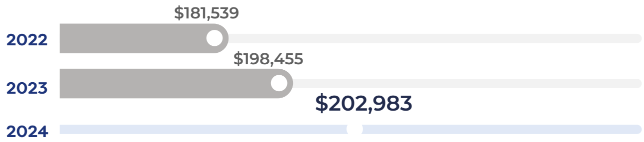
4,844	Retail
5,194	Industrial and manufacturing
5,181	Infrastructure and Construction
5,171	Elementia / Fortaleza
2,540	Energy
-601	Zamajal
1,345	Otros



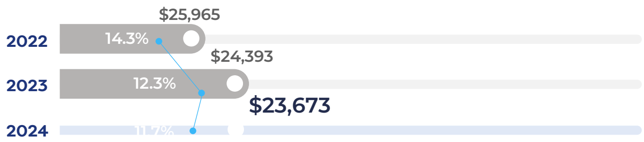
7,024	Retail
5,909	Industrial and manufacturing
6,163	Infrastructure and Construction
7,321	Elementia / Fortaleza
2,921	Energy
330	Zamajal
1,298	Otros

GRUPO CARSO

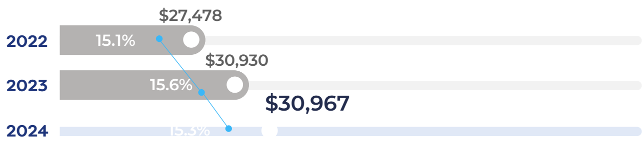
Sales (millions of pesos)



Operating Income (millions of pesos)



EBITDA* (millions of pesos)



*Note: In the EBITDA data for the fiscal year of 2024, the following amounts are being excluded: $1,603,138 of interest income; $2,618,395 from exchange gains; $69,103 surplus from commercial center appraisals; $20,783 for the deterioration of exploration machinery and equipment; $717,239 from the evaluation of derivative financial instruments; $1,307,698 from the results of associated companies and participation in joint ventures, and $41,823 for the deterioration of portfolio. See the Conciliation of EBITDA in Note 33 of the Financial Statements. The Elementia/Fortaleza numbers beginning from May of 2022 and the Zamajal numbers beginning from June of 2024 were consolidated.

LETTER TO THE

2024 Annual Report
Letter by the President of the Board of Directors to Grupo Carso Shareholders

Economic Landscape

In 2024 global growth was 3.20%, in line with 2023 and 2022. Growth in 2025 is not expected to be any greater, since it could be affected by the prevailing commercial tensions.

In the United States growth was stable, with a growth of 2.79% in respect to 2023, attributable to an increase of 3.28% in the consumption of durable goods, 2.96% in services and an increase of 4.22% in housing. The United States Federal Reserve (Fed) reduced the referential rate by 100 basis points, from 5.50% in 2023 to 4.50% in 2024.

Growth in China experienced a slight deceleration, dropping from 5.41% in 2023 to 4.98% in 2024, due to a lower domestic demand, problems in the real estate sector and commercial restrictions.

As for the Mexican economy, despite the increase in public spending, growth was 1.24% in 2024, dropping from the 3.20% seen in 2023. The construction sector grew by only 2.81%, compared to the 15.41% seen in 2023, thanks to the infrastructure projects, private investment and investments derived from "nearshoring." Private consumption maintained a rising tendency, although it was with a more moderate growth of 1.55% in commerce, driven by an increase of 4.67% in the real average salary of workers enrolled in the Mexican Social Security Institute (IMSS) and a historic record of remittances from abroad, which reached the amount of 64,746 million dollars.

The Mexican peso ended the year at $20.83 pesos per dollar, compared to the average of $17.74 in 2023. This depreciation contributed to a greater commercial competiveness that can be attributed, in part, to the uncertainty created by the trade policies of the United States.

In Mexico, inflation was at 4.21%, which is less than the 4.66% seen in 2023, with a core inflation of 3.65% and a non-core inflation of 5.95%. In the United States inflation was at 2.89%, decreasing from the 3.65% experienced in the preceding year. The Bank of Mexico lowered the reference rate five times during 2024, going from 11.25% to 10.00%.

Mexico continued to be the principal trading partner of the United States, with exports worth more than 500 billion dollars in 2024, surpassing both Canada and China as the principal trading partner of the United States. Nevertheless, despite its trading surplus with

the United States, Mexico recorded a global commercial trade deficit of 8 billion, two hundred and twelve million dollars, and an oil deficit of 10,044 million dollars, compensated only partially by a non-petroleum surplus of 1,832 million dollars.

Mexico's national debt ended the year with a greater deficit and an increase in the national debt caused by public spending and by infrastructure projects. The national debt as a percentage of the GDP increased from 46.67% to 51.83%, while the primary deficit closed at 1.50% and the financial requirements of the public sector reached -5.70% of the GDP. For 2025 the Ministry of the Treasury and Public Credit is projecting a primary deficit of 0.60 and a fiscal deficit of 3.90%.

In order to accelerate the country's growth and development, investment must be encouraged, especially in the private sector. Mexico has important advantages, such as the average age of its population, the productivity of its workers, its geographic location, its touristic attractions, and the abundance of its natural resources. These factors, added to investment and the increase of internal consumption through an increase of jobs and better pay will play a fundamental part in the economic development of the country.

Grupo Carso

In **Grupo Carso** we continue to invest in the growth of our various strategic business sectors for the development of Mexico. The capital investments in the Group's enterprises rose to $6,500 million pesos.

On a consolidated level, sales in 2024 reached the amount of $202,983 million pesos, representing a growth of 2.3% in respect to the previous year, including the incorporation of Elementia and Fortaleza in 2022, the Upstream Petrobal Operations, and Zamajal in 2024.

In regard to profitability, the operating income and EBITDA decreased by 3.0% and 0.1% due to variations in the exchange rate, the conclusion of infrastructure projects and the increase of reserves for credit accounts in the results of the Commercial Division, as well as because of losses in the Zamajal operations, enterprises that initiated their integrated operations in **Grupo Carso** in the third quarter of the year.

In the Commercial Division, sales were maintained constantly, as were the operating margins and EBITDA. **Grupo Sanborns** continued with the opening of **Dax** stores, with 7 new locations and 6 new iShops during 2024. The default levels in the credit accounts and in the solidity of the business were recovered. After the temporary closure of stores in Acapulco caused by Hurricane Otis, 5 stores were reopened, including the **Sears, Sanborns, iShop and MixUp** stores located in that city. The capital investments were channeled into the remodeling of those stores and the acquisition of furniture and equipment.

In the Industrial Division, **Grupo Condumex** increased its sales by 9.3% and its EBITDA by 1.1%, with a greater volume of sales in construction cables and automotive harnesses and cables. We are very pleased to have received, in 2024, the General Motors "2023 Supplier Quality Excellence Award" for eight of our auto parts plants, having surpassed a series of strict quality, service and delivery criteria. During that same year we obtained new automotive platform projects for 2026 with our principal clients.

In **Carso Infraestructura y Construcción** we recorded a decrease of 5.6% in sales and 17.3% in EBITDA. This was due to the conclusion and administrative closure of some construction projects, such as the platform and railway of section II of the Escárcega-Calkiní Tren Maya railroad. We continue with our dynamic services of well reworking and drilling of wells and various other private projects in progress, such as the Star Medica Hospitals and the remodeling of commercial centers.

Carso Energy had a 3.5% decrease in sales, due mainly to variations in the exchange rate, since its income is in dollars. The Samalayuca-Sásabe gas pipeline and the two gas pipelines we have in Waha, Texas, in the United States, increased their income in

dollars for the gas transmission services to the CFE and third parties, while the compression station completed in this year increased the transmission of gas to a considerable degree. In Panama, the two hydroelectric plants operated in a regular manner under the market conditions in that country. During this year we subscribed an agreement with the Federal Electricity Commission for the construction of the Centauro del Norte gas pipeline, which is a continuation of our Samalayuca-Sásabe pipeline to Mexicali.

Elementia/Fortaleza increased its sales by 6.2%, by increasing the volumes of its sales, as well as from the effects of the increase in the value of the peso, which benefitted the sales of Construsistemas abroad. Standing out In terms of profitability was the growth of 18.7% in EBITDA and its profit margin, which increased from 19.1% to 21.4%. In this Division an agreement was reached for the sale of Giant Cement Holding, Inc., a subsidiary of Fortaleza Materiales, in the United States, with the objective of focusing mainly on the demand for cement in Mexico.

During 2024, **Grupo Carso** acquired a 49% stake in Talos Energy México 7, which is the owner of 17.4% of the Zama oil deposit and 100% of Petrobal Operaciones Upstream, which owns 50% of the Ichalkil and Pokoch fields, both of which are in the Southeast Basin, thereby creating a new hydrocarbons Division, which reported sales of $940 million pesos from the Petrobal Operaciones Upstream operations. At the end of the year **Grupo Carso** subscribed a binding agreement to increase its participation in Talos Energy México 7 to 80%, with the said agreement pending the corresponding authorizations.

In regard to sustainability, new corporate policies were published in **Grupo Carso** on human rights, anti-corruption and integrity as well as an updated version of its code of ethics. in **Carso Infraestructura y Construcción** we have maintained the consumption of energy based on efficient co-generation and have begun to manage the reduction of greenhouse gases. During the year, **Grupo Carso** employees and their families received benefits through the Social Well-being and ASUME programs, as well as from the Train Yourself for a Job program, working jointly with the Carlos Slim Foundation.

Finally, in the name of the Board of Directors, I thank the shareholders, clients and providers for their confidence in us. Besides thanking all our employees, I ask them to continue with their commitment to our objectives, making it possible for **Grupo Carso** to attain its goals and to continue to contribute to the development of our country.

Sincerely,

Lic. Carlos Slim Domit
President of the Board of Directors

Report by the director general to the board of directors on the results of the fiscal year 2024

The consolidated sales of **Grupo Carso** in 2024 was in the amount of 202,983 million pesos, which represents a growth of 2.3% in respect to 2023, with **Grupo Condumex, Elementia/Fortaleza and Grupo Sanborns** all reporting a growth in sales. **Carso Infraestructura y Construcción**, together with **Carso Energy** reported a decrease in sales, due mainly to the conclusion of various projects and to the reduction in the price of energy in Panama.

The operating income of **Grupo Carso** was 23,673 million pesos, which represents a decrease of 2.9% compared to the previous year.

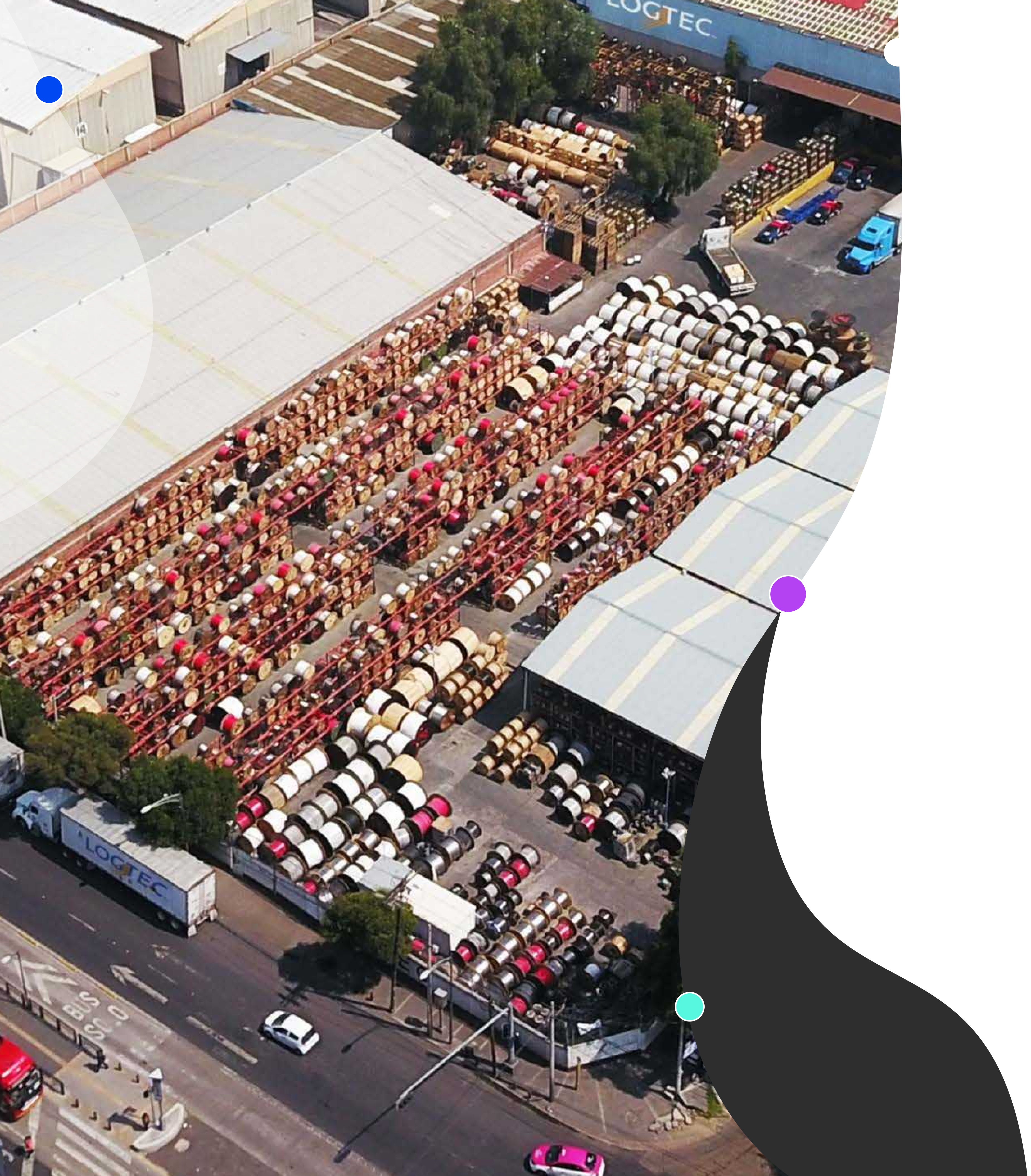
Accumulated EBITDA was 30,967 million pesos, similar to the 30,930 million obtained in 2023. For the calculation of this indicator, extraordinary items or items that do not imply cash flow, such as the surplus from the evaluation of investment properties, were not considered.

The integral financing result (IFR) FOR 2024 was a cost of 1,336 million pesos, an improvement of the previous year's cost, which was 6,029 million pesos, due mainly to an exchange surplus of 2,618 million pesos versus the exchange loss of 2,031 million pesos recorded in 2023.

The total debt was 47,657 million pesos, compared to the 45,750 million pesos of the previous year.

Net debt on December of 2024 was 31,415 MM.

1.



Total Debt (millions of pesos)

2022 $42,790

2023 $45,750

2024 **$47,657**

Capital Expenditures (Millions of pesos)

2022 $5,236

2023 $5,551

2024 **$6,476**

Cash (Millions of pesos)

2022 $12,295

2023 $16,347

2024 **$16,191**

Dneta (Millions of pesos)

2022 $30,496

2023 $29,402

2024 **$31, 415**

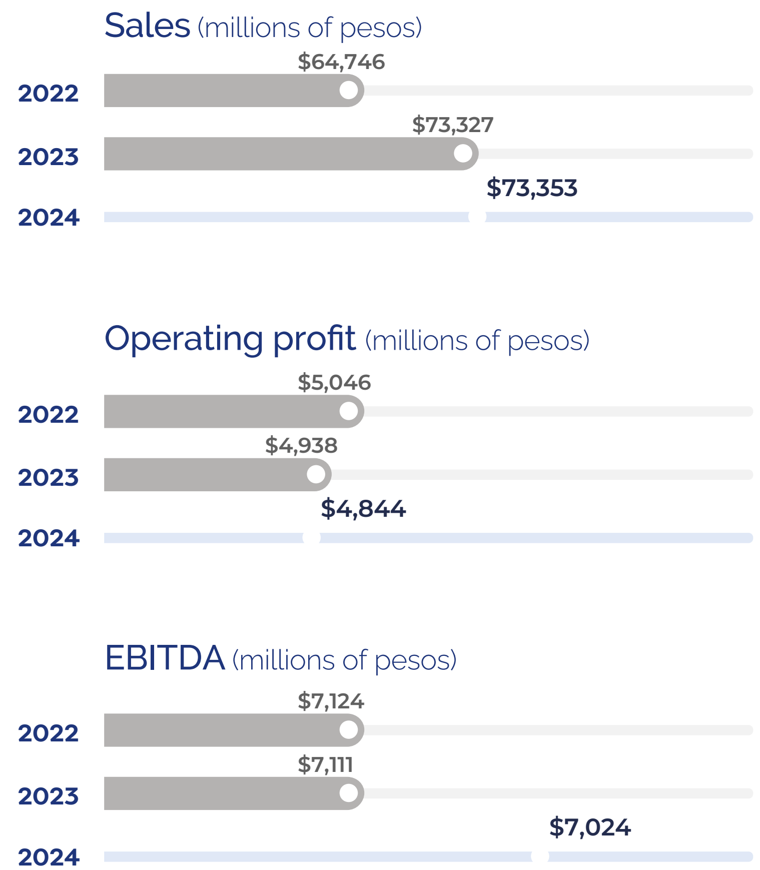
DNeta/EBITDA 12m (Times)

2022 1.11

2023 0.95

2024 **1.00**

BUSINESS



COMMERCIAL AND CONSUMER DIVISION
GRUPO SANBORNS

During 2024 sales in the commercial and consumer division totaled 73,353 million pesos, representing a slight increase of 0.04%.

Accumulated operating income totaled 4,844 million pesos, for a reduction of 1.9% compared to 2023. Annual EBITDA of **Grupo Sanborns** decreased by 1.2% compared to 2023, and the EBITDA margin went from 9.7% to 9.6% on sales.

The net controlling income of **Grupo Sanborns** totaled 3,569 million pesos, compared to 3,701 million pesos in 2023.

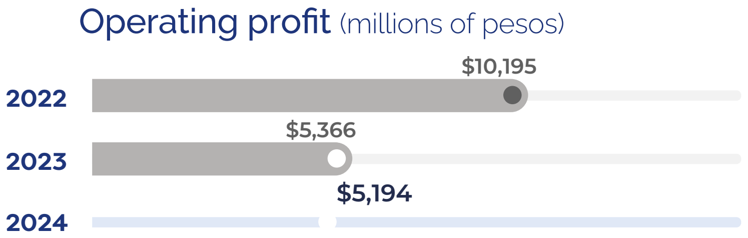
Investments in fixed assets to December 31 of 2024 totaled 1,579 million pesos, which was 34.6% greater than the amount of 1,173 million pesos for the same period of the previous year, due to the opening of new stores.

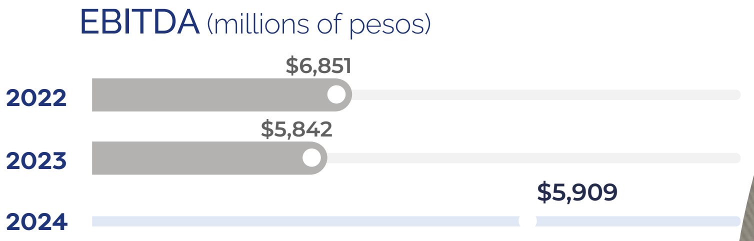
INDUSTRIAL AND DE MANUFACTURING DIVISION
GRUPO CONDUMEX

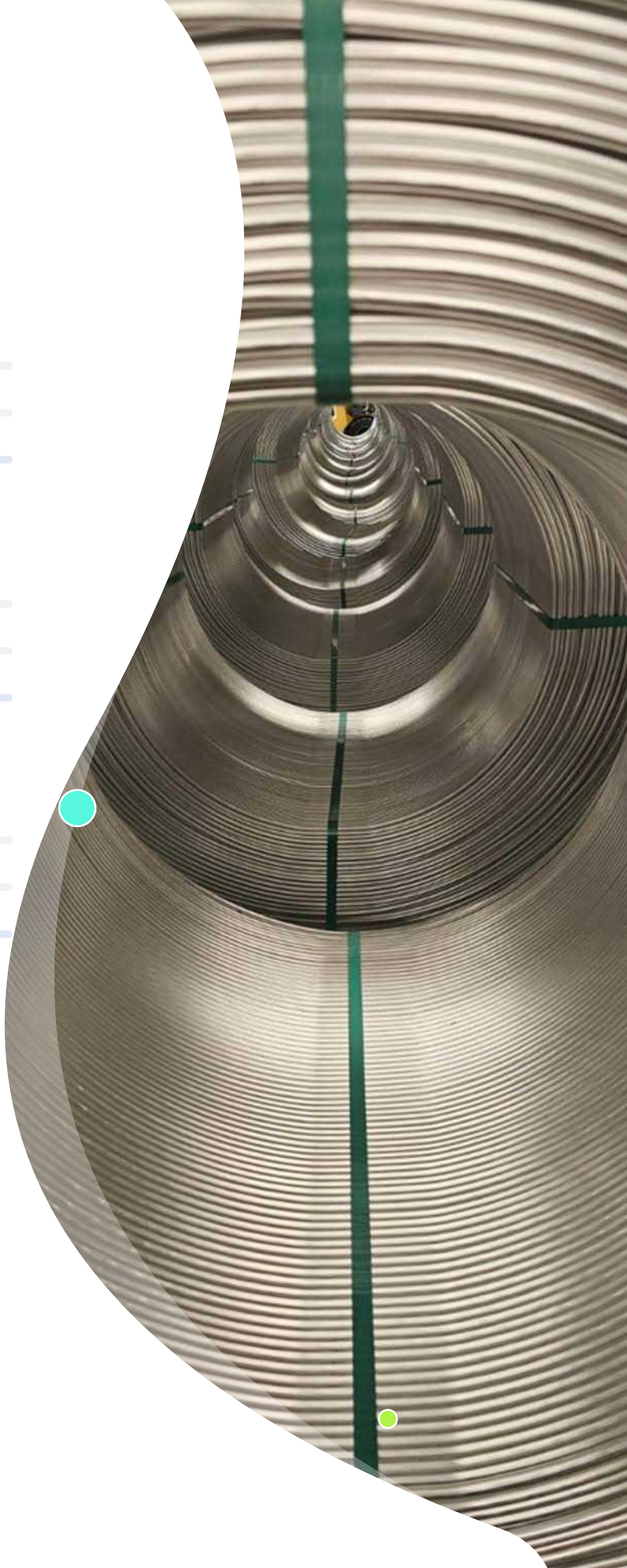
During 2024 the sales of **Grupo Condumex** totaled 48,787 million pesos, 9.3% greater than the sales reported in 2023.

Operating income and EBITDA totaled 5,193 and 5,908 million pesos, decreasing by 3.2% and increasing by 1.1%, respectively.

The net controlling income of **Grupo Condumex** was 5,342 million pesos, compared to 3,683 million pesos in 2023, which is explained by the positive exchange variations.







*Monto de conratación de obras pendientes por construir

INFRASTRUCTURE AND CONSTRUCTION DIVISION

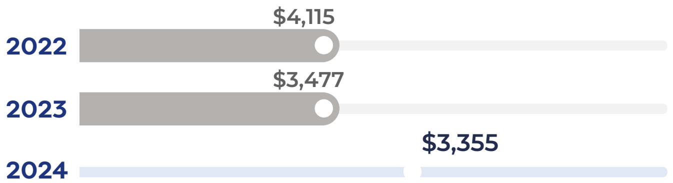
CARSO INFRAESTRUCTURA Y CONSTRUCCIÓN

Carso Infraestructura y Construcción sales decreased by 5.6%, for a total of 42,505 MM in the year, a decrease owed mainly to the conclusion of infrastructure projects. The sectors that increased their sales were Fabricación y Servicios, from a greater volume of services for the Chemical and Petroleum Industry, and Construcción Civil, from the construction of various private projects.

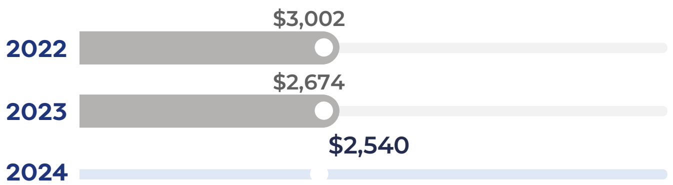
Consolidated operating income and EBITDA totaled 5,180 and 6,163 million pesos, for reductions of 20.8% and 17.3%, respectively.

Net controlling income in 2024 was 2,777 million pesos.

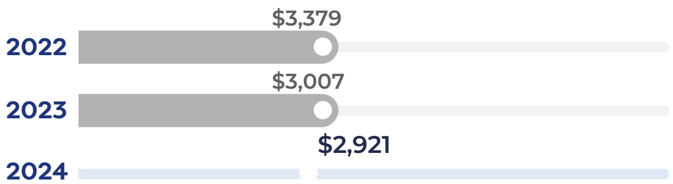
Sales (millions of pesos)



Operating profit (millions of pesos)



EBITDA (millions of pesos)



ENERGY DIVISION

CARSO ENERGY

Sales of **Carso Energy** were in the amount of 3,355 million pesos, representing a decrease of 3.5% versus the 3,477 million for the same period of the previous year.

The operating income and EBITDA of **Carso Energy** were in the amounts of 2,539 and 2,921 million pesos, representing decreases of 5.0% and 2.9%, respectively.

Net income in **Carso Energy** was 1,167 million pesos at the end of December of 2024, below the 2,047 million reported for the same period in the previous year.

The investments in fixed assets carried out by **Carso Energy** during 2023 were in the amount of 2,264 million pesos.

Capital investments by **Elementia/Fortaleza** during the year were in the amount of 1,238 million pesos, compared to the 1,522 million pesos of the previous year.

ELEMENTIA/FORTALEZA DIVISION

During 2024 this division reported 34,264 million pesos in sales, which was 6.2% greater than in 2023. This performance was due mainly to an increase in the volume of sales in its three divisions, added to the higher value of the peso.

The operating income of **Elementia/Fortaleza** improved by 49.1%, increasing from 3,467 million pesos in 2023 to 5,171 million in 2024.

Its EBITDA increased by 18.7%, to 7,321 million pesos, and with a greater margin, which increased by 1% to 21.4% in respect to sales.

The net controlling income of this division totaled 2,684 million pesos, far above the 106 million pesos recorded during the same period in the preceding year.

HYDROCARBONS DIVISION

ZAMAJAL

On December 16 of 2024 Grupo Carso notified the investing public that it had subscribed (through Zamajal, S.A. de C.V. of which it is a 90% holder) a binding agreement with Talos Energy Inc. To increase its participation by an additional 30.10% in the Mexican affiliate named Talos Energy México 7, S. de R.L. de C.V., an entity that owns a 17.4% stake in the Zama petroleum deposit. Upon completion of the transaction, and subject to regulatory authorizations, Zamajal will have a controlling interest and will be the owner of 80% of the corporate capital of Talos México.

The sales of Zamajal began to consolidate with Grupo Carso in the third quarter of 2024 and totaled 940 million pesos in an accumulated form.

The operating results produced a loss of 601 million pesos during 2024, while the EBITDA recorded a profit of 330 million pesos, compared to a net loss of 3 million in the same period of the preceding year.

Ichalkil and Pokoch Fields

Petrobal Upstream Delta 1 holds a 50% stake in the Ichalkil & Pokoch fields, located offshore in Campeche, in which it is a party to the CNH-R01-L02-A4/2015 Contract for the exploration and extraction of hydrocarbons under a shared production modality corresponding to the said Contractual Area 4, jointly with the Mexican government through the National Hydrocarbons Commission and the consortium composed of Fieldwood Energy E&P México, S. de R. L. de C. V. (as the operating partner) and Delta 1 (as the financing partner).

Zama field

The Zama deposit is an important oil field located in shallow waters of the Gulf of Mexico offshore in Tabasco. It has a surface area of approximately 26.7 square kilometers. Zamajal S.A. de C.V., which is 90% owned by **Grupo Carso**, and Control Empresarial de Capitales, S.A. de C.V., which owns the remaining 10%, signed a binding agreement with Talos Energy, Inc. to increase their share in the Talos affiliate named Talos Energy México 7, S. de R.L. de C.V., an entity that owns a 17.4% stake in the Zama oil deposit. Upon closing the transaction Zamajal will have the controlling interest and will own 80% of the corporate capital of Talos México.

PARTNER

The most representative associated companies of **GCarso** are: GMéxico Transportes (15.1%), Inmuebles SROM (14.0%), Trans Pecos Pipeline (51.0%) and Comanche Trail Pipeline (51.0%). Their book value – or market value, as the case may be – was 37,516 million pesos in 2024. We have recognized our participation in these associated companies in our Results Statements or in our Dividends Statements.

The Sales and EBITDA of these companies in 2024 that would proportionally correspond to **Grupo Carso** were in the amounts of 10,999 and 5,244 million pesos.

Sincerely,

Eng. Antonio Gomez García
Director General

ACTIVITIES

Grupo Carso has as its objective to minimize its environmental impact and to enhance the quality of its products and services by means of a continuous improvement. Our efforts are oriented towards the strengthening of a sustainable corporate culture through communication and training in the various work areas so that all our workers will adopt a commitment towards society and the environment. Externally, we work with the authorities to reduce environmental and ecological risks and to promote a short- and medium-term green economy in our land, to thereby contribute to an improvement of human wellbeing and social equality.

1.

SOCIAL

In 2024 the PSIC reaffirmed its consolidation as a permanent health strategy in the workplace, surpassing the established goal by reaching more than 84,000 personas evaluated and expanding its operations to 1,912 workplaces in 20 **Grupo Carso.** Carso companies. These systematic evaluations, carried out through the MIDO digital strategy (Integrated measurement for Timely Detection), reveal hidden health risks and allow for the adoption of preventive measures against chronic illnesses caused by, for example, a sedentary occupation and obesity, and the timely treatment of diabetes and high blood pressure to avoid complications.

This year, more than 60% of the persons evaluated in 2023 received follow-up treatment, especially those found to have chronic conditions or risk factors. This has led to an improvement in the health profile of the group, with a significant increase in the percentage of persons in the category of optimum health and a reduction in the categories of persons with health problems. The differentiated attention according to the profile of each workplace has been the key to these results.

The impact of the program is reflected in the 3,100 or more persons who did not know they had diabetes or high blood tension who can now receive timely treatment to avoid complications; in the 35% of those persons with uncontrolled high blood pressure or diabetes who managed to stabilize their condition; and in the fact that 11% of the persons who were overweight or who had high blood pressure or pre-diabetes reversed their high health-risk condition.

Another important achievement of the program was the enablement of the MIDO experts to carry out their evaluations and to provide health advice in their workplaces. At the present time, more than 800 experts are active, including persons who did not have prior health care training (70%), and more than 1,000 who successfully completed their certification in the new training program. Seven regional training centers are now in operation for the expansion of this network, covering 65% of the Group's workers on a national level. An event was held this year for the recognition of the MIDO Experts who distinguished themselves for their commitment and excellence in this work.

In regard to innovation, the PSIC launched new digital tools with generative artificial intelligence, featuring a Health Coach, a specialized AI assistant that offers personalized recommendations in real time, adapted to the needs of each person and his/her MIDO health profile.

During the year, the PSIC provided orientation to deal with risks such as heat waves, hurricanes and health emergencies in Latin America that could affect Mexico, such as measles and dengue fever.

WORK PERFORMANCE, HEALTH AND SAFETY

Grupo Carso is a source of employment for more than 90 thousand permanent and part time employees in Mexico, Latin America and some countries in Europe. Its employees enjoy salaries that are in accordance with the laws, the market, their duties and the level of their responsibility in the work place where they are employed.

	2020	2021	2022	2023	2024	Var% 2024 - 2023
Employees	76,161	80,685	94,827	94,458	90,533	-4.1%

In **Grupo Carso**, women represent 31% of the upper echelon employees, and 8% of the Directors in the Board.

During 2024, diversity and inclusion were reinforced within the corporate culture of **Grupo Carso** with an updating of the Code of Ethics and the publication and dissemination of "The Human Rights Policy," in which the Company fosters respect, diversity and inclusion in the workplace, without discrimination for reasons of physical disability, ethnic origin, religion, sex, age, civil status, medical condition, pregnancy, nationality, economic situation, sexual orientation or political affiliation, while also promoting the equality of men and women in the workplace, and contributing to a reduction in the differences of gender by the use of technology and reiterating the Company's commitment towards the training of 100% of its employees in regard to discrimination.

The permanent Inclusion programs are:

- Work Practices of persons with slight and moderate Intellectual Disability.
- Hiring of persons with Intellectual Disability.
- Hiring of Senior Citizens.
- Hiring of Single Mothers, or women who have been victims of violence.

The institutions with which we work on a continuous basis are:

- Multiple Attention Centers (CAM)
- Mexican Confederation of Organizations for Persons with a Mental Disability (CONFE)
- Integral Development of the Family (DIF)
- Best Buddies
- National Institute of Women of Mexico City (INMUJERES)
- National Institute of Senior Citizens (INAPAM)

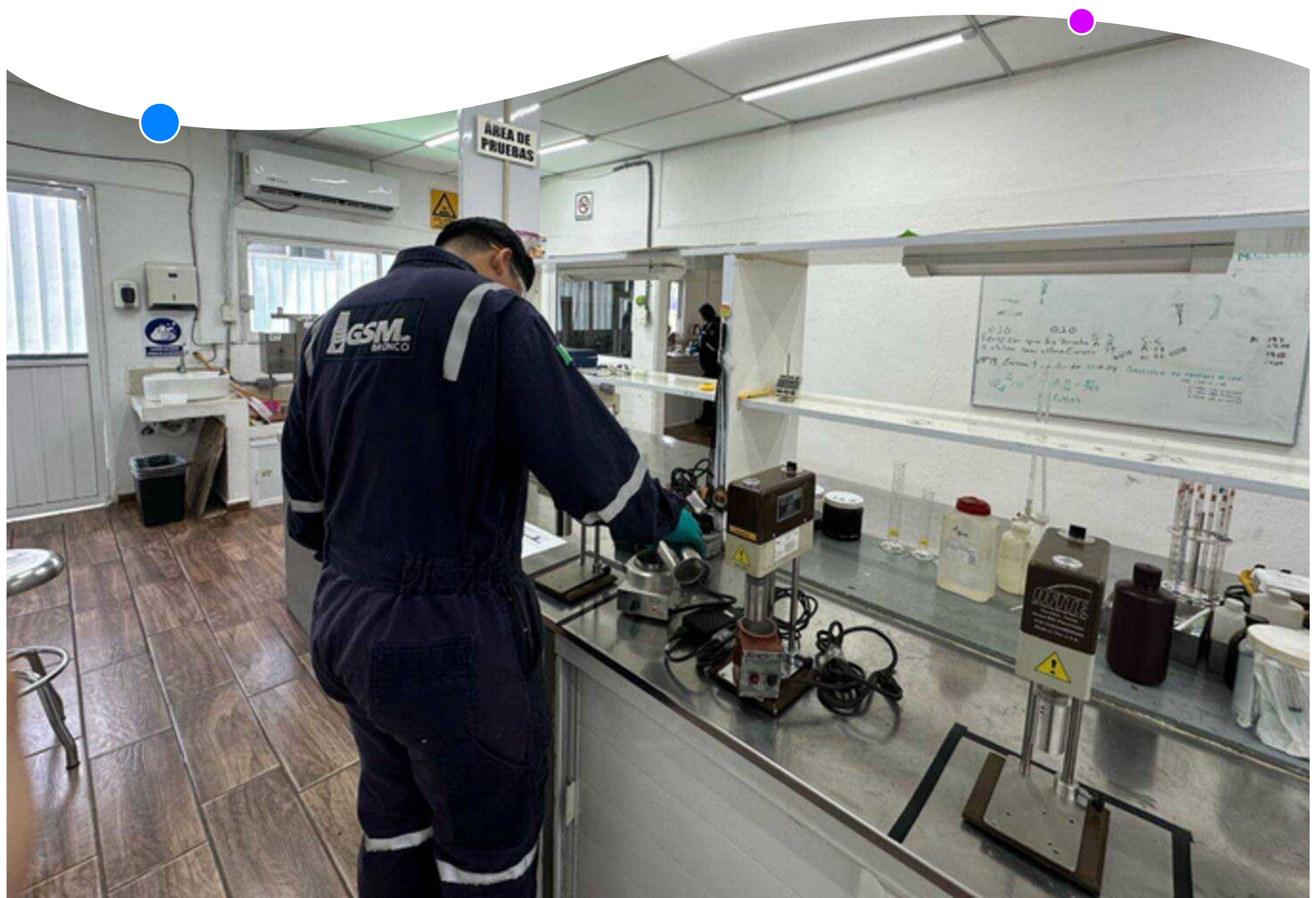
In **Grupo Condumex** and in **Carso Infraestructura y Construcción** 377,618 persons took training courses on process improvement, innovation, modernization, new businesses, human development, safety, and hygiene. In **Grupo Sanborns** during 2024, human development programs were created that focused on training employees to improve their service towards clients, as well as to execute their functions in an efficient manner and thereby contribute to the development of the Company's strategic objectives. The scope of the program for **Sears, Dax y Sanborns** was 6,711 courses delivered to 394,361 participants, with the most important courses being:

- Induction Program, Efficient Integration and Rapid Adaptation.
- Development Program, focusing on Excellence of Service and Sales.
- Implementation of the Oracle Project.
- Instruction Programs for Distribution Centers
- Development Program
- Food and Beverages Instruction Programs
- Digital Orders Training for Restaurants.

Other human development programs are the **ASUME** program **(Association for the Betterment of Mexico),** whose objective is to contribute to the integral development of persons through a human development program that pursues a constant personal betterment. Also, the **Programa de Bienestar Social,** that works in three fundamental aspects: Human Development, Health, Culture, and Recreation.

Worker satisfaction surveys are continuously carried out for the purpose of finding opportunities for the improvement of worker satisfaction and the integration of their families into company affairs. Leadership, communication and problem-solving actions are generated for improvement of the workplace environment in order to identify opportunities for a betterment in the business units and to generate a feeling of pride in the companies that comprise **Grupo Sanborns**.

