

**Grupo Traxión, S. A. B. de C. V.  
and subsidiaries**

Consolidated financial statements

As of December 31, 2024, and 2023

(With Independent Auditors' Report Thereon)

(Translation from Spanish Language Original)



**Grupo Traxión, S. A. B. de C. V.  
and subsidiaries**

Consolidated financial statements

As of December 31, 2024, and 2023

Independent Auditor's report	1-5
Consolidated statements of financial position	6
Consolidated statements of comprehensive income	7
Consolidated statements of changes in equity	8
Consolidated statements of cash flows	9
Notes to consolidated financial statements	10-75



# Independent auditors' report

(Translation from Spanish Language Original)

**The Board of Directors and Stockholders**  
**Grupo Traxión, S. A. B. de C. V.**

(Thousands of Mexican pesos)

## Opinion

We have audited the consolidated financial statements of Grupo Traxión, S. A. B. de C. V. and subsidiaries (the Group), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in stockholders' equity and cash flows for the years then ended, and notes, comprising material accounting policies and other explanatory information.

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

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Mexico, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

The key audit matters are those matters 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 of our opinion thereon, and we do not express a separate opinion on these matters.



## Impairment test of goodwill and intangible assets (\$6,351,080)

See Note 13 to the consolidated financial statements.

### The key audit matter

Goodwill and intangible assets come mainly from the acquisition, in previous years, of some of the Cash Generating Units (“CGU”); Transportadora Egoba, S. A. de C. V., Corporación Lipu, S. A. P. I. de C. V., Almacenadora y Distribuidora Aquarius, S. A. de C. V. (o “Grupo SID), Auto Express Frontera Norte, S. A. de C. V., Potencia Logística Potosina, S. A. P. I. de C. V., Redpack, S. A. de C. V., Logística y Transporte para la Industria de la Salud, S. A. P. I. de C. V., V Modal Mexicana, S. C. and BBA Logistics LLC.

The assessment of impairment through annual tests of goodwill and intangible assets is considered a key audit matter due to the complexity of the accounting requirements and the significant judgment required to determine the assumptions that will be used to estimate the recoverable amount.

The recoverable amount of CGUs, which is based on the higher of value in use and fair value less costs of disposal, is derived from discounted cash flow models. These models use key assumptions, including estimates of future sales volumes and prices, operating costs, terminal value growth rates and the weighted average cost of capital (discount rate).

### How the matter was addressed in our audit

The main procedures we performed to address this key audit issue included the following:

We compare the Group's historical projections of cash flows with current results to assess the Group's ability to make reasonable projections. In addition, we involve our valuation specialists, who assisted us in:

- Compare the long-term growth rates projected by the Group for these CGUs, comparing the growth assumptions with available public information.
- Evaluate the discount rate used in the valuation, by comparing it with a range of discount rates that was determined independently using publicly available information for comparable entities; and
- Calculate the fair value of the CGUs, using the Group's cash flow projections and determining a discount rate independently, and compare the results of our estimates with the recovery value estimates determined by the Group.

We evaluate the adequacy of the disclosures contained in the notes to the consolidated financial statements

## Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report for the year ended December 31, 2023 which to be filled to the National Banking and Securities Commission (CNBV) and the Mexican Stock Exchange, (“the Annual Report”), but does not include the consolidated financial statements and our auditors’ report thereon. The Annual Report is expected to be available to us after the date of this auditors’ report.



Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **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 such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's 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 a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in 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 Group 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 the underlying transactions and events in a manner that achieves 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 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions to eliminate threats or related safeguards.





From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore, the key audit matters. We describe 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.

KPMG CARDENAS DOSAL, S. C.

A handwritten signature in blue ink, appearing to read "DANIEL", written over a horizontal line.

L. C. C. Daniel Alejandro Velázquez Méndez

Mexico City, April 26, 2025.



**Grupo Traxión, S. A. B. de C. V. and subsidiaries**

Consolidated statements of financial position

December 31, 2024 and 2023

(In thousands of Mexican pesos)