The CEMEFI awarded the Socially Responsible Company award to **Grupo Condumex** and to **Carso Infraestructura y Construcción** for the thirteenth and fourteenth consecutive years, respectively, for their application of actions favoring the care and protection of the environment, their social contributions, and for their ethical behavior towards their employees.



LARGE COMPANIES 2024	TRACK RECORD OF RECOGNITION	SME COMPANY 2024	
Concensol, S.A de C.V	13 years		
		Conticon, S.A de C.V	13 years
Cordaflex S.A, de C.V	13 years	Conalum, S.A de C.V	13 years
Condumex, S.A de C.V	13 years	GSM Bronco	14 years
Carso Infraestructura y Construcción, S.A de C.V			
Arneses Eléctricos Automotrices, S.A de C.V			
Arcomex, S.A de C.V	13 years		
Arneses Electrónicos Arnelec, S.A de C.V	13 years		

LARGE COMPANIES 2024	TRACK RECORD OF RECOGNITION
Operadora Cicsa, S.A de C.V	14 years
Carso Infrestructura y Construcción	14 years

This company encourages the practice of worker inclusion, and therefore, through the Best Buddies Organization, it hires persons who have some type of intellectual disability. Additionally, in the **Mixup** stores we are very committed to helping children with hearing problems through the campaign that uses the slogan "¡Oye! tú que oyes! [Listen! You who can hear!] Help us educate a deaf child!" For many years we have urged the customers in the Mixup stores and in the https://www.mixup.com/ website and in the various social websites to make donations, beginning with 10 pesos, for that purpose. Promotora Musical also makes contributions and the total collected by both entities is delivered to the Speaking Problems Institute ((IPPLIAP), where teachers and family members are trained in the use of sign language and in which deaf primary and elementary school children are educated so that they can be integrated into society.

ENVIRONMENTAL

Carso Sustentable encourages all actions that favor the preservation of the environment, and is committed to using the resources that are necessary for the activities that are carried out in its various economic sectors in a rational and efficient manner, and to:

- Guarantee the compliance with all applicable Environmental Laws, as well as the compliance with all the commitments it has voluntarily subscribed with other companies in this regard.
- Prevent, Reduce and Mitigate the environmental impacts of the companies in the Group.
- Support initiatives oriented towards the struggle against Climate Change.
- Implement good environmental practices for the conservation of water, energy and consumables, as well as for the effective treatment and final disposal of residues.
- Promote the development and dissemination of green technologies.
- Contribute to the environmental awareness of its employees, providers and clients, in order to promote the protection and care of our environment.
- To manage, by means of an Environmental Management System, all the indicators derived from the activities of each company.
- Formulate, develop, apply, and provide periodic feedback of our environmental objectives and programs.

Grupo Carso's corporate policy is focused on mitigating the environmental impacts caused by the activities, operations and processes of the companies comprising the Group. The programs are designed to involve the employees, providers and clients in each of the Group's environmental policy initiatives.

Grupo Sanborns

In **Sanborns** and **Sears,** the protection of the environment is assumed in a responsible manner. Towards this end, policies based on the standards established by the environmental authorities to reduce the negative impacts on the environment are being implemented. Opportunities for the application of more efficient technologies are constantly being sought, as for example in the use of electricity, in which tests are being conducted with new LED based lighting systems. Lighting in the units is an important factor in the use of energy and a reduction of energy in this regard would have a positive effect on the environment and on the efficiency of the units. The following programs for the protection of the environment continue to be implemented and utilized:

Energy saving Program: we utilize renewable energy, and the cogeneration of electricity based on natural gas. Additionally, we have initiated a program for the replacement of our external neon signs, which hereafter will be operated with LED technology, and the replacement of air conditioning units.

Water Saving Program: we have installed water-flow reduction systems in our kitchens, showers and sinks, which have reduced the consumption of water by approximately 4.0%. Additionally, we are slowly introducing urinals that do not use water.

Program for the Recycling of Paper and a Reduction in its Use: our corporate offices have begun to use recycled paper to avoid the felling of trees and the conservation of forests.

We are developing, among other initiatives, an energy cogeneration program that will contribute to a reduction of costs and that will have a positive environmental impact. The Sustainability Policy, the GRI 4 and the general environmental indicators for: energy, water, biodiversity, emissions, effluents and residues, awards, certifications, acknowledgements and voluntary programs can be found in the Carso Sustainability Report in the following URL:

http://www.gsanborns.com.mx/desempeno-ambiental.html

Grupo Condumex, Carso Infraestructura y Construcción and Zamajal

As a result of the application of the Corporate Policy for the Protection of the Environment the **Grupo Condumex** companies, including the Cables Sector, Auto Parts and Nacobre have the ISO 14001:2015 Certificate in 26 work centers as well as in the **Infrastructure** and **Pipelines** sectors, valid up to September25 of 2027.

Throughout the year, the **Grupo Condumex** iwork centers recorded a consumption of energy totaling 137,255 MWh and 144,492,017 kWh, of which the self-supply from clean photo-voltaic energy was 4,239 MWh and 81,304,685 kWh and the supply of clean nuclear energy was 10,282 MWh, avoiding the emission of 6,689 1,146 tons of CO2e.
As for the consumption of water in the twenty-five **Grupo Condumex** work centers, a total consumption of 425,925 m3 was recorded for the full year.

During 2024 the activities for the reutilization and recycling of dangerous residues (RP)and of residues requiring special handling (RME) were continued in the work centers. **In Grupo Condumex** in the Cables, Auto Parts, CIDEC and CTQ sectors 14,132 tons of residues requiring special handling were collected and sent to the recycling plant, where some of the residues, consisting of 4,137 tons of recycled paper and cardboard benefitted the environment by saving 22,071 trees from being felled and by avoiding the use of 33,137 m3 of water in the manufacturing of new paper. Additionally, 1,925 tons of dangerous residues were collected and sent for treatment and final disposal, in compliance with the General Law for the Prevention and Integral Management of Residues (LGPGIR).

In **Carso Infraestructura y Construcción,** in Central, Infrastructure, Pipelines, IASA and Precitubo, a total of 1,403 tons of residues requiring special handling (RME) were withheld from disposal in landfills, and by the recycling of 17.8 tons of paper and cardboard 351 trees were saved from felling, and saving the 462 m3 of water that would have been used to produce new paper. In other actions, 304 tons of dangerous residues (RP) were disposed of in an environmentally adequate manner. In **Zamajal**, a total of 13.4 tons of solid residues were recycled, generating a savings of $12,638 USD in residue management expenses. The recyclable residues were donated to a civil association in Ciudad del Carmen, Campeche, México, to support its campaign against infantile cancer and complicated diseases.

During 2024, the **"Reciclotón"**, campaign was implemented for the first time. This campaign engages in the collection of used electronic devices in order to dispose of them in a proper manner and to reutilize their parts. In **CIDEC** and **CTQ** of **Grupo Condumex**, 208 Kg of electronic devices were collected by the recycling enterprise Tame, which has permits for the collection, recovery and recycling of those materials, and which guarantees their adequate disposal, to thereby contribute to a reduction of their impact on the environment.

The **"Recicla contra el cáncer"**campaign consists in the collection of plastic bottle caps, PET and aluminum for recycling, the proceeds then being used to assist persons who suffer from cancer by providing them with information, personal care and medications, working through the various associations dedicated to this work. During 2024 in the cables and auto parts sectors of Condumex, 1,695 tons of plastic caps were collected, which were donated to the associations named Banco de Tapitas, A.C; Instituto Tlaxcalteca de la Salud; DIF, of the Municipality of Almoloya; DIF, of the municipality of Corregidora; Asociación de Lucha Contra el Cáncer en niños A.C. (ALUCCA); Mexican Association for the Assistance of Children with Cancer, I.A.P. (AMANC); and the Mexican Association for the Assistance of Children with Cancer, of San Luis Potosí A.C.

In Carso Infraestructura y Construcción, with the collaboration of the personnel of the central offices, Pipelines and Infraestructura, the **"Pilotón"** campaign was carried out, with the collection of 81.5 Kgs. of used alkaline batteries by the company E-Weasr System SAPI de CV, authorized to carry out this activity by the corresponding environmental authority.

In **Grupo Condumex**, the Guadalajara Plant holds the Environmental Leadership Certificate, awarded by the Ministry of the Environment and Territorial Development (SEMADET) for its high standards in the Protection of the Natural Surroundings of Jalisco. The Vallejo and San Luis Potosí plants have also been awarded the Clean Industry Acknowledgment for their adherence to the voluntary program to improve the efficiency of their production processes, their compliance with national and international standards, and for their good operation and engineering practices.

In **Grupo Condumex**, the San Luis Potosí plant is carrying out reforestation activities in the industrial zone of the city, as well as on its company grounds. For this purpose it has a nursery on its facilities with a total of 484 seedlings of 10 different species of flora. During the year of 2024, reinforcing the participation and environmental awareness of the company personnel, the Nacobre, Celaya and Conalum Plants carried out a tree planting campaign, planting 100 seedlings in the Ecological Reserve of Las Cuevas, located in San Pablo Apetatitlán. In the Arela Apaseo Plant, the "Adopt a Tree and Save the Planet" campaign was carried out, in which the collaborators were given 100 trees of the huizache, mezquite, guayaba, pirul and geranios species. The Cordaflex Plant carried out the planting of 42 Cyprus trees in the green areas of their facilities.

In **Carso Infraestructura y Construcción** the Annual Reforestation Campaign was started, in coordination with the Ministry of the Environment of the Government of the State of Mexico and through the General Coordination of Ecological Conservation and the support of the Sierra de Guadalupe State Park, in which 150 trees of the species Tecoma Stands (Tronadera) and Eysenhardtia Polystachya (Palo Dulce) were planted, with the participation of 60 persons, including employees and their friends and family. In the Tren Maya Section II Project, which connects Escárcega to Calkiní in Campeche, 200.8 Hectares were reforested, with the planting of 170,773 trees and plants of 14 different species, including 3,686 individual trees and plants that have been classified as endangered (EN) and 96,155 as of Less Concern (LC), according to the red list of the International Union for the Conservation of Nature (UICN). During 2024 no activities involving the rescue and relocation of flora and fauna were reported, since the infrastructure projects had been concluded.

Grupo Carso is fully committed to the protection of the environment and it encourages the participation of its personnel in activities oriented towards the protection of the environment, thereby contributing to the preservation of its green areas and to environmental awareness.

For **Zamajal** in Ciudad del Carmen, Campeche, in coordination with the local university and the Regional Botanical Garden, a planting of red and black mangrove trees was carried out, with the participation of 70 employees and contractors. This reforestation and cleanup initiative had as its objective the restoration of the Island's mangrove ecosystem, crucial for the maintenance of the Island's environmental sustainability, its food security, and to protect the coast against hurricane winds, tsunamis, increases in the sea level and erosion. At the end of the year, as a part of the Conservation of Biodiversity Plan, and in accordance with the ecological analysis of the project, artificial reefs were deployed in order to provide sea-life habitats and to promote the development of sea-bottom dwelling bentonic reef colonies.

Finally, with the objective of inculcating an environmental culture in the various **Grupo Condumex** and **Carso Infraestructura y Construcción**, work centers, a total of 5,250 chats on various environmental subjects were held in the Cables, Auto parts, CIDEC, CT, Pipelines and Central Offices centers, which were attended by 5,250 employees.

Zamajal- Hidrocarburos

During 2024, the environmental objectives of the Hydrocarbons Division were completed satisfactorily. No sea spills were reported and the Annual Report of the Program for the Prevention and Control of Ethane Emissions was approved with no objections by any third party authorized by the Safety, Energy and Environment Agency (ASEA). The annual reports on dangerous and non-dangerous residues were submitted to the ASEA with no comments. An acknowledgment by the Mexican Environmental Authority was received for the Group's participation in the National Day of Preparation and Response to Chemical Emergencies. Practice drills for chemical spills in offshore facilities were carried out. The water spill reports for 2024 were published in the web page of the National Water Commission, and the volume of water spilled was zero. Four quarterly inspections were carried out for the emission of methane gas in the production facilities, with 38 sets of equipment monitored in each inspection, with only one emission identified, which was quickly remedied.

The required legal studies were carried out:

It was reviewed by:

UNACAR Universidad Autónoma del Carmen "Por la Grandeza de México"

Universidad Juárez Autónoma de Tabasco "Estudio en la duda. Acción en la fe"

The studies were approved by:

SENER Secretaría de Energía

ASEA Agencia de Seguridad, Energía y Ambiente

CORPORATE GOVERNANCE

In **Grupo Carso** there is a culture of legality program in which courses are held for the prevention of fraud, theft and corruption. Anonymous mail boxes have also been established so that the Group's executives can receive denunciations and address and assign a high priority to such matters. Control plans have been established to avoid those practices, such as the systematization of procedures, publicity and the signing of the code of ethics.

Aid and support to the communities close to the operating units is provided through support programs for vulnerable communities; visits to homes; the creation of activities for children; support to the homes of senior citizens, and holding events involving handicrafts. Aid for children with cancer was provided through recycling campaigns and "PET". The Group collaborates with FUCAM in the aid to women with breast cancer.

For greater details regarding the environmental activities of **Condumex** and **Carso Infraestructura y Construcción** see the 2022 report in:

https://www.carso.com.mx/sustentabilidad

BOARD OF

Titular Director

Eng. Carlos Slim Helú

Position*:
CEO - Carso Infraestructura y Construcción
President - Minera Frisco
Honorary Lifelong President
– Grupo Carso
– Teléfonos de México
– América Móvil

Years as a Director:** Twenty-four

Type of Director*:** Patrimonial

Lic. Carlos Slim Domit

Position*:
President - Grupo Carso
President - Grupo Sanborns
President - América Móvil
President - Teléfonos de México

Years as a Director:** Thirty-four

Type of Director*:** Patrimonial

Eng. Antonio Cosío Ariño

Position*:
Director General - Cía. Industrial de Tepeji del Río

Years as a Director:** Thirty-four

Type of Director*:** Independent

Lic. Arturo Elías Ayub

Position*:
Director or Communications, Institutional Relations
and Strategic Alliances– Teléfonos de México
Director General – Fundación Telmex

Years as a Director:** Twenty-seven

Type of Director*:** Patrimonial

Eng. Claudio X. González Laporte

Position*:
President – Kimberly Clark de México

Years as a Director**: Thirty-two

Type of Director***: Independent

Lic. Daniel Hajj Aboumrad

Position*:
Director General – América Móvil

Years as a Director**: Thirty

Type of Director***: Patrimonial

Lic. David Ibarra Muñoz

Position*:
Director – Office David Ibarra Muñoz

Years as a Director**: Twenty-three

Type of Director***: Independent

C.P. Rafael Moisés Kalach Mizrahi

Position*:
President and Director General – Grupo Kaltex

Years as a Director**: Thirty-one

Type of Director***: Independent

Srita. Vanessa Hajj Slim

Position*:
Analyst – Inmuebles Carso

Years as a Director**: Four

Type of Director***: Patrimonial

Lic. Patrick Slim Domit

Position*:
Vice president – Grupo Carso
Vice president – América Móvil
Director General – Grupo Sanborns
Commercial Director of Massive
Markets - Teléfonos de México
President – Grupo Telvista
President – Sears Operadora México

Years as a Director**: Twenty-nine

Type of Director***: Patrimonial Related
Committees

Lic. Marco Antonio Slim Domit

Position*:
President – Grupo Financiero Inbursa
President – Inversora Bursátil
President – Seguros Inbursa
President – Impulsora del Desarrollo
y el Empleo en América Latina

Years as a Director**: Thirty-four

Type of Director***: Patrimonial

Substitute Directors

Eng. Antonio Cosío Pando

Position*:
Gerente General – Cía. Industrial de Tepeji del Río

Years as a Director:** Twenty-three

Type of Director*:** Independent

Ing. Alfonso Salem Slim

Position*:
Vice-president – Impulsora del Desarrollo y el Empleo en América Latina
President –Inmuebles Carso

Years as a Director:** Twenty-four

Type of Director*:** Related

Ing. Antonio Gómez García

Position*:
Director General – Grupo Carso
Director General – Carso Infraestructura y Construcción
President and Director General – Grupo Condumex

Years as a Director:** Twenty-one

Type of Director*:** Related Committees

Lic. Fernando G. Chico Pardo

Position*:
Director General – Promecap
President – Grupo Aeroportuario del Sureste

Years as a Director:** Thirty-five

Type of Director*:** Independent

Lic. Alejandro Aboumrad Gabriel

Position*:
President – Grupo Proa

Years as a Director:** Thirty-four

Type of Director*:** Independent

Treasurer

L.C. Arturo Spínola García

Position*:
Director of Finances and Administration – Carso Infraestructura y Construcción and Grupo Condumex

Years as a Director:** Eleven

Secretary

Lic. Arturo Martínez

Position*:
Corporate Juridical Director - Grupo Condumex

Years as a Director:** Three

Pro secretary

Lic. Josué Ramírez García

Position*:
General Juridical Corporate Director - - Grupo Condumex

Years as a Director:** Three

* Based on information from Directors.
** The seniority of the Directors is calculated from the fiscal year of 1990, which is the date on which the shares of Grupo Carso, S.A.B. de C.V. were registered in the Mexican Stock Market.
*** Based on information on Directors. Independent Directors according to the definition in the Stock Market Law.

REPORT BY THE BOARD *OF DIRECTORS*

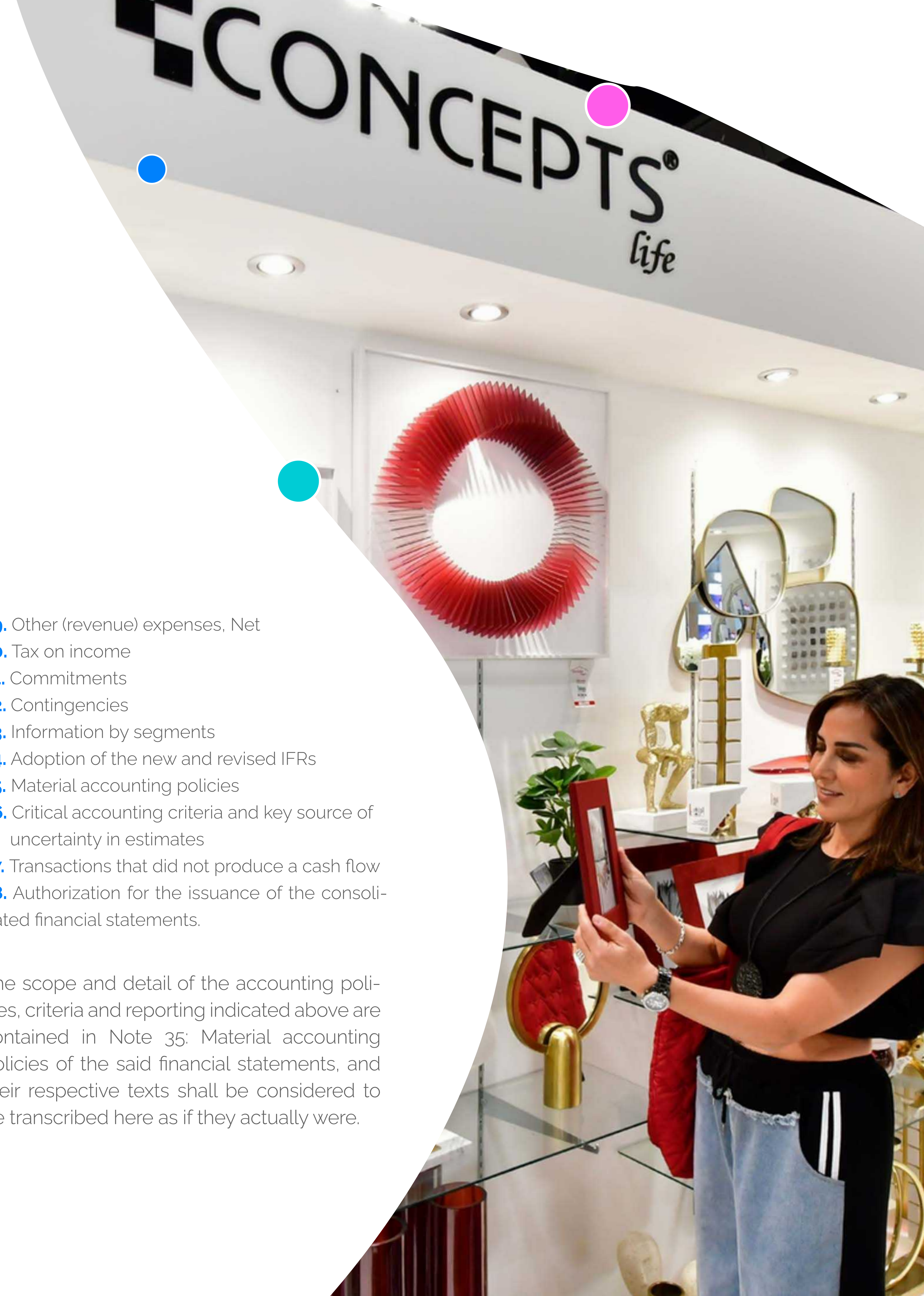
The Board of Directors of Grupo Carso, S.A.B. de C.V. has issued reports on the principal policies and accounting criteria observed in the preparation of the Company's financial statements and in regard to the operations and activities in which it engaged, in conformance with Article 28, fraction IV,sub-paragraphs d) and e) of the Stock Market Law.

Principal policies and accounting and reporting criteria followed in the preparation of the Company's financial statements.

The Board of Directors reviewed and approved, with the prior favorable opinion of the Compan Practices and Auditing Committee, the policies and accounting and reporting criteria that were utilized in the preparation of the consolidated financial statements of Grupo Carso, S.A.B. de C.V. and its subsidiaries to December 31 of 2024, which refer to the following aspects, among others:

1. Activities
2. Significant events
3. Combined businesses
4. Consolidated subsidiaries
5. Cash and cash equivalents
6. Accounts receivable
7. Net investment in leased assets
8. Recoverable taxes
9. Inventories
10. Right-of-use assets
11. Lease liabilities
12. Administration of financial risks
13. Financial instruments
14. Derivative financial instruments
15. Real estate, machinery and equipment
16. investment properties
17. Investments in the stock of associated companies, joint ventures and other investments
18. Other assets
19. Intangible assets
20. Short- and long-term debt
21. Accounts payable to providers
22. Other accounts payable and accumulated liabilities
23. Reserves
24. Employee retirement benefits
25. Stockholders' equity
26. Balances and transactions with related parties
27. Revenue
28. Costs and expenses by nature
29. Other (revenue) expenses, Net
30. Tax on income
31. Commitments
32. Contingencies
33. Information by segments
34. Adoption of the new and revised IFRs
35. Material accounting policies
36. Critical accounting criteria and key source of uncertainty in estimates
37. Transactions that did not produce a cash flow
38. Authorization for the issuance of the consolidated financial statements.

The scope and detail of the accounting policies, criteria and reporting indicated above are contained in Note 35: Material accounting policies of the said financial statements, and their respective texts shall be considered to be transcribed here as if they actually were.



MATTERS ESTABLISHED IN *THE STOCK MARKET LAW:*

During the fiscal year of 2024 and up to the present date, the Board of Directors of **Grupo Carso, S.A.B. de C.V.** held several meetings in which the information relative to the results and operations of the Company and its subsidiaries, as well as the consolidated and unconsolidated financial statements were submitted to the Directors. In the said meetings, the Directors discussed various matters, including some of the matters established in the Stock Market Law, and they approved, with the prior favorable opinion of the Company Practices and Auditing Committee, the following matters:

The operations with related parties, carried out successively and subscribed by some of the subsidiaries of **Grupo Carso, S.A.B. de C.V.**, each of them representing more than one percent of the Company's assets, as follows:

a) Transactions in the amount of 9,956,577 thousands of pesos, between **Red Nacional Última Milla, S.A.P.I. de C.V.** and (i) **Cicsa** and some of its subsidiaries: high zero downspouts; maintenance and channeling; (ii) **Grupo Condumex** and some of its subsidiaries: sale of telephone cable; (iii) **Elementia Materials, S.A.P.I. de C.V.**: processing of loose cable for the recovery of copper; and **Carso Eficentrum, S.A. de C.V.**: commission for mediation.

b) Transactions carried out in the amount of 5,033,538 thousands of pesos between **Autovía Mitla Tehuantepec, S.A. de C.V.** and **Cicsa** and some of its subsidiaries and others: civil works construction."

All the operations with related parties were reviewed by Galaz, Yamazaki, Ruiz Urquiza, S.C., and a summary of those operations is found in Note 26 of the audited financial statements of **Grupo Carso, S.A.B. de C.V.** y subsidiarias and its subsidiaries to 31 December of 2024.

The ratification of the public accounting firm Galaz, Yamazaki, Ruiz Urquiza, S.C. to provide the external audit of the consolidated financial statements of **Grupo Carso, S.A.B. de C.V.** y subsidiarias and its subsidiaries to 31 December, 2024, as well as the ratification of its fees.

The consolidated financial statements of **Grupo Carso, S.A.B. de C.V.** y subsidiarias to 31 December, 2024, to be submitted to the annual general meeting of the Company's shareholders for their consideration.

Mexico City, March 24, 2025

Lic. Carlos Slim Domit

President of the Board of Directors

REPORT OF THE COMPANY PRACTICES AND AUDITING COMMITTEE

COMPANY PRACTICES AND AUDITING COMMITTEE OF GRUPO CARSO, S.A.B. DE C.V.

Annual Report

To the Board of Directors
In my capacity as president of the Company Practices and Auditing Committee of **Grupo Carso, S.A.B. de C.V.** ("the Committee"), I hereby submit the following annual report of activities during the fiscal year of 2024.

Functions of the Company Practices and of Evaluation and Compensation Committee.
The Director General of **Grupo Carso, S.A.B. de C.V.** (the "Company") and the relevant directors of the legal entities controlled by the Group carried out the objectives and responsibilities with which they were entrusted in a satisfactory manner.

The operations with related parties that were submitted to the Committee for its consideration, were approved. Among the said operations were the following significant operations, each of them representing more than one percent of the Company's consolidated assets, and which were carried out in a successive manner:

"Red Nacional Última Milla, S.A.P.I. de C.V. for the concept of high zero downspouts; maintenance and channeling; sale of telephone cable; processing of loose cable for the recovery of copper; commission for mediation; Autovía Mitla Tehuantepec, S.A. de C.V. for the concept of civil works construction."

All the operations with related parties were carried out at market prices and were reviewed by the accounting firm Galaz, Yamazaki, Ruiz Urquiza, S.C. (the "Firm), the juridical person that carried out the audit of the financial statements of **Grupo Carso, S.A.B. de C.V.** y subsidiarias, as well as of the majority of its subsidiaries to 31 December, 2024, and a summary of the said audits is found in a note in the said financial statements.

The Director General of the Company did not receive any remuneration for the performance of his activities as such during the fiscal year of 2024. The Company did not have any employees, and, in regard to the remunerations of the relevant directors of the entities controlled by the Company, we have ensured that they were complying with the policies that were approved by the Board of Directors.

The Company's Board of Directors did not grant any dispensation so that any director or person with authority could take advantage of any business opportunity pertaining to the Company or to the juridical persons controlled by the Company, or in which it has a

significant influence. The Committee also did not grant any dispensation in regard to the transactions referred to in subparagraph c) of fraction III of Article 28 of the Stock Market Law.

Functions of the Auditors

We submitted to the Board of Directors the ratification of Galaz, Yamazaki, Ruiz Urquiza, S.C. as the firm to carry out the external audit (the "Audit") of the financial statements of Grupo Carso, S.A.B. de C.V. y subsidiarias and of the majority of its subsidiaries to 31 December, 2024, as well as the ratification of its remuneration for that service, having taken into account that the resources proposed by the Firm for the execution of the audit were reasonable, given the scope of the said audit, the nature and complexity of the Company's operations, and its structure. We also reviewed the terms for the performance of the said audit.

We evaluated the compliance by the Firm and of the Independent External Auditor with the personal, professional and independence requirements established in Article 6 of the provisions of a general nature applicable to the entities supervised by the National Banking and Securities Commission that provide external auditing services of basic financial statements (the "External Auditors Circular"), and decided that both the Firm as well as the Independent External Auditor met the said requirements. We also did not consider it necessary to implement any measure to guarantee his independence.

We obtained from the Firm the declaration of compliance with the quality control standards for the performance of the services corresponding to the Audit, as referred to in Fraction II of Article 20 of the External Auditors Circular, monitoring and following the auditing activities carried out by the Firm and by the Independent External Auditor, while keeping the Company's Board of Directors continuously informed in regard to the said activities.

There were no relevant adjustments to the audited numbers as a result of the review of the Audit and of the financial statements of **Grupo Carso, S.A.B. de C.V.** y subsidiarias to December 31 of 2024, nor were there any objections or revelations to be made in the said financial statements.

As a result of the review of the letter of observations by the Independent External Auditor, as established in Fraction I of Article 15 of the External Auditors Circular ("Letter of Observations"), we found various observations in regard to the Issuer and some of its subsidiaries in regard to the substantive procedures followed and in the evaluation of the internal control and the relevant matters that the Independent External Auditor submitted to the Company. In that respect, the Company's Administration reported that an Action Plan was being prepared with the preventive and corrective measures and the time frame in order to address the said observations in the manner indicated in the applicable legal provisions.

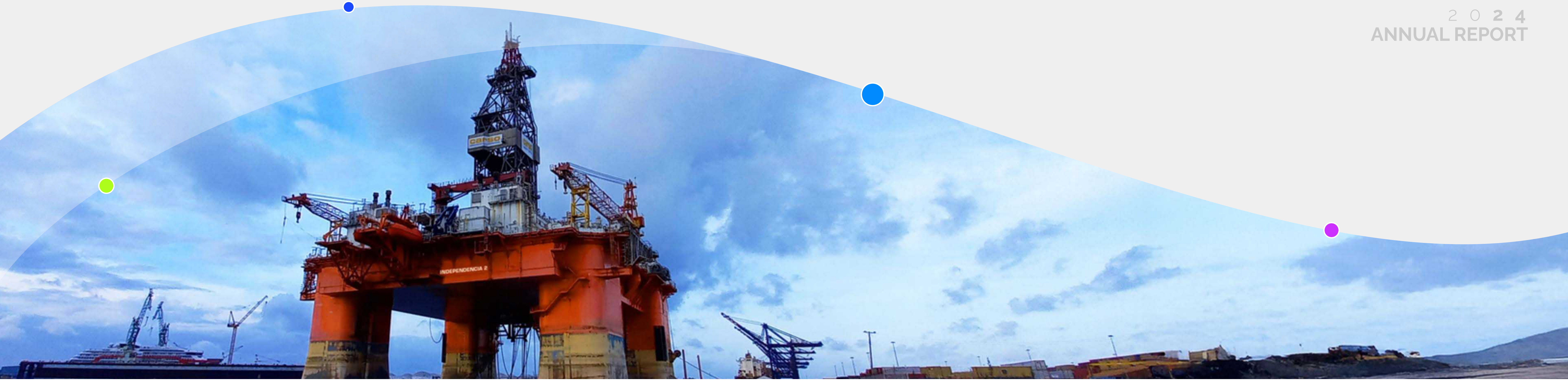
We found no indication of any failure by the Company or by the legal entities it controls to observe the Company's operating policies, and therefore no preventive or corrective measures were implemented in that respect. The performance of the Firm and of the Independent External Auditor was as expected, and the objectives established at the time they were contracted were accomplished. The quality of the audit of the financial statements of **Grupo Carso, S.A.B. de C.V.** y subsidiarias to 31 December of 2024 was satisfactory.

The internal control system and internal auditing of **Grupo Carso, S.A.B. de C.V.** and of the juridical entities it controls are satisfactory and meet the guidelines approved by the Board of Directors, as can be gathered from the information provided to the Committee by the Company's Administration and by the persons responsible for the internal audit of both **Grupo Carso, S.A.B. de C.V.** as well as of **Grupo Sanborns, S.A. de C.V.** The activities they carried out in compliance with their internal auditing plan and the follow-up to the principal findings they discovered or that they had previously reported, as well as the realization of the external audit opinion for the fiscal year of 2024 were also satisfactory.

In all its quarterly meetings, the Committee was duly informed of the results of the investigations carried out based on the complaints and denunciations mechanisms. Solutions to the said denunciations and complaints were found by the application of the principles contained in the Code of Ethics.

The Committee was also regularly advised of the principal litigious matters in which the Company and/or its subsidiaries were involved, with information regarding the contingencies, the possible economic effects and the phase in which the litigation was found, as well as the measures being implemented in order to fortify the systems that are in place for the purpose of ensuring the Company's compliance with its corporate objectives. In that respect, the Company's internal auditing procedures are periodically reviewed.

In conformance with the information provided by the Administration and the meetings that were held with the external and internal auditors



without the presence of Company officers, there were no relevant observations made by shareholders, directors, employees or, in general, any third party in respect to the accounting, internal controls or subjects related to the internal or external audit, nor, as far as we know, any denunciations made by the said persons in regard to irregular acts in the Company's Administration or in the entities controlled by the Company.

During the reporting period in question, we ascertained that the accords adopted in the Shareholder Meetings and in the Company's Board of Directors Meetings were duly complied with. Likewise, and in accordance with the information provided to us by the Company's Administration, we verified that the Company has controls in place that serve to ensure that it complies with the provisions that are applicable in regard to the stock market and that the legal department is reviewing that compliance at least once a year, having found no negative observation in that respect or any adverse change in the legal situation.

In respect to the financial information that the Company prepares and submits to the Bolsa-Mexicana de Valores, S.A.B. de C.V. [Mexican Stock Market] and to the National Banking and Securities Commission, we ascertained that the said information is elaborated under the same policies, criteria and accounting practices as is the annual information.

Financing and Planning Functions

The Company and the legal entities it controls resumed its investments in fiscal 2024, and in regard to the said investments we ensured that the financing thereof was carried out in a manner in keeping with the Company's strategic medium- and long-term plan. Additionally, we have periodically ensured that the Company's strategic situation is in accordance with this plan. We also reviewed and evaluated the budget for the fiscal year of 2025, along with the financial projections that were taken into account for its elaboration, including the Company's principal investments and financing transactions, which we consider viable and congruent with the Company's investment and financing policies and strategic vision.

For the elaboration of this report, the Company Practices and Auditing Committee relied on the information provided to it by the Director General, the External Auditor, and by the Directors of the juridical persons it controls.

Mexico City, March 24, 2025

C.P.A. Rafael Moisés Kalach Mizrahi
President

OPINION OF THE BOARD OF DIRECTORS
ON THE CONTENTS OF THE ANNUAL EPORT BY THE DIRECTOR GENERAL FOR THE FISCAL YEAR OF 2024

In relation to the Annual Report by the Director General of **Grupo Carso, S.A.B. de C.V.** (the "Company") corresponding to the fiscal year of 2024, and taking into consideration the Audit by the External Auditor, in our opinion the accounting policies and criteria followed by the Company are adequate and sufficient. They have been applied in a consistent manner, and therefore the said report reflects the Company's financial situation and results in a reasonable manner.

This opinion was elaborated by the Committee, functioning as auditors of **Grupo Carso, S.A.B. de C.V.**, in conformance with the provisions established in Article 42, fraction II, subparagraph e) of the Stock Market Law, and it was adopted by the Board of Directors.

Lic. Carlos Slim Domit
President of the Board of Directors
of Grupo Carso, S.A.B. de C.V.

STATEMENTS

Grupo Carso, S. A. B. de C. V. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2024, 2023 and 2022, and Independent Auditors' Report Dated March 21, 2025

Independent Auditors' Report and Consolidated Financial Statements of *2024, 2023 and 2022*

Deloitte.

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Colonia Cuauhtemoc
06500 Mexico City, Mexico

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Independent Auditors' Report to the Board of Directors and Stockholders of Grupo Carso, S. A. B. de C. V. and Subsidiaries

Opinion

We have audited the accompanying consolidated financial statements of **Grupo Carso, S. A. B. de C. V.** and its subsidiaries (the "Entity" or "**Grupo Carso**"), which comprise the consolidated statements of financial position as of December 31, 2024, 2023 and 2022, and the related consolidated statements of income and other comprehensive income, the consolidated statements of changes in stockholders' equity and the consolidated statements of cash flows for the years then ended, together with the notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of **Grupo Carso, S. A. B. de C. V.** and subsidiaries as of December 31, 2024, 2023 and 2022, together with its consolidated financial performance and consolidated cash flows for the years then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Entity in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants' (IESBA Ethics Code) and with the ethical requirements that are relevant to our audit of the consolidated financial statements in accordance with the Code of Ethics issued by the Mexican Institute of Public Accountants (IMCP Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Ethics Code and IMCP Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that the key audit matter described as follows is the key audit matter that should be communicated in our report.

Impairment of long-lived assets including goodwill and intangible assets (see Notes 3, 15 and 19)

The Entity has identified the cash-generating units on which an impairment analysis study is carried out each year as established by International Accounting Standard 36 "Impairment of assets", in which discounted future cash flows are calculated to determine if the assets value are impaired. We focused on the determination of impairment considering the materiality of the balances of long-lived assets of the commercial segment and the intangible assets, hydrocarbons and goodwill as of December 31, 2024, since there is a risk that the determination of the assumptions used by the management to calculate future cash flows are not reasonable, based on current and foreseeable future conditions.

The most significant assumptions refer to the discount rate applied and the assumptions that support future cash flows, in particular the growth rate of revenues and projected cost and expense ratios. Our audit procedures to hedge the risk in relation to the impairment of long-lived assets included, among others:

i. We reviewed the impairment models carried out by the administration, for those cash generating units whose carrying values are subject to significant judgment.

ii. We have discussed key management assumptions regarding cash flow forecasts, discount rates, and long-term growth rates based on our knowledge of the business, industry, and audited historical information.

iii. We involved our specialists to challenge the assumptions used by management to validate the reasonableness of the information with the behavior of the business and industry market, including the current business situation in conjunction with the audit team.

Other matter

The accompanying financial statements have been translated into English for the convenience of readers.