<b>Assets</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>	<b>Liabilities and stockholders' equity</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Current assets:				Current liabilities:			
Cash and cash equivalents	7	\$ 1,455,551	1,379,799	Current portion of long-term debt	14	\$ 1,459,962	986,991
Accounts receivable	8	5,267,631	4,340,114	Current portion of long-term debt securities	14	100,000	100,000
Income tax assets		183,666	234,166	Current lease liabilities	19	525,362	626,952
Other tax assets (mainly VAT)		685,476	940,166	Suppliers	15	1,756,647	1,629,662
Other accounts receivable	9	709,499	492,173	Other liabilities		1,032,650	1,326,868
Inventories (mainly spare parts)		220,799	163,412	Other taxes	16	1,071,190	923,960
Prepayments	11	319,958	256,840	Accumulated liabilities	18	1,072,332	981,306
Current portion of derivative financial instruments	25	20,043	31,000	Income taxes		71,784	73,859
				Employee statutory profit sharing	18	102,656	87,686
				Advances from customers	8	107,754	73,539
Total current assets		8,862,623	7,837,670				
				Total current liabilities		7,300,337	6,810,823
Non-current assets:				Non-current liabilities:			
Long-term prepayments	11	180,933	159,954	Long-term debt, excluding current portion	14	8,383,326	6,597,426
Transportation equipment and machinery	12	15,700,880	14,321,811	Long-term debt securities, excluding current portion	14	2,500,000	2,500,000
Right-of-use assets	19	1,166,278	1,386,262	Long-term lease liabilities excluding current portion	19	657,263	652,565
Investment in associated and joint ventures entities	1	407,780	179,373	Long-term other liabilities	27	-	60,641
Goodwill	13	5,324,164	5,291,841	Derivative financial instruments	25	-	2,549
Intangible assets	13	2,187,119	2,184,147	Employee benefits	17	121,423	119,860
Guarantee deposits		108,587	102,880	Deferred income taxes	20	1,456,963	1,329,887
Deferred income taxes	20	656,402	491,028				
Long-term derivative financial instruments	25	1,929	20,245	Total non-current liabilities		13,118,975	11,262,928
Total non-current assets		25,734,072	24,137,541	Total liabilities		20,419,312	18,073,751
				Stockholders' equity:			
				Capital stock	21	9,892,443	10,043,319
				Additional paid-in capital		135,944	135,944
				Legal reserve		99,602	85,549
				Actuarial loss	17	(5,708)	(7,285)
				Earnings from derivative financial instruments		14,885	33,592
				Other equity accounts		(394,770)	(184,740)
				Foreign currency translation effect		586	(3,031)
				Retained earnings		4,455,361	3,800,308
				Equity attributable to owners of the Company		14,198,343	13,903,656
				Non-controlling interests		(20,960)	(2,196)
				Total stockholders' equity		14,177,383	13,901,460
Total assets		\$ 34,596,695	31,975,211	Total liabilities and equity		\$ 34,596,695	31,975,211

See accompanying notes to consolidated financial statements.





**Grupo Traxión, S. A. B. de C. V. and subsidiaries**

Consolidated statements of comprehensive income

For the years ended December 31, 2024 and 2023

(In thousands of Mexican pesos)

	<b>Nota</b>	<b>2024</b>	<b>2023</b>
Freight revenues	4(m)	\$ 8,355,521	7,689,773
Logistic revenues	4(m)	10,345,307	8,115,290
Personnel transportation revenues	4(m)	<u>10,440,854</u>	<u>9,001,573</u>
Total revenue of operation		29,141,682	24,806,636
Total costs	10 y 22	<u>22,624,133</u>	<u>18,989,548</u>
Gross profit		6,517,549	5,817,088
General expenses	10 y 23	4,033,659	3,536,993
Impairment loss on accounts receivable and other accounts receivable		64,482	78,938
Other revenues	24	<u>(37,657)</u>	<u>(109,310)</u>
Operating profit		<u>2,457,065</u>	<u>2,310,467</u>
Finance (cost) income:			
Interest expenses		(1,682,870)	(1,458,877)
Financial cost of the defined benefit plan		(5,669)	(5,324)
Other financial cost		(28,520)	(34,916)
Net foreign exchange loss		89,369	(87,360)
Valuation effect of financial instruments		42,954	60,737
Interest income		<u>74,007</u>	<u>74,849</u>
Net finance costs		<u>(1,510,729)</u>	<u>(1,450,891)</u>
Participation in joint business results		(4,394)	-
Profit before income tax		941,942	859,576
Income tax	20		
Current		322,557	265,285
Deferred		<u>(30,957)</u>	<u>(44,418)</u>
Total income tax		<u>291,600</u>	<u>220,867</u>
Consolidated net income		<u>\$ 650,342</u>	<u>638,709</u>
Consolidated net income attributable to :			
Non-controlling interests		(18,764)	(2,196)
Owners of the Company		<u>669,106</u>	<u>640,905</u>
Consolidated net income		<u>650,342</u>	<u>638,709</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial (loss) income of the defined benefit plan	17(a)	\$ 2,253	(5,448)
Deferred income tax	17(a)	(676)	1,634
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations		3,617	(4,335)
Valuation effect of derivative financial instruments	25 (a)	(26,724)	(20,726)
Deferred income tax		<u>8,017</u>	<u>6,218</u>
Other comprehensive income		<u>(13,513)</u>	<u>(22,657)</u>
Total comprehensive income		<u>\$ 636,829</u>	<u>616,052</u>
Total comprehensive income attributable to :			
Non-controlling interests		(18,764)	(2,196)
Owners of the Company		<u>655,593</u>	<u>618,248</u>
Total comprehensive income		<u>\$ 636,829</u>	<u>616,052</u>
Basic earnings per share (in mexican pesos)	28	<u>\$ 1.147</u>	<u>1.131</u>

See accompanying notes to consolidated financial statements.