Additional information other than the consolidated financial statements and the independent auditors' report

The Entity's Administration is responsible for the other additional information. The other information includes, i) the information that will be included in the Annual Report that the Entity is required to prepare pursuant to Article 33 Section I, subsection b) of Title Four, Chapter One of the General Provisions Applicable to Issuers and Other Stock Market Participants in Mexico and the Instructions accompanying these provisions (the Provisions). The Annual Report is expected to be available for our reading after the date of this audit report; and ii) the other additional information, which is not required by IFRS, but has been included so as to assess the performance of each operating segment as regards the Entity's Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA); this information is presented in Note 33.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance in this regard.

In relation to our audit of the consolidated financial statements, our responsibility will be to read the Annual Report, when it is available, and when we do so, consider whether the other information contained therein is materially inconsistent with the consolidated financial statements or the knowledge we obtained during the audit, or appears to contain material misstatement.

When we read the Annual Report, we will issue a legend in this regard, as required by Article 33 Section I, subsection b) number 1.2. of the Provisions. Similarly, as regards our audit of the consolidated financial statements, our responsibility is to read and recalculate the other information, which is not required by IFRS and, when doing so, consider whether the other information contained therein is materially inconsistent with the consolidated financial statements or with the knowledge we obtained during the audit, or which appears to contain a material misstatement. If, based on the work we have performed, we conclude that the other information contains material misstatement, we would report this fact. However, we have nothing to report concerning this this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for the internal control deemed necessary by manament to enable the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Entity's consolidated financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit performed in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of the material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain sufficient, appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

• Evaluate the appropriateness of accounting policies used and the fairness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures and whether the consolidated financial statements represent relevant transactions and events in a manner that achieves a fair presentation.

• Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Among the matters communicated with those charged with governance, we determined those matters that were of most significance in the current period audit of the consolidated financial statements and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Galaz, Yamazaki, Ruiz Urquiza, S. C.
Affiliated with a Member Firm to Deloitte Touche Tohmatsu Limited

C. P. C. Erik Padilla Curiel
Mexico City, Mexico
March 21, 2025

Assets	Notes	2024	2023	2022
Current assets:				
Cash and cash equivalents	5	$16,241,709	$10,688,754	$12,294,643
Accounts receivable	6	$53,254,674	$48,839,490	$39,207,963
Due from related parties	26	$2,570,547	$6,744,929	$7,656,579
Recoverable taxes	8	$6,469,926	$5,319,829	$5,604,642
Inventories	9	$31,275,402	$27,843,224	$27,143,539
Prepaid expenses	-	$1,981,540	$2,154,367	$2,316,335
Derivative financial instruments	24	$280	$78,921	$225,413
Assets held for sale	2b	$10,688,754	-	-
		$122,482,832	**$107,327,807**	**$94,449,114**
Non-current assets:				
Net investment in leased asset	7	$15,978,816	$13,289,011	$15,144,293
Long-term accounts receivable	-	$741,948	$1,686,456	$1,443,567
Real estate inventories	-	$971,283	$971,283	$971,283
Property, plant and equipment	15	$72,228,534	$59,324,301	$61,528,795
Right-of-use assets	10	$6,368,422	$5,954,258	$6,202,705
Investment properties	16	$5,143,649	$4,958,956	$4,766,120
Investment in associated entities, joint ventures and other	17	$37,515,563	$38,680,720	$36,755,235
Employee retirement benefits	24	$1,158,363	$1,229,582	$1,569,939
Derivative financial instruments	14	$43,210	$597,323	$795,935
Intangible assets	19	$9,387,358	$8,965,402	$9,382,982
Deferred income tax asset	30	$7,282,843	$6,775,088	$5,815,525
Other assets	18	$1,037,019	$713,577	$556,609
sets		**$157,857,008**	**$143,145,957**	**$144,932,988**
Total assets		$280,339,840		

The accompanying notes are part of the consolidated financial statements.

	Notes	2024	2023	2022
Liabilities				
Current liabilities:	20	$11,499,274	$17,859,325	$14,001,306
Loans payable to financial institutions				
Current portion of long-term debt	20	$876,361	$1,237,853	$1,583,229
Current lease obligation	11	$2,171,684	$1,559,427	$1,952,727
Trade accounts payable	21	$21,500,712	$18,653,841	
Accounts payable to related parties	26	$2,283,382	$1,662,115	$17,214,822
Other accounts payable and accrued liabilities	22	$10,127,039	$9,911,238	$889,295
Provisions	23	$8,318,584	$7,192,045	$11,846,623
Direct employee benefits	14	$2,258,221	$2,221,763	$9,378,721
Derivative financial instruments	-	$14,611	$786	$1,976,579
Contractual liabilities – customer advances	-	$2,785,523	$2,735,419	$1,753
Liabilities attributable to assets held for sale	2b	$3,603,448	-	$2,527,989 / -
s		**$65,438,839**	**$63,033,812**	**$61,373,044**
Non-current liabilities:				
Long-term debt	20	$35,281,525	$26,653,124	$27,205,815
Lease obligation	11	$4,326,310	$4,169,837	$4,572,724
Deferred income taxes	30	$12,111,509	$10,947,813	$9,683,676
Other long-term liabilities	-	$565,789	$563,424	$769,432
Employee retirement benefits	24	$599,721	$936,492	$923,168
Derivative financial instruments	14	-	$13,542	-
ities		**$52,884,854**	**$43,284,232**	**$43,154,815**
Total liabilities		$118,323,693		
Stockholders' equity:				
Capital stock	25	$2,528,678	$2,529,104	$2,527,195
Net stock issuance premium		$3,769,987	$3,769,987	$2,392,896
Retained earnings		$126,906,607	$116,007,892	$105,528,869
Accumulated other comprehensive income		$9,136,696	$6,149,561	$10,439,410
Controlling interest	25	$142,341,968	$128,456,544	$120,888,370
Non-controlling interest		$19,674,179	$15,699,176	$13,965,873
kholders' equity		**$162,016,147**	**$144,155,720**	**$134,854,243**
Total liabilities and stockholders' equity		$280,339,840		

	Notes	2024	2023	2022
Income	27	$202,983,419	$198,455,309	$181,538,679
Cost of sales	28	$152,926,948	$146,026,816	$137,178,732
		$50,056,471	**$52,428,493**	**$44,359,947**
Sales expenses	28	$18,740,950	$17,118,427	$15,649,247
Administrative expenses	28	$7,047,120	$8,623,379	$5,484,535
Statutory employee profit-sharing		$723,043	$799,115	$679,193
Other (income) expenses, net	29	$(127,906)	$1,494,173	$(3,418,124)
Financial costs		$6,274,820	$5,829,082	$3,791,729
Financial income		$(1,603,138)	$(1,753,037)	$(1,339,194)
Exchange gain		$(8,169,894)	$(3,572,683)	$(1,566,338)
Exchange loss		$5,551,499	$5,603,693	$2,615,376
Effects of valuation of derivative financial instruments		$(717,239)	$(78,093)	$(352,602)
Equity in results of associated entities, joint ventures and other	17	$(1,307,698)	$(1,267,708)	$(1,303,405)
axes		**$23,644,914**	**$19,632,145**	**$24,119,530**
Income taxes	30	$6,916,684	$5,746,829	$3,685,952
Consolidated net income of the year		$16,728,230		
Other comprehensive income, net of income tax				
Items that will not be reclassified to results:				
Gain (loss) from cumulative translation adjustment		$4,623,658	$(2,698,180)	$(1,567,616)
(Loss) gain from derivative financial instruments valuation, net of deferred taxes	14	$(112,699)	$(303,939)	$1,001,567
(Loss) gain in the fair value of equity financial instruments, net of deferred taxes	14	$(2,819,683)	$257,805	$1,689,189

(Cont.)

	Notes	2024	2023	2022
Items that will not be reclassified to results:				
Actuarial gains (losses)		$(16,514)	$(433,429)	$706,433
Gain (loss) on financial assets at fair value		$240,322	$(132,134)	$(104,838)
Other items		$(91)	$(1)	$287
Equity in other comprehensive income of associated entities and joint ventures		$2,849,634	(1,832,319)	$412,469
ve Income		**$4,764,627**	**$(5,142,197)**	**$2,137,491**
Consolidated comprehensive income of the year		$21,492,857		
Consolidated net income attributable to:				
Controlling interest		$14,456,973	$13,519,384	$19,061,904
Non-controlling interest		$2,271,257	$365,932	$1,371,674
		$16,728,230	**$13,885,316**	**$20,433,578**
Basic profit per ordinary share attributable to controlling interest:				
Basic profit per ordinary share		$6,408	$6,002	$8,466
Weighted average number of outstanding shares ('000)		$2,256,167	$2,252,660	$2,251,633
Consolidated comprehensive income attributable to:				
Controlling interest		$17,444,108	$9,229,535	$21,575,110
Non-controlling interest		$4,048,749	$(486,416)	$995,959
		$21,492,857	**$8,743,119**	**$22,571,069**

The accompanying notes are part of the consolidated financial statements.

(Concludes)

	Capital stock	Net stock issuance premium	Retained earnings	Gain (losses) in translation effects of foreign operations	(Losses) gain in valuation of derivative financial instruments	Actuarial (losses) gain	Gain in valuation of capital financial instruments	(Losses) gains on financial assets at fair value	Equity in other comprehensive income	Equity in other comprehensive income of associated entities	Total controlling interest	Non-controlling interest	Total stockholders' equity
2021	$2,528,663	$2,392,896	$92,166,341	$112,409	$(577,015)	$(963,869)	$9,705,943	-	$(867,612)	$516,348	$105,014,104	$9,060,543	$114,074,647
Repurchase of own shares	$(1,468)	-	$(442,944)	-	-	-	-	-	-	-	$(444,412)	-	$(444,412)
Cash dividends declared	-	-	$(2,250,304)	-	-	-	-	-	-	-	$(2,250,304)	-	$(2,250,304)
Dividends declared to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	$(93,976)	$(93,976)
Decrease in repurchase of shares of subsidiary	-	-	$5,693	-	-	-	-	-	-	-	$5,693	$(14,202)	$(8,509)
Acquisition of non-controlling interest of subsidiaries	-	-	$(3,011,821)	-	-	-	-	-	-	-	$(3,011,821)	$4,017,549	$1,005,728
sive	$2,527,195	$2,392,896	$86,466,965	$112,409	$(577,015)	$(963,869)	$9,705,943	-	$(867,612)	$516,348	$99,313,260	$12,969,914	$112,283,174
e year	-	-	$19,061,904	$(956,941)	$848,164	$649,166	$1,684,932	$(98,347)	$(1,057)	$387,289	$21,575,110	$995,959	$22,571,069
Balances as of December 31, 2022													
Repurchase of own shares	$(693)	-	$(317,953)	-	-	-	-	-	-	-	$(318,646)	-	$(318,646)
Dividends declared to non-controlling interest	$2,602	$1,377,091	$(2,702,084)	-	-	-	-	-	-	-	$(1,322,391)	-	$(1,322,391)
Decrease in repurchase of shares of subsidiary	-	-	-	-	-	-	-	-	-	-	-	$(513,104)	$(513,104)
Acquisition of non-controlling interest of subsidiaries	-	-	$(20,324)	-	-	-	-	-	-	-	$(20,324)	$2,732,823	$2,712,499
ncome	$2,529,104	$3,769,987	$102,488,508	$(844,532)	$271,149	$(314,703)	$11,390,875	$(98,347)	$(868,669)	$903,637	$119,227,009	$16,185,592	$135,412,601
e year	-	-	$13,519,384	$(1,987,950)	$(225,278)	$(455,974)	$257,685	$(125,830)	$(904)	$(1,751,598)	$9,229,535	$(486,416)	$8,743,119
Balances as of December 31, 2023													

	Capital stock	Net stock issuance premium	Retained earnings	Gain (losses) in translation effects of foreign operations	(Losses) gain in valuation of derivative financial instruments	Actuarial (losses) gain	Gain in valuation of capital financial instruments	(Losses) gains on financial assets at fair value	Equity in other comprehensive income	Equity in other comprehensive income of associated entities	Total controlling interest	Non-controlling interest	Total stockholders' equity
Repurchase of own shares	$(1,468)	-	$(235,618)	-	-	-	-	-	-	-	$(236,044)	-	$(236,044)
Dividends declared in cash and shares	-	-	$(3,383,669)	-	-	-	-	-	-	-	$(3,383,669)	-	$(3,383,669)
Dividends declared to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	$(644,779)	$(644,779)
Decrease in repurchase of shares of subsidiary	-	-	$618	-	-	-	-	-	-	-	$618	-	$618
Acquisition of non-controlling interest of subsidiaries	-	-	$60,411	-	-	-	-	-	-	-	$60,411	$571,033	$631,444
ncome	**$2,528,678**	**$3,769,987**	**$112,449,634**	**$(2,832,482)**	**$45,871**	**$(770,677)**	**$11,648,560**	**$(224,177)**	**$(869,573)**	**$(847,961)**	**$124,897,860**	**$15,625,430**	**$140,523,290**
year	**-**	**-**	**$14,456,973**	**$3,080,348**	**$(105,828)**	**$(129,494)**	**$(2,819,711)**	**$227,527**	**$2,109**	**$2,732,184**	**$17,444,108**	**$4,048,749**	**$21,492,857**
Balances as of December 31, 2024													

The accompanying notes are part of the consolidated financial statements.

	2024	2023	2022
Cash flows from operating activities:			
Consolidated net income of the year	$16,728,230	$13,885,316	$20,433,578
Adjustments from:			
Income tax recognized in results	$6,916,684	$5,746,829	$3,685,952
Depreciation and amortization	$7,317,451	$5,863,887	$5,033,539
Loss (gain) on sale of property, plant and equipment and other assets	$4,112	$1,903	$(22,607)
Impairment of property, plant and equipment	$(20,733)	$783,706	$420,063
Gain from change in fair value of investment property	$(69,103)	$(170,601)	$(193,348)
Equity in profits of associated entities and joint ventures	$(1,307,698)	$(1,267,708)	$(1,303,405)
Stock valuation effect	-	-	$(3,809,962)
Interest income	$(4,002,798)	$(5,903,569)	$(5,174,607)
Interest expense	$6,274,820	$5,829,082	$3,791,729
Effect from restatement of employment obligations	-	-	$83,174
Dividends received from associated entities measured at fair value	$(1,331,946)	$(1,331,948)	$(1,309,388)
Other items	$(51,673)	$(13,483)	$(65,078)
	$30,457,346	**$23,423,414**	**$21,569,640**
Items related to operating activities:			
(Increase) decrease in:			
Accounts receivable	$(3,494,492)	$(10,034,235)	$(3,734,651)
Interest income	$2,399,660	$3,977,763	$3,744,734
Other accounts receivable	$(593,511)	$148,956	$(1,311,731)
Due from related parties	$4,174,382	$911,650	$(2,419,070)
Recoverable taxes	$(1,285,106)	$(457,993)	$1,175,885
Inventories	$(3,432,178)	$(699,685)	$(1,017,963)
Prepaid expenses	$172,827	$161,968	$1,206,154
Account receivable of the leased asset	$(3,368,693)	$2,281,803	$220,040
Long-term accounts receivable	$944,508	$(242,889)	$(277,317)
Real estate inventories	-	-	$15,982
Other assets	$(323,442)	$(380,856)	$(961,219)
(Decrease) increase in:	$2,845,353	$1,439,019	$(417,114)
Trade accounts payable	$621,267	$772,820	$52,349
Accounts payable to related parties	$(199,234)	$137,130	$2,830,257
Other accounts payable and accrued liabilities	$1,123,113	$(2,185,037)	$1,361,610
Provisions	$36,458	$245,184	$874,066
Direct employee benefits	$50,104	$207,430	$(1,100,806)
Advances from customers	$2,365	$(206,008)	$(1,743,574)
Other long-term liabilities	$60,999	$(14,392)	$144,173
Employee retirement benefits	$(5,692,059)	$(6,921,791)	$(2,872,336)
Income taxes paid	$520,338	$53,740	$(806,578)
Derivative financial instruments			
activities	**$25,020,005**	**$12,617,991**	**$16,532,531**

(Continua)

	2024	2023	2022
Cash flows from investment activities:			
Purchase of property, plant and equipment	$(6,476,008)	$(5,550,786)	$(5,236,120)
Investment in exploration expenses	$(454,830)	$37,842	$(387,880)
Proceeds on disposal of property, plant and equipment	$202,994	$120,415	$74,062
Interest received	$1,594,632	$1,749,649	$1,345,380
Dividends received	$2,023,798	$1,931,094	$1,756,796
Acquisition of subsidiaries	$(10,876,022)	-	$1,400,515
Contribution and/ or acquisition of the shares of subsidiaries, associated entities and joint ventures	$(338,463)	$(1,398,919)	$(7,679,497)
Cash and cash equivalents held for sale	$(443,293)	-	-
Sale of shares of subsidiary	-	$2,000	-
Sale of shares of associates	-	-	$301,491
Non-controlling participation increment	$571,033	$2,732,823	-
Financial assets at fair value	-	$(132,135)	$(104,551)
ent activities	**$(14,196,159)**	**$(508,017)**	**$(8,529,804)**
Cash flows from financing activities:			
Loans obtained from financial and other institutions	$78,992,853	$89,300,092	$43,023,117
Payment of loans and other long-term debt contracted			$(41,599,721)
with financial institutions	$(78,706,233)	$(86,340,140)	$(3,261,517)
Interest paid	$(5,692,059)	$(5,246,291)	$(1,935,324)
Payment of lease liabilities	$(1,711,865)	$(2,224,880)	$(2,511,761)
Dividends paid	$(4,028,448)	$(1,805,606)	$(444,412)
Repurchase of own shares	$(236,044)	$(318,646)	$(8,509)
Repurchase of shares of subsidiary	-	-	
ng activities	**$(11,381,796)**	**$(6,635,471)**	**$(6,738,127)**
lue to ces	**$452,612**	**$(1,422,099)**	**$(167,599)**
Net (decrease) increase in cash and cash equivalents	$(105,338)	$4,052,404	$1,097,001
ents ar	**$16,347,047**	**$12,294,643**	**$11,197,642**
Cash and cash equivalents at the end of the year	$16,241,709		

The accompanying notes are part of the consolidated financial statements. *(Cont.)*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2024, 2023 and 2022

(In thousands of Mexican pesos ($) and thousands of U.S. dollars (US$) when indicated)

1. Nature of business

Grupo Carso, S. A. B. de C. V. and Subsidiaries (the Entity or Grupo Carso), with address at Lago Zurich No. 245 Edificio Frisco Piso 2, Col. Ampliación Granada in Mexico City, ZIP Code 11529, is a Public Stock Company incorporated in Mexico, which holds the shares of a group of companies that primarily operate in the Commercial, industrial, Infrastructure and Construction and Energy segments (see Note 4).

2. Significant events

a. In December 2024, the Entity, through its subsidiary Zamajal, S. A. de C. V., of which **Grupo Carso** holds 90% and Control Empresarial de Capitales, S. A. de C. V. holds 10%, signed a binding agreement with Talos Energy Inc. ("Talos") (NYSE: TALO) to increase its stake by an additional 30.10% in Talos's Mexican subsidiary called Talos Energy Mexico 7, S. de R. L. de C. V. ("Talos Mexico"), which holds a 17.4% interest in the Zama oil field ("Zama Field").

Upon the closing of the transaction, which is subject to the corresponding regulatory approvals in Mexico, Zamajal will have control and hold 80% of the share capital of Talos Mexico.

b. In November 2024, the Entity reached a binding agreement with Heidelberg Materials US, Inc., for the sale of Giant Cement Holding, Inc., a subsidiary of Fortaleza Materiales, S. A. P. I. de C. V., which is indirectly a subsidiary of the Issuer, and/or any of its affiliated, subsidiary, controlled or controlling companies, for an approximate price of USD $600,000, subject to the fulfillment of the usual post-closing adjustments in this type of transactions.

It is worth noting that for the completion of this transaction, it was necessary to spin off Keystone Cement Company, LLC., and selected non-operational land was excluded from Giant Cement Company, Inc., Dragon Products Company, Inc., and Giant Resource Recovery, Inc. The full closing of the operation is expected to take place in 2025.

Below is the integration of the assets held for sale, as of December 31, 2024, resulting from the aforementioned operation:

Cash and Cash Equivalents	$443,293
Customers (Net)	$675,161
Taxes to Recover and Credit	$6,176
Inventory	$869,134
Other stock investments	$2,154

Anticipated Expenses	$108,789
Fixed Assets (Net)	$3,710,862
Right-of-Use Assets	$294,580
Trademarks	$1,174,330
Computer Programs	$7,614
Other Intangible Assets	$240,483
Deferred Income Tax	$2,625,292
Employee Benefits (Asset)	$87,865
Other Non-Current Assets	$14,362
Goodwill	$334,397
	$10,594,492

Suppliers	$630,005
Taxes and Fees	$18,901
Various Creditors	$150,741
Lease Liabilities	$47,525
Short-term Employee Benefits	$81,390
Deferred Income Tax	$1,964,772
Employee Benefits	$288,446
Lease Liabilities	$188,005
Others	$233,663
Liabilities attributable to assets held for sale	**$3,603,448**

c. In July 2024.- The Entity, in its capacity as Service Provider (the "Service Provider"), entered into with the State Productive Company subsidiary of Petróleos Mexicanos, Pemex Exploration and Production ("PEP"), through certain of its subsidiaries, the Comprehensive Exploration and Extraction Services Contract Lakach (the 'CSIEE') in the Contract Area comprised by the Assignment Area A-0188-M-Lakach Field (the "Lakach Field").

BACKGROUND

The Lakach Field was discovered in 2007, spans 33.82 km², and is located on the continental shelf of the southern Gulf of Mexico, 98 km southeast of Veracruz City and 50 km from the Municipality of Alvarado, in territorial waters of the Gulf of Mexico, considered as deep waters, with wells distributed throughout the area at water depths of between 900 to 1,200 meters currently capped to be recovered; the average depths of these wells range from 3,085 to 3,210 vertical meters below sea level.

- Investment by the Service Provider exceeding $1,200MM US dollars (USD), with PEP maintaining ownership of the reservoir and its reserves.
- Gas production will be directed to land.
- Construction by the Service Provider of an onshore Gas Conditioning Station for the treatment of gas and condensates for disposition under sale conditions.
- The first commercial production is estimated in approximately 2 and a half years.

Strategic Partners for the Project: For the execution of the CSIEE, the Service Provider will have the support of specialized companies in the field such as, among others:

Talos Energy, a US oil and gas company, specializing in exploration, development, and production services in deepwater reservoirs of the Gulf of Mexico.

FCC Construcción, a company with extensive experience in the infrastructure area, specializing in technical and technological capacity in engineering, civil works, and execution of large-scale projects.

d. On June 20, 2024, following the binding agreement dated December 18, 2023, and due to the fulfillment of stipulated conditions and obtaining the corresponding regulatory authorizations, through its subsidiary Zamajal, S. A. de C. V., of which it holds 90% of its shareholding, it formalized the acquisition of 100% of the share capital of PetroBal Operaciones Upstream, S. A. de. C. V. ("PetroBal"), an entity that is part of Grupo Bal and owner of PetroBal Upstream Delta 1, S. A. de C. V. ("Delta 1"), an entity holding 50% participation in the Ichalkil & Pokoch fields ("Contractual Area 4"), located off the coast of Campeche, and which, together with the government of Mexico through the National Hydrocarbons Commission, and the consortium integrated by Fieldwood Energy E&P México, S. de R. L. de C. V., (as operating partner), and Delta 1, as financial partner, are part of the CNH-R01-L02-A4/2015 contract for the exploration and extraction of hydrocarbons under the shared production modality corresponding to the aforementioned Contractual Area 4.

   On that same date, the operation was paid for with a purchase price of USD$601,289 and an amount of $11,071,422, according to its fair value, resulting in goodwill for an amount of $1,494,932. (See Note 3a)

e. On December 18, 2023. – The Entity, through its subsidiary Zamajal, signed a binding agreement with PetroBal, S. A. P. I. de C. V. ("PetroBal"), an entity that is part of Grupo Bal, so that, once certain conditions are met, it will acquire 100% of the share capital of its subsidiary PetroBal Operaciones Upstream, S. A. de C. V.

The completion of the acquisition is subject to certain conditions, including obtaining the corresponding regulatory authorizations in Mexico.

f. On May 24, 2023, the Entity signed a binding agreement with Talos Energy Inc. ("Talos") (NYSE: TALO) to acquire 49.9% of the share capital of its Mexican subsidiary, Talos Energy Mexico 7, S. de R. L. de C. V. ("Talos Mexico"), entity that holds 17.4% stake in the Zama oil field ("Zama Site").

On September 4, 2015, the Mexican government, through the National Hydrocarbons Commission ("CNH"), signed the CNH-R01-L01-A7/2015 contract with a consortium led by Talos Mexico (as operator), and now also composed of Wintershall DEA AG and Harbor Energy PLC, for the exploration and extraction of hydrocarbons under the shared production mode in the so-called Block 7, a contractual area located in shallow waters approximately 63.5 km from the coast of Tabasco, in the Southeast Basin.

From 2017 to 2019, the consortium developed exploration activities including drilling three wells in the Block, to the location of a potential shared reservoir over the area corresponding to the PEP AE-0152-Uchukil Allocation, which is a surface allocated to Pemex Exploration and Production ("PEP") during round zero.

Derived from the above, in March 2022, the Energy Secretariat issued Unification Resolution whereby the Zama Site was ordered to be unified with the PEP AE-0152-Uchukil Assignment granted to PEP, designating PEP as an operator. In April 2023, PEP and the three members of the consortium submitted a joint development plan to CNH, giving clarity to the stakes and obligations of each of the parties.

Purchase price: USD$124,750, with a first payment of USD$74,850, which was made in the month of September 2023 for an amount of $1,310,249, and the second payment for USD$49,900, which is contingent and will be paid once reach the first commercial production of the Zama Field. According to its fair value, there is goodwill for an amount of $1,577,593.

g. On September 11, 2023, Gasoducto Centauro del Norte, S. A. de C. V., was established, the object of the company is entered in contracts for the supply of natural gas transport services through pipelines with the Federal Electricity Commission, mainly in terms of the natural gas transportation service in the states of Sonora and Baja California.

On December 21, 2023, an investment agreement, development agreement and transportation service agreement was signed with the Federal Electricity Commission (CFE), so that, subject to certain suspensive conditions, a pipeline is developed, built and operated. With a length of approximately 416 kilometers, it will be a continuation of the Samalayuca-Sasabe gas pipeline to Mexicali, Derecognition which serves Baja California Norte, Mexico. CFE has an initial option for up to 15% participation in the project, and to increase it to 49% at the end of the contract for transportation services.

h. On December 25, 2022, **Grupo Carso** made a public offer to acquire all of the shares of Sanborns, listed in the Mexican Stock Exchange ("BMV"). As of December 31, 2022, most of these shares have been acquired, therefore the Entity's participation increased by 13.11%. The amount paid for the shares was $7,656,936, which generated an excess cost over book value in the purchase of the shares, which was $2,811,185, an amount that is recorded in retained earnings as a capital distribution.

i. In March 2022, the companies **Fortaleza Materiales S.A.P.I. de C.V. (ELEMAT) and Elementia Materiales, S. A. P. I. de C. V.(ELEMAT) (as a whole Elementia),** made a public offer in order to acquire all the shares that are placed among the general investing public and that are different from those that are directly or indirectly owned by the group of control of **Fortaleza and Elementia,** derived from said operations **Grupo Carso** through its subsidiary Condumex, S. A. de C. V., increased its participation in those companies by 8.15% and 8.17%, respectively, as a consequence of the foregoing and derived from the valuation of said operation, a profit was obtained at fair value of $3,809,962, which was recognized as a profit in the result of the year, within Other (income) expenses, net (see note 29), control and starting to consolidate it from May 2022.

3. Business combination

Acquired subsidiaries

a. As indicated in subsection a of note 2d of significant events, the entity acquired 100% of the share capital of PetroBal through its subsidiary Zamajal, S. A. de C. V. This business acquisition was recorded in accordance with the International Financial Reporting Standard on Business Combinations (IFRS 3), resulting in goodwill from the operation amounting to $1,494,932 as of the acquisition date.

At the acquisition date, acquired assets and assumed liabilities are as follows:

Current assets:		
Cash and cash equivalents	$195,400	$195,400
Accounts receivable from customers	$708,682	$708,682
Other current assets	$381,033	$381,033
Non-current assets:		
Property, plant and equipment	$9,506,778	$9,506,778
Right-of-use assets	$266,604	$392,098
Other assets	$53,486	$53,486
Intangibles	$1,124,783	$575,492
Current liabilities:		
Debt	$1,491,600	$1,491,600
Account payable to suppliers and other accounts payable	$281,030	$281,030
Noncurrent liabilities:		
Lease liabilities	$373,411	$420,052
Other liabilities	$43,797	$43,797
Net assets acquired	**$10,046,928**	**$9,576,490**

The goodwill calculation as of December 31, 2024 is as follows:

Consideration paid in cash	$11,071,422
Less: net assets acquired	$9,576,4909
	$1,494,932

Net cash flows on the acquisition of subsidiaries

Consideration paid in cash	$11,071,422
Less: acquired balances of cash and cash equivalents	$195,400
	$10,876,022

Effect of acquisitions in the Entity's results

If this business combination had taken place on January 1, 2024, the Entity's revenue from continuing operations would have amounted to $1,686,999, while the result for the year from continuing operations would have amounted to $(1,749,349). The Entity's management believes that these "proforma" figures represent an approximate measure of the combined Entity's performance on an annualized basis and provide a benchmark for comparison for future periods.

b. On May 6, 2022, in compliance with the Shareholders' Agreement of Elementia Materiales, S. A. P. I. de C. V. (Elementia) and Fortaleza Materiales, S. A. P. I. de C. V. (Fortaleza), mentioned in their respective Public Tender Offers dated March 22, 2022, through which control of these companies was obtained, the Entity also acquired, through its subsidiary Condumex, S. A. de C. V., from Kaluz, S. A. de C. V. and related shareholders, a package of shares that increased its shareholding to over 50% in both companies. As mentioned in note 2 of significant events in subsection j, the Entity already held a participation percentage of 38.69%. The business acquisition carried out was recorded in accordance with the International Financial Reporting Standard on Business Combinations (IFRS 3). As of the acquisition date, goodwill from the operation amounted to $4,546,556 (see note 19). The fair value recognized in the first step of the staged purchase, for the initial investment, was $13,816,541, and a gain from this initial valuation step was obtained as described in note 2j. The amount of the loss recognized in the results for the year amounted to $187,378, as a result of this valuation at year-end.

The acquired assets and assumed liabilities as of the acquisition date are presented below:

Current Assets:		
Cash and cash equivalents	$2,158,962	$2,158,962
Accounts receivable for customers	$5,786,576	$5,786,576
Inventories	$5,984,221	$5,984,221
Other current assets	$1,085,653	$1,085,653
Non-Current Assets:		
Property, plant, and equipment	$28,787,047	$28,787,047
Right-of-use assets	$868,318	$868,318
Other non-current assets	$1,360,154	$1,360,154
Intangibles	$3,956,196	$2,468,262
Current Liabilities:		
Debt	$4,832,701	$4,832,701
Accounts payable to suppliers and other payables	$7,645,774	$7,645,774
Current Liabilities:		
Debt	$12,382,778	$12,477,320
Other non-current liabilities	$2,471,019	$2,471,019
Deferred taxes	$2,755,469	$2,848,305
Net assets acquired	**$19,899,386**	**$18,224,074**

The integration of goodwill as of December 31, 2022, is as follows:

Goodwill Recorded in Elementia	$1,952,142
Goodwill Recognized in 2021	$554,284
Goodwill Recognized in 2022	$27,556
Initial Share Valuation (note 29)	$3,809,962
Effect of Final Valuation Registration	$(1,797,388)
	$4,546,556

Net Cash Flows on the Acquisition of Subsidiaries

Consideration paid in cash	$758,447
Less: balances of cash and cash equivalents acquired	$2,158,962
	$(1,400,515)

Effect of acquisitions on the Entity's results

If this business combination had been carried out on January 1, 2022, the Entity's revenue from continuing operations would have amounted to $36,310,278, while the result for the year from continuing operations would have amounted to $706,727. The Entity's management considers that these "proforma" figures represent an approximate measure of the combined Entity's performance on an annualized basis and provide a benchmark for comparison for future periods.

4. Consolidated subsidiaries

The equity held by **Grupo Carso** in the common stock of its subsidiaries as of December 31, 2024, 2023 and 2022 is detailed below:

Subsidiary	Country of incorporation and operations	Activity	2024	2023	2022
Carso Infraestructura y Construcción, S. A. de C. V. and Subsidiaries (CICSA)	Mexico, Central America and South America	Operation of several engineering areas including those related to infrastructure, such as: highway construction and maintenance, water systems, water treatment plants and dams; duct line installations for the telecommunications and gas sectors, including fiber-optic networks and gas pipelines, among others; oil well drilling and services related to the industry; design and construction of oil platforms and oil industry equipment; the construction .	$99.97	$99.97	$99.97
Grupo Condumex, S. A. de C. V. and Subsidiaries (Condumex)	Mexico, U.S., Central America, South America and Spain	Manufacture and sale of goods, mainly cable to construction, automotive, energy and telecommunications markets; manufacture of auto parts, mainly for the terminal industry, manufacture and sale of products derived from copper and aluminum products; manufacture and marketing of cement for the construction industry as well as light construction and development of constructive and innovative solutions used in all stages of construction.	$99.58	$99.58	$99.58
Grupo Sanborns, S. A. B. de C. V. and Subsidiaries (Sanborns)	Mexico, El Salvador and Panama	Operation of department stores, gift shops, sales of cell phones and electronic devices, restaurants, cafes, and management of shopping centers primarily through the following commercial brands: Sanborns, Sears, Mix-up, Claro Shop, and iShop.	$99.97	$99.97	$99.88
Carso Energy, S. A. de C. V. and Subsidiaries	Mexico, U.S. and Colombia	Holder of shares in companies in the electricity generation and natural gas transportation sector.	$95.70	$95.68	$95.49
Zamajal, S. A. de C. V.	Mexico	Holder of shares of companies in the hydrocarbon exploration and extraction sector.	$90.02	$77.08	-

5. Cash and cash equivalents

	2024		
Cash	$5,552,590	$5,529,310	$5,172,342
Cash equivalents:	$3,619,060	$3,253,811	$1,535,353
Investments at sight	$916,613	$4,602,440	$2,217,914
Bank paper	$4,760,736	$560,276	$1,150,615
Government paper	$122,262	$1,270,861	$1,317,583
Bonds	$1,270,373	$1,128,920	$891,573
Demand deposits in U.S. dollars	$75	$1,429	$9,263
	$16,241,709	**$16,347,047**	**$12,294,643**

These items primarily consist of bank deposits in checking accounts and investments in highly-liquid, short-term securities that are easily convertible to cash or have a maturity of up to three months from the acquisition date and are not subject to significant risks of changes in value. Cash is presented at face value, while equivalents are valued at fair value; value fluctuations are recognized in the results of the period. Cash equivalents are represented by daily money market investments, mainly bank and government sight investments paper denominated in U.S. pesos and dollars.

6. Accounts receivable

	2024		
Customers	$28,889,259	$33,257,867	$30,089,771
Allowance for expected credit losses	$(1,051,241)	$(3,425,232)	$(1,399,039)
	$27,838,018	**$29,832,635**	**$28,690,732**
Uncertified completed work	$20,986,577	$15,471,657	$6,406,556
Current portion of the net investment in leased assets	$2,984,972	$2,306,084	$2,732,605
Sundry debtors	$1,006,247	$826,323	$725,810
Others	$438,860	$402,791	$652,260
	$53,254,674	**$48,839,490**	**$39,207,963**

1. Accounts receivable do not accrue interest and generally have a period of between 30 to 90 days.
2. For the terms and conditions related to accounts receivable with related parties, see Note 26.

As of December 31, 2024, 2023 and 2022, the maximum credit risk exposure for customers was as follows:

Category	2024	2023	2022	2024	2023	2022
Null	$22,400,664	$17,102,995	$14,128,689	$41,660	$50	$188
Low	$4,631,271	$8,232,330	$8,859,558	$176,312	$280,862	$325,295
Moderate 1	$576,666	$1,742,528	$3,537,912	$54,319	$361,803	$326,473
Moderate 2	$270,839	$2,261,492	$1,735,399	$61,327	$787,596	$234,709
High 1	$639,762	$1,239,173	$925,409	$396,984	$563,634	$152,738
High 2	$196,485	$414,103	$243,408	$168,484	$323,889	$107,797
Critical	$173,572	$2,265,246	$659,396	$152,155	$1,107,398	$251,839
	$28,889,259	**$33,257,867**	**$30,089,771**	**$1,051,241**	**$3,425,232**	**$1,399,039**

As of December 31, 2024, the carrying amount of the Entity's most significant portfolio corresponds to the Null segment, amounting to $22,400,664. As of December 31, 2023, the carrying amount of the Entity's most significant portfolio corresponds to the Null segment, amounting to $17,102,995. As of December 31, 2022, the carrying amount of the Entity's most significant portfolio corresponds to the Null segment, amounting to $14,128,689, which is equivalent to 77.54%, 51.43%, and 46.96% of the total portfolio, respectively, and 3.96%, 0.00%, and 0.01% of the allowance for doubtful accounts recorded ($1,051,241 in 2024, $3,425,232 in 2023, and $1,399,039 in 2022). For the allowance for doubtful accounts, the most significant segment is High 1 with an amount of $396,984 and a percentage of the allowance for doubtful accounts of 37.76% in 2024, the Critical segment with an amount of $1,107,398 and a percentage of the allowance for doubtful accounts of 32.33% in 2023, and the Moderate 1 segment with an amount of $326,473 and a percentage of the allowance for doubtful accounts of 23.34% in 2022.

The following summary indicates the Entity's customer credit risk exposure.

Item	No credit Impairment	With credit impairment	No credit impairment	With credit impairment	No credit impairment	With credit impairment
Total client gross carrying amount	$23,019,136	$5,870,123	$17,662,613	$15,595,254	$14,829,089	$15,260,682
Allowance for credit losses	-	$1,051,241	-	$3,425,232	$188	$1,398,851

Constant reviews are carried out to adapt the model to any internal or external changes that could result in a calibration.

The Entity uses the estimated factors described above to determine the allowance for expected credit losses.