**Grupo Traxión, S. A. B. de C. V. and subsidiaries**

Consolidated statements of changes in stockholders' equity

For the years ended December 31, 2024 and 2023

(In thousands of Mexican pesos)

	<b>Note</b>	<b>Capital stock</b>	<b>Additional paid- in capital</b>	<b>Legal reserve</b>	<b>Actuarial loss</b>	<b>Valuation effect from derivative financial instruments</b>	<b>Other equity accounts</b>	<b>Foreing currency traslation effect</b>	<b>Retained earnings</b>	<b>Equity attributable to owners of the Company</b>
Balances as of December 31, 2022		7,346,035	135,944	82,117	(3,471)	48,100	394,392	1,304	3,162,835	11,167,256
Increase in capital stock, less transaction costs from subsequent public offering	21(a)	2,661,178	-	-	-	-	-	-	-	2,661,178
Legal reserve	21(b)	-	-	3,432	-	-	-	-	(3,432)	-
Share based payment	21(d)	47,046	-	-	-	-	(579,132)	-	-	(532,086)
Repurchase of shares	21(c)	(10,940)	-	-	-	-	-	-	-	(10,940)
Net comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,814)</u>	<u>(14,508)</u>	<u>-</u>	<u>(4,335)</u>	<u>640,905</u>	<u>618,248</u>
Balances as of December 31, 2023	\$	10,043,319	135,944	85,549	(7,285)	33,592	(184,740)	(3,031)	3,800,308	13,903,656
Legal reserve	21(b)	-	-	14,053	-	-	-	-	(14,053)	-
Share based payment	21(d)	(26,709)	-	-	-	-	(210,030)	-	-	(236,739)
Repurchase of shares	21(c)	(124,167)	-	-	-	-	-	-	-	(124,167)
Net comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,577</u>	<u>(18,707)</u>	<u>-</u>	<u>3,617</u>	<u>669,106</u>	<u>655,593</u>
Balances as of December 31, 2024	\$	<u>9,892,443</u>	<u>135,944</u>	<u>99,602</u>	<u>(5,708)</u>	<u>14,885</u>	<u>(394,770)</u>	<u>586</u>	<u>4,455,361</u>	<u>14,198,343</u>

See accompanying notes to consolidated financial statements.



**Grupo Traxión, S. A. B de C. V. and subsidiaries**

Consolidated statements of cash flows

For the years ended December 31, 2024 and 2023

(In thousands of Mexican pesos)

	<u>Note</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:			
Consolidated net income	\$	650,342	638,709
Adjustments for:			
Income tax expense	20 (c)	291,600	220,867
Depreciation and amortization	22 y 23	2,512,029	2,238,855
Impairment of accounts receivable and other accounts receivable	6	64,482	78,938
Loss (gain) on sale of transportation equipment and machinery	24	96,156	27,438
Participation in joint business results		4,394	-
Financial cost of defined benefit plan	17 (a)	5,669	5,324
Interest income		(74,007)	(74,849)
Unrealized foreign exchange gain		(6,613)	(47,538)
Income on valuation of financial instruments		(42,954)	(60,738)
Stock plan		10,711	-
Interest expense and other finance cost		1,711,390	1,493,792
Subtotal		5,223,199	4,520,798
Change in:			
Accounts receivable		(991,999)	(1,090,178)
Accounts receivable from related parties		-	1,945
Other accounts receivable		(217,326)	(123,859)
Income tax assets		305,190	(262,578)
Inventories		(57,387)	(50,806)
Prepayments		(107,661)	(175,899)
Income tax paid		(280,089)	(183,568)
Suppliers		126,985	181,124
Other liabilities		(18,578)	(8,490)
Other taxes		147,230	158,978
Accumulated liabilities		91,026	355,097
Accounts payable to related parties		-	(338)
Employee benefits		(1,853)	(806)
Advances from customers		34,215	35,427
Employee statutory profit sharing		14,970	64,194
Net cash from operating activities		4,267,922	3,421,041
Cash flows from investing activities:			
Acquisition of transportation equipment and machinery		(3,411,963)	(3,434,035)
Advanced payments for acquisition of transportation equipment		(20,979)	(126,354)
Proceeds from sale of transportation equipment and machinery		95,299	243,729
Intangible assets		(98,070)	(43,650)
Acquisition of subsidiary, net of cash acquired	27	(36,601)	(61,291)
Guarantee deposits		(5,707)	(16,123)
Other payments to acquire equity instruments of other entities		(232,801)	(139,848)
Proceeds from sale of equity instruments of other entities		-	136,407
Interest received		74,007	74,849
Net cash used in investing activities		(3,636,815)	(3,366,316)
Surplus cash to be applied in financing activities		631,107	54,725
Cash flows from financing activities:			
Repurchase of shares		(371,617)	(543,026)
Payments of bank loans	14	(2,335,832)	(4,394,506)
Increase in capital stock		-	2,757,091
Transaction costs from subsequent public offering		-	(137,019)
Lease payments	19	(971,672)	(974,991)
Settlement of derivative financial instruments		(2,549)	-
Proceeds from derivative financial instruments		42,954	52,798
Proceeds from bank loans	14	4,574,356	4,992,352
Interest paid (1)		(1,568,218)	(1,420,307)
Net cash used in financing activities		(632,578)	332,392
Net increase (decrease) in cash and cash equivalents		(1,471)	387,117
Cash and cash equivalents at beginning of year		1,379,799	996,222
Effect of movements in exchange rates on cash held		77,223	(3,540)
Cash and cash equivalents at end of year	\$	1,455,551	1,379,799