The model used to determine the customer credit risks of each of the Group's business units identifies each individual account receivable to ascertain its level of indebtedness, the customer's payment capacity, the principal payment amount, maturity and payment behavior to establish the respective risk level and the discount factor used for the impairment of the financial assets associated with credit granting.

The following table provides information on credit risk exposure and expected credit losses for customers as of December 31, 2024, 2023 and 2022.

Concept	2024	2023	2022	2024	2023	2022	2024	2023	2022
Null	$22,400,664	$17,102,995	$14,128,689	$41,660	$50	$188	0.19%	0.00%	0.00%
Low	$4,631,271	$8,232,330	$8,859,558	$176,312	$280,862	$325,295	3.81%	3.41%	3.67%
Moderate 1	$576,666	$1,742,528	$3,537,912	$54,319	$361,803	$326,473	9.42%	20.76%	9.23%
Moderate 2	$270,839	$2,261,492	$1,735,399	$61,327	$787,596	$234,709	22.64%	34.83%	13.52%
High 1	$639,762	$1,239,173	$925,409	$396,984	$563,634	$152,738	62.05%	45.48%	16.50%
High 2	$196,485	$414,103	$243,408	$168,484	$323,889	$107,797	85.75%	78.21%	44.29%
Critical	$173,572	$2,265,246	$659,396	$152,155	$1,107,398	$251,839	87.66%	48.89%	38.19%
Total	$28,889,259	$33,257,867	$30,089,771	$1,051,241	$3,425,232	$1,399,039	3.64%	10.30%	4.65%

7. Net investment in leased assets

Carso Gasoducto Norte, S. A. de C. V. (CGN) entered into contracts for the provision of natural gas transportation service with the Federal Electricity Commission ("CFE") on September 23, 2015, for which it is responsible for the construction and operation of the natural gas pipeline and transportation system and will provide transport services at the request of CFE from whom it will receive as consideration a single rate that includes all these concepts. CFE is the main carrier and has most of the pipeline's capacity; therefore, CGN determined that these agreements constitute a sale-type lease under IFRS 16. The contracts continue for a period of 25 years from the date of entry into service, which occurred on April 15, 2021. From the signing of the agreement, the CFE may terminate the contract in the event of an event of non-compliance in which CGN does not remedy within the corresponding period. In the event that the CFE terminates the contract, the CFE will demand the payment of the immediate and direct damages duly documented.

The lease is recorded in the balance sheet at the present value of future lease payments to be received, as determined by the service contracts, discounted at the annual interest rate implied in the lease, 13.70%. As the value of the investment in the lease and the value of the underlying asset were substantially equivalent, no gain or loss was recognized at the beginning of the lease.

CGN recognized $2,338,461, $2,166,726 y $2,532,199 in interest income for the year ended December 31, 2024, 2023 y 2022 respectively, to view the receivable of the current portion see Note 6 and the long-term portion see Statement of Financial Position.

The following table shows the lease future minimum payments in USD that are expected to be received in the following 4 years and afterwards.

Year 1	$126,648
Year 2	$125,443
Year 3	$124,065
Year 4	$122,491
Year 5 and afterwards	$1,423,886
	$1,922,533

8. Recoverable taxes

	2024		
Recoverable value added tax	$4,715,200	$3,761,120	$2,646,672
Recoverable income tax	$1,067,076	$1,202,847	$1,945,653
Other recoverable taxes	$687,650	$355,862	$1,012,317
	$6,469,926	**$5,319,829**	**$5,604,642**

9. Inventories

Raw materials and auxiliary materials	$6,047,525	$5,831,632	$5,176,156
Production-in-process	$2,427,732	$1,843,223	$2,289,616
Finished goods	$4,190,298	$3,135,894	$3,473,083
Goods in stores	$15,560,504	$14,198,185	$12,907,457
Land and housing construction in progress	$7,341	$20,286	$1,044
	$28,233,400	**$25,029,220**	**$23,847,356**
Goods in-transit	$1,162,761	$945,295	$1,333,389
Replacement parts and other inventories	$1,879,241	$1,868,709	$1,962,794
	$31,275,402	**$27,843,224**	**$27,143,539**

The costs of inventories recognized in results as a cost of sales are those shown in the consolidated statements of income and other comprehensive income as of December 31, 2024, 2023 and 2022, respectively.

10. Right-of-use assets

The Entity leases different properties. The average lease term in the commercial sector is 15 years, 8 years for the industrial sector, 4 years for the infrastructure and construction sector in 2024, 2023 and 2022 respectively, and 5 years for the Energy sector in 2024, 2023 and 2022.

The Entity has the option of purchasing certain manufacturing equipment for a nominal amount at the end of the lease period. The Entity's obligations are guaranteed by the lessor's title to the assets covered by these leases.

Expired contracts were replaced by new lease arrangements with identical underlying assets. This resulted in the addition of rights-of-use assets of $948,178, $957,587 y $552,421 in 2024, 2023 and 2022, respectively.

The maturity analysis of the lease liabilities is presented in Note 11.

Cost:		
Balance as of January 1st, 2022		$10,099,696
Additions		$1,150,035
Business Acquisition		$940,427
Disposals		$(277,579)
Balance as of December 31, 2022		$11,912,579
Additions		$1,451,853
Disposals		$(337,575)
Balance as of December 31, 2023		$13,026,857
Additions		$2,171,472
Business Acquisition		$1,018,192
Discontinuation		$(839,949)
Disposals		$(269,831)
	24	**$15,106,741**
Accumulated depreciation:		
Balance as of January 1st, 2022		$(4,467,870)
Charge of the year		$(1,311,842)
Disposals		$69,838
Balance as of December 31, 2022		$(5,709,874)
Charge of the year		$(1,470,877)
Disposals		$108,152
Balance as of December 31, 2023		$(7,072,599)
Depreciation of the period		$(2,070,147)
Discontinuation		$545,369
Disposals		$(15,448)
	24	**$(8,612,825)**
Net cost:		
	24	**$6,368,422**
	23	**$5,954,258**
	22	**$6,202,705**

	2024	2023	2022
Right-of-use asset depreciation expense	$2,070,147	$1,470,877	$1,311,842
Interest expense from lease liabilities	$619,526	$526,986	$489,162
Expense related to short-term leases	$218,532	$181,152	$62,053
Expense related to leases of low value assets	$2,002	$2,002	$2,002

The Entity has commitments of $1,688,068, $1,438,687 and $1,886,957 and as of December 31, 2024, 2023 and 2022, respectively, for short-term leases; the total cash outflows for these leases are a $1,711,865, $2,224,880 and $1,935,324 for 2024, 2023 and 2022, respectively.

11. Lease liabilities

	2024		
Maturity analysis:			
Year 1	$2,327,171	$1,891,169	$2,377,601
Year 2	$1,544,863	$1,463,353	$1,223,574
Year 3	$1,322,347	$1,074,636	$1,273,482
Year 4	$616,742	$833,779	$734,853
Year 5	$433,465	$385,146	$591,840
Subsequent years	$2,141,276	$1,820,084	$2,121,142
	$8,385,864	**$7,468,167**	**$8,322,492**
Less: Unaccrued interest	$(1,887,870)	$(1,738,903)	$(1,797,041)
	$6,497,994	**$5,729,264**	**$6,525,451**
Analyzed as:			
Non-current	$4,326,310	$4,169,837	$4,572,724
Current	$2,171,684	$1,559,427	$1,952,727
	$6,497,994	**$5,729,264**	**$6,525,451**

12. Financial risk management

The Entity's Corporate Treasury function offers services to businesses, coordinates access to domestic and international financial markets, supervises and manages the financial risks related to the Entity's operations through internal risk reports, which analyze risk exposure by level and magnitude. These risks include the market risk (including the exchange rate risk, interest rate risk at fair value and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Entity is exposed to market, operating and financial risks derived from the use of financial instruments such as interest rate, credit, liquidity and exchange risks, which are managed centrally by the corporate treasury. The Entity seeks to minimize its exposure to these risks by using derivative financial instrument hedges. The use of derivative financial instruments is governed by the Entity's policies, approved by the Board of Directors, which establish the principles for their contracting. Compliance with these policies and exposure limits is continually reviewed by the internal audit area.

At December 31, 2024, 2023 and 2022, financial instrument classes and amounts are as follows:

	2024		
Financial assets:			
Cash and cash equivalents	$16,241,709	$16,347,047	$12,294,643
Measured at amortized cost:			
• Short and long-term accounts receivable	$40,713,827	$36,011,774	$31,512,369
• Accounts receivable from related parties	$2,570,547	$6,744,929	$7,656,579
Measured at fair value:			
• Derivative financial instruments	$43,490	$676,244	$1,021,348
• Net investment in leased asset	$18,963,788	$15,595,095	$17,876,898
Financial liabilities:			
Measured at amortized cost:			
• Loans with financial institutions, other liabilities and long-term debt	$47,657,160	$45,750,302	$42,790,350
• Accounts payable to suppliers	$21,500,712	$18,653,841	$17,214,822
• Accounts payable to related parties	$2,230,078	$1,540,570	$806,246
• Other accounts payable	$4,520,260	$3,868,139	$4,615,502
• Lease Liabilities	$6,497,994	$5,729,264	$6,525,451
Measured at fair value:			
• Derivative financial instruments	$14,611	$14,328	$1,753

The Board of Directors establishes and monitors the policies and procedures used to measure risks, which are described below:

a. *Capital risk management –* The Entity manages its capital to ensure that it will continue as a going concern, while maximizing stockholders' returns by optimizing debt and equity balances. The Entity's capital structure is composed by its net debt (primarily the bank loans and securitization certificates detailed in Note 20) and stockholders' equity (issued capital, capital reserves, retained earnings and non-controlling equity detailed in Note 25). The Entity is not subject to any kind of capital requirement.

Leverage level

The leverage level at year-end is as follows:

	2024		
Debt	$47,657,160	$45,750,302	$42,790,350
Cash and cash equivalents (including cash and bank balances in a disposal group held for sale)	$(16,241,709)	$(16,347,047)	$(12,294,643)
Net debt	$31,415,451	$29,403,255	$30,495,707
Net worth	$142,341,968	$128,456,544	$120,888,370
Ratio of net debt to net worth	22.1%	22.9%	25.2%

Debt is defined as long and short-term loans (excluding derivatives and financial collateral contracts), as detailed in note 20.

Net worth includes all the capital and reserves of the Entity which are managed as capital of its controlling interest.

b. *Interest rate risk management –* The Entity is exposed to interest rate risks from customer loans and financial debt contracted at variable rates. The Entity has short-term loans primarily for working capital and, in certain cases, has long-term loans that are intended for projects, the completion of which will enable it to fulfill its obligations. In some cases, depending on the proportion of short-term debt and long term, interest rate hedges (swap contracts) are contracted. Hedging activities are regularly evaluated to ensure that they are properly aligned with interest rates and the respective risks, and to facilitate the application of more profitable hedge strategies. Hedge contracts are detailed in Note 14.

The Entity's exposure to interest rate risks is primarily based on the Mexican Interbank Rate (TIIE) applicable to financial liabilities and its customer portfolio. Accordingly, it periodically prepares a sensitivity analysis by considering the net variable interest rate exposure of its customer portfolio and financial liabilities; it also prepares an analysis based on the amount of outstanding credit at the end of the period.

If benchmark interest rates had increased or decreased by 100 basis points in each reporting period and all other variables had remained constant, the pretax profit of 2024, 2023 and 2022 would have increased or decreased by approximately $433,508, $398,564 and $367,266 respectively.

c. *Exchange risk management –*

i. The Entity performs transactions denominated in foreign currency; accordingly, it is subject to exposure derived from exchange rate fluctuations. As its functional currency is primarily the Mexican peso, it is exposed to risk resulting from the Mexican peso – US dollar exchange rate, which is utilized for commercial and financing operations. In some cases, these transactions are subject to a natural hedge while, in other cases, these transactions are hedged by contracting currency forwards. Given that the Entity has investments in foreign subsidiaries, the functional currency of which is not a Mexican peso, it is exposed to a foreign currency translation risk. Likewise, monetary assets and liabilities have been contracted in different currencies, essentially the US dollar, Euro and Brazilian real, thus generating exposure to a foreign exchange risk, which is naturally hedged by the same business operations. The carrying values of monetary assets and liabilities denominated in foreign currency and which primarily generate exposure for the Entity at the end of the reporting period, are as follows (figures in thousands):

	2024	2023	2022	2024	2023	2022
U.S. dollar (US)	$793,411	$1,140,844	$1,204,505	$1,647,644	$2,198,159	$1,682,224
Euro (EU)	$4,884	$4,099	$6,849	$9,876	$8,626	$9,036
Brazilian reals (RA)	$153,135	$168,511	$154,126	$243,387	$287,842	$257,471
Colombian peso (COL)	$111,101,304	$127,514,392	$67,112,495	$146,460,000	$152,453,081	$87,856,366
Peruvian sol (PEN)	$68,917	$65,580	$60,280	$101,911	$94,332	$92,170

Foreign Currency sensitivity analysis

The following table indicates the Entity's sensitivity to a 10% increase or decrease of the Mexican peso versus the US dollar and other foreign currencies. This percentage is the sensitivity rate used to internally report the exchange rate risk to key management personnel and also represents management's evaluation of the possible fair value change of exchange rates. The sensitivity analysis only includes monetary items denominated in foreign currency and adjusts their translation at the end of the period by applying a 10% fluctuation; it also includes external loans. A negative or positive figure, respectively (as detailed in the following table), indicates a (decrease) or increase in net income derived from a decrease in the value of the Mexican peso of 10% with regard to the US dollar (figures in thousands):

	2024	2023	2022	2024	2023	2022	2024	2023	2022
USD	-	-	-	$79,341	$114,084	$120,451	$164,764	$219,816	$168,222
EU	$665	$(154)	$(4,137)	$488	$410	$685	$988	$863	$904
RA	-	-	-	$15,314	$16,851	$15,413	$24,339	$28,784	$25,747
COP	-	-	-	$11,110,130	$12,751,739	$6,711,250	$14,646,000	$15,245,308	$8,785,637
PEN	-	-	-	$6,892	$6,558	$6,028	$10,191	$9,433	$9,217

1) (1) Represents the results of changes to the fair value of derivative instruments designated as cash flow hedges.

ii. *Forwards contracts denominated in foreign currency*
The Entity designated certain forwards contracts denominated in foreign currency as cash flow hedges intended for the acquisition of raw materials.

The following table indicates the forwards contracts denominated in foreign currency in effect at the end of the reporting period:

	2024	2023	2022	2024	2023	2022	2024	2023	2022
Euro purchase *More than 12 months*	$19.7959	$19.2099	$21.2138	$8,050	$4,200	$8,050	$(9,501)	$2,195	$5,209
Dollar purchase *More than 12 months*	$18,3001	$17.7657	$20,1250	-	$94,090	$94,050	-	$(13,542)	$53,319

d. ***Credit risk management –*** Note 6 details the Entity's maximum credit risk exposure and the measurement bases used to determine expected credit losses.

Credit risk refers to the risk that one of the parties will default on its contractual obligations, thus resulting in a financial loss for the Entity, which essentially arises from accounts receivable with customers and liquid funds. The credit risk related to cash and cash equivalents and derivative financial instruments is limited because counterparties are banks with high credit ratings assigned by credit rating agencies. The maximum credit risk exposure is represented by the Entity's balance in accounting. The other credit risk exposure is represented by the balance of each financial asset, mainly with regard to commercial receivables. The Entity sells its products and/or services to customers who have demonstrated their economic solvency. It periodically evaluates its customers' financial conditions and maintains collection insurance contracts for domestic and export sales. Accordingly, the Entity does not consider that there is a significant risk of loss from a concentration of credit in its commercial sector customer base, which is composed by 2,081,805 customers that do not represent a concentration risk in the individual, industrial and infrastructure and construction sectors, although the of credit concentration risk is higher.

e. ***Liquidity risk management –*** The Entity's Corporate Treasury is ultimately responsible for liquidity management and has established appropriate policies to control this aspect by monitoring working capital, managing short, medium and long-term funding requirements, maintaining cash reserves and available credit lines, continuously monitoring cash flows (projected and actual) and reconciling the maturity profiles of financial assets and liabilities.

The following table details the remaining contractual maturities of the Entity's non-derivative financial liabilities, based on contractual repayment periods. Contractual maturities are based on the dates on which the Entity must make each payment.

The amounts contained in the debt with credit institutions include the fixed and variable interest rate instruments detailed in Note 20. If changes in variable interest rates differ from the estimated interest rates determined at the end of the reporting period, they are presented at fair value. The Entity expects to meet its obligations with cash flows from operations and resources received from the maturity of financial assets.

	interest rate		years		
Loans with financial institutions and other entities	MX 12.00 % USD 6.00 %	$ 12,375,635	$ 17,243,556	$ 18,037,969	**$47,657,160**
Accounts payable to suppliers		$21,500,712	-	-	**$21,500,712**
Accounts payable to related parties					
Other accounts payable and		$2,244,256	-	-	**$2,244,256**
accrued liabilities		$4,520,260	-	-	**$4,520,260**
Lease liabilities		$2,327,171	$2,867,210	$3,191,483	**$8,385,864**
Derivative financial instruments		$14,611	-	-	**$14,611**
		$42,982,645	**$20,110,766**	**$21,229,452**	**$84,322,863**

	interest rate		years		
Loans with financial institutions and other entities	MX 12.29% USD 5.35%	$19,097,178	$15,053,969	$11,599,155	**$3,039,009**
Accounts payable to suppliers		$18,653,841	-	-	**$18,653,841**
Accounts payable to related parties					
Other accounts payable and		$1,540,570	-	-	**$1,540,570**
accrued liabilities		$3,868,139	-	-	**$3,868,139**
Lease liabilities		$1,891,169	$2,537,989	$3,039,009	**$7,468,167**
Derivative financial instruments		$786	$13,542	-	**$14,328**
		$45,051,683	**$17,605,500**	**$14,638,164**	**$77,295,347**

	interest rate		years		
Loans with financial institutions and other entities	MX 9.24% USD 3.93%	$15,517,126	$12,844,131	$ 14,429,093	**$42,790,350**
Accounts payable to suppliers		$17,214,822	-	-	**$17,214,822**
Accounts payable to related parties					
Other accounts payable and		$806,246	-	-	**$806,246**
accrued liabilities		$4,615,502	-	-	**$4,615,502**
Lease liabilities		$2,377,601	$2,497,056	$3,447,835	**$8,322,492**
Derivative financial instruments		$1,753	-	-	**$1,753**
		$40,533,050	**$15,341,187**	**$17,876,928**	**$73,751,165**

f. *Commodities risk –* The Entity has executed commodities contracts to cover risks derived from the price fluctuations of certain metals.

Market risk exposure is measured by performing a sensitivity analysis. There have been no changes in market risk exposure or the manner in which those risks are being managed and measured.

13. Financial instruments

The following table combines information about:

- Classes of financial instruments based on their nature and characteristics;
- The carrying amounts of financial instruments;
- Fair values of financial instruments (except in the case of financial instruments when their book value approaches their fair value); and
- Levels of fair value hierarchy of financial assets and financial liabilities for which fair value was disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which fair value is observable:

- Level 1 fair value measurements are those derived from the prices listed (unadjusted) on active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than the listed prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., price derivatives); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

a. *Fair value of the Entity's financial assets and financial liabilities that are measured at fair value on a recurring basis*

Some of the Entity's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table provides information on the manner in which the fair values of these financial assets and financial liabilities are determined (more specifically, the valuation techniques and inputs used).

financial liabilities	31/12/24	31/12/23	31/12/22	hierarchy	
1) Foreign currency forward contracts (see Note 14) (i)	Liabilities- $(9,501)	Liabilities- $(11,347)	Assets - $58,528	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange rates (according to observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2) Interest rate swaps, copper and aluminum purchases (see Note 14) (i)	Assets - $38,380	Assets - $673,263	Assets - $58,528	Level 2	Discounted cash flows.

(i) Represents financial instruments that, following their initial recognition, are measured at fair value and grouped into levels ranging from 1 to 3 to the extent that their fair value is observed, whereby the Level 2 instruments derived from indicators other than listed prices, but which include observable indicators for the asset or liability, whether directly or indirectly resulting from these listed prices. During the years ended December 31, 2024, 2023 and 2022, there were no transfers between levels and all three years were classified as Level 2.

b. *Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis*
The fair value of the financial instruments presented below has been determined by the Entity using available market information or other valuation techniques that require judgment to develop and interpret fair value estimates. It also utilizes assumptions based on existing market conditions at each of the dates of the statement of changes in financial position. Consequently, the estimated amounts presented are not necessarily indicative of the amounts the Entity could realize in a current market transaction. The use of different assumptions and / or estimation methods may have a material effect on estimated fair value amounts.

The amounts of the Entity's cash and cash equivalents, as well as its accounts receivable and payable stitutions and long-term debt approximate their fair value because they have short-term maturities.

The Entity's long-term debt is recorded at applied cost and includes debt that accrues fixed and variable interest according to market indicators.

Listed market prices or quotations provided by operators for similar instruments are used to obtain and disclose the fair value of long-term debt. In order to determine the fair value of other financial instruments, techniques like estimated cash flows are used, while considering cash flow dates in intertemporal market curves and discounting these cash flows by using rates that reflect the counterparty risk and the Entity's risk during the reference period.

The fair value of interest rate swaps is calculated as the present value of future estimated net cash flows. The fair value of currency futures is determined using listed forward exchange rates at the date of the statement of changes in financial position.

The carrying amounts of financial instruments by class and their estimated fair values are as follows:

	Carrying amounts	Fair value	Carrying amounts	Fair value	Carrying amounts	Fair value
Financial assets:						
Cash and cash equivalents	$16,241,709	$16,241,709	$16,347,047	$16,347,047	$12,294,643	$12,294,643
Accounts and loans receivable:						
Short and long-term accounts receivable	$80,664,192	$80,664,192	$63,814,957	$69,018,465	$55,795,823	$57,771,664
Accounts receivable with related parties	$2,570,547	$2,570,547	$6,744,929	$6,744,929	$7,656,579	$7,656,579
Accounts and notes payable:						
Short and long-term loans payable to financial institutions including long-term and other debt	$(26,957,160)	$(26,957,160)	$(31,050,302)	$(31,628,099)	$(37,290,350)	$(37,835,628)
Securitization certificates	$(20,700,000)	$(20,700,000)	$(14,700,000)	$(15,179,102)	$(5,500,000)	$(5,507,210)
Accounts payable to suppliers	$(21,500,712)	$(21,500,712)	$(18,653,841)	$(18,653,841)	$(17,214,822)	$(17,214,822)
Accounts payable to related parties	$(2,230,078)	$(2,230,078)	$(1,540,570)	$(1,540,570)	$(806,246)	$(806,246)
Lease liabilities	$(6,497,994)	$(6,497,994)	$(5,729,264)	$(7,468,167)	$(6,525,451)	$(8,322,492)
Other accounts payable	$(4,520,260)	$(4,520,260)	$(3,868,139)	$(3,868,139)	$(4,615,502)	$(4,615,502)
Total	**$17,070,244**	**$15,607,346**	**$11,364,817**	**$13,772,523**	**$3,794,674**	**$3,420,986**

The fair values shown at December 31, 2024, 2023 and 2022, except for accounts receivable involving commercial sector customers and securitization certificates, do not differ from the respective carrying amounts because the observed market values are similar to those recorded in these periods.

14. Derivative financial instruments

The purpose of contracting derivative financial instruments is: (i) to partially hedge the exposure to financial risks due to exchange rates, interest rates and prices of certain metals; or (ii) the expectation of a good financial return derived from the behavior of the underlying. The decision to contract an economic or financial hedge is based on current market conditions, the expectation of market conditions at a given date, and the domestic and international economic context of the economic indicators that influence the Entity's operations.

Transactions involving currency and interest rate forwards and swaps are summarized below:

Instrument	Designated as	Amount ('000)	Unit	Maturity	Asset (liability)	Financial cost of the year	Financial cost of prior years	(Gain) loss on settlement
Swaps TIIE to fixed	Trading Purchase	$3,650,000	Pesos	During 2024	-	$143,519	$(143,519)	$(169,681)
					-	**$143,519**	**$(143,519)**	**$(169,681)**
					$143,519	**$145,632**	**$(289,151)**	**$(223,546)**
					$289,151	**$(285,223)**	**$(3,928)**	**$(43,810)**

Open and settled transactions involving currency hedge forwards are summarized below:

Instrument	Amount ('000)	Unit	Maturity	Asset (liability)	Comprehensive income	(Gain) loss on settlement Cost of sales
Dollar forwards purchase	94,090	Thousand Dollars	December 2025	-	-	$(16,651)
Dollar forwards purchase	25,000	Thousand Dollars	February 2023	-	-	$(44,376)
Euro forwards purchase	5,850	Thousand Euros	December 2025	$(5,738)	$4,016	$2,745
Euro forwards sale	2,200	Thousand Euros	June 2025	$(3,763)	$2,635	-
				$(9,501)	**$6,651**	**$(58,282)**
				$(11,347)	**$7,943**	**$(4,561)**
				$58,528	**$(41,370)**	**$12,088**

Transactions involving interest rate swaps are summarized below:

Instrument	Monto(´000)	Unit	Maturity	Asset (liability)	Comprehensive income	(Gain) loss on Settlement financial cost
Fixed-rate TIIE swaps	$854,682	Pesos	September 2029	$43,210	$(30,247)	$40,464
Fixed-rate LIBOR swaps	$367,545	Dollars	January 2035	-	-	$(697,836)
				$43,210	**$(30,247)**	**$(657,372)**
				$527,136	**$(368,995)**	**$(102,001)**
				$660,443	**$(462,311)**	**$137,454**

The open and settled transactions involving metal hedge swaps are summarized below:

Instrument	Monto(´000)	Unit	Maturity	Asset (liability)	Comprehensive income	(Gain) loss on Settlement financial cost
Copper swaps purchase	$924	Tons	August 2025	$(5,049)	$3,534	$668
Copper swaps purchase	$532	Tons	During 2024	-	-	$(4,352)
Zinc Swaps purchase	$195	Tons	January to December 2024	$322	$(226)	$573
Nickel Swaps purchase	$18	Tons	January 2025	$(172)	$121	$93
Aluminum Swaps purchase	$2,722	Tons	January to August 2025	$69	$(48)	-
Aluminum Swaps purchase	$25	Tons	During 2024	-	-	$160
				$(4,830)	**$3,381**	**$(4,004)**
				$2,608	**$(2,377)**	**$5,364**
				$11,473	**$(17,711)**	**$82,807**

15. Property, plant and equipment

The reconciliation carrying amounts at the start and end of 2024, 2023 and 2022 is as follows:

Investment:							
Land	$6,548,469	$56,467	-	-	$(83,129)	$218,743	$6,740,550
Mineral resources	$2,736,087	-	-	-	$(525,983)	$366,007	$2,576,111
Buildings and constructions	$38,474,527	$419,004	-	$(185,373)	$(1,850,228)	$3,223,576	$40,081,506
Machinery and equipment	$52,709,052	$623,189	-	$(512,962)	$(1,758,739)	$2,533,156	$53,593,696
Tangible assets for exploration and evaluation	-	$1,343,727	$11,246,515	-	-	$(736,193)	$11,854,049
Furniture and fixtures	$7,253,723	$445,149	-	$(28,625)	$(1,922)	$19,581	$7,687,906
Computer equipment	$2,650,850	$128,680	-	$(98,019)	$28,857	$27,906	$2,738,274
Vehicles	$2,251,428	$179,407	-	$(117,879)	$(56,054)	$32,081	$2,288,983
Construction in process	$7,210,931	$3,280,385	$742,278	$(135,414)	$(3,637,977)	$2,984,136	$10,444,339
	$119,835,067	***$6,476,008***	***$11,988,793***	***$(1,078,272)***	***$(7,885,175)***	***$8,668,993***	***$138,005,414***
Accumulated depreciation:							
Mineral resources	$(256,543)	$(12,916)	-	-	$100,626	$(35,383)	$(204,216)
Buildings and constructions	$(17,229,188)	$(1,122,374)	-	$128,209	$794,816	$(1,125,006)	$(18,553,543)
Machinery and equipment	$(31,822,651)	$(2,482,563)	-	$459,401	$1,829,995	$(990,602)	$(33,006,420)
Tangible assets for exploration and evaluation	-	$(500,650)	$(2,482,015)	-	-	$(432,421)	$(3,415,086)
Furniture and fixtures	$(5,725,506)	$(334,620)	-	$26,139	$5,560	$(14,584)	$(6,043,011)
Computer equipment	$(2,301,210)	$(139,459)	-	$98,012	$15,061	$(28,790)	$(2,356,386)
Vehicles	$(1,167,576)	$(228,349)	-	$92,458	$165,486	$(36,695)	$(1,174,676)
	$(58,502,674)	***$(4,820,931)***	***$(2,482,015)***	***$804,219***	***$2,911,544***	***$(2,663,481)***	***$(64,753,338)***
Impairment:							
Land	$(16,497)	-	-	-	-	-	$(16,497)
Buildings and constructions	$(250,393)	$13,836	-	-	-	$51,117	$(185,440)
Machinery and equipment	$(1,654,861)	$(181)	-	$11,027	$1,213,963	$(312,280)	$(742,332)
Furniture and fixtures	$(72,105)	$7,034	-	-	-	$1	$(65,070)
Computer equipment	$(13,740)	$44	-	-	$40	$(51)	$(13,707)
Vehicles	$(496)	-	-	-	-	-	$(496)
	$(2,008,092)	***$20,733***	**-**	***$11,027***	***$1,214,003***	***$(261,213)***	***$(1,023,542)***
Net investment							

Investment:							
Land	$6,654,631	-	-	$(20,113)	$14,802	$(100,851)	$6,548,469
Mineral resources	$3,003,749	-	-	-	-	$(267,662)	$2,736,087
Buildings and constructions	$40,201,730	$501,319	-	$(104,516)	$146,471	$(2,270,477)	$38,474,527
Machinery and equipment	$53,086,615	$253,980	-	$(558,979)	$1,187,841	$(1,260,405)	$52,709,052
Furniture and fixtures	$7,030,179	$323,903	-	$(100,979)	$(1,743)	$2,363	$7,253,723
Computer equipment	$2,611,152	$72,945	-	$(48,016)	$34,924	$(20,155)	$2,650,850
Vehicles	$1,722,253	$147,226	-	$(168,809)	$580,248	$(29,490)	$2,251,428
Construction in process (1)	$5,310,724	$4,251,413	-	$(92,682)	$(2,020,000)	$(238,524)	$7,210,931
	$119,621,033	***$6,476,008***	**-**	***$(1,094,094)***	***$(57,457)***	***$(4,185,201)***	***$119,835,067***
Accumulated depreciation:							
Mineral resources	$(271,791)	$(10,356)	-	-	-	$25,604	$(256,543)
Buildings and constructions	$(16,899,358)	$(1,116,490)	-	$307,149	$13,708	$465,803	$(17,229,188)
Machinery and equipment	$(31,367,178)	$(2,338,169)	-	$494,998	$549,218	$838,480	$(31,822,651)
Furniture and fixtures	$(5,517,249)	$(310,826)	-	$98,076	$3,927	$566	$5,725,506)
Computer equipment	$(2,252,086)	$(113,117)	-	$46,117	$5,953	$11,923	$(2,301,210)
Vehicles	$(1,084,913)	$(218,984)	-	113,908	$5,687	$16,726	$(1,167,576)
	$(57,392,575)	***$(4,107,942)***	**-**	***$1,060,248***	***$578,493***	***$1,359,102***	***$(58,502,674)***
Impairment:							
Land	$(16,497)	-	-	-	-	-	$(16,497)
Buildings and constructions	$(148,666)	$(101,727)	-	-	-	-	$(250,393)
Machinery and equipment	$(457,316)	$(663,027)	-	$107,421	$(439,464)	$(202,475)	$(1,654,861)
Furniture and fixtures	$(63,038)	$(9,067)	-	-	-	-	$(72,105)
Computer equipment	$(13,650)	$(77)	-	-	$(13)	-	$(13,740)
Vehicles	$(496)	-	-	-	-	-	$(496)
	$(699,663)	***(773,898)***	**-**	***$107,421***	***$(439,477)***	***$(202,475)***	***$(2,008,092)***
Net investment							

Investment:							
Land	$3,805,511	-	$3,010,155	$(235)	$50,823	$(211,623)	$6,654,631
Mineral resources	-	-	$3,134,489	-	-	$(130,740)	$3,003,749
Buildings and constructions	$30,624,615	$465,361	$10,019,860	$(106,406)	$250,223	$(1,051,923)	$40,201,730
Machinery and equipment	$21,613,122	$259,212	$31,011,624	$(358,564)	$1,375,009	$(813,788)	$53,086,615
Furniture and fixtures	$6,845,669	$211,259	$103,692	$(123,875)	-	$(6,566)	$7,030,179
Computer equipment	$2,230,072	$156,259	$207,870	$(37,828)	$66,119	$(11,340)	$2,611,152
Vehicles	$1,133,497	$199,457	$333,200	$(66,161)	$136,092	$(13,832)	$1,722,253
Construction in process	$962,358	$3,944,572	$1,773,539	$(26,987)	$(1,947,746)	$604,988	$5,310,724
	$67,214,844	***$5,236,120***	***$49,594,429***	***$(720,056)***	***$(69,480)***	***$(1,634,824)***	***$119,621,033***
Accumulated depreciation:							
Mineral resources	-	$(9,394)	$(274,805)	-	-	$12,408	$(271,791)
Buildings and constructions	$(12,472,873)	$(1,004,560)	$(3,764,419)	$39,443	$900	$302,151	$(16,899,358)
Machinery and equipment	$(13,941,462)	$(1,916,518)	$(16,327,239)	$352,216	$99,307	$366,518	$(31,367,178)
Furniture and fixtures	$(5,188,120)	$(328,691)	$(74,405)	$63,762	$1,339	$8,866	$(5,517,249)
Computer equipment	$(2,007,504)	$(110,590)	$(165,148)	$23,149	$5,061	$2,946	$(2,252,086)
Vehicles	$(801,261)	$(129,254)	$(233,954)	$71,044	$2,164	$6,348	$(1,084,913)
	$(34,411,220)	***$(3,499,007)***	***$(20,839,970)***	***$549,614***	***$108,771***	***$699,237***	***$(57,392,575)***
Impairment:							
Land	$(16,497)	-	-	-	-	-	$(16,497)
Buildings and constructions	$(111,596)	$(37,070)	-	-	-	-	$(148,666)
Machinery and equipment	$(121,413)	$(355,093)	-	$5,146	$1,598	$12,446	$(457,316)
Furniture and fixtures	$(34,386)	$(28,678)	-	-	$26	-	$(63,038)
Computer equipment	$(13,454)	$(196)	-	-	-	-	$(13,650)
Vehicles	$(496)	-	-	-	-	-	$(496)
	$(297,842)	***$(421,037)***	***-***	***$5,146***	***$1,624***	***$12,446***	***$(699,663)***
Net investment							

Total transfers to investment properties during 2024, 2023 and 2022 were $56,139, $22,235 and $88,317, respectively.

(1) As of December 31, 2023 and 2022, the Projects in process category includes 2 platforms named El Centenario and La Muralla IV (which will be called Independencia II and Independencia III).

16. Investment properties

Investment property movements:

Balance at the start of the year	$4,958,956	$4,766,120	$4,601,226
Additions	-	-	$59,863
Transfers	$(56,139)	$22,235	$(88,317)
Fair value adjustments applied to investment properties	$240,832	$170,601	$193,348
Balance at the end of the period	***$5,143,649***	***$4,958,956***	***$4,766,120***

Grupo Carso fully owns all its investment properties.

Grupo Carso uses valuations performed by independent expert appraisers the necessary qualifications and relevant experience as regards the locations and categories of the investment properties it maintains.

Valuation is based on different techniques with the following approaches:

Through its subsidiaries, the Entity has two shopping malls, Loreto and Plaza Inbursa, located in Mexico City, which generate rental income that is recognized in results as rentals are accrued, for the amounts of $210,118, $196,905 and $176,321 for the years ended December 31, 2024, 2023 and 2022, respectively. At December 31, 2024, 2023 and 2022, the occupancy rate of shopping centers is of 77%, 71% and 71%, respectively.

Direct operating expenses including maintenance costs incurred for the investment properties are recognized in results and represent approximately 50%, 48% y 55% of rental income for years ended December 31, 2024, 2023 and 2022, respectively.

When estimating the fair value of its real property, the Entity considered highest and best use of its properties is their current use.

Details of the Entity investment properties and information regarding the fair value hierarchy as of December 31, 2024, 2023 and 2022 are as follows:

	Level 3	Fair value	Level 3	Fair value	Level 3	Fair value
Shopping malls located in Mexico City	$2,520,631	$2,520,631	$2,519,550	$2,519,550	$2,495,808	$2,495,808
Land located in Baja California and other areas (1)	$1,593,742	$1,593,742	$1,622,051	$1,622,051	$1,502,483	$1,502,483
Land and buildings	$1,029,276	$1,029,276	$817,355	$817,355	$767,829	$767,829
Total						

(1) Investment properties are composed by land located in Baja California, land and industrial buildings in the State of Mexico, Querétaro and Guanajuato.

The following information is relevant for investment properties classified as Level 3 of the fair value hierarchy:

Commercial units located in Mexico City	Comparable sales approach in 2024 and 2023 and replacement cost approach in 2022.	As of December 31, 2024 and 2023, the fair value was determined based on the comparable sales approach, which reflects the sales of a similar asset adjusted for the characteristics of the asset, as of December 31, 2022, fair value was determined according to the replacement cost approach, which reflects the acquisition or construction price of the replacement asset s with a comparable profit, adjusted for obsolescence. Monthly rent considering differences in locations and individual factors such as frontage and size, between properties comparable to an average.	A slight increase in materials prices would result in a significant fair value increase and vice versa. A slight increase in the capitalization rate used would result in a significant fair value decrease, and vice versa.
Land	Market approach	No appraisals have been performed during the last 3 years because market conditions have not changed and are not expected to change in the following periods.	A significant lease market increase would result in a significant in fair value increase and vice versa.

17. Investment in associated entities and joint ventures and other

a. The main associated entities, businesses, other joint ventures and their priority activities are as follows:

Talos Energy México 7, S. de R. L. de C. V.	49.90	49.90	-	Mexico	Exploration, drilling, and extraction of hydrocarbons.
Inmuebles SROM, S. A. de C. V.	14.00	14.00	14.00	Mexico	Leasing of real estate
Miniso BF Holding S. R. L. de C. V.	33.27	33.27	33.27	Mexico	Operation of multi-category low-cost product stores under specialized franchise models.
Aerofrisco, S. A. De C. V.	18.21	18.21	18.21	Mexico	Air transportation of cargo and passengers.
Infraestructura y Saneamiento Atotonilco, S. A. de C. V. (joint venture)	42.50	42.50	42.50	Mexico	Construction of wastewater treatment plant.
Constructora MT de Oaxaca, S. A. de C. V. (joint venture)	40.00	40.00	40.00	Mexico	Road construction.
Trans-Pecos Pipeline, LLC (joint venture)	51.00	51.00	51.00	United States	Natural gas transportation via pipelines.
Comanche Trail Pipeline, LLC (joint venture)	51.00	51.00	51.00	United States	Natural gas transportation via pipelines.
GMéxico Transportes, S. A. B. de C. V.	5.14	5.14	15.14	Mexico	Railway transportation.
Grupo Cuprum, S. A. P. I. de C. V. (Cuprum)	7.50	7.50	7.50	Mexico	Manufacturing of aluminum products.

b. The recognition of the equity method for the main associated entities, joint ventures and other entities was as follows:

Talos Energy México 7, S. de R. L. de C. V. (6)	$1,336,192	$(197,840)	%49.90	$2,281,810	$(112,304)
Inmuebles SROM, S. A. de C. V.	$15,255,265	$144,764	%14.00	$2,135,736	$144,764
Miniso BF Holding, S. de R. L. de C. V.	$1,625,291	$962,910	%33.27	$1,300,396	$336,012
Aerofrisco, S. A. de C. V. (4)	$2,556,310	$(11,496)	%18.21	$465,547	$(2,094)
Infraestructura y Saneamiento Atotonilco, S. A. de C. V.	$(151,685)	$(17,567)	%42.50	$(64,466)	$(7,466)
Constructora MT de Oaxaca, S. A. de C. V.	$(176,918)	$(5,148)	%40.00	$(70,767)	$(2,059)
Trans-Pecos Pipeline, LLC. (2)	$9,799,502	$988,131	%51.00	$4,997,746	$503,947
Comanche Trail Pipeline, LLC. (3)	$7,353,053	$759,792	%51.00	$3,750,057	$387,494
Other associates (5)				$501,874	$59,404
associated entities ventures				***$15,297,933***	***$1,307,698***
Other investments				$4,791	-
associated entities				***$15,302,724***	***$1,307,698***
Entities at market value				**Valor Razonable**	
GMéxico Transportes, S. A. B. de C. V.			%15.14	$21,684,079	-
Cuprum (1)			%7.50	$528,760	-
				$22,212,839	**-**
Total investment in associated entities, joint ventures and other entities					

Talos Energy México 7, S. de R.L. de C. V. (6)	$1,179,054	$7,563	%49.90	$2,165,941	$3,774
Inmuebles SROM, S. A. de C. V.	$14,221243	$746,119	%14.00	$1,990,974	$104,456
Miniso BF Holding, S. de R. L. de C. V.	$739,075	$813,670	%33.27	$1,005,532	$271,676
Aerofrisco, S. A. De C. V. (4)	$2,567,806	$(159,551)	%18.21	$467,641	$(29,057)
Infraestructura y Saneamiento Atotonilco, S. A. de C. V.	$(134,118)	$5,471	%42.50	$(57,000)	$2,325
Constructora MT de Oaxaca, S. A. de C. V.	$(171,770)	$10,658	%40.00	$(68,708)	$4,263
Trans-Pecos Pipeline, LLC (2)	$7,879,794	$799,618	%51.00	$4,018,695	$407,805
Comanche Trail Pipeline, LLC (3)	$5,706,018	$851,314	%51.00	$2,910,069	$434,170
Other associated entities (5)				$271,860	$68,296
associated entities				***$12,705,004***	***$1,267,708***
Other investments				$4,385	-
associated entities				***$12,709,389***	***$1,267,708***
Entities at market value				**Fair value**	
GMéxico Transportes, S. A. B. de C.V.			%15.14	$25,440,166	-
Cuprum (1)			%7.50	$531,165	-
				$25,971,331	-
Total investment in associated entities, joint ventures and other entities					

Inmuebles SROM, S. A. de C. V.	$14,507,119	$1,031,086	%14.00	$2,030,996	$144,352
Miniso BF Holding, S. de R. L. de C. V.	$(48,444)	$242,239	%33.27	$776,785	$92,125
Aerofrisco, S. A. de C. V. (4)	$2,727,362	$397	%18.21	$496,698	$72
Infraestructura y Saneamiento Atotonilco, S. A. de C. V.	$(139,586)	$(4,360)	%42.50	$(59,324)	$(1,853)
Constructora MT de Oaxaca, S. A. de C. V.	$(182,428)	$8,530	%40.00	$(72,971)	$3,412
Trans-Pecos Pipeline, LLC (2)	$8,907,282	$955,573	%51.00	$4,542,714	$487,342
Comanche Trail Pipeline, LLC (3)	$6,069,092	$892,262	%51.00	$3,095,237	$455,053
Other associated entities (5)				$244,674	$122,902
associated entities				***$11,054,809***	***$1,303,405***
Other investments				$4,696	-
associated entities				***$11,059,505***	***$1,303,405***
Entities at market value				**Fair value**	
GMéxico Transportes, S. A. B. de C.V.			%15.14	$25,227,055	-
Cuprum (1)			%7.50	$468,675	-
					-
Total investment in associated entities, joint ventures and other entities					

(1) The investment in Cuprum shares includes goodwill amounting to $45,092.

(2) As of December 31, 2024, 2023 and 2022, the stock investment includes a dividend payment of $262,026 and a profit of $669,798, dividends of $283,617 and a profit of $428,961, dividends of $189,858 and a profit of $391,531, respectively, which are recognized as other comprehensive results in the consolidated income statement.

(3) As of December 31, 2024, 2023 and 2022, the stock investment includes a dividend payment of $157,132 and a profit of $462,206, dividends of $163,768 and a profit of $408,972, dividends of $188,238 and a profit of 346,675, respectively, which are recognized as other comprehensive results in the consolidated income statement.

(4) The investment in Aerofrisco shares includes goodwill amounting to $86,783.

(5) Within the heading of other associates in the result of the year includes the participation in the results from January to April 2022 of **Fortaleza** for $45,142 and Elementia for $11,498.

(6) The investment in Talos Energy Mexico 7 shares includes goodwill amounting to $1,615,050.

18. Other assets

Other assets are composed follows:

		2024		
Insurance and bonds	(a)	$781,804	$781,804	$781,804
Collaborative commission agreement		$159,604	$159,604	$159,604
Guarantee deposits		$144,691	$106,901	$92,155
Installation expenses		$1,444,496	$635,828	$548,233
Prepaid expenses		$57,166	$37,113	$28,114
Other expenses		$232,759	$686,268	$497,828
		$2,820,520	***$2,407,518***	***$2,107,738***
	tization	***$(1,783,501)***	***$(1,693,941)***	***$(1,551,129)***
Total		***$1,037,019***		

a. The insurance and bonds of CICSA have a duration based on the contracted projects which is an average of between 2 to 3 years.

The amortization recorded in results was $280,665, $142,812 and $177,325 in 2024, 2023 and 2022, respectively, of which $256,375, $122,900 and $80,816 is recognized as part of cost of sales at that date.

19. Intangible assets

Cost:							
Goodwill	Indefinite	$4,461,294	-	$1,494,932	$(334,398)	$78,331	$5,700,159
Commercial trademarks	15.5	$1,456,947	$16	-	$(1,223,926)	$204,517	$437,554
Exploration and evaluation	Indefinite	$3,868,152	$432,525	-	-	-	$4,300,677
Computer programs	5.83	$992,104	$32,551	-	$(119,265)	$(6,552)	$898,838
Licenses and franchises	4	$264,567	$23,874	-	-	$(3,874)	$284,567
Industrial property rights	10	$313,842	-	-	-	-	$313,842
Intangible assets under development	15	$89,349	$17,167	-	$(3,301)	-	$103,215
Exclusive distribution rights	10	$375,469	-	-	$(450,476)	$75,007	-
Non-compete contract	10	$545,269	-	-	$(597,823)	$99,541	$46,987
Other intangible assets	Indefinite	$320,376	-	-	$(11,800)	$99,394	$407,970
		$12,687,369	***$506,133***	***$1,494,932***	***$(2,740,989)***	***$546,364***	***$12,493,809***
Accumulated amortization:							
Commercial trademarks		$(86,522)	$(3,203)	-	$49,596	$(14,379)	$(54,508)
Exploration and evaluation		$(33,464)	-	-	-	-	$(33,464)
Computer programs		$(865,815)	$(44,096)	-	$111,651	$10,256	$(788,004)
Licenses and franchises		$(222,230)	$(22,831)	-	-	$(6,733)	$(251,794)
Industrial property rights		$(313,211)	-	-	-	-	$(313,211)
Intangible assets under development		$(69,356)	$(15,460)	-	-	-	$(84,816)
Exclusive distribution rights		$(225,438)	$(6,870)	-	$323,125	$(90,817)	-
Non-compete contract		$(403,827)	$(51,074)	-	$484,691	$(76,777)	$(46,987)
Other intangible assets		$(88,771)	$(2,174)	-	-	$(29,389)	$(120,334)
		$(2,308,634)	***$(145,708)***	**-**	***$969,063***	***$(207,839)***	***$(1,693,118)***
Impairment adjustments							
Exploration and evaluation		$(1,413,333)	-	-	-	-	$(1,413,333)
Total							

Cost:							
Goodwill	Indefinido	$4,518,576	-	--	-	$(57,282)	$4,461,294
Commercial trademarks	15.5	$1,606,383	$341	-	-	$(149,777)	$1,456,947
Exploration and evaluation	Indefinido	$3,879,679	-	-	$(37,843)	$26,316	$3,868,152
Computer programs	5.83	$978,640	$38,453	-	-	$(24,989)	$992,104
Licenses and franchises	4	$258,255	$6,063	-	-	$249	$264,567
Industrial property rights	10	$313,211	$631	-	-	-	$313,842
Intangible assets under development	15	$89,289	$2,250	-	-	$(2,190)	$89,349
Exclusive distribution rights	10	$426,265	-	-	-	$(50,796)	$375,469
Non-compete contract	10	$609,226	-	-	-	$(63,957)	$545,269
Other intangible assets	Indefinido	$317,934	-	-	-	$2,442	$320,376
		$12,997,458	***$47,738***	**-**	***$(37,843)***	***$(319,984)***	***$12,687,369***
Accumulated amortization:							
Commercial trademarks		$(89,213)	$(3,261)	-	-	$5,952	$(86,522)
Exploration and evaluation		$(33,464)	-	-	-	-	$(33,464)
Computer programs		$(837,570)	$(44,617)	-	-	$16,372	$(865,815)
Licenses and franchises		$(197,850)	$(28,969)	-	-	$4,589	$(222,230)
Industrial property rights		$(313,211)	-	-	-	-	$(313,211)
Intangible assets under development		$(65,187)	$(6,360)	-	-	$2,191	$(69,356)
Exclusive distribution rights		$(261,207)	$(7,559)	-	-	$43,328	$(225,438)
Non-compete contract		$(385,823)	$(49,582)	-	-	$31,578	$(403,827)
Other intangible assets		$(17,618)	$(1,908)	-	-	$(69,245)	$(88,771)
		$(2,201,143)	***$(142,256)***	**-**	**-**	***$34,765***	***$(2,308,634)***
Impairment adjustments							
Exploration and evaluation		$(1,413,333)	-	-	-	-	$(1,413,333)
Total							

Costo:							
Goodwill	Indefinido	-	-	$4,546,556	-	$(27,980)	$4,518,576
Commercial trademarks	15.5	$16,889	-	$1,662,781	-	$(73,287)	$1,606,383
Exploration and evaluation	Indefinido	$3,491,799	$387,880	-	-	-	$3,879,679
Computer programs	5.83	$137,110	-	$817,568	-	$23,962	$978,640
Licenses and franchises	4	$38,142	-	$209,181	-	$10,932	$258,255
Industrial property rights	10	$313,211	-	-	-	-	$313,211
Intangible assets under development	15	$88,552	-	-	-	$737	$89,289
Exclusive distribution rights	10	-	-	$457,115	-	$(30,850)	$426,265
Non-compete agreement	10	-	-	$653,621	-	$(44,395)	$609,226
Other intangible assets	Indefinido	$187,467	-	$172,593	-	$(42,126)	$317,934
		$4,273,170	***$387,880***	***$8,519,415***	**-**	***$(183,007)***	***$12,997,458***
Accumulated amortization:							
Commercial trademarks		$(10,526)	$(909)	$(79,355)	-	$1,577	$(89,213)
Exploration and evaluation		$(33,464)	-	-	-	-	$(33,464)
Computer programs		$(44,301)	$(22,856)	$(758,238)	-	$(12,175)	$(837,570)
Licenses and franchises		$(13,819)	$(17,744)	$(165,743)	-	$(544)	$(197,850)
Industrial property rights		$(313,211)	$0	-	-	-	$(313,211)
Intangible assets under development		$(61,331)	$(3,856)	-	-	-	$(65,187)
Exclusive distribution rights		-	$0	$(261,207)	-	-	$(261,207)
Non-compete agreement		-	$0	$(385,757)	-	$(66)	$(385,823)
Other intangible assets		$(8,565)	$0	$(9,053)	-	-	$(17,618)
		$(485,217)	***$(45,365)***	***$(1,659,353)***	**-**	***$(11,208)***	***$(2,201,143)***
Impairment adjustments							
Exploration and evaluation		$(1,413,333)	-	-	-	-	$(1,413,333)
Total							

20. Short and long-term debt

Are composed as follows:

Unsecured loans in Mexican pesos with current rates of 10.75% to 12.75% and dates of expiration in January 2023.	-	-	$7,693,852
Unsecured loans in Mexican pesos with current rates of 11.97% to 13.51% and due dates in January, February, July and November 2024.	-	$11,073,302	-
Unsecured loans in Mexican pesos with current rates ranging from 10.7429% to 12.22% and maturity dates in January, March, and June 2025.	$5,840,762	-	-
Unsecured loans in US dollars with current rates ranging from 4.77% to 10.69% and maturity dates in January, February, March, and June 2025.	$3,547,622	-	-
Unsecured loans in US dollars with current rates of 4.44% to 5.36% and maturity dates in February, March, June and August 2023.	-	-	$2,686,770
Unsecured loans in US dollars with current rate of 5.94% due in June 2024.	-	$591,273	-
Unsecured loans in Colombian pesos with due dates in January 2024 at a rate of 14.11%	-	$105,600	-
Stock certificate in Mexican peso with a current rate of 10.73% maturing in March 2025	$2,000,000	-	-
Stock certificate in Mexican pesos with a current rate of 10.76% with a maturity date of March 2023	-	-	$3,500,000
Mexican peso stock certificates with a current rate of 11.70% with maturity dates in March 2024	-	$6,000,000	-
Other loans	$110,890	$89,150	$120,684
	$11,499,274	***$17,859,325***	***$14,001,306***
Add current portion of long-term debt	$876,361	$1,237,853	$1,583,229
Short-term debt			

Syndicated Loan of US, with a current rate 5.39%, with maturity in 2035.	-	$7,355,044	$8,666,329
Loans in Mexican pesos with current rates of 12.17% to 12.82% and maturity dates in 2024 and 2025.	-	-	$7,071,019
Loans in Mexican pesos with current rates of 12.68% maturing in November 2026.	$2,062,505	-	-
Loans in foreign currency with current rates ranging from 4.34% to 6.64% and maturity dates from 2027 to 2039.	$13,339,388	-	-
Loans in Mexican pesos with current rates of 8.18% to 13.15% and due dates in 2025 and 2026.	-	$3,956,098	-
Loans in foreign currency with current rates of 0.50% to 7.00% and maturity dates from 2023 to 2035.	-	-	$8,243,460
Foreign currency loans with current rates of 0.50% to 13.49% and maturity dates from 2024 to 2035.	-	$5,431,453	-
Loan from a Government Agency in Mexican pesos with a current rate of 12.98% and maturity in 2029.	$2,055,556	$2,448,382	$2,808,236
Bond certificate in Mexican pesos with current rates ranging from 10.52% to 12.57% and maturity dates in 2026, 2027, and 2031.	$18,700,000	-	-
Stock certificate in Mexican pesos with current rate of 11.80% and 13.11% with due dates in 2026.	-	$8,700,000	-
Securitization certificates issued in Mexican pesos, one of which was issued, with maturity on March 12, 2021, and the other issued on February 10, 20 23 and another with a maturity date of 2024 at a rate of 12.42%.	-	-	$2,000,000
Other Loans	$437	-	-
	$36,157,886	*$27,890,977*	*$28,789,044*
Less – current portion of long-term debt	$(876,361)	$(1,237,853)	$(1,583,229)
Long-term debt			

Long-term debt accrues interest at variable rates. Interest rates for loans in Mexican pesos during 2024, 2023 and 2022 were a weighted average of 12.00%, 12.74%, y 11.98%

The affirmative covenants assumed by the Entity as a result of these loans are as follows: i) provide audited consolidated financial statements within 120 days after the yearend close; ii) provide internal consolidated financial statements within 60 days after the close of the first three quarters of the year; iii) maintain its legal capacity and continue as a going concern; and iv) comply with applicable laws, environmental regulations and maintain permits, licenses and other similar documents.

The negative covenants assumed by the Entity as a result of these loans are as follows: i) refrain from modifying the main line of business; ii) refrain from assuming or attaching liens and encumbrances on its properties or assets, unless permitted; iii) refrain from disposing of all or substantially all of its assets, unless permitted; iv) refrain from merging, dissolving, liquidating or performing a corporate breakup, unless permitted.

21. Trade accounts payable

Trade accounts payable	$21,085,915	$18,213,507	$16,740,014
Trade accounts payable through financial factoring	$414,797	$440,334	$474,808
Total			

Accounts payable and trade accounts payable mainly comprise outstanding amounts for commercial purchases and ongoing costs. The average credit period for the purchase of certain goods is 3 months.

The Entity has implemented financial risk management policies to ensure that all accounts payable are paid in accordance with previously agreed credit terms.

The Entity has entered into financial factoring contracts in the supplier modality with various banking institutions. The operation consists of purchasing documents from these suppliers that are payable by the Entity.

The Entity does not incur any operational or financial costs related to this financial factoring; these operational and financial costs are absorbed by the suppliers within this scheme.

As the agreement does not allow the Entity to have financing related to this factoring, the amount payable to the banking institutions is the same as what would have been paid to its supplier, therefore the Entity considers that the amounts payable to these banking institutions should be classified as accounts payable. The maximum amount used in the month during the year under the financial factoring scheme was $543 million pesos. At the end of 2024, 2023, and 2022, 2%, 2%, and 3%, respectively, of the accounts payable were under these agreements.

Management considers that the carrying value of trade accounts payable approximates their fair value.

22. Other accounts payable and accrued liabilities

Other accounts payable and accrued liabilities are composed as follows:

Taxes payable	$5,606,779	$6,043,099	$7,231,121
Other accounts payable	$4,520,260	$3,868,139	$4,615,502
Total			

23. Provisions

Contractor costs	$4,810,792	$40,937,333	$(40,186,223)	-	-	$5,561,902
Construction and other extraordinary costs	$667,575	$1,522,559	$(1,369,472)	-	$(6,951)	$813,711
Environmental and plant closure costs	$71,808	$70,903	$(42,791)	-	-	$99,920
Labor relations	$271,167	$132,174	$(239,283)	-	-	$164,058
Other provisions	$1,370,703	$3,240,123	$(2,931,833)	-	-	$1,678,993
Total						

Contractor costs	$6,883,153	$23,601,328	$(25,673,689)	-	-	$4,810,792
Construction and other extraordinary costs	$705,085	$1,474,826	$(1,512,336)	-	-	$667,575
Environmental and plant closure costs	$83,470	$11,613	$(23,275)	-	-	$71,808
Labor relations	$268,899	$75,335	$(73,067)	-	-	$271,167
Other provisions	$1,438,114	$33,028,541	$(33,095,952)	-	-	$1,370,703
Total						

Contractor costs	$6,483,874	$21,402,314	$(20,722,113)	-	$(280,922)	$6,883,153
Construction and other extraordinary costs	$673,762	$1,175,248	$(1,131,690)	-	$(12,235)	$705,085
Environmental and plant closure costs	$146,489	$192,684	$(255,703)	-	-	$83,470
Labor relations	$285,616	$261,419	$(278,133)	-	$(3)	$268,899
Other provisions	$427,304	$1,398,177	$(387,367)	-	-	$1,438,114
Total						

24. Retirement and other employee benefits

The Entity has defined benefit plans for eligible employees at most of its subsidiaries, which include retirement, death or total disability payments for non-unionized personnel. These defined benefit plans are managed by a fund that is legally separate from the Entity. The board of directors of the pension fund is composed by an equal number of representatives of both the employers and (former) employees. The board of directors of the pension fund is required according to the law and the bylaws of the association to act in the interests of the fund and all interested parties; i.e., active and inactive employees, retirees and the employer. The board of directors of the pension fund is responsible for the investment policy applied to fund assets.

The Entity manages a plan that also covers seniority premiums for all staff working in Mexico, which consists of a single payment equal to 12 days' salary for each year worked based on final salary, albeit limited to two times the legal minimum wage.

Under these plans, employees are entitled to retirement benefits, which, added to the legal pension, represent an income at age 65. No other postretirement benefits are awarded.

The plans typically expose the Entity to actuarial risks such as the investment risk, interest rate risk, longevity risk and salary risk.

Investment risk The present value of the defined benefit plan liability is calculated by using a discount rate determined according to government bond returns; if the plan asset return is below this rate, a plan deficit will arise. The plan currently has a relatively balanced investment in variable yield securities, debt instruments and real property. Given the long-term nature of plan liabilities, the board of directors of the pension fund considers that it is to invest a reasonable portion of the plan assets in variable yield securities and real estate to leverage the return generated by the fund.

Interest risk A bond interest rate decrease will increase plan liabilities; however, this will be partially offset by the increased return derived from plan debt investments.

Longevity risk The present value of the defined benefit obligations is calculated based on the best estimate of plan participant mortality, both during and after their employment. The increased life expectancy of plan participants will increase plan liabilities.

Salary risk The present value of the defined benefit obligations is calculated according to the future salaries of plan participants. As such, higher plan participant salaries will increase plan liabilities.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were made as of December 31, 2024 with information as of October 31, 2024 by independent actuaries, members of the Mexican Association of Consulting Actuaries, A. C. The present value of the defined benefit obligation and the labor cost of the current service and the cost of past services were calculated using the projected unit credit method.

No other post-retirement benefits are provided to these employees.

The main assumptions used for these actuarial valuations were as follows:

Discount rate	9.01%	9.57%	9.18%
Expected rate of salary increase	4.86%	5.14%	5.24%
Expected return on plan assets	7.51%	9.49%	9.46%
Retirement age for current pensioners (years)			
Men and women	70	71	65

The amount recognized in the consolidated statements of financial position regarding the Entity's defined benefit plan obligation are as follows.

Present value of the obligation from funded defined benefits	$(6,230,355)	$(6,973,208)	$(6,809,121)
Fair value of plan assets	$6,788,997	$7,266,298	$7,455,892
Excess of plan assets as regards defined benefit obligation	***$558,642***	***$293,090***	***$646,771***
The balances included in the consolidated statements of changes in financial position are as follows:			
Liabilities from employee defined retirement benefits	$(599,721)	$(936,492)	$1,569,939
Assets from employee defined retirement benefits	$1,158,363	$1,229,582	$646,771
	$558,642	***$293,090***	***$646,771***
Fund contributions	[illegible]		

The expense of the year is a $120,894, $135,311 and $229,881 in 2024, 2023 and 2022, respectively, and has been included in the statement of income as the cost of sales, administrative and sales expenses.

The remeasurement of the defined benefit liability is recognized in other comprehensive income.

The net cost of the period is composed as follows:

Current labor service cost	$184,486	$248,908	$250,161
Interest cost	$579,508	$504,089	$448,511
Interest income	$(632,891)	$(615,756)	$(476,002)
Labor cost of past services	$(22)	$2,067	$2,967
Effect of any reduction or early settlement (other than a restructuring or a discontinued operation)	***$(10,187)***	***$(3,997)***	***$4,244***
Net cost of the period	[illegible]		

Defined benefit cost entries recognized in other comprehensive income:

Actuarial (loss) gain	***$(139,047)***	***$(34,589)***	***$692,992***

As there is no legal right to offset employee retirement benefits between different Group subsidiaries, these amounts are not offset and are presented as long-term assets or liabilities in the accompanying consolidated statements of changes in financial position.

Changes in the present value of the defined benefit obligation:

Opening balance of defined benefit obligation	$(6,973,208)	$(6,809,121)	$(4,634,390)
Current service cost	$(184,486)	$(248,908)	$(250,161)
Past service cost	$22	$(2,067)	$(2,967)
Interest cost	$(579,508)	$(504,089)	$(448,511)
Actuarial (losses) gains	$85,913	$(32,501)	$393,565
Benefits paid	$399,181	$423,389	$215,559
Effect of any reduction or early settlement (other than restructuring or a discontinued operation)	$13,734	$(2,011)	$31,398
Effects of discontinuation	$1,213,880	-	-
Business acquisition	-	-	$(2,327,697)
Others	$(205,883)	$202,100	$214,083
Closing balance of the defined benefit obligation	[illegible]		

Changes in the present value of plan assets in the current period:

Initial fair value of plan assets	$7,266,298	$7,455,892	$5,192,693
Expected yield on plan assets	$632,891	$615,756	$476,002
Personnel transfers	$(443)	$(3,449)	$(1,751)
Actuarial gains (losses)	$(329,716)	$(583,870)	$408,744
Plan contributions	$61,874	$31,748	$53,145
Benefits paid	$(399,181)	$(423,389)	$(215,559)
Business acquisition	-	-	1,553,576
Effects of discontinuation	(852,853)	-	-
Other	410,127	173,610	(10,958)
Final fair value of plan assets	$6,788,997		

Significant actuarial assumptions used to determine the defined obligation are the discount rate, expected salary increase and mortality. The following sensitivity analyses have been determined based on reasonably possible changes to the respective assumptions at the end of the reporting period, while all other hypotheses remain constant.

If the discount rate were 50 basis points higher (lower), the defined benefit obligation would decrease by 2024 in $230,457 (increase of $274,593).

If the expected salary growth increases (decreases) by 0.5%, the defined benefit obligation would increase by 195,027 in 2024 (decrease of $188,446).

If the life expectancy increases (decreases) by one year for both men and women, the defined benefit obligation would increase by $114,529 in 2024 (decrease of $108,766).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation, as it is unlikely that the modification of hypotheses would occur in an isolated manner as certain assumptions may be correlated.

Furthermore, when presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated by using the projected unit credit method at the end of the reporting period, which is the same as the value applied to calculate the defined benefit obligation liability recognized in the statement of financial position.

There was no change as regards the methods and assumptions used to prepare the sensitivity analysis over prior years.

The main strategic decisions formulated in the fund's actuarial and technical policy document are as follows: combination of assets based on 71.0% capital instruments and 29.0% debt instruments.

The average duration of the defined benefit obligation as of December 31, 2024 is 7.53 years, 8.74 years in 2023 and 8.90 years in 2022.

The Entity expects to make a contribution of $228,490 to defined benefit plans during 2025.

The main categories of plan assets are:

	2024	2023	2022	2024	2023	2022
Capital instruments	71	70	49	$4,852,456	$5,086,717	$3,616,580
Debt instruments	29	30	51	$1,936,541	$2,179,581	$3,839,312
Weighted average expected return				$661,698	$656,743	$499,032

The fair value of the capital and debt instruments mentioned above is determined according to the market prices listed on active markets, while the market values of properties are not based on market prices listed on active markets.

Employee benefits granted to the Entity's key management personnel and/or directors were as follows:

Short-term benefits	$126,180	$173,588	$160,382
Defined benefit plans	$325	$257	$102
Other long-term benefits	$382,903	$377,914	$281,715

25. Stockholders' equity

a. The historical amount of subscribed and paid-in common stock of **Grupo Carso** as of December 31, 2024, 2023 and 2022 is as follows:

	2024	2023	2022	2024	2023	2022
Series A1	2,261,166,416	2,261,166,416	2,261,166,416	530,746	530,746	530,746
Repurchased shares held by the Treasury	(5,854,829)	(4,037,963)	(12,175,784)	(1,374)	(948)	(2,857)
Historical common stock						

Common stock is composed by ordinary, nominative shares at no par value.

Common stock is composed by ordinary, nominative shares at no par value.

At the Ordinary General Shareholders' Meeting of **Grupo Carso** held on April 30, 2024, the payment of a cash dividend of $1.50 (one peso and fifty cents M.N.) per share was authorized, from the balance of the Net Tax Profit Account (CUFIN), payable in two equal installments of $0.75 (seventy-five cents) per share, payable the first starting from June 28 and the second starting from December 20, 2024, against coupons numbers 48 and 49, respectively, on the outstanding securities at the time of the corresponding payments. This payment amounted to $3,383,669.

The Ordinary General Meeting of the Stockholders of **Grupo Carso** of April 27, 2023 authorized the payment of a cash dividend of $1.20 (one peso) per share to be taken the balance of the Net Tax Income Account (CUFIN), payable, at the election of each shareholder, in cash or in series A-1 shares or in a combination of both, this dividend would be distributed through two payments of $0.60 (fifty cents) per share, per share, the first payable as of June 30 and the second as of December 20 2023, against coupons numbers 46 and 47, respectively, on the outstanding titles when the corresponding payments are made. Said payment amounted to $1,322,390.

The Ordinary General Meeting of the Stockholders of **Grupo Carso** of April 28, 2022 authorized the payment of a cash dividend of $1.00 (one peso) per share to be taken the balance of the Net Tax Income Account (CUFIN), This dividend would be distributed through two payments of $0.50 (fifty cents) per share, per share, the first payable as of June and the second as of December 2022, against coupons numbers 44 and 45, respectively, on the outstanding titles when the corresponding payments are made. Said payment amounted to $2,250,304.

b. Retained earnings include the legal reserve. According to the General Corporate Law, at least 5% of net profit of the year must be used to create a legal reserve until equal to 20% of common stock at face value. The legal reserve may be capitalized but must not be distributed unless the Entity is dissolved and must be replenished whenever decreased for any reason. As of December 31, 2024, 2023 and 2022, the Entity's legal reserve was $381,635.

c. Stockholders' equity except for the restated paid-in capital and tax-retained earnings, will be subject to ISR payable by the Entity at the rate in effect upon distribution. Any tax paid on such distribution may be credited against annual and estimated ISR of the year in which the tax on dividends is paid and the following two fiscal years.

d. An additional amount of income tax (ISR) is payable at the 10% rate on dividends paid to individuals and foreign residents. The ISR is paid through a tax withholding and is considered as a definitive payment for each stockholder. Foreign stockholders may apply the terms of tax treaties. This tax is applicable to the distribution of profits generated as of 2014.

26. Balances and transactions with related parties

Related-party receivable and payable balances are as follows:

	2024		
Receivable-			
APTIV Contract Cervices	$748,303	$763,283	$1,079,317
Norest Red Nacional Última Milla, S. A. P. I. de C. V.	$472,141	$2,121,955	$1,612,320
Teléfonos de México, S. A. B. de C. V.	$330,198	$88,655	$110,417
Comunicación Celular, S. A. de C. V.	$116,495	$145,688	$98,176
América Móvil Perú, S. A. C.	$103,852	$84,740	$123,240
Consorcio Tramo Dos, S. A. de C. V.	$99,663	$183,736	$409,311
Claro, S. A.	$91,153	$63,553	$36,884
Radiomóvil Dipsa, S. A. de C. V.	$87,024	$53,681	$22,068
Empresa de Servicios y Soporte Integral GC. S. A. P. I.	$57,980	$1,275,829	$2,392,990
Consorcio Ecuatoriano de Telecomunicaciones, S. A.	$51,921	$17,523	$30,632
Telecomunicaciones de Guatemala, S. A.	$51,440	$40,943	$50,265
Uninet, S. A. de C. V.	$51,035	$15,339	$37,338
Claro CR Telecomunicaciones, S. A.	$48,497	$41,878	$28,160
Infraestructura y Saneamiento de Atotonilco, S. A. de C. V.	$47,234	$142,685	$141,442
Red Última Milla del Noroeste, S. A. P. I. de C. V.	$39,074	$52,815	$106,247
CTE Telecom Personal, S. A. de C. V.	$23,816	$22,571	$304
Servicios de Comunicaciones de Honduras, S. A. de C. V.	$21,220	$52,293	$39,528
Telmex Colombia, S. A.	$18,260	$25,920	$15,180
Puerto Rico Telephone Company, INC.	$17,798	$5,655	$15,968
Compañía Dominicana de Teléfonos,S. A.	$11,845	$2,430	$17,705
Conductores Monterrey, S. A. de C. V.	$10,300	$3,703	$20,472
Compañía de Telecomunicaciones de el Salvador, S. A. de C. V.	$9,647	-	$9,762
Compañía de Teléfonos y Bienes Raíces, S. A. de C. V.	$9,183	$44,843	$114,739
Operadora de Sites Mexicanos, S. A. de C. V.	$1,433	$28,347	$13,824
Promotora del Desarrollo de América Latina, S. A. de C. V.	$310	$98,025	$21,389
Alquiladora de Casas, S. A. de C. V.	$47	$12,369	$40
Autovía Mitla Tehuantepec, S. A. de C.V.	-	$797,034	$325,070
FCC Construcción S. A. Sucursal de México	-	$198,059	$294,762
Constructora MT Oaxaca, S. A. de C. V.	-	$82,264	$91,411
Concesionaria autopista Guadalajara- Tepic, S. A. de C. V.	-		
Claro Comunicaciones, S. A	-	$42,558	$42,547
Servicios CVTM, S. A. de C. V.	-	$36,627	-
Bajasur, S. A. de C. V.	-	$26,247	-
Empresa Nicaragüense de Telecomunicaciones, S. A.	-	$26,077	-
Telecom Publicar Directorios. S. A. de C. V.	-	$24,639	$37,345
Miniso BF Holding, S. de R. L.de C. V.	-	$24,636	-
Concesionaria de Carreteras y Libramientos del Pacífico		-	$116,666
Norte, S. A. de C. V	-	$11	$91,389
Consorcio FCC Américas, APCA	-	-	$35,359
Fideicomiso Opsimex 4594	-	$8,930	$15,303
Consorcio FCC Corredor de Las Playas 1	-	-	$3,661
Fundación Carlos Slim, A. C.	-	$3,442	$2,902
Ocampo Mining, S. A. de C. V.	-	$1,244	$2,020
Minera Real de Ángeles, S. A. de C. V.	-	-	$1,995
Other	$50,678	$84,702	$48,431
	$2,570,547	***$6,744,929***	***$7,656,579***

	2024		
Payable-			
Talos Energy Inc.	$1,011,388	$842,986	-
Radiomóvil Dipsa, S. A. de C. V.	$329,297	$132,451	$243,280
FCC Construcción, S.A. Sucursal México	$211,093	$88,772	-
Transform SR Brands LLC	$110,203	$113,840	$105,347
JM Distribuidores, S. A.	$80,090	$71,302	$32,110
Aptiv Electrical Centers (Shanghai) CO., LTD.	$68,357	-	-
Inmose, S. A. de C. V.	$54,881	$48,910	$36,375
Inmuebles SROM, S. A. de C. V.	$52,687	$25,620	$22,248
Delphi Packard Electric Systems, Inc.	$51,292	-	$28,448
América Móvil Perú, S. A. C.	$33,429	$14,217	$54,092
Uninet, S.A. de C.V.	$32,966	$18,205	$6,388
Comunicación Celular, S.A. de C.V.	$30,804	-	-
Consorcio Cargi - Propen, S.A. de C.V.	$30,346	$26,351	$60,386
Red Nacional Última Milla, S.A.P.I. de C.V.	$23,319	-	-
Desarrollos Sagesco, S.A. de C.V.	$14,033	$10,628	$11,559
Servicios de Comunicaciones de Honduras, S.A. de C.V.	$12,639	-	-
Concesionaria ETRAM Cuatro Caminos, S.A. de C.V.	$12,319	$12,300	$12,273
Teléfonos de México, S.A. de C.V.	$11,547	$18,015	-
Bajasur, S.A. de C.V.	$10,079	$22,214	$3,080
Inversora Bursátil, S. A. de C. V.	$7,595	$13,956	$11,346
Consorcio Tramo Dos, S. A. de C. V.	$6,099	$21,607	$17,971
Seguros Inbursa, S. A.	$5,181	$18,843	$18,410
Sociedad Financiera Inbursa, S.A. de C.V., SOFOM, E.R.	$1,462	$12,134	$2,510
Aptiv Services US, LLC.	-	$87,749	$65,538
Promotora Inbursa, S.A. de C.V.	-	-	$61,618
Consorcio Ecuatoriano de Telecomunicaciones, S. A.	-	$67	$15,195
Grupo Telvista, S.A. de C.V.	-	$3,013	$14,730
Triara.COM.	-	$790	$11,591
Fundación Carlos Slim, A. C.	-	$34	$26
AMX Contenido, S. A. de C. V.	-	$835	$789
Others	$82,276	$57,276	$53,985
	$2,283,382	***$1,662,115***	***$889,295***

a. Borrowings from financial institutions includes balances with **Banco Inbursa, S. A.** of $21,940,967 as of December 31, 2024, accruing a fixed interest of 9.58%, $13,908,738 as of December 31, 2023, accruing a fixed interest of 13.01% y $12,097,669 and as of December 31, 2022, which caused a fixed interest of 10.97% and $7,504,657.

b. Due to related parties includes advances from customers of $121,545, $83,049 and $62,679 as of December 31, 2024, 2023 and 2022, respectively.

c. The amounts outstanding are unsecured and will be cash settled. No guarantees have been given or received. No expense has been recognized in the current period or prior periods regarding bad or doubtful debts relating to amounts owed by related parties.