(1) The group has chosen to classify cash flows from interest payments as financing activities.

See accompanying notes to consolidated financial statements.



## Grupo Traxión, S. A. B. de C. V. and the subsidiaries

### Notes to the consolidated financial statements

For the years ended December 31, 2024 and 2023

(Thousands of pesos)

#### (1) Reporting Entity-

The consolidated financial statements of Grupo Traxión S. A. B. de C. V., includes the financial information of the holding entity Grupo Traxión, S. A. B. de C. V. ("Traxión") and the subsidiaries (Grupo Traxión" or the "Group") indicated later in this note.

Grupo Traxión was incorporated in Mexico on July 27, 2011, under the legal name of "Fondo de Transporte México, S. A. P. I. de C. V.". On September 14, 2017, a change in legal name was approved to "Grupo Traxión, S. A. B. de C. V."

Grupo Traxión address is Paseo de la Reforma 115, floors 17 and 18, Colonia Lomas de Chapultepec, Mexico City, Mexico.

The main activities of Traxión are: to participate as a partner, shareholder, or investor in all kinds of corporations, national or foreign; acquire, dispose and negotiate all types of shares, certificates of participation or any other security, whether debt or equity; as well as obtain, grant, perform financing activities of any kind in the short, medium or long term, with or without specific guarantee, including pledges and mortgages.

Through its subsidiaries, the Group's main activities are rendering public cargo service, transportation of furniture, storage, refrigerated cargo services and transportation of goods, specialized cargo, courier and parcel services, services logistics and transport services for school, personal and tourist in Mexico. No entity or individuals have control over the Group.

#### *Entities of the Group-*

The subsidiaries over which the Group has direct or indirect control through its subsidiaries, the ownership interest and the main activities of the subsidiaries are as follows:

	2024	2023	Main Activity
Potencia Logística Potosina, S. A. P. I. de C. V.(iv)	100	100	Holding company of the mobility of cargo segment
MyM Internacional, S. A. de C. V.	100	100	General merchandise packaging
Transporte de Carga Grupo MyM, S. A. de C.V	100	100	Specialized cargo transport
Transportadora Egoba, S. A. de C. V.	100	100	Cargo transport
Transportes Suvi, S. A. de C. V.	100	100	Cargo transport
Tractocamiones Europeos, S. A. de C. V.	100	100	Tracto maintenance
Auto Express Frontera Norte, S. A. de C. V.	100	100	Cargo transport
AFN Logistics, Ltd.	100	100	Cargo transport
Inter Mexicana de Transportes S. A. de C. V.	100	100	Cash transfers
Autotransportes el Bisonte, S. A. de C. V.	100	100	Specialized refrigerated cargo transport

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

	2024	2023	Main Activity
Cargo y Transfer Services, S. A. de C. V. (iii)	100	100	General, refrigerated, and/or specialized cargo transportation for cross-border and customs procedures.
Soluciones Operativas TRX, S.A. de C.V. (before, Transfer Services TRX, S. A. de C. V.) (i),(iii)	100	100	General, refrigerated, and/or specialized cargo transportation for cross-border and customs procedures.
Transferpack Logistics, S. A. de C. V. (iv)	100	100	General, refrigerated, and