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

	2024		
Sales	$29,028,165	$28,029,079	$29,126,038
Interest income	$(446,729)	$(554,044)	$803,056
Inventories purchased Insurance	$(1,871,067)	$(1,195,709)	$(1,081,659)
expenses	$(468,110)	$(503,174)	$(566,643)
Lease expenses	$(879,942)	$(1,051,964)	$(788,137)
Income for services rendered, net	$1,026,447	$1,381,828	$756,403
Other expenses, net	$(589,872)	$(758,689)	$(603,150)
Purchases of fixed assets	$(26,195)	$(714)	$(48,480)

e. Transactions with associated entities and joint ventures, carried out in the ordinary course of business,were as follows:

	2024		
Sales	$80,235	$76,074	$127,435
(Expense) income services, net	$(1,157)	$186	$14,888
Inventories purchases	-	$(7,914)	$(7,541)
Lease expenses	$(4,199)	$(3,988)	$(3,725)
Insurance	-	-	-
Other expenses, net	-	$(580)	$(37,710)

27. Income

	2024		
Net sales:			
Sale of goods	$147,463,895	$139,398,701	$129,510,472
Construction	$41,230,505	$43,314,640	$37,352,470
Interests	$2,399,660	$4,150,532	$3,835,413
Services	$6,607,968	$6,582,767	$5,866,134
Rentals	$3,639,462	$3,428,351	$3,509,745
Dividends	$1,331,947	$1,331,948	$1,309,388
Others	$309,982	$248,370	$155,057
	$202,983,419	***$198,455,309***	***$181,538,679***

28. Cost and expenses analyzed by nature

Concept	Cost of sales	Sales expenses	Administrative expenses	Total costs and expenses
Wages and salaries	$12,306,508	$6,780,253	$3,189,459	$22,276,220
Employee benefits	$1,231,597	$3,159,959	$498,192	$4,889,748
Raw materials	$46,349,145	-	-	$46,349,145
Manufacturing expenses	13,548,950	-	$14,602	$13,563,552
Finished products	$71,317,998	-	-	$71,317,998
Depreciation	$3,699,739	$1,011,517	$109,675	$4,820,931
Amortization	$256,375	$12,908	$157,090	$426,373
Depreciation of right-of-use assets	$1,014,797	$920,536	$134,814	$2,070,147
Advertising	-	$768,618	-	$768,618
Insurance	$119,817	$182,357	$115,831	$418,005
Freight	-	$928,619	$2,380	$930,999
Allowance for doubtful accounts	$696	$7,061	$748,433	$756,190
Royalties	-	$325,570	-	$325,570
Fees	$2,383	$52,376	$182,166	$236,925
Maintenance	$539,726	$1,370,914	$234,549	$2,145,189
Plant costs	-	-	$607,683	$607,683
Security services	$23,733	$62,489	$55,509	$141,731
Lease	$2,402,038	$164	$6,061	$2,408,263
Telephone	$410	$92,760	$80,863	$174,033
Electricity	$4,744	$666,530	$10,661	$681,935
Credit card fees	-	$553,876	$54,213	$608,089
Other	$108,292	$1,844,443	$844,939	$2,797,674
	$152,926,948	***$18,740,950***	***$7,047,120***	***$178,715,018***

Concept	Cost of sales	Sales expenses	Administrative expenses	Total costs and expenses
Wages and salaries	$11,867,809	$6,034,685	$2,942,846	$20,845,340
Employee benefits	$909,198	$2,758,658	$454,907	$4,122,763
Raw materials	$45,602,222	-	-	$45,602,222
Manufacturing expenses	$13,480,822	-	$16,710	$13,497,532
Finished products	$67,459,355	-	-	$67,459,355
Depreciation	$3,076,168	$926,491	$105,283	$4,107,942
Amortization	$122,900	$13,727	$148,441	$285,068
Depreciation of right-of-use assets	$449,472	$909,718	$111,687	$1,470,877
Advertising	-	$807,467	-	$807,467
Insurance	$80,813	$207,513	$174,870	$463,196
Freight	-	$824,226	-	$824,226
Allowance for doubtful accounts	-	$12,041	$2,781,541	$2,793,582
Royalties	-	$339,040	-	$339,040
Fees	$1,883	$51,954	$198,173	$252,010
Maintenance	$798,301	$1,069,568	$213,318	$2,081,187
Plant costs	-	$227	$672,262	$672,489
Security services	$22,518	$69,951	$54,156	$146,625
Lease	$2,051,891	$171	$7,345	$2,059,407
Telephone	$409	$90,512	$92,937	$183,858
Electricity	$4,561	$652,930	$10,422	$667,913
Credit card fees	-	$506,856	$66,178	$573,034
Other	$98,494	$1,842,692	$572,303	$2,513,489
	$146,026,816	***$17,118,427***	***$8,623,379***	***$171,768,622***

Concept	Cost of sales	Sales expenses	Administrative expenses	Total costs and expenses
Wages and salaries	$9,907,952	$5,198,523	$2,445,530	$17,552,005
Employee benefits	$775,258	$2,423,913	$400,746	$3,599,917
Raw materials	$47,344,846	-	-	$47,344,846
Manufacturing expenses	$11,983,012	-	$14,909	$11,997,921
Finished products	$61,814,967	-	-	$61,814,967
Depreciation	$2,512,741	$894,097	$92,169	$3,499,007
Amortization	$80,616	$15,474	$126,600	$222,690
Depreciation of right-of-use assets	$368,241	$866,088	$77,513	$1,311,842
Advertising	-	$710,602	-	$710,602
Insurance	$107,919	$152,597	$105,097	$365,613
Freight	-	$1,097,838	-	$1,097,838
Allowance for doubtful accounts	$6,885	$11,300	$693,698	$711,883
Royalties	-	$303,307	-	$303,307
Fees	$2,246	$47,359	$164,829	$214,434
Maintenance	$740,669	$1,101,412	$175,685	$2,017,766
Plant costs	-	$4,991	$602,930	$607,921
Security services	$21,666	$73,873	$47,098	$142,637
Lease	$1,384,906	$178	$6,835	$1,391,919
Telephone	$411	$99,362	$80,988	$180,761
Electricity	$4,355	$545,990	$9,673	$560,018
Credit card fees	-	$453,451	$56,152	$509,603
Other	$122,042	$1,648,892	$384,083	$2,155,017
	$137,178,732	***$15,649,247***	***$5,484,535***	***$158,312,514***

29. Other (income) expenses – net

	2024	2023	2022
Loss (gain) in sales of materials and waste	$162,029	$175,549	$(33,072)
Loss (gain) on sales of property, plant and equipment	$4,11	$1,903	$(22,607)
Revaluation of investment property revaluation	$(69,113)	$(170,601)	$(193,348)
Liabilities and provisions cancellation	$(365,238)	$(302,783)	$(179,883)
Valuation of shares (see Note 3b)	-	-	$(3,809,962)
Rehabilitation expenses Line 12	$236,959	$1,243,008	$529,601
Loss on Sanborns fixed asset disposals	$56,480	$8,360	$113,987
Impairment of property, plant and equipment	$(16,750)	$783,706	$420,063
Environmental remediation	$(3,426)	$1,639	$66
Other expenses, net	$(132,959)	$(246,608)	$(242,969)
	$(127,906)	$1,494,173	$(3,418,124)

30. Income taxes

The Entity is subject to ISR. Under the ISR Law, the rate for 2024, 2023 and 2022 was 30% and will continue for the years thereafter. The applicable ISR rates in the countries where the Entity's main foreign subsidiaries operate are, United States of North America with rates 21% for 2024, 2023 and 2022 and Brazil with the 34% rate, applicable for the three years. The Entity with only its Mexican subsidiaries incurred ISR on a consolidated basis until 2013. As the ISR Law applicable as of December 31, 2013 was superseded (2014 Law), the tax consolidation regime was eliminated, and the Entity and its subsidiaries have the obligation to pay the deferred income tax calculated as of that date over a 10-year period beginning in 2014, as illustrated below.

At the same time the tax consolidation regime was repealed by the 2014 Law, an option was established, which allows groups of companies to determine a joint calculation of ISR (tax integration regime). The new regime allows groups of consolidated companies that share common direct or indirect ownership of more than 80%, certain benefits in the tax payment (when the group of companies include both profit and loss entities in the same period), which can be deferred over three years and reported, as updated, at the filing date of the tax declaration corresponding to the tax year following the completion of the aforementioned three-year period.

As of 2014, Grupo Carso has been authorized by the Ministry of Finance and Public Credit to prepare its declarations to go based on the tax integration regime, the entity opted to disincorporate from said tax regime as of January 2023.

In accordance with subparagraph d) of section XV of the ninth transitory article of the 2014 Law, and because the Entity as of December 31, 2013 had the status of controller and on that date was subject to the payment scheme contained in the section VI of the fourth article of the transitory provisions of the Income Tax Law published in the official gazette of the federation on December 7, 2009, or article 70-A of the 2014 Income Tax Law that was repealed, you must continue paying the tax which differed due to tax consolidation in 2007 and prior years in accordance with the aforementioned provisions, until its payment was completed.

a. Income taxes (benefit) expenses are as follows:

	2024	2023	2022
ISR:			
Current	$5,187,615	$5,466,537	$4,072,099
Deferred	$1,729,069	$280,292	$(386,147)
	$6,916,684	$5,746,829	$3,685,952

b. The main items that originate the balance of the deferred income tax liability (asset) as of December 31, are:

	2024	2023	2022
ISR deferred (asset) liability:			
Property, plant and equipment	$ 4,033,941	$ 589,001	$ 1,740,778
Inventories	(157,278)	(640,093)	(326,938)
Leased assets	5,782,198	4,815,897	5,454,519
Brands	92,836	92,836	92,836
Advances from customers	(783,819)	(926,660)	(625,802)
Investment in associated entities	4,306,634	5,236,623	5,236,623
Metals swaps and forwards	(2,927)	161,150	178,717
Revenues and costs by percentage-of-completion method	914,827	804,330	(902,223)
Allowances for assets and reserves for liabilities	(926,068)	(688,098)	(484,033)
Others	(1,154,264)	(526,730)	(1,141,643)
Deferred ISR on temporary differences	12,106,080	8,918,256	9,222,834
Effect of tax loss carryforwards	(7,279,462)	(4,747,496)	(5,356,561)
Deferred ISR payment (long-term CUFINRE)	2,048	1,965	1,878
	4,828,666	4,172,725	3,868,151
Total deferred tax asset	7,282,843	6,775,088	5,815,525
Total deferred tax liability	12,111,509	10,947,813	9,683,676

The movements of deferred tax (asset) liabilities during the year are as follows:

	2024	2023	2022
Opening balance	$ 4,172,725	$ 3,868,151	$ 1,335,327
Income tax applied to results	1,729,069	280,292	(386,147)
Recognized in other comprehensive income	(1,157,977)	24,282	1,180,111
Deferred income tax generated from the asset held for sale	660,520	-	-
Business acquisition	(575,671)	-	1,738,860
Saldo final	*4,828,666*	*4,172,725*	*3,868,151*

c. Reconciliation of the statutory and effective ISR rates expressed as a percentage of income before taxes on income, is as follows:

	2024 %	2023 %	2022 %
tatutory rate	30	30	30
Add (less) the effect of permanent differences - Non-deductible expenses	3	4	2
Effects of inflation	(2)	(2)	(2)
Effect of tax loss carryforwards from foreign operations	(9)	(10)	(13)
Participation in results of associated entities and joint ventures	(3)	(2)	(2)
Others	10	9	-
Effective rate	29	29	15

d. Benefits of restated tax loss carryforwards, for which a deferred income tax asset has been recognized, may be recovered if certain requirements are fulfilled. Their maturities and restated amounts at December 31, 2023 are as follows:

Year of expiration	Tax loss carryforwards
2025	$ 314,840
2026	1,237.729
2027 and thereafter	23,478,959
Foreign subsidiaries tax loss carryforwards without expiration term	2,494,175
Total	**27,973.134**

e. Tax consolidation:

The ISR liability as of December 31, 2022, related to the effects of benefits and tax deconsolidation, is recorded in taxes payable in short-term liabilities, with which the ISR payment for deconsolidation is concluded, which the same thing that took place last April 2023.

f. Tax integration:

The Entity opted to disincorporate from this new regime, therefore the ISR for the years 2021, 2020, 2019 and 2018 whose amounts are $620,057; $328,344; $98,435 and $204,185 respectively, they were informed in January 2023.

31. Commitments

a. *Commercial group:*

a. As of December 31, 2024, there are contracts entered into with suppliers for the remodeling and construction of some of their stores. The amount of the commitments contracted for this concept amounts to approximately $ 209,747.

b. In December 2010, **Sears Operadora México, S. A. de C. V. (formerly Sears Roebuck de México, S. A. de C. V.) (Sears) and Sears Roebuck and Co. (Sears USA)** signed an agreement, through which they have decided to extend in the same terms as they were, the Trademark Use License Agreement and the Merchandise Sales and Advisory contracts governing the business relationship between them, which provides for the payment of 1% by Sears to Sears USA on the income from the sale merchandise , through which it is allowed to use Sears name both in its business name and in its stores, as well as the exploitation of trademarks owned by **Sears Roebuck and Co**. The agreement will be in force until 30 September 2017, but contemplates the existence of an extension of seven additional years under the same conditions, unless someone one decides not to extend it, notifying the other party two years in advance. On 30 September 2017, neither party notified the other of the decision to terminate the Agreement, so it was automatically extended for an additional 7 years respecting the initial terms of the agreement. As of December 31, 2024, Sears is in the process of negotiating a new extension period.

b. *Infrastructure and Construction and Industrial:*

a. In July 2024, GSM-Bronco and Operadora Cicsa signed a contract with PEP for comprehensive services for the development, extraction, and production of hydrocarbons at Lakach. The remuneration will be subject to the following: The Service Provider (GSM and OCI) will receive compensation equivalent to a percentage of the Cash Flow Fund (FED). This compensation constitutes the payment obligation to be made by PEP for the provision of services, will be paid monthly, and according to the payment mechanism provided in the contract. The contract term will be 6,403 calendar days, starting on June 25, 2024, and ending on January 4, 2042. As of December 31, 2024, the work is in the transition and planning period.

b. In June 2023, GSM-Bronco signed a contract with PEP for the supply of chemical additives and materials to prepare cementing and well-cleaning systems carried out by the Well Services Management "Package 2," for a minimum amount of US $6,448. The work began on June 28, 2023, and as of December 31, 2024, there is a 90% progress, with completion expected during the first quarter of 2025.

c. In August 2022, PEP awarded and signed a contract with Operadora and two other companies for Engineering, Procurement, and Construction of the offshore infrastructure units MULACH-B and YAXCHE-AI, to be installed in the Campeche Sound, Gulf of Mexico, with an expiration date of December 31, 2023, for an amount of $848,357 and US $101,551. Both amounts correspond to Operadora's share, which represents 56.34% of the total contract. By the end of 2022, the MULACH-B unit was completed, and in September 2024, the YAXCHE unit was completed.

d. In September 2021, GSM-Bronco and Canamex Energy Holdings, S.A.P.I. de C.V. received an international electronic restricted invitation procedure from PEP for a turnkey contract for drilling and completion work on development wells for PEP's onshore fields, for a minimum amount of US $196,050. The work began in September 2021, and as of December 31, 2024, the work under this contract has been completed, and the agreement to extend the amounts and execution periods of the contract is in the process of being signed.

e. In May 2020, the Federal Government signed a contract with Operadora and FCC Construcción, S.A. de C.V. for the development of the executive project, supply of materials and construction, as well as maintenance of tracks consisting of infrastructure inspections, actions on the infrastructure, track, siding, and compliance with the quality standards of the railway maintenance of the Tren Maya for a period of 5 years in the sections from Escárcega station (PK 228+000) to Calkiní station (PK 463+000) with a total of 235 km. Operadora has a 50% participation, with an original contracted amount of $15,994,602 and a completion date in July 2023. On August 25, 2023, an extension was agreed upon for the execution period due to items not foreseen in the original contract catalog, thus the railway track was completed on December 9, 2023; the completion of peripheral works or activities such as: Archaeological Zones, CATVIS and perimeter confinement is expected to be completed by August 31, 2024; therefore, the railway track maintenance will conclude in September 2029. As of December 31, 2024, an approximate progress of 100% has been achieved.

f. Construction of the Mitla-Tehuantepec Highway, 169 kilometers, for $9,318,200, for which a consortium was created in which Operadora participated with 40%. In June 2019, the concessionaire informed about the early termination of the contract with the consortium, which was 68% complete. At the same time, the concessionaire assigned the project directly to Operadora for the completion of the work for a value of $5,905,000. During 2023, the originally contracted work was completed, however, additional work is still being executed, and we are in negotiations to formalize the contract extension.

g. In the last quarter of 2023, the Polanco Pavilion project was signed for an amount of $2,700,000, with a completion date in the last quarter of 2025. As of December 31, 2024, approximately 22% progress has been made.

h. During 2022, contracts were signed for the construction of Star Médica in Interlomas, Puebla, Polanco, and León, for a total amount of $4,327,000, with completion during 2024 and 2025. As of December 31, 2024, approximately 33% progress has been made. In the last quarter of 2023, contracts were signed for Tijuana, Inbursa, and Carso 3 offices, for a total amount of $3,002,000 with completion during 2025 and 2026. As of December 31, 2024, approximately 19% progress has been made.

i. During the last quarter of 2024, a contract was signed for the construction of the Centauro del Norte Gas Pipeline. The project characteristics include the installation of a 36" diameter pipeline, with a total length of 442 kilometers, divided into 3 phases, between the states of Mexicali, Baja California, and San Luis Rio Colorado, Sonora. This work will be constructed in conjunction with our related party FCC Industrial. The contract value is $47,850 thousand dollars.

The following reported figures include works carried out directly by CICSA and by Operadora CICSA, which among its main projects have:

As of December 31, 2024 and 2023, the Entity signed contracts and work orders with related parties in Mexico and Latin America, for total amounts of $7,864,759, and $10,253,736; as well as USD $315,158 and USD $356,992, respectively. The contracts include professional services for the construction and modernization of copper cabling networks (pairs) and external plant fiber optics, as well as for the construction of ductwork and installation of fiber optics, public works, and connections. Most of the contracted projects are estimated to be completed during 2025.

As of December 31, 2024, the following contracts and/or projects are in the process of being finalized:

Year of recruitment	Project	Contracted subsidiary	Contract amount	Sector
2021	Vessels, Heat Exchangers and Soloaires	Operadora	USD 25,301	Manufacturing and services
2021	Heat exchangers	Operadora	USD 11,000	Manufacturing and services
2021	Process equipment for Dos Bocas refinery	Operadora	USD 100,136	Manufacturing and services
2019	Drilling work in onshore fields	GSM-Bronco	USD 196,050	Manufacturing and services
2018	Section 2 Las Varas-Vallarta Highway	Operadora	$ 1,600,000	Infrastructure
2017	Adromaco	Operadora	$ 383,000	Civil Construction
2017	Project Tlalnepantla	Operadora	$ 505,000	Civil Construction
2017	Building Moliere	Operadora	$ 501,000	Civil Construction
2013	Vialidad Brisamar to the connection with Cayaco – Puerto Marques	Acatunel	$ 1,938,043	Infrastructure
2012	Guadalajara	Operadora	$ 7,863,881	Infrastructure

32. Contingencies

I. *Retail sector:*

As of the date of these consolidated financial statements, the Entity has legal proceedings in process with the competent authorities for diverse reasons, mainly for foreign trade duties, for the recovery of accounts receivable and for labor matters.

The estimated settlement amount of these proceedings as of December 31, 2024 is $420,244, for which the Entity has recognized a provision of $138,649, which is included in other liabilities in the consolidated statements of financial position. During 2023, the Entity made payments related to these matters of approximately $81,013. While the results of these legal proceedings cannot be predicted with certainty, management does not believe that any such matters will result in a material adverse effect on the Entity's financial position or operating results.

II. *Infrastructure and construction and Industrial sectors:*

a. The Entity maintains commercial, tax and labor proceedings. These proceedings are generated in the normal course of business and are common in the industries in which the businesses participate, and even when it is possible that some unfavorable failures occur for the Entity, the administration considers that such allegations would not have an adverse material impact in its consolidated financial situation.

b. Certain subsidiaries are currently engaged in legal proceedings with the competent authorities for different reasons, primarily taxes and for the collection of non-current accounts receivable. The Entity's officers and attorneys consider most of these proceedings will resolve favorably. However, any unfavorable verdict will not substantially affect the Entity's financial position or results of operations.

c. As of December 31, 2024 and 2023, the Entity has contracted guarantees, mainly in favor of its clients, for $17,980,322 and $62,187 thousand US dollars and for $4,783,535 and $349,711 thousand US dollars, respectively, which were the liability amounts in force in said periods.

d. Performance warranties. In the normal course of operations, the Entity is required to guarantee its obligations, mainly derived from construction contracts by means of letters of credit or bonds, regarding the compliance with contracts or the quality of the developed works.

33. Segment information

Information by operating segment is presented based on the management focus and general information is also presented by geography. The balances with subsidiaries are presented in the column of Holding, others and eliminations.

a. Condensed analytical information by operating segment:

2024								
Current assets:								
Cash and cash equivalents	$7,355,193	$4,840,780	$1,455,546	$2,423,363	$2,051,563	$174,486	$(2,059,222)	$16,241,709
Accounts and loans receivable	$14,174,433	$6,561,854	$26,685,868	$3,092,990	$3,224,850	$923,638	$(1,408,959)	$53,254,674
Inventories	$16,290,942	$6,864,410	$2,174,489	$5,886,242	$58,881	-	$438	$31,275,402
Assets held for sale	-	$94,262	-	$10,594,492	-	-	-	$10,688,754
Total current assets	$39,093,683	$21,560,515	$34,606,208	$22,899,227	$6,005,421	$1,649,081	$(3,331,303)	$122,482,832
Net investment in leased assets	-	-	-	-	$15,978,816	-	-	$15,978,816
Property, plant and equipment	$12,110,052	$4,318,048	$9,022,731	$23,293,862	$12,708,053	$10,788,412	$(2,624)	$72,228,534
Right-of-use assets	$3,451,832	$336,893	$1,514,321	$712,333	$59,100	$444,290	$(150,347)	$6,368,422
Other assets	$150,153	$646,450	$134,289	$17,627	-	$65,014	$23,486	$1,037,019
	$65,343,253	**$46,278,298**	**$48,442,348**	**$50,280,609**	**$48,771,937**	**$16,914,991**	**$4,308,404**	**$280,339,840**

2024								
Liabilities:								
Loans payable to financial institutions and current portion of long-term debt	$1,274,000	$6,780	$8,443,459	$2,551,792	$8,556,708	$2,736,221	$(11,193,325)	$12,375,635
Current lease liabilities	$1,250,056	$126,717	$253,534	$195,960	$6,115	$383,316	$(44,014)	$2,171,684
Trade accounts payable	$12,456,580	$2,223,542	$3,775,308	$3,152,001	$279,590	$79	$(386,388)	$21,500,712
Liabilities attributable to assets held for sale	-	-	-	$3,603,448	-	-	-	$3,603,448
Total current liabilities	$21,660,539	$5,003,084	$23,038,227	$13,346,666	$10,222,444	$4,589,279	$(12,421,395)	$65,438,839
Long-term debt	-	$11,965	-	$7,888,895	$12,817,173	-	$14,563,492	$35,281,525
Noncurrent lease liabilities	$2,973,732	$255,108	330,292	$594,342	$56,761	$247,771	$(131,696)	$4,326,310
	$25,854,266	**$5,831,397**	**$25,197,887**	**$25,030,602**	**$24,883,599**	**$5,002,710**	**$6,523,232**	**$118,323,693**

2023								
Current assets:								
Cash and cash equivalents	$6,209,095	$3,544,537	$1,738,108	$3,753,021	$1,224,811	$1,716,586	$(1,839,111)	$16,347,047
Accounts and loans receivable	$14,231,083	$5,441,185	$24,604,358	$3,370,481	$2,577,747	$8,540	$(1,393,904)	$48,839,490
Inventories	$14,725,274	$5,916,241	$1,938,689	$5,214,962	$47,564	-	$494	$27,843,224
Total current assets	$35,919,428	$18,171,776	$37,036,042	13,173,806	$4,424,219	$1,725,503	$(3,122,967)	$107,327,807
Net investment in leased assets	-	-	-	-	-	-	-	$13,289,011
Property, plant and equipment	$11,838,436	$3,786,284	$8,376,224	$25,496,669	$9,828,480	-	$(1,792)	$59,324,301
Right-of-use assets	$3,495,971	$324,008	$1,484,581	$794,608	$33,542	-	$(178,452)	$5,954,258
Other assets	$69,419	$521,548	$77,902	$30,130	$596	-	$(13,982)	$713,577
	$62,426,371	**$40,292,615**	**$49,855,714**	**$44,744,273**	**$39,295,618**	**$3,891,444**	**$9,967,729**	**$250,473,764**

2023								
Liabilities:								
Loans payable to financial institutions and current portion of long-term debt	$1,810,000	$79	$15,686,173	$2,446,476	$768,463,	-	$(8,534,013)	$19,097,178
Current lease liabilities	$1,199,172	$107,544	$203,012	$81,487	$6,115	-	$(37,903)	$1,559,427
Trade accounts payable	$11,554,318	$2,036,704	$2,273,358	$3,234,053	$43,300	-	$(487,892,)	$18,653,841
Total current liabilities	$21,352,626	$4,531,248	$27,586,574	$9,430,194	$9,280,764	$859,462	$(10,007,056)	$63,033,812
Long-term debt	-	-	$451,056	$11,153,051	$11,001,530	-	$(4,047,487)	$26,653,124
Noncurrent lease liabilities	3,044,697	$254,316	$267,961	$728,787	$30,442	-	$(156,366)	$4,169,837
	$25,602,892	**$5,315,708**	**$29,706,805**	**$24,478,803**	**$21,028,410**	**$859,462**	**$(674,036)**	**$106,318,044**

	2022						
Current assets:							
Cash and cash equivalents	$8,395,504	$6,635,437	$2,135,256	$3,439,562	$780,222	$(9,091,338)	$12,294,643
Accounts and loans receivable	$13,065,620	$6,076,901	$13,825,618	$3,725,051	$3,053,282	$(538,509)	$39,207,963
Inventories	$13,406,028	$5,709,884	$1,982,145	$6,007,608	$37,652	$272	$27,143,539
Total current assets	$35,565,786	$23,384,887	$26,414,990	$14,254,067	$4,270,172	$(9,440,788)	$94,449,114
Net investment in leased assets	-	-	-	-	$15,144,293	-	$15,144,293
Property, plant and equipment	$11,884,111	$3,659,380	$7,155,161	$27,792,980	$11,032,320	$(4,843	$61,528,795
Right-of-use assets	$3,613,999	$335,463	$1,370,831	$887,215	$62,646	$(67,449)	$6,202,705
Other assets	$80,637	$353,174	$70,228	$48,428	$1,669	$2,473	$556,609
	$61,259,248	**$45,375,734**	**$38,073,454**	**$48,059,6710**	**$43,302,475**	**$3,311,501**	**$239,382,102**

	2022						
Liabilities							
Loans payable to financial institutions and current portion of long-term debt	-	$48	$5,430,341	$3,101,283	$7,889,287	$(836,424)	$15,584,535
Current lease liabilities	$1,149,668	$76,813	$629,806	$104,845	$6,115	$(14,520)	$1,952,727
Trade accounts payable	$9,164,363	$2,786,572	$1,991,193	$3,411,756	$177,975	$(317,037)	$17,214,822
Total current liabilities	$16,962,895	$5,674,395	$19,965,953	$10,111,149	$10,009,562	$(1,350,910)	$61,373,044
Long-term debt	-	-	$516,952	$13,935,858	$13,303,383	$(550,378)	$27,205,815
Noncurrent lease liabilities	$3,241,164	$309,514	$239,502	$779,747	$62,958	$(60,161)	$4,572,724
	$21,391,457	**$6,417,430**	**$21,043,900**	**$28,519,928**	**$23,678,862**	**$3,476,282**	**$104,527,859**

	2024							
Net Sales	$73,353,031	$48,786,772	$42,504,591	$34,264,203	$3,354,824	$939,994	$(219,996)	$202,983,419
Cost of sales	$49,163,025	$41,693,175	$35,326,693	$25,319,179	$486,307	$1,553,094	$(614,525)	$152,926,948
Sales expenses	$16,257,306	$396,551	$2,281	$2,433,572	$246,440	-	$(595,200)	$18,740,950
Administrative expenses	$3,234,260	$1,418,907	$1,322,558	$1,309,202	$68,914	$50,907	$(357,628)	$7,047,120
Employee profit-sharing	$248,940	$229,472	$130,507	$110,544	-	-	$(3,580	$723,043
Other (income) expenses – net	$(394,823)	$(144,836)	$541,939	$(79,306)	$13,498	$(63,323)	$(1,055)	$(127,906)
Interest expense	$790,505	$70,354	$1,807,731	$1,670,939	$1,639,950	$147,053	$148,288	$6,274,820
Interest income	$(647,212)	$(313,898)	$(175,605)	$(165,212)	$(56,117)	$(72,919)	$(172,175)	$(1,603,138)
Exchange gain	$(100,800)	$(1,919,332)	$(1,644,270)	$(1,521,257)	$(187,738)	$300,182	$(3,096,679)	$(8,169,894)
Exchange loss	$215,686	$1,175,289	$1,097,324	$760,877	$740,582	$(211,064)	$1,772,805	$5,551,499
Effects of Derivative financial instruments	-	-	$(2,414)	$(8,051)	$(697,836)	$95,755	$(104,693)	$(717,239)
Equity in income of associated companies and joint ventures	$(480,776)	$(1,526,455)	$(31,666)	$(115)	$(891,566)	$112,304	$1,510,576	$(1,307,698)
Income before income taxes	$5,066,920	$7,707,545	$4,129,513	$4,433,831	$1,992,390	$(971,995)	$1,286,710	$23,644,914
Income taxes	$1,141,646	$1,763,580	$1,335,949	$1,702,795	$825,457	$414,102	$(266,845)	$6,916,684
Consolidated net income	$3,925,274	$5,943,965	$2,793,564	$2,731,036	$1,166,933	$(1,386,097)	$1,553,555	$16,728,230
Net income from controlling interest	$3,569,403	$5,342,065	$2,777,698	$2,684,332	$1,166,933	$(1,386,097)	$302,639	$14,456,973
EBITDA (1)	$7,024,222	$5,908,733	$6,163,403	$7,320,977	$2,920,944	$330,236	$1,298,350	$30,966,865
Depreciation and amortization	$2,102,984	$786,295	$978,807	$2,145,878	$381,279	$949,058	$(26,850)	$7,317,451

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2023								
Net Sales	$73,326,668	$44,619,685	$45,009,965	$32,261,583	$3,476,672	-	$(239,264)	$198,455,309
Cost of sales	$48,072,616	$37,643,433	$35,588,795	$24,773,651	$506,239	-	$(557,918)	$146,026,816
Sales expenses	$15,025,045	$381,945	$7,371	$2,061,027	$217,753	-	$(574,714)	$17,118,427
Administrative expenses	$5,127,342	$1,317,043	$1,338,273	$1,252,102	$83,138	-	$(494,519)	$8,623,379
Employee profit-sharing	$473,555	$169,832	$72,491	$79,948	-	-	$3,289	$799,115
Other (income) expenses – net	$(309,903)	$(258,282)	$1,459,236	$627,586	$(4,142)	-	$(20,322)	$1,494,173
Interest expense	$723,928	$56,303	$1,233,512	$2,058,579	$1,568,646	-	$188,114	$5,829,082
Interest income	$(658,750)	$(659,530)	$(232,689)	$(136,746)	$(203,875)	$(73)	$138,626	$(1,753,037)
Exchange gain	$(145,506)	$1,159,245)	$(1,277,936)	$185,453	$(608,996)	-	$(566,453)	$(3,572,683)
Exchange loss	$89,903	$1,960,238	$1,514,115	$723,365	$261,695	-	$1,054,377	$5,603,693
Effects of Derivative financial instruments	-	-	-	-	-	-	$(78,093)	$(78,093)
Equity in income of associated companies and joint ventures	$(376,132)	$(222,115)	$(90,554)	-	$(842,386)	-	$263,479	$(1,267,708)
Income before income taxes	$5,304,570	$5,390,063	$5,397,352	$636,618	$2,498,599	$64	$404,879	$19,632,145
Income taxes	$1,270,024	$1,357,355	$1,592,228	$1,040,257	$451,629	$31	$35,305	$5,746,829
Consolidated net income	$4,034,546	$4,032,708	$3,805,123	-$403,639	$2,046,971	$33	$369,574	$13,885,316
Net income from controlling interest	$3,712,511	$3,682,962	$3,782,195	$106,081	$2,046,971	$33	$188,631	$13,519,384
EBITDA (1)	$7,110,926	$5,842,446	$7,451,680	$6,168,958	$3,007,109	$(9)	$1,349,114	$30,930,224
Depreciation and amortization	$1,992,405	$620,902	$898,073	$2,055,265	$333,425	-	$(36,183)	$5,863,887

2022							
Net Sales	$64,745,699	$49,599,601	$38,813,412	$24,114,919	$4,114,856	$150,192	$181,538,679
Cost of sales	$42,993,905	$41,333,586	$32,959,870	$19,379,222	$706,523	($(194,374)	$137,178,732
Sales expenses	$13,514,599	$776,808	$13,221	$1,384,724	$342,756	$(382,861)	$15,649,247
Administrative expenses	$2,841,545	$1,215,781	$1,120,468	$825,138	$73,237	$(591,634)	$5,484,535
Employee profit-sharing	$364,793	$181,333	$94,713	$36,374	-	$1,980	$679,193
Other (income) expenses – net	$(15,221)	$(4,103,219)	$488,929	$266,856	$(9,354)	$(46,115)	$(3,418,124)
Interest expense	$510,490	$76,267	$593,607	$1,259,509	$1,280,971	$70,885	$3,791,729
Interest income	$(690,242)	$(236,162)	$(400,288)	$(40,895)	$(29,448)	$57,841	$(1,339,194)
Exchange gain	$(139,014)	$(643,400)	$(461,136)	$(10,640)	$(372,222)	$60,074	$(1,566,338)
Exchange loss	$96,757	$985,164	$728,919	$409,348	$374,448	$20,740	$2,615,376
Effects of Derivative financial instruments	-	-	-	-	-	$(352,602)	$352,602)
Equity in income of associated companies and joint ventures	$(236,477)	$(547,801)	$5,559	-	$(942,531)	$417,845	$(1,303,405)
Income before income taxes	$5,504,564	$10,561,244	$3,669,549	$605,283	$2,690,477	$1,088,413	$24,119,530
Income taxes	$1,111,579	$1,495,976	$782,291	$277,210	$(87,688)	$106,584	$3,685,952
Consolidated net income	$4,392,985	$9,065,268	$2,887,259	$328,073	$2,778,164	$981,829	$20,433,578
Net income from controlling interest	$4,010,300	$8,698,598	$2,902,462	$540,848	$2,775,300	$134,396	$19,061,904
EBITDA (1)	$7,124,285	$6,850,756	$4,887,478	$3,922,567	$3,378,834	$1,314,414	$27,478,334
Depreciation and amortization	$1,918,887	$543,506	$745,914	$1,477,242	$377,140	$(29,150)	$5,033,539

	2024	2023	2022
Income before income taxes	$23,644,914	$19,632,145	$24,119,530
Depreciation and amortization	$7,317,451	$5,863,887	$5,033,539
Interest income	$(1,603,138)	$(1,753,037)	$(1,339,194)
Interest expense	$6,274,820	$5,829,082	$3,791,729
Exchange loss (gain)	$(2,618,395)	$2,031,010	$1,049,038
Surplus from appraisals of shopping centers	$(69,103)	$170,601)	$(193,348)
Impairment of property, plant and equipment and of exploration expenses	$(20,733)	$773,898	$420,063
Environmental remediation	$3,426	$(1,639)	$66
Effects of valuation of derivative financial instruments valuation	$(717,239)	$(78,093)	$(352,602)
Equity in income of associated entities and joint ventures	$(1,307,698)	$(1,267,708)	$(1,303,405)
Rethinking of Employee retirement benefits	$100,400	88,971	$83,174
Portfolio Impairment	$3,983	9,808	-
Other items	$(41,823)	$(27,499)	$(3.830,256)
EBITDA	**$30.966,865**	**$23,423,414**	**$21,569,640**

Grupo Carso's EBITDA for the year ended December 31, 2024 increased by 0.12%%.

	2024	2023	2022
Cash flows from operating activities:			
Retail	$5,439,812	$4,882,198	$2,714,487
Industrial	$3,049,878	$4,383,130	$5,957,779
Infrastructure and construction	$10,658,554	$(6,124,115)	$1,382,656
Elementia	$5,242,445	$4,578,444	$4,167,500
Energy	$3,117,450	$3,761,017	$3,324,000
Others and eliminations	$(2,670,134)	$1,137,317	$(1,031,891)
Total consolidated	**$25,020,005**	**$12,617,991**	**$16,532,531**
Cash flows from investing activities:			
Retail	$(914,937)	$(571,789)	$(349,274)
Industrial	$(367,924)	$(47,208)	$1,064,586
Infrastructure and construction	$(1,324,338)	$(987,785)	$(1,601,386)
Elementia	$(1,074,583)	$519,458	$(2,301,354)
Energy	$96,542	$186,289	$(339,936)
Others and eliminations	$(10,610,919)	$393,018	$(5,002,440)
Total consolidated	**$(14,196,159)**	**$(508,017)**	**$(8,529,804)**
Cash flows from financing activities:			
Retail	$(3,378,777)	$(6,499,464)	$(349,274)
Industrial	$1,479,776	$(7,368,072)	$1,064,586
Infrastructure and construction	$(9,723,552)	$7,332,788	$(1,601,386)
Elementia	$(5,253,902)	$(5,474,353)	$(2,301,354)
Energy	$(1,650,406)	$(1,584,420)	$(339,936)
Others and eliminations	$7,145,065	$6,958,050	$(5,002,440)
Total consolidated	**$(11,381,796)**	**$(6,635,471)**	**$(6,738,127)**

(Continua)

b. General segment information by geographical area:

The Entity operates in different geographical areas and has distribution channels in Mexico, the United States and other countries through industrial plants, commercial offices or representatives.

The distribution of sales is as follows.

	2024					
North America	$36,560,565	18.01	$33,470,570	16.87	$33,182,180	18.28
Central and South America and the Caribbean	$16,590,901	8.17	$15,345,535	7.73	$15,092,644	8.31
Europe	$1,037,686	0.51	$787,942	0.40	$922,793	0.51
Rest of the world	$380,368	0.19	$468,931	0.24	$500,858	0.28
come	**$54,569,520**	**26.88**	**$50,072,978**	**25.24**	**$49,698,475**	**27.38**
Mexico	$148,413,899	73.12	$148,382,331	74.76	$131,840,204	72.62
	$202,983,419	**100**	**$198,455,309**	**100**	**$181,538,679**	**100**

The Entity has a wide variety of customers according to the category of products and services it offers; however, no particular customer represents more than 10% of net sales. The Entity offers its products and services mainly in the following industries: energy, automotive, telecommunications, construction, electronics and general public.

34. Adoption of new and revised Accounting IFRS

a. *New and amended IFRS® Accounting Standards ("IFRS" or "IAS") that are mandatory for the current year*

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosing Information on Supplier Financing Agreements.

The group has adopted the amendments to IAS 7 and IFRS 7 entitled Supplier Financing Agreementsfor the first time this year.

The amendments add a disclosure objective to IAS 7 which states that an entity is required to disclose information about its financial arrangements with suppliers that allows users of the financial statements to assess the effects of such agreements on the entity's liabilities and cash flows. In addition, IFRS 7 is amended to add supplier financing agreements as an example within the requirements to disclose information on an entity's exposure to liquidity risk concentration.

The amendments contain specific transitional provisions for the first annual reporting period in which the group applies the amendments. Under the transitional provisions, an entity is not required to disclose:

- Comparative information of the reporting periods submitted before the beginning of the reporting year in which the entity first applies such amendments.
- The information required by IAS 7:44H (b)(ii)–(iii) at the beginning of the reporting year in which the entity first applies such amendments.

In the year, the group has applied amendments to IFRS issued by the International Financial Reporting Standards Board (IASB) that are mandatory for accounting periods beginning on or after January 1, 2024. Its adoption has not had a material impact on the disclosures or amounts reported in these financial statements

Amendments to IAS 1
Classification of Liabilities as Current or Non-Current

The group has adopted the amendments to IAS 1, published in January 2020, for the first time this year.

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or time of recognition of any asset, liability, income or expense, or the information disclosed on those items.

The amendments clarify that the classification of liabilities as current or non-current is based on the rights that exist at the end of the reporting period, specify that the classification is not affected by expectations as to whether an entity will exercise its right to defer the settlement of a liability, explain that the rights exist if the financial covenants are complied with at the end of the reporting period, informs, and introduces a definition of "settlement" to make it clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Amendments to IAS 1
– (Non-current liabilities with financial agreements)

The group has adopted the amendments to IAS 1, published in November 2022, for the first time this year.

The amendments specify that only financial conventions that an entity is obliged to comply with on or before the end of the reporting period affect the institution's right to defer the settlement of a liability for at least twelve months after the reporting date (and should therefore be taken into account when assessing the classification of the liability as current or non-current). Such financial arrangements affect whether the rights exist at the end of the reporting period, even if compliance with the financial arrangement is assessed only after the reporting date (e.g., a financial arrangement based on the entity's financial condition at the reporting date on which compliance is assessed after the reporting date).

The IASB also specifies that the right to defer the settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a financial arrangement after the reporting period. However, if the entity's right to defer the settlement of a liability is subject to the entity's compliance with the financial conventions within twelve months of the reporting period, the entity shall disclose information that enables users of the financial statements to understand the risk that the liabilities will be repayable within twelve months of the reporting period. This would include information on the financial arrangements (including the nature of the financial arrangements and when the entity is required to comply with them), the carrying amount of related liabilities, and the facts and circumstances, if any, that indicate that the entity may have difficulties in complying with the financial arrangements.

Amendments to IFRS 16

Leases – Lease Liability on a Sale and Leaseback

The group has adopted the amendments to IFRS 16 for the first time this year.

The amendments to IFRS 16 add subsequent valuation requirements for sale and leaseback transactions that satisfy the requirements of IFRS 15 Revenue from contracts with customers to be accounted for as a sale. The amendments require the seller-lessee to determine "lease payments" or "revised lease payments" such that the seller-lessee does not recognize a gain or loss related to the right of use retained by the seller-lessee, after the commencement date.

Amendments do not affect the gain or loss recognized by the sellerlessee in connection with the partial or total termination of a lease. Without these new requirements, a seller-lessee may have recognized a gain on the right of use that it retains solely due to a remeasurement of the lease liability (e.g., after a lease modification or a change in the lease term) by applying the general requirements of IFRS 16. This might have been particularly the case in a subsequent lease that includes variable lease payments that are not dependent on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a saleleaseback transaction with variable lease payments that are not dependent on an index or rate. The illustrative examples also clarify that the liability arising from a subsequent sale and lease transaction that qualifies as a sale under IFRS 15 is a lease liability.

A seller-lessee shall apply the amendments retroactively in accordance with IAS 8 to subsequent sale and lease transactions entered into after the initial application date, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

IFRS standards issued that are not yet effective

As of the date of authorization of these financial statements, it has not applied the following new and revised IFRS that have been issued, but are not yet effective.

As of the date of authorization of these consolidated financial statements, the Entity has not applied the following new and amended IFRS Standards that have been issued but are not yet in force:

Amendments to IAS 21	Lack of interchangeability
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Non-Public Liability Subsidiaries: Disclosures

Management does not expect the adoption of the above standards to have a material impact on the Entity's consolidated financial statements in future periods, except as follows:

Amendments to IAS 21 The Effects of Exchange Rate Variations on Non-Interchangeability

The amendments specify how to assess whether a currency is interchangeable and how to determine the exchange rate when it is not.

The amendments state that a currency is interchangeable with another currency when an entity is able to obtain the other currency within a time frame that allows for normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

An entity assesses whether a currency is interchangeable with another currency on a measurement date and for a specific purpose. If an entity is not able to obtain more than a negligible amount from the other currency on the measurement date for the specified purpose, the currency is not interchangeable to the other currency.

The assessment of whether one currency is exchangeable for another depends on the entity's ability to obtain the other currency and not on its intention or decision to do so.

When a currency is not interchangeable with another currency on a measurement date, the entity is required to estimate the exchange rate on that date. An entity's objective in estimating the exchange rate is to reflect the rate at which an orderly transaction would take place on the measurement date between market participants under prevailing economic conditions.

The amendments do not specify how an entity estimates the spot exchange rate to meet this target. An entity can use an observable exchange rate without adjustment or another estimation technique. Examples of an observable exchange rate include:

- A spot exchange rate for a purpose other than that for which an entity assesses interchangeability.
- The first exchange rate at which an entity can obtain the other currency for the specified purpose after the currency's interchangeability is restored (subsequent first exchange rate).

An entity using another estimation technique may use any observable exchange rate, including exchange rates from transactions in markets or exchange rate mechanisms that do not create enforceable rights and obligations, and adjust that exchange rate, as necessary, to meet the objective set out above.

When an entity estimates a spot exchange rate because a currency is not interchangeable with another currency, the entity is required to disclose information that allows users of its financial statements to understand how the fact that the currency is not interchangeable to another currency affects, or is expected to affect, the financial performance, financial position and cash flows of the entity.

The amendments add a new appendix as an integral part of IAS 21. The appendix provides guidance for the implementation of the requirements introduced by the amendments. The amendments also add new Illustrative Examples accompanying IAS 21, which illustrate how an entity might apply some of the requirements in hypothetical situations based on the limited facts presented.

In addition, the IASB made consequential modifications to IFRS 1 to align with and reference the revised IAS 21 to assess interchangeability.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025, and are allowed to be applied early. An entity is not allowed to apply the changes retroactively. Instead, an entity is required to implement the specific transitional provisions included in the amendments.

The company's directors anticipate that the application of these modifications may have an impact on the group's consolidated financial statements in future periods.

IFRS 18 Disclosure of Financial Statements

FRS 18 replaces IAS 1, keeping many of the requirements of IAS 1 unchanged and supplementing them with new requirements. In addition, some paragraphs of IAS 1 have been moved to IAS 8 and IFRS 7. In addition, the IASB has made minor modifications to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements for:

- Present specific categories and subtotals defined in the profit and loss statement.
- Provide information on management-defined performance measures (MPMs) in the notes to the financial statements.
- Improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting years beginning on or after January 1, 2027, with early application permitted. Amendments to IAS 7 and IAS 33, as well as amendments to revised IAS 8 and IFRS 7, come into force when an entity applies IFRS 18. IFRS 18 requires retroactive application with specific transitional provisions.

The Entity's management does not anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

IFRS 19 Non-Publicly Disclosed Subsidiaries: Disclosing Information

IFRS 19 allows an eligible subsidiary to provide reduced information when applying IFRS in its financial statements.

A subsidiary is eligible for reduction of disclosures if it has no public liability and its final parent or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS.

IFRS 19 is optional for subsidiaries that are eligible and sets out disclosure requirements for subsidiaries that choose to apply it.

An institution may only apply IFRS 19 if, at the end of the reporting period:

- It is a subsidiary (this includes an intermediate parent)
- It has no public responsibility, and
- Your final parent or any intermediate parent produces consolidated financial statements available for public use that are IFRS compliant.

A subsidiary has public liability if:

- Your debt or equity instruments are traded on a public market or you are in the process of issuing such instruments for trading on a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- Holds assets in a fiduciary capacity for a broad group of people outside the company as one of its primary businesses (e.g., banks, credit unions, insurance entities, brokers/brokers, mutual funds, and investment banks often meet this second criterion).

Eligible entities may apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statement may do so in its separate financial statements.

The new rule is effective for notice periods beginning on or after January 1, 2027, and early enforcement is permitted. If an entity elects to apply IFRS 19 for a reporting period prior to the reporting period in which IFRS 18 first applies, it is required to apply a modified set of disclosure requirements set out in an appendix to IFRS 19. If an entity elects to apply IFRS 19 for an annual reporting period prior to applying the amendments to IAS 21, it is not required to apply the disclosure requirements of IFRS 19 with respect to Non-Interchangeability.

The Entity's management does not anticipate that IFRS 19 will apply for the purposes of the group's consolidated financial statements.

The Entity's management anticipates that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods if such transactions arise.

35 Material accounting policies

Explanation for translation into English - The accompanying financial statements have been translated from Spanish into English for use of readers. These financial statements are presented on the basis of International Financial Reporting Standards ("IFRS"). Certain accounting practices applied by Grupo Carso in conform with IFRS may not conform with accounting principles generally accepted in the country of use.

a. *Statement of compliance* - The Entity's consolidated financial statements have been prepared in accordance with IFRS issued by the IASB.

b. *Going concern* - Grupo Carso's consolidated financial statements have been prepared by Management assuming that the Entity will continue to operate as a going concern.

c. *Basis of preparation* - The Entity's consolidated financial statements have been prepared on the basis of historical cost, except for certain long-term assets and financial instruments that are measured at revalued amounts or at fair value at the end of each period, as explained in the accounting policies below. Consolidated financial statements are prepared in pesos, the legal tender of the United Mexican States and are presented in thousands, except when indicated.

   i. Historical cost
   Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

   ii. Fair value
   Fair value is defined as the price that would be received for selling an asset or that would be paid for transferring or settling a liability in an orderly transaction between

market participants at the valuation date, regardless of whether that price is observable or estimated using another valuation technique directly. In estimating the fair value of an asset or liability, the Entity takes into account the characteristics of the asset or liability, whether market participants would take those characteristics when pricing the asset or liability at the measurement date. The fair value for measurement and/or disclosure purposes of these consolidated financial statements is determined in such a manner, with the exception of transactions with share-based payments that are within the scope of IFRS 2, lease transactions that are within the scope of IFRS 16, and valuations that have some similarities to fair value, but it is not a fair value, such as the net realized value of IAS 2 or the value in use of IAS 36.

d. *Basis for consolidation of financial statements* - Consolidated financial statements include the financial statements of the Entity and those of the direct and indirect subsidiaries in which it has control. Control is gained when **Grupo Carso**:

- It has power over investment.
- You are exposed, or are entitled to, variable returns from your participation in that entity, and
- It has the ability to affect such returns through its power over the entity in which it invests.

Grupo Carso reevaluates whether or not it has control in an entity if the facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Where **Grupo Carso** has less than a majority of the voting rights of an investee, **Grupo Carso** has power over the investee when the voting rights are sufficient to give it the practical ability to conduct its relevant activities, unilaterally. **Grupo Carso** considers all relevant facts and circumstances to assess whether your voting rights in the investee are sufficient to grant you power, including:

- The percentage of **Grupo Carso's** participation in the voting rights in relation to the percentage and dispersion of the voting rights of the other holders thereof;
- Potential voting rights held by **Grupo Carso**, by other shareholders or by third parties;
- Rights arising from other contractual agreements, and

- Any additional facts and circumstances that indicate that **Grupo Carso** has, or does not have, the current capacity to direct the relevant activities at the time decisions are to be made, including shareholder voting trends at previous meetings.

The subsidiaries are consolidated from the date on which control is transferred to **Grupo Carso**, and are no longer consolidated from the date on which control is lost. Gains and losses of subsidiaries acquired or sold during the year are included in the consolidated statements of income and other comprehensive income from the date **Grupo Carso** gains control or until the date it is lost, as the case may be.

When necessary, adjustments are made to the financial statements of the subsidiaries to align their accounting policies in accordance with **Grupo Carso's** accounting policies.

All related assets, liabilities, equity, revenues, expenses and cash flows related to related-party transactions have been completely eliminated in consolidation.

Non-controlling interests in subsidiaries are identified separately from **Grupo Carso's** capital in them. Non-controlling shareholder interests, which are current ownership interests that entitle their holders to a proportionate share of net assets at the time of liquidation, may initially be measured at fair value or the non-controlling parties' proportionate share of the fair value of the acquired' s identifiable network. The choice of the measure is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Post-acquisition, the carrying amount of non-controlling interests is the amount of those interests in initial recognition plus the share of non-controlling interests in subsequent changes in capital. Total comprehensive income is attributed to non-controlling interests even if this results in non-controlling interests having a negative balance.

The results of each component of other comprehensive income are attributed to the company's shareholders and non-controlling interests. The total comprehensive income statements of the subsidiaries are attributed to the company's shareholders and non-controlling interests, even if this results in a deficit in non-controlling interests.

Changes in investments in the Entity's subsidiaries that do not result in a loss of control are recorded as equity transactions. The carrying amount of the Entity's investments and non-controlling interests is adjusted to reflect changes in the corresponding investments in subsidiaries. Any difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in stockholders' equity and is attributed to the owners of the Entity.

When the Entity loses control of a subsidiary, the gain or loss on disposition is calculated as the difference between (i) the sum of the fair value of the consideration received and the fair value of any retained interest and (ii) the prior carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognized in other items of comprehensive income relating to the subsidiary are recognized in the same manner as established in the event that the relevant assets or liabilities are available (i.e., they are reclassified to profit or loss or transferred directly to other stockholders' equity items as specified/permitted by applicable IFRS).

The fair value of any investment retained in the subsidiary as of the date control is lost is considered to be the fair value for initial recognition under IAS 39 or, as the case may be, the cost at initial recognition of an investment in an associate or joint venture.

e. *Financial instruments*

Financial assets and liabilities are recognized when the Entity becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and liabilities (other than financial assets at fair value through profit or loss) are added to or reduced from the fair value of the financial assets or liabilities, if any, at initial recognition. Transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

f. *Financial assets*

All regular purchases or sales of financial assets are recognized and derecognized on a trade date. Regular purchases or sales are purchases or sales of financial assets that require the delivery of assets within the period established by regulation or customary market practices.

All financial assets recognized are subsequently measured in their entirety, either at amortized cost or fair value, according to the classification of financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- If the financial asset is held in a business model whose objective is to hold financial assets with the aim of obtaining contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are only payments of principal and interest on the principal amount.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- The financial asset is held within a business model whose objective is fulfilled by obtaining contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise, on specific dates, to cash flows that are only payments of principal and interest on the outstanding amount of the principal.

By default, all other financial assets are subsequently measured at fair value through profit or loss.

Notwithstanding the foregoing, the Entity may make the following irrevocable election/designation in the initial recognition of a financial asset:

- You may irrevocably elect to present subsequent changes in the fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- It may irrevocably designate a debt instrument that meets the criteria of amortized cost or fair value through other comprehensive income if in doing so it eliminates or significantly reduces an accounting mismatch (see (iv) below).

(i) *Amortized Cost and Effective Interest Method*

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income during the relevant period.

For financial assets that were not purchased or originated by credit-impaired financial assets (e.g., assets that have credit impairment at initial recognition), the effective interest rate is the rate that exactly discounts expected future cash inflows (including all fees and points paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, over the expected life of the debt instrument or, where applicable, a shorter period, to the gross carrying amount of the debt instrument at initial recognition. For credit-impaired financial assets purchased or originated, a credit-adjusted effective interest rate is calculated by discounting estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument at initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus the amortization accrued using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any losses. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any provisions for losses.

nterest income is recognized using the effective interest effect for debt instruments subsequently measured at amortized cost and fair value through other comprehensive income. For purchased or originated financial assets other than credit impairment financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently suffered credit impairment (see below). For financial assets that have subsequently been impaired on credit, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If in subsequent reporting periods the credit risk in the credit-impaired financial instrument improves, so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For acquired or originated financial assets that have credit impairment, the Entity recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset as of its initial recognition. The calculation does not return to the gross basis, even if the credit risk of the financial asset subsequently improves, so that the financial asset no longer has credit impairment.

Interest income is recognized by profit or loss (profit/loss) and is included in the item "Financial income - Interest income".

(ii) *Investments in equity designated as Fair Value through other comprehensive income*

In initial recognition, the Entity may make an irrevocable election (instrument by instrument) to designate investments in equity instruments at fair value through other comprehensive income. Fair value designation through other comprehensive income is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at fair value through other comprehensive income are initially measured at fair value plus transaction costs. They are then measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. Accumulated gain or loss cannot be reclassified to profit or loss on the disposition of capital investments, but is transferred to retained earnings.

Dividends from these investments in equity instruments are recognized as profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included under 'dividends' (Note 27) in profit or loss.

The Entity has designated all investments in equity instruments that are not held for trading atfair value through other comprehensive income in the initial application of IFRS 9.

A financial asset is held for trading if:

- It has been obtained with the main objective of selling in the short term; or
- In the initial recognition, it is part of a portfolio of identified financial instruments that the Entity manages together and has evidence of a recent pattern of obtaining profits in the short term; or
- It is a derivative (except for derivatives that are contractual financial guarantees or an effective hedging instrument).

(ii) *Financial Assets at Fair Value through Profit or Loss*

Financial assets that do not meet the criteria to be measured at amortized cost or fair value through other comprehensive income (see (i) to (iii) above) are measured at fair value through profit or loss. Specifically:

- Investments in equity instruments are classified for fair value through profit or loss, unless the Entity designates an equity investment that is not held for trading or a contingent consideration arising from a business combination at fair value through other comprehensive results at initial recognition (see (iii) above).

- Debt instruments that do not meet the amortized cost criteria or the fair value criteria through other comprehensive income (see (i) and (ii) above) are classified as fair value through profit or loss. In addition, debt instruments that meet the amortized cost criteria or the fair value through other comprehensive income criteria may be designated as fair value through profit or loss at the time of initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (referred to as an "accounting disparity") that would arise from the measurement of assets or liabilities or the recognition of gains and losses on them in different bases. The Entity has not designated any debt instruments with fair value through profit or loss.

Financial assets at fair value through other comprehensive income are measured at fair value at the end of each reporting period, with any fair value gain or loss recognized in profit or loss to the extent that they are not part of a designated hedging relationship (see hedge accounting policy). Net gain or loss recognized as profit or loss includes any dividend or interest earned on the financial asset and is included under the heading "other (income) expenses, Net" (Note 29). Fair value is determined in the manner described in Note 36(f)(ii)

Foreign exchange gains and losses

The carrying amount of financial assets denominated in a foreign currency is determined in that foreign currency and converted at the exchange rate at the end of each reporting period. Specifically;

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss under "other (income) expenses, net" (Note 29);

- For debt instruments measured at fair value through other comprehensive income that are not part of a designated hedging relationship, the exchange differences in the amortized cost of the debt instrument are recognized in profit or loss under the heading "other (income) expenses, Net" (Note 29). Other exchange differences are recognized in other comprehensive income in the investment revaluation reserve;

- For financial assets measured at fair value through profit or loss that are not part of a designated hedging relationship, foreign exchange differences are recognized in profit or loss under "other gains and losses"; and

- For equity instruments measured at fair value through other comprehensive income, exchange differences are recognized in other comprehensive income in the revaluation reserve.

See the hedge accounting policy regarding exchange differences where the risk component of a foreign currency for a financial asset designated as a foreign currency risk hedging instrument.

Impairment of financial assets

The Entity recognizes a provision for expected credit losses on investments in debt instruments that are measured at amortized cost or fair value through other comprehensive income, lease receivables, trade receivables and contractual assets, as well as in financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Entity recognises expected lifetime credit losses for trade receivables, contractual assets and lease receivables. Expected credit losses on these financial assets are estimated using a provision matrix based on the Entity's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both current management and the forecast of conditions at the reporting date. including the time value of money when appropriate.

For all other financial instruments, the Entity recognises the expected lifetime credit loss when there has been a significant increase in credit risk since initial recognition. However, if the credit risk in the financial instrument has not increased significantly since initial recognition, the Entity measures the provision for losses for that financial instrument in an amount equal to the expected credit loss over 12 months.

Lifetime expected credit loss represents the expected credit losses that will result from all possible default events during the expected useful life of a financial instrument. In contrast, the 12-month expected credit loss represents the portion of the lifetime expected loss that is expected to result from predetermined events in a financial instrument that are possible within 12 months of the reporting date.

i. *Significant increase in credit risk*

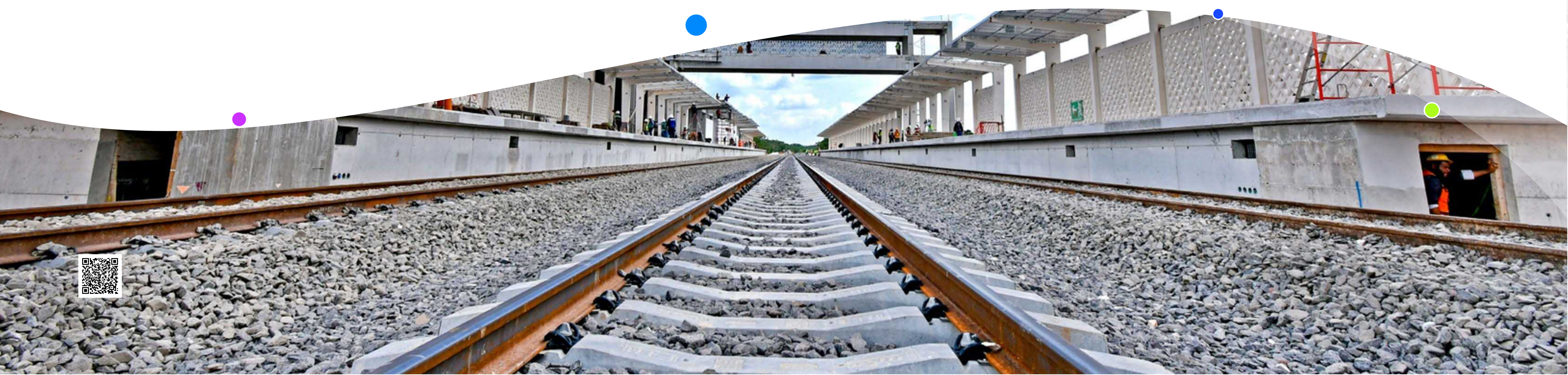
In assessing whether credit risk in a financial instrument has increased significantly since initial recognition, the Entity compares the risk of a default in the financial instrument occurring on the reporting date with the risk of a default in the financial instrument on the recognition start date. In conducting this assessment, the Entity considers both quantitative and qualitative information that is reasonable and substantiated, including historical experience and forwardlooking information that is available at no cost or unnecessary effort. The forward-looking information considered includes the future prospects of the industries in which the Entity's debtors operate, obtained from reports of economic experts, financial analysts, government agencies, relevant think tanks and other similar organizations, as well as consideration of various external sources of actual information and projected economic information related to the Entity's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- A significant existing or expected deterioration in the external rating (if any) or internal rating of the financial instrument;
- Significant impairment in external market indicators of credit risk for a specific financial instrument, e.g., a significant increase in the credit spread, credit default swap for the debtor, or the period of time or extent to which the fair value of a financial asset is less than its amortized cost;
- Existing or expected adverse changes in economic, financial, or business conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligation;
- A current or expected significant deterioration in the debtor's operating results;
- Significant increases in credit risk in other financial instruments of the same obligor;
- An existing or expected adverse change in the debtor's regulatory, economic, or technological conditions that results in a significant decrease in the debtor's ability to meet its obligations.

Regardless of the outcome of the above assessment, the Entity assumes that credit risk in a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days due, unless the Entity has reasonable and reliable information to the contrary.

Notwithstanding the foregoing, the Entity assumes that credit risk in a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have a low credit risk at the reporting date. A financial instrument is determined to have a low credit risk if:



(1) The financial instrument has a low risk of default,
(2) The debtor has a well-known ability to meet its contractual cash flow obligations in the short term, and
(3) Adverse changes in long-term economic and business conditions may reduce the debtor's ability to meet its contractual cash obligations, but this will not necessarily happen.

The Entity considers a financial asset to have low credit risk when the asset has an external credit rating of "investment grade" according to the globally accepted definition, or in the event that an external rating is not available, that the asset has an internal rating "realizable". Realizable means that the counterparty has a strong financial position and there are no outstanding past amounts.

For financial guarantee agreements, the date on which the Entity becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the impairment of the financial instrument. In assessing whether there has been a significant increase in credit risk since the initial recognition of financial guarantee contracts, the Entity considers changes in the risk that the specified debtor will default on the contract.

The Entity regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and reviews them as appropriate to ensure that the criteria are capable of identifying a significant increase in credit risk before the amount has matured.

ii. *Definition of non-compliance*

The Entity considers the following to constitute a default event for internal credit risk management purposes, as historical experience indicates that financial assets are not recoverable when they meet any of the following criteria:

- When the debtor fails to comply with financial agreements;
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Entity, in full (without regard to any collateral held by the Entity).

Notwithstanding the foregoing analysis, the Entity considers that default has occurred when a financial asset has a maturity of more than 90 days, unless the Entity has reasonable and reliable information to demonstrate that a more delayed default criterion is more appropriate.

ii. *Financial assets with credit impairment*

A financial asset has credit impairment when one or more events have occurred that have a detrimental impact on the estimated future cash flows of that financial asset. Evidence that a financial asset has credit impairment includes observable data on the following events:

(a) Significant financial hardship on the part of the issuer or debtor;
(b) The breach of a contract, such as a breach or overdue event (see (ii) above);
(c) The debtor's lenders, for economic or contractual reasons related to the debtor's financial hardship, grant the debtor a concession that lenders would not otherwise consider;
(d) The debtor is increasingly likely to enter bankruptcy or some other financial reorganization; or
(e) The extinction of a functional market for financial assets due to its financial difficulties.

iv. *Sick leave policy*

in serious financial difficulty and there is no realistic prospect of recovery, for example. when the debtor has been placed in liquidation or has entered bankruptcy proceedings, or in the case of trade receivables, when amounts are more than two years due, whichever comes first. Derecognized financial assets may still be subject to compliance activities under the Entity's recovery procedures, taking into account legal advice where appropriate. Any recovery made is recognized in results.

iv. *Measurement and recognition of expected credit losses*

given the default (i.e., the magnitude of the loss if there is a default), and the exposure in the default. The assessment of the likelihood of default and loss given by default is based on historical data adjusted for forward-looking information as described above. Regarding the exposure to default, for financial assets, this is represented by the gross carrying value of the assets on the reporting date; for financial guarantee contracts, the exposure includes the amount established at the reporting date, together with any additional amounts expected to be obtained in the future per default date determined based on historical trends, the Entity's understanding of the specific financial needs of the debtors, and other relevant information in the future.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows owed to the Entity under the contract and all cash flows that the Entity expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used to determine expected credit losses are consistent with the cash flows used in the measurement of the lease receivable in accordance with IFRS 16 Leases.

For a financial guarantee contract, where the Entity is obligated to make payments only in the event of default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss forecast is the expected payment to reimburse the holder for a credit loss that it incurs minus any amount that the Entity expects to receive from the holder, the debtor or any other party.

If the Entity has measured the provision for losses for a financial instrument in an amount equal to the expected lifetime credit loss in the previous reporting period, but determines at the current filing date that the conditions for the expected lifetime credit loss are no longer met, the Entity measures the loss margin in an amount equal to the 12-month expected credit loss on the date of current reporting, except for assets for which the simplified approach was used.

corresponding to their carrying amount through a loss provision account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the provision for losses is recognised in other comprehensive income and accumulated in the revaluation reserve of investments, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Deregistration of financial assets

The Entity derecognizes a financial asset only when the contractual rights to the asset's cash flows expire, or when it transfers the financial asset and substantially all of the risks and rewards of ownership of the asset to another entity. If the Entity retains substantially all of the risks and rewards of ownership of a transferred financial asset, the Entity continues to recognize the financial asset and also recognizes a loan secured by the proceeds received.

When a financial asset measured at amortized cost is derecognized as derecognized as recognised, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, when an investment in a debt instrument classified as fair value is derecognized through other comprehensive income, the accumulated gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, in the derecognition of an investment in an equity instrument that the Entity chose in initial recognition to measure at fair value through other comprehensive income, the accumulated gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated earnings (deficit).

g Financial liabilities and capital

Classification as debt or equity

Debt and equity instruments are classified as financial liabilities or as equity according to the content of the contractual agreements and the definitions of a financial liability and an equity instrument.

Capital Instruments

An equity instrument is any contract that evidences a residual interest in an entity's assets after deducting all of its liabilities. The capital instruments issued by the Entity are recognized at the income
received, net of direct issuance costs.

The repurchase of the Entity's own capital instruments is recognised and deducted directly from the capital. No gain or loss in profit or loss is recognized in the purchase, sale, issuance or cancellation of
the Entity's own capital instruments

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at fair value through profit or loss.

However, financial liabilities arising when a transfer of a financial asset does not qualify for derecognition or when the continuing participation approach is applied, and financial guarantee contracts issued by the Entity, are measured in accordance with the specific accounting policies detailed below.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified for fair value through profit or loss when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as fair value through profit or loss.

A financial liability is classified as held for trading if:

- It has been acquired mainly for the purpose of buying it back in the short term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Entity jointly manages and has a recent actual pattern of short-term profit-taking; or
- It is a derivative, except for derivatives which are a financial collateral contract or a designated and effective hedging instrument.

A financial liability that is not held for negotiation or the contingent consideration of an acquirer in a business combination may be designated as fair value through profit or loss at the time of initial recognition if:

- Such a designation eliminates or significantly reduces an otherwise arising measurement or recognition inconsistency; or
- The financial liability is part of an Entity of financial assets or financial liabilities or both, which is managed and its performance is evaluated on the basis of fair value, in accordance with the documented risk management or investment strategy of the Entity, and information on the grouping is provided internally on that basis; or
- It is part of a contract that contains one or more embedded derivatives, and IFRS 9 allows the entire combined contract to be designated as fair value through profit or loss.

Financial liabilities at fair value through profit or loss are measured at fair value, and gains or losses arising from changes in fair value are recognized in profit or loss to the extent that they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the heading "other (income) expenses, Net" (Note 29) in profit or loss.

However, for financial liabilities that are designated at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the credit risk of the liability on other comprehensive income would create or widen an accounting mismatch in results. The remaining amount of the change in the fair value of the liability is recognized in profit or loss. Changes in fair value attributable to credit risk of a financial liability that are recognised in other comprehensive income are not subsequently reclassified to profit or loss. instead, they are transferred to accumulated earnings once the financial liability is decommissioned.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as fair value through profit or loss, are subsequently measured at amortized cost using the effective interest method.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, foreign currency gains and losses are determined based on the amortized cost of the instruments. These gains and losses in foreign currency are recognized in profit or loss (Other (income) expenses, Net" in profit or loss (Note 29) for financial liabilities that are not part of a designated hedging relationship. For those that are designated as a hedging instrument for a foreign currency risk hedge, foreign currency gains and losses are recognized in other comprehensive income and accumulate in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and is translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign currency component is part of the gain or loss at fair value and is recognized as profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Entity derecognizes financial liabilities if, and only if, the Entity's obligations are fulfilled, cancelled or have expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid and payable is recognized in profit or loss.

When the Entity exchanges with the existing lender one debt instrument into another with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Entity considers a material change in the terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. The terms are assumed to be materially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10% different from the actual discounted value of the remaining cash flows of the original financial liability. If the modification is not material, the difference between: (1) the carrying amount of liability prior to the modification; and (2) the present value of cash flows after modification must be recognized in profit or loss as modification gain or loss within other gains and losses.

h. Derivative financial instruments

The Entity participates in a variety of derivative financial instruments to manage its exposure to interest rate, exchange rate and price risks of certain metals, including foreign exchange forward contracts, forwards and interest rate swaps. Additional details of derivative financial instruments are disclosed in Note 14.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and subsequently measured at fair value at each reporting date. The resulting gain or loss is recognized as profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of recognition in profit or loss depends on the nature of the hedging relationship.

A derivative with a positive fair value is recognised as a financial asset, while a derivative with a negative fair value is recognised as a financial liability. Derivatives are not netted in the consolidated financial statements unless the Entity has both the legal right and the intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

i. Hedge accounting

The Entity designates certain derivatives as hedging instruments with respect to foreign currency risk and interest rate risk in fair value hedges, cash flow hedges or hedges on net investments in foreign transactions. Foreign exchange risk hedges on firm commitments are accounted for as cash flow hedges.

At the outset of the hedging relationship, the Entity documents the relationship between the hedging instrument and the hedged item, together with its risk management objectives and strategy for carrying out various hedging transactions. In addition, at the beginning of the hedge and on an ongoing basis, the Entity documents whether the hedging instrument is effective in offsetting changes in the fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedging effectiveness requirements:

- There is an economic relationship between the hedging instrument and the hedged item;
- The effect of credit risk does not dominate the value of the changes that result from the economic relationship; and
- The coverage ratio of the hedging ratio is the same as that resulting from the amount of the hedged item that the Entity actually hedges and the amount of the hedging instrument that the
- Entity actually uses to cover that amount of the hedged item.

If a hedging relationship no longer meets the hedging effectiveness requirement related to the hedging relationship, but the risk management objective for that designated hedging relationship remains the same, the Entity adjusts the hedging relationship of the hedging relationship (i.e., rebalances the hedging) so that it meets the qualification criteria again.

The Entity designates the complete change in the fair value of a forward contract (i.e., includes forward items) as the hedging instrument for all of its hedging relationships involving forward contracts.

Note 14 sets out the details of the fair values of derivative instruments used for hedging purposes.

The changes in the equity coverage reserve are detailed in Note 14. Nota 14

Fair value coverages

The change in the fair value of qualified hedging instruments is recognised in profit or loss, except where the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income, in which case it is recognised in other comprehensive income.

The carrying amount of a hedged item that has not yet been measured at fair value is adjusted for the change in fair value attributable to the hedged risk with a corresponding entry in profit or loss. For debt instruments measured at fair value through other comprehensive income, the carrying amount is not adjusted as it is at fair value, but the hedging gain or loss is recognized in profit or loss rather than other comprehensive income. Where the hedged item is an equity instrument designated at fair value through other comprehensive income, the hedging gain or loss remains in other comprehensive income to match that of the hedging instrument.

When hedging gains or losses are recognized in profit or loss, they are recognized on the same line as the hedged item.

The entity discontinues hedge accounting only when the hedge relationship (or a portion thereof) ceases to meet the qualification criteria (after rebalancing, if applicable). This includes cases where the hedging instrument matures or is sold, cancelled or exercised. The suspension is counted prospectively. The adjustment of the fair value to the carrying amount of the hedged item arising from the hedged risk is amortized to profit or loss as of that date.

Cash flow hedges

The actual portion of changes in the fair value of derivatives and other qualified hedging instruments that are designated and qualified as cash flow hedges are recognized in other comprehensive income and are accumulated under the heading of the cash flow hedge reserve, limited to the cumulative change in the fair value of the hedged item since the inception of the hedge. The gain or loss related to the ineffective portion is immediately recognized in profit or loss.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods in which the hedged item affects the profit or loss, in the same line as the recognized hedged item. However, when the hedged anticipated transaction results in the recognition of a nonfinancial asset or nonfinancial liability, the gains and losses previously recognized in other comprehensive income and accrued in equity are removed from equity and included in the initial measurement of the cost of the nonfinancial asset or nonfinancial liability. This transfer does not affect other comprehensive income.

In addition, if the Entity expects that some or all of the accumulated loss in the cash flow coverage reserve will not be recovered in the future, that amount will be immediately reclassified to profit or loss.

The entity discontinues hedge accounting only when the hedge relationship (or a portion thereof) ceases to meet the qualification criteria (after rebalancing, if applicable). This includes cases where the hedging instrument matures or is sold, cancelled or exercised. The suspension is counted prospectively. Any gain or loss recognized in other comprehensive income and accumulated in the cash flow coverage reserve at that time remains in equity and is reclassified to profit or loss when the anticipated transaction occurs. When a forecast transaction is no longer expected to occur, the accumulated gain or loss in the cash flow hedging reserve is immediately reclassified to results.

j. Inventories and cost of goods sold

Inventories are valued at the lesser of the cost of acquisition and/or construction or their net realizable value (estimated sales price minus all costs necessary for sale), whichever is less, as follows:

- ***Industrial, construction and commercial inventories*** - They are valued through the system of first in, first out, and/or average costs depending on the activity of each subsidiary; including the cost of materials, direct expenses and an appropriate portion of fixed and variable indirect costs, which are incurred in the transformation of the same by the activity of each subsidiary. Reductions in the value of inventories are made up of the reserves that represent the impairment of inventories. Net realizable value represents the estimated sales price minus all estimated costs of completion and costs incurred in marketing, selling, and distributing.

- ***Real estate inventories*** - Real estate inventory is valued at the lesser of the cost or net value of realization. Land to be developed is subjected to deterioration tests if there are indications that its value will not be recoverable. Real estate inventory includes all direct land, development and construction, and other costs incurred during the development stage, as well as financial costs. The costs of real estate developments include land, materials, subcontracts, and all indirect costs related to such developments, such as indirect labor, purchases, repairs, and depreciation. Overhead and administrative expenses are charged to profit or loss when incurred.

  In the event that the estimate of total costs of real estate developments exceeds the estimated total revenues, the expected loss is recorded against the results of the year. The cost of sales of real estate inventories is determined and prorated based on the total costs of the developments or projects.

  The Entity classifies as long-term inventories those lands whose exploitation phase is longer than one year.

k. Property, plant and equipment

As of January 1, 2011, the date of transition to IFRS, real estate,
machinery and equipment were valued at their assumed cost (depreciated cost adjusted for the National Consumer Price Index). Subsequent acquisitions are recorded at acquisition cost. Depreciation is recorded in profit or loss and is calculated according to the straight-line method based on the estimated remaining useful lives of the asset components, which are reviewed each year along with the residual values; and the effect of any changes to the recorded estimate is recognized on a forward-looking basis. Depreciation of machinery and equipment for certain subsidiaries and specific equipment is calculated on a unit of use method (machine hours used relative to the total hours of use of the assets during their estimated service life).

Buildings and adaptations to leased premises	1.4 to 10	5 and 10
Machinery and Equipment	4.1 to 5	-
Transport Equipment	25	5,10 and
Office furniture and equipment	5 to 12.8	25
Computer equipment	16.7 to	-
	31.2	-

Borrowing costs incurred during the period of construction and installation of qualifying real estate, machinery, and equipment are capitalized.

The gain or loss arising from the sale or retirement of a piece of real estate, machinery and equipment is calculated as the difference between the resources received from its sale and the carrying amount of the asset, and is recognized in profit or loss.

Buildings and machinery that are under construction for production purposes are recorded at cost less any recognized impairment losses. The cost includes professional fees and, in the case of qualifying assets, capitalized borrowing costs in accordance with the Entity's accounting policy. The depreciation of these assets, as in other real estate, begins when the assets are ready for their planned use.

l. Investment Properties

Investment properties are those held for lease and/or capital gains through the appreciation of their value over time (including properties under construction for such purpose). Investment properties are valued at fair value as determined by appraisals by independent appraisers. Gains or losses arising from changes in the fair value of investment property are included in the period in which they arise in the "Other Net Income" account in the consolidated statement of income in the period in which they arise.

Acquired investment properties and improvements are recorded at acquisition cost, including transaction costs related to the acquisition of assets.

An investment property is removed upon disposition or when it is permanently removed from use and no future economic benefits are expected from the disposition. Any gain or loss arising from the derecognition of the property (calculated as the difference between the net disposition income and the carrying amount of the asset) is included in the consolidated income statement in the period in which the property is eliminated.

m. Intangible assets

Intangible assets acquired separately are recognized in the consolidated statement of financial position as long as they are identifiable, provide future economic benefits and control is had over such benefits. Intangible assets with an indefinite useful life are not amortized and intangible assets with a defined life are systematically amortized based on the best estimate of their useful life, determined in accordance with the expectation of future economic benefits. The estimated useful life and amortization method are reviewed at the end of each year, with the effect of any changes in the estimate recorded on a forward-looking basis. Intangible assets with an indefinite

Disbursements arising from research activities are recognized as an expense in the period in which they are incurred.

n. Impairment of tangible and intangible assets excluding goodwill

The Entity reviews the carrying values of its tangible and intangible assets to determine whether there are indications that these assets have suffered any impairment loss. If there is any indication, the recoverable amount of the asset is calculated to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the Cash Generating Unit (CGU) to which such asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise, allocated to the smallest group of CGUs for which a reasonable and consistent distribution basis can be identified.

Intangible assets that have an indefinite useful life are tested for impairment purposes at least annually, and whenever there is an indication that the asset may have been impaired.

The recoverable amount is the greater of fair value less cost of sale and use value. When evaluating value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the value of money over time and the specific risks of the asset for which future cash flow estimates have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. Impairment losses are recognized in profit or loss, unless the asset is recorded at a revalued amount, in which case the impairment loss should be treated as a decrease in revaluation.

o. Goodwill

Goodwill arising from a business combination is recognized at historical cost as an asset at the date control is acquired (acquisition date), less recognized impairment losses, if any. Goodwill is the excess of the transferred consideration, the amount of any non-controlling interest in the acquired one, over the fair value of the acquirer's interest in the stockholders' equity of the acquired company and/or over the net amount at the date of acquisition of the identifiable assets acquired and the liabilities assumed.

When the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of such excess is recognized in profit or loss as a purchase gain.

Goodwill is not amortized and is subject to impairment tests annually. For the purposes of the impairment assessment, goodwill is assigned to each of the CGUs for which the Entity expects to obtain benefits. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the unit and then to the unit's other assets, proportionately, based on the carrying amount of each asset in the unit. Impairment loss recognized for goodwill purposes cannot be reversed in a later period.

When having a relevant CGU, the amount attributable to goodwill is included in the determination of the gain or loss in the drawdown.

p. Investment in shares of associates, joint ventures and others

An associate is an entity over which the Entity has significant influence. Significant influence is the power to participate in decisions about the financial and operating policies of the entity in which one invests, but does not imply joint control or control over those policies.

A joint venture is a contractual arrangement whereby the parties who have joint control of the arrangement are entitled to the net assets of the joint venture. Joint control is the contractual agreement to share control in a business, which exists when decisions about relevant activities require the unanimous approval of the parties sharing control.

statements using the equity method, except if the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates or joint ventures are initially accounted for in the consolidated statement of financial position at cost and are adjusted for post-acquisition changes by the Entity's share of the profit or loss and comprehensive results of the associate or joint venture. When the Entity's share of losses in an associate or joint venture exceeds the Entity's share in that associate or joint venture (which includes long-term interests that, in substance, are part of the Entity's net investment in the associate or joint venture), the Entity ceases to recognize its share of the losses. Additional losses are recognized if the Entity has incurred any legal or implied obligation or has made payments on behalf of the associate or joint venture.

An investment in an associate or joint venture is recorded using the equity method from the date the investee becomes an associate or joint venture. In the acquisition of the investment in an associate or joint venture, the excess in the acquisition cost over the Entity's interest in the net fair value of the identifiable assets and liabilities in the investment is recognized as goodwill, which is included in the carrying amount of the investment. Any excess of the Entity's participation in the net fair value of identifiable assets and liabilities in the acquisition cost of the investment is immediately recognized in profit or loss for the period in which the investment was acquired.

The requirements of IFRS 9 apply to determine whether it is necessary to recognize an impairment loss with respect to the Entity's investment in an associate or a joint venture. Where necessary, the impairment of the total carrying amount of the investment (including goodwill) is tested in accordance with IAS 36, Impairment of Assets as a single asset, by comparing its recoverable amount (greater of value in use and fair value less cost to sell) against its carrying amount. Any impairment loss recognised is part of the carrying amount of the investment. Any reversal of such impairment loss is recognized in accordance with IAS 36 to the extent that such recoverable amount of the investment subsequently increases.

The Entity discontinues the use of the equity method from the date on which the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Entity holds an interest in the former associate or joint venture, the retained investment is measured at fair value as at that date and is treated as its fair value at the time of initial recognition as a financial asset in accordance with IFRS 9. The difference between the carrying value of the associate or joint venture on the date the equity method was discontinued and the fair value attributable to the retained interest and the gain on the sale of a portion of the interest in the associate or joint venture is included in the determination of the disposition gain or loss of the associate or joint venture. In addition, the Entity accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the relative assets or liabilities.

The Entity continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no fair value assessment of such changes in participation.

When the Entity reduces its interest in an associate or joint venture but the Entity continues to use the equity method, the Entity reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income in relation to the reduction of its interest in the investment if that profit or loss had been reclassified to the income statement in the disposition of the relative assets or liabilities.

When the Entity conducts transactions with its associate or joint venture, the profit or loss resulting from such transactions with the associate or joint venture are recognized in the Entity's consolidated financial statements only to the extent of the interest in the associate or joint venture that does not relate to the Entity.

q. Interests in joint ventures

A joint venture is an agreement whereby the parties have joint control of the agreement and are entitled to the assets and liabilities related to the agreement. Joint control is the contractual agreement to share control of a business, which only exists when decisions about the relevant activities require the unanimous approval of the parties sharing control.

When an entity of the Entity carries out its activities in a framework of joint operations, the Entity as a joint operator recognises in relation to its participation in a joint transaction:

- Your assets, including your share of jointly held assets.
- Your liabilities, including your share of liabilities incurred jointly.
- Its income from the sale of its share of the production derived from the joint operation.
- Its share of the proceeds from the sale of production in the joint venture.
- Your expenses, including your share of expenses incurred in common.

The Entity accounts for the assets, liabilities, income and expenses related to its participation in a joint transaction in accordance with IFRS applicable to assets, liabilities, income and expenses.

When an entity of the Entity transacts in a joint venture in which it participates (such as a sale or contribution of assets), the Entity is deemed to have entered into the transaction with the other parties to the joint transaction, and the gains and losses resulting from the transactions are recognized in the Entity's consolidated financial statements only to the extent of the interests of the other parties to the joint transaction.

r. Business combinations

Business acquisitions are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values of the assets transferred by the Entity, less the liabilities incurred by the Entity to the previous owners of the acquired business and the equity interests issued by the Entity in exchange for control over the acquired business at the acquisition date. Acquisition-related costs are generally recognized in the consolidated statement of income as incurred.

At the acquisition date, identifiable assets acquired and liabilities assumed are recognized at fair value with the exception of:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefits, which are recognized and measured in accordance with IAS 12, Income Taxes and IAS 19, Employee
- Benefits, respectively;
  Liabilities or equity instruments relating to share-based payment arrangements of the acquired company or share-based payment arrangements of the Entity entered into to replace share-based payment arrangements of the acquired company that are measured in accordance with IFRS 2, Share-based payments as at the date of acquisition; and
- Assets (or a group of assets for disposal) that are classified as held for sale in accordance with IFRS, 5 Non-Current Assets Held for Sale and Discontinued Operations that are measured in accordance with IFRS.

Non-controlling interests that are equity interests and that grant their holders a proportionate share of the net assets of the Entity in the event of liquidation, may be initially measured either at fair value or at the value of the proportionate interest of the non-controlling interest in the recognized amounts of the identifiable net assets of the acquired company. The measurement option is made on each transaction. Other types of non-controlling interests are measured at fair value or, where applicable, on the basis of what is specified by another IFRS.

Where the consideration transferred by the Entity in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at fair value at the date of acquisition and is included as part of the consideration transferred. Changes in the fair value of contingent consideration that qualify as adjustments to the measurement period are adjusted retrospectively with the corresponding goodwill adjustments. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot be more than one year from the date of acquisition) about facts and circumstances that existed at the date of acquisition.

The accounting treatment for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IFRS 9, or IAS 37, Provisions, Contingent Liabilities and Contingent Assets, as appropriate, recognising the corresponding gain or loss in the income statement.

When a business combination is achieved in stages, the Entity's prior equity interest in the acquired company is measured at fair value at the acquisition date and the resulting gain or loss, if any, is recognized in the income statement. Amounts arising from interests in the acquired company prior to the acquisition date that have been previously recognized in other comprehensive income are reclassified to the income statement when this treatment is appropriate if such interest is eliminated.

If the initial accounting treatment of a business combination is incomplete at the end of the reporting period in which the combination occurs, the Entity reports provisional amounts for the items that are incomplete accounted for. Such provisional amounts are adjusted during the measurement period (see above) or additional assets or liabilities are recognized to reflect new information obtained on the facts and circumstances that existed at the acquisition date and that, if known, would have affected the amounts recognized at that date.

When an intangible asset is acquired in a business combination and recognized separately from goodwill, its cost is its fair value at the date of acquisition. An intangible asset acquired in a business combination is recognized at cost less accumulated amortization and the accumulated amount of impairment losses, on the same basis as intangible assets that are acquired separately.

When estimating value in use, estimated future cash flows are discounted from present value using a pre-tax discount rate that reflects current market valuations, with respect to the time value of money and asset-specific risks for which future cash flows have not been adjusted.

s. Leases

The Entity as lessor

The Entity enters into lease agreements as lessor in respect of some of the investment properties. The Entity also rents to retailers the equipment necessary for the presentation and development of its activities and equipment manufactured by the Entity.

Leases in which the Entity serves as lessor are classified as financial leases or operating leases. When the terms of the contract transfer substantially all of the risks and benefits of the property to the lessee, the contract is classified as a finance lease. All other contracts are classified as operating contracts.

When the Entity is an intermediate lessor, it accounts for the master lease and the sublease as two separate contracts. The sublease is classified as a financial lease or operating lease in reference to the right-of-use asset originating from the main lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Direct upfront costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the leased asset and are recognized on a straight-line basis over the term of the lease.

Outstanding amounts of finance leases are recognized as leases receivable for the amount of the net investment in the leases. Lease income is allocated to accounting periods in a manner that reflects a constant periodic rate of return on the unpaid net investment in leases.

Where a contract includes both lease and non-lease components, the Entity applies IFRS 15 to allocate the corresponding consideration for each component under the contract.

The Entity as a tenant

The Entity assesses whether a contract contains a lease at its source. The Entity recognises a right-of-use asset and a corresponding lease liability in respect of all leases in which it is a lessee, with the exception of short-term leases (term of 12 months or less) and low-value assets (such as electronic tablets, personal computers and small objects of office furniture and telephones). For these leases, the Entity recognizes rent payments as an operating expense under the straight-line method throughout the term of the lease, unless another method is more representative of the pattern of time in which the economic benefits from the consumption of the leased assets are made.

The lease liability is initially measured at the present value of rent payments that are not paid on the start date, discounted by the rate implied in the contract. If this rate cannot be easily determined, the Entity uses incremental rates.
The rent payments included in the measurement of the lease liability consist of:

- Fixed rent payments (including fixed payments in substance), less any lease incentives received;
- Variable income payments that depend on an index or rate, initially measured using the index or rate on the start date;
- The expected amount to be paid by the lessee under residual value guarantees;
- The exercise price of call options, if the lessee is reasonably certain to exercise the options; and
- Payments for penalties resulting from the termination of the lease, if the lease period reflects the exercise of a lease termination option.

The lease liability is presented as a separate item in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest earned on the lease liability (using the effective interest method) and reducing the carrying amount to reflect the rent payments made.

The Entity revalues the lease liability (and makes the corresponding adjustment for the related right-of-use asset) provided that:

- The lease term is modified or there is a significant event or change in the circumstances of the lease resulting in a change in the evaluation of the exercise of the option to purchase, in which case the lease liability is measured by discounting the updated rent payments using an updated discount rate.

- Rent payments are modified as a result of changes in indices or rate or a change in the expected payment under a guaranteed residual value, in which cases the lease liability is revalued by discounting the updated rent payments using the same discount rate (unless the change in rent payments is due to a change in a variable interest rate, in which case an updated discount rate is used).

- A lease is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is revalued based on the lease term of the modified lease, discounting updated rent payments using a discount rate updated as of the effective date of the modification.

The Entity did not make any of the aforementioned adjustments in the periods presented.

Right-of-use assets consist of the initial measurement of the applicable lease liability, rent payments made on or before the start date, less any lease incentives received, and any direct upfront costs. The subsequent valuation is the cost minus accumulated depreciation and impairment losses.

f the Entity incurs a cost-arising obligation to dismantle and remove a leased asset, restore the area in which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a measured provision must be recognized in accordance with IAS 37. To the extent that costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless such costs are incurred to generate inventories.

Right-of-use assets are depreciated over the shortest period between the lease period and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity plans to exercise a call option, the right-of-use asset will be depreciated over the useful life. Depreciation begins on the lease start date.

Right-of-use assets are presented as a separate item in the consolidated statement of financial position.

The Entity applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any impairment losses identified as described in the 'Property, Plant and Equipment' policy.

Leases with variable rents that do not depend on an index or rate are not included in the measurement of lease liabilities and rights of use assets. Related payments are recognized as an expense in the period in which the event or condition triggering the payments occurs and are included in the concept of "Costs and expenses by nature" in the consolidated income statement (Note 28).

As a practical record, IFRS 16 allows for not separating the non-lease components and instead accounting for any lease and its associated non-lease components as a single agreement. The Entity has not used this practical file. For contracts that contain lease components and one or more additional lease or non-lease components, the Entity assigns contract consideration to each lease component under the method of the relative sales price independent of the lease component and the aggregate independent relative sales price for all non-lease components.

t. Provisions

Recognized when there is a present obligation (legal or presumed) as a result of a past event, which is likely to result in the outflow of economic resources and which can be reasonably estimated.

The amount recognized as a provision is the best estimate of the present obligation that would be required at the end of the reported accounting period, considering the risks and uncertainties regarding
said obligation. When a provision is measured using estimated cash flows at present value, the carrying
amount will be the present value of those cash flows (when the effect of the value of money over time is material).

When recovery by a third party is expected of some or all of the economic benefits required to settle a provision, an account receivable is recognized as an asset if it is virtually certain that the disbursement will be received and the amount of the receivable can be reliably valued.

- *Provision to remedy damage to the environment* - The Entity has assumed policies that tend to protect the environment within the framework of the laws and regulations that apply to it; however, the industrial subsidiaries of the Entity, due to their own activity, sometimes carry out operations that have an impact on the environment. Because of this, remediation plans are carried out (approved by competent authorities), which involve the estimation of the expenditures that will be made for this purpose.

- The estimate of the expenditures to be made may be modified by changes in the physical conditions of the affected work area, in the activity carried out, in the laws and regulations in force, by variations in the prices of materials and services required (especially in the work to be carried out in the immediate future), by changes in the criteria followed to determine the work to be carried out in the impacted area, etc.

- The fair value of a liability for the environmental remediation obligation is recognized in the period in which it is incurred. The liability is measured at fair value and adjusted as the expense is recorded. The corresponding costs for environmental remediation are recorded in the results.

- *Acquisition and sale of treasury shares* - Purchases of shares are recorded directly as a reduction of the share capital to its nominal theoretical value, and the difference against the acquisition cost is recorded against the reserve for share repurchases, which is included in retained earnings. Sales of shares are recorded directly as an increase in share capital to its notional nominal value and are considered in determining the weighted average of shares outstanding. The gain or loss on the sale is recorded as a premium on stock relocation, and the difference against the sale price is recorded against the share repurchase reserve, which is included in retained earnings.

u. Revenue recognition

Revenue is recognized when control of goods and services has been transferred, at a point in time or across time. Revenue is calculated at the fair value of the consideration collected or receivable, taking into account the estimated amount of customer returns, rebates and other similar discounts. By sector type, revenue recognition is performed according to the following criteria:

- *Sale of goods* - For sales of goods, income is recognized when control of the goods has been transferred, being the time when the goods are handed over and their title to ownership is legally transferred; this is a point in time for the commercial sector (Sanborns, Sears, Sanborns Home & Fashion, iShop-Mixup, Claro Shop, DAX, Sanborns Café and Tech People), in the industrial sector (cables and auto parts sector) over a period of time and in the hydrocarbons sector (Oil and Gas).

- *Interest on credit sales* - Interest income on credit sales is recognized when accrued and generated by credit card transactions in the commercial segment (Sanborns, Sears, Mixup, Claro Shop and Corpti).

- *Services* - Recognized as services are provided that economic benefits are likely to flow to the Entity and that income can be reliably valued. Revenue recognition is generally over time.

- *Leases* - Recognized on a straight-line basis as lease services are provided and maintenance fee income is recognized over the term of the lease from which it originates.

- *Construction contracts* - When the results of a construction contract can be reliably estimated, revenues are recorded using the percentage of completion method based on costs incurred, taking into account the estimated costs and revenues at the end of the project, as the activity develops. Changes in the execution of the work, and in the estimated margins, including those that may arise from awards derived from the early completion of projects, conventional penalties and final agreements in the contracts, are recognized as income in the periods in which the reviews are made or approved by the clients. Income is recognized when control of the assets has been transferred. Revenue is generally recognized over time.

Under the terms of several contracts, the revenue that is recognized is not necessarily related to amounts billable to customers. Management periodically evaluates the reasonableness of its accounts receivable. In cases where there are indications of difficulty in their recovery, additional reserves are established for doubtful accounts receivable, affecting the results of the year in which they are determined. The estimation of such reserve is based on the best judgment of the Entity considering the circumstances prevailing at the time of its determination.

Contract costs include labor, direct raw materials, subcontractor costs, project start-up costs, and indirect costs. From time to time, the Entity evaluates the reasonableness of the estimates used in determining the percentage of completion. If, as a result of such assessment, there are indications that the estimated costs to be incurred until the completion of the project are higher than the expected revenues, a loss estimate provision is recognized for the period in which it is determined. In work projects financed by the Entity in which the value of the contract includes the income from the execution of the work and financing, the net financial expense (income) incurred, necessary for the development of the project, is part of the costs of the contract, which are recognized in results according to the progress of the execution of the project. In this type of contract, the collection of the total amount of the project from the client may be carried out until the date of completion of the project through periodic reports on the progress of the project approved by the client, which serve as a basis for the Entity to obtain, where appropriate, the financing of the project in question.

- *Modifications to construction contracts* - Recognized when their amount can be reliably quantified and there is reasonable evidence of their approval by the client. Claims revenue is recognized when it can be reliably quantified and when, derived from progress in the negotiation, there is reasonable evidence that the customer will accept its payment.

- *Income from real estate developments* - Recognized on the date of delivery of the respective home, in which the rights, benefits and obligations of the property are transferred to the buyer. If there is uncertainty about future collections, the income is recorded as they are made. In cases where there are indications of difficulty in recovering, additional reserves are established for doubtful receivables, affecting the results of the year in which they are determined. Revenue is usually recognized at a point in time.

- *Dividends and interest* - Dividend income from other investments is recognized once the rights

- of shareholders to receive this payment have been established (provided that economic benefits are likely to flow to the Entity and that the income can be reliably valued).

- Interest income on financial assets is recognized when accrued and there is a probability that the economic benefits will flow to the Entity and the amount of the income can be reliably measured.

v. Customer loyalty programs

Awards are accounted for as a performance obligation separate from the sale transaction, measured at fair value and recognized as Contractual Liabilities, in the consolidated statement of financial position, within other accounts payable and accrued liabilities. Deferred earnings are recognized in results once the prize is redeemed or expires.

w. Foreign currency transactions

In preparing each entity's financial statements, transactions in currencies other than its functional currency (foreign currency) are recognized using the exchange rates in effect on the dates on which the transactions are made. At the end of each period, monetary items denominated in foreign currency are reconverted at the exchange rates in force on that date. Non-monetary items recorded at fair value, denominated in foreign currency, are reconverted at the exchange rates in effect on the date on which the fair value was determined. Non-monetary items that are calculated in terms of historical cost, in foreign currency, are not reconverted.

For the purposes of the presentation of the consolidated financial statements, the Entity's assets and liabilities in foreign currency are expressed in Mexican pesos, using the exchange rates in effect at the end of the period. Income and expenditure items are translated at the prevailing average rates of exchange for the period, unless they fluctuate significantly, in which case the exchange rates at the date of the transactions are used. Exchange rate differences that arise, if any, are recognized in other comprehensive income and are accumulated in stockholders' equity (attributed to non-controlling interests where appropriate).

The functional and registration currency of Grupo Carso and subsidiaries is the Mexican peso, except for some indirect subsidiaries whose registration and/or functional currencies are different from the Mexican peso as follows:

Cablena, S. A.	Euro	Euro
Cablena do Brasil, Limitada	Real	Real
Carso Construcción de Costa Rica, S. A.	Colón	US Dollar
Cicsa Colombia, S. A.	Colombian Peso	Colombian Peso
Carso Construcción de Dominicana, S. de R. L. (antes Cicsa Dominicana, S. A.)	Dominican Peso	Dominican Peso
Cicsa Ingeniería y Construcción Chile Ltda., S. de R. L.	Chilean Peso	Chilean Peso
Tabasco Oil Company, LLC., sucursal en Colombia	Colombian Peso	US Dollar
Cicsa Perú, S. A. C.	Nuevo Sol	Nuevo Sol
Condutel Austral Comercial e Industrial, Limitada	Chilean Peso	Chilean Peso
Cometel de Centroamérica, S. A.	Quetzal	Quetzal
Cometel de Honduras, S. A.	Lempira	Lempira
Cometel de Nicaragua, S. A.	Córdoba	Córdoba
Cupro do Brasil, Limitada	Real	Real
Grupo Sanborns Internacional, S. A. (Panamá)	US Dollar	US Dollar
Ideal Panama, S. A.	Balboa	Balboa
Nacel de Centroamérica, S. A.	Quetzal	Quetzal
Nacel de Honduras, S. A.	Lempira	Lempira
Nacel de Nicaragua, S. A.	Córdoba	Córdoba
Nacel de El Salvador, S. A.	US Dollar	US Dollar
Procisa Ecuador, S. A.	US Dollar	US Dollar
Procisa do Brasil Projetos, Construcoes e Instalacoes, Ltd.	Real	Real
Procosertel, S. A.	Argentine Peso	Argentine Peso
Procosertel Uruguay, S. A.	Uruguayan Peso	Uruguayan Peso
Corporación de Tiendas Internacionales, S. A. de C. V. (El Salvador)	US Dollar	US Dollar
Carso Energy Corp.	US Dollare	US Dollar
Carso Gasoducto Norte, S. A. de C. V.	Mexican Peso	US Dollar
Plycem Construsistemas Honduras, S. A. de C. V.	Lempiras	Lempiras
Plycem Construsistemas El Salvador, S. A. de C. V.	US Dollar	US Dollar
Plycem Construsistemas Costa Rica, S. A. de C. V.	Colon	Colon
Plycem Construsistemas Centroamerica, S. A.	Panamanian Balboa	Panamanian Balboa
The Plycem Company Inc.	Panamanian Balboa	Panamanian Balboa
Eternit Colombiana, S. A.	Colombian Peso	Colombian Peso
Eternit Ecuatoriana, S. A.	US Dollar	US Dollar
Industrias Duralit, S. A.	Bolivian Pesos	Bolivian Pesos
Industrias Fibraforte, S. A.	Suns	Suns
Nacobre USA	US Dollar	US Dollar
Plycem USA Inc.	US Dollar	US Dollar
Maxitile Inc.	US Dollar	US Dollar
Cementos Colombianos, S. A. S.	Colombian Peso	Colombian Peso
Lemus Asociados, S. A. de C. V.	US Dollar	US Dollar
Elementia USA	US Dollar	US Dollar
Elementia USA LLC	US Dollar	US Dollar
Inversiones Rocky Point, S. A.	Colombian Peso	Colombian Peso
Desarrollos Industriales Revolucion DIR, S. A.	Colon	Colon
Fortaleza USA	US Dollar	US Dollar
Desarrollos Industriales Revolucion DIR El Salvador, S. A.	US Dollar	US Dollar
Proyectos Mesoamérica, S. A.	US Dollar	US Dollar
Petrobal Upstream Delta 1, S. A. de C. V.	Mexican Peso	US Dollar

Therefore, such entities are considered as a foreign operation under IFRS.

x. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that require a substantial period of time until they are ready for use or sale, were added to the cost of those assets during that time until they are substantially ready for use or sale.

y. Income earned from the temporary investment of specific loan funds pending use in qualifying assets is deducted from the cost of loans eligible to be capitalized.

All other borrowing costs are recognized in profit or loss during the period in which they are incurred.

z. Direct employee and retirement benefits and Employee Profit Sharing (PTU)

Direct benefit and defined retirement benefit costs are recognized as expenses at the time employees have rendered the services that entitle them to contributions.

The seniority bonus liability of all staff and the pension liability of non-unionized staff and retirement payments that resemble a pension are considered in defined benefit plans, the cost of such benefits being determined using the projected unit credit method, with actuarial valuations being made at the end of each reporting period. Actuarial gains and losses are recognized immediately in the other items of comprehensive income net of your deferred tax, according to the asset or liability recognized in the consolidated statement of financial position, to reflect the surplus (or deficit) of the employee benefit plan; while the costs of past services are recognized in profit or loss when the plan is modified or when restructuring costs are recognized.

Retirement benefit obligations recognized in the consolidated statement of financial position represent the value of the defined benefit obligation, adjusted for actuarial gains and losses and past service costs, less the fair value of plan assets. When the plan's assets are greater than the plan's defined benefit liabilities, the asset will be valued at the lesser of: (i) the surplus in the defined benefit plan, and (ii) the present value of any economic benefits available in the form of redemptions from the plan or reductions in future contributions to the plan.

OCT

The PTU is recorded in the results of the year in which it is caused.

As a result of the Income Tax Law (LISR) of 2014, as of December 31, 2024, 2023 and 2022, the PTU is determined based on the tax profit in accordance with section I of Article 10 of the same Law.

aa. Income taxes

Income tax expense represents the sum of the income taxes incurred and the deferred income taxes.

i. Income taxes incurred

The tax caused calculated corresponds to the income tax (ISR) and is recorded in the results of the year in which it is caused.

The tax due is payable on the taxable basis of the year. Taxable income differs from net income as reported in profit or loss because it excludes components of income or expenses that are cumulative or deductible in other years and excludes components that have never been cumulative or deductible. The Entity's liabilities for taxes incurred are calculated using the tax rates that have been decreed at the end of the reporting period.

A provision is recognized for those reasons in which the determination of the tax is uncertain, but it is considered probable that there will be a future outflow of funds for a tax authority. Provisions are valued at the best amount that is expected to become payable. The assessment is based on the judgement of tax experts supported by the Entity's previous experiences in tax activities and in some cases based on the consultation of an independent tax specialist.

ii. Deferred income taxes

Deferred income taxes are recognized on the temporary differences between the carrying amount of the assets and liabilities included in the financial statements and the corresponding tax bases used to determine the tax result, applying the rate corresponding to these differences and, where applicable, including the benefits of tax losses to be amortized and some tax credits. The deferred income tax asset or liability is generally recognized for all temporary tax differences. A deferred tax asset shall be recognised for all deductible temporary differences to the extent that it is likely that the Entity will have future taxable profits against which it can apply those deductible temporary differences. These assets and liabilities are not recognised if the temporary differences arise from goodwill or the initial recognition (other than from the business combination) of other assets and liabilities in a transaction that does not affect tax or accounting results.

A deferred tax liability for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, is recognized, except when the Entity is able to control the reversal of the temporary difference and when it is probable that the temporary difference will not be reversed in the foreseeable future. Deferred tax assets arising from temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient future taxable profits against which those temporary differences are used and are expected to reverse them in the near future.

The carrying amount of a deferred tax asset should be reviewed at the end of each reporting period and should be reduced to the extent that it is considered likely that there will not be sufficient taxable profits to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are valued using the tax rates expected to apply in the period in which the liability is paid or the asset is realized, based on the rates (and tax laws) that have been approved or substantially approved at the end of the reporting period.

The valuation of deferred tax liabilities and assets reflects the tax consequences that would arise from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For purposes of measuring deferred tax liabilities and assets for investment properties using the fair value model, it is estimated that the carrying amount of such properties should be recovered in full through sale.

iii. Taxes incurred and deferred

Taxes accrued and deferred are recognized as expense or income in profit or loss, except when they relate to items that are recognized outside profit or loss, either in other comprehensive income or directly in stockholders' equity, in which case the tax is also recognized outside profit or loss; or when they arise from the initial recognition of a business combination, the tax effect is included within the recognition of the business combination.

bb. Consolidated statements of cash flows Cash flow is determined by applying the indirect method for the presentation of cash flows from operating activities, so consolidated net income for the year is adjusted for items that did not require or use cash flows, as well as flows corresponding to investing and financing activities. The interest charged is presented as operating activities and the interest paid as financing activities.

cc. Earnings per share Basic earnings per common share is calculated by dividing the consolidated net income of the controlling interest by the weighted average of common shares outstanding during the year. As of December 31, 2024, 2023 and 2022, the Entity does not hold ordinary shares with the potential for dilutive effects.

36 Critical accounting judgments and key sources of uncertainty in estimates

In applying the accounting policies described in Note 35, the Entity's management makes judgments, estimates and assumptions about certain amounts of the assets and liabilities in the consolidated financial statements. The corresponding estimates and assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from those estimates.

The underlying estimates and assumptions are revised on a regular basis. Revisions to accounting estimates are recognized in the period of the revision and future periods if the revision affects both the current period and subsequent periods.

a.Critical judgments when applying accounting policies

The following are critical judgments, other than those involving estimates, made by management during the process of implementing the Entity's accounting policies and that have a significant effect on the consolidated financial statements.

- *Tax-deferred investment properties*

For purposes of evaluating the deferred tax liabilities or assets arising from the investment properties arising from the fair value model, the entity's management has reviewed the portfolios of the Entity's investment properties and concluded that the investment properties are not held under a business model in which their objective consumes all the economic benefits of the investment over time. instead of selling. Therefore, in determining the deferred taxes on the investment of property, the Entity's management has determined the presumption to maintain the carrying amount assessed using the fair value model and recover all through the sale.

b. Key sources of uncertainty in estimates

Key assumptions regarding the future and other key sources of uncertainty in the estimates at the end of the period, which have a significant risk of resulting in material adjustments in the carrying values of assets and liabilities over the next year, are discussed below.

Calculation of insolvency loss - When measuring the expected credit loss, the entity uses reasonable information, which is based on assumptions about future movements of different economic indicators and how these economic indicators will affect others.

The expected loss is an estimate of the expected loss due to non-payment. It is based on the difference between contractual cash flows and those that lenders expect to receive, taking into consideration cash flows from credit enhancements.

The probability of default is a key to measure the expected credit loss. The probability of default is an estimate of the probability given a time horizon, the calculation which includes historical data and expected assumptions of future conditions.

Impairment of long-lived assets - The carrying amount of non-current assets is reviewed for impairment in the event that there are situations or changes in circumstances that indicate that the carrying amount is not recoverable. If there are indications of impairment, a review is carried out to determine if the carrying amount exceeds its recovery value and is impaired. In performing asset impairment tests, the Entity is required to make estimates of the value in use assigned to its real estate, machinery and equipment, and to cash-generating units, for certain assets. Value-in-use calculations require the Entity to determine the future cash flows that should arise from the cash-generating units and an appropriate discount rate for calculating the present value. The Entity uses revenue cash flow projections using estimates of market conditions, pricing, and production and sales volumes.

Contingencies - The Entity is subject to judicial proceedings on which it evaluates the probability that they will materialize as a payment obligation, for which it considers the legal situation at the date of the estimate and the opinion of the legal advisors, such evaluations are periodically reconsidered.

Construction contract revenue recognition - When the results of a construction contract can be reliably estimated, revenues are recorded using the percentage of completion method based on costs incurred, taking into account the estimated costs and revenues at the end of the project, as the activity develops. Changes in the execution of the work, and in the estimated returns, including those that may arise from awards derived from the early completion of projects, conventional penalties and final agreements in the contracts, are recognized as income in the periods in which the reviews are made or approved by the clients.

Under the terms of several contracts, the revenue that is recognized is not necessarily related to amounts billable to customers. Management periodically evaluates the reasonableness of its accounts receivable. In cases where there are indications of difficulty in their recovery, additional reserves are established for doubtful accounts receivable, affecting the results of the year in which they are determined. The estimation of such reserve is based on the best judgment of the Entity considering the circumstances prevailing at the time of its determination.

Discount rate used to determine the Entity's carrying value of the defined benefit obligation -
The determination of the benefits of the obligations provided depends on a few assumptions, including the selection of the discount rate. The discount rate is set by reference to the market return at the end of the period in corporate bonds. Significant assumptions need to be made when setting the criteria for bonds and must be included in the yield curve. The most important criteria to consider in the selection of bonds include the current size of the corporate bonds, the quality and the identification of the guidelines that are excluded. These assumptions are considered key to the estimation of uncertainty as relatively insignificant changes, which may have a significant effect on the following year's Financial Statements of the Entity.

37. Transactions that did not result in cash flows

During the year, the Entity entered into the following financing and investing activities that did not result in cash flows and that are not reflected in the consolidated statements of cash flows:

With the entry into force of IFRS 16, the amortization of rights of use are items that do not generate flows, as well as the interest for the recognition of the present value of the income determined at present value as of December 31, 2024, 2023 and 2022, the amounts generated are presented in the following table:

	2024		
Depreciation expense of the asset for rights of use	$2,070,147	$1,470,877	$,311,842
Financial expense caused by lease liabilities	$619,526	$526,986	$489,162
Expense related to short-term leases	$218,532°	$181,152	$62,053

38. Authorization of the issuance of the consolidated financial statements

The consolidated financial statements as of December 31, 2024, were authorized for issuance on March 21, 2025, by L. C. Arturo Spinola Garcia, Chief Financial Officer of the Entity, consequently they do not reflect the events that occurred after that date, and are subject to the approval of the Entity's Ordinary Shareholders' Meeting. who may decide to modify it in accordance with the provisions of the General Law of Commercial Companies. The consolidated financial statements for the years ended December 31, 2023, were approved at the Ordinary General Shareholders' Meeting held on April 30, 2024.

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Share Information:
Grupo Carso, S.A.B de C.V.'s Series A-1 shares are listed on the Mexican Stock Exchange, S.A.B de C.V. under the symbol "GCARSO".

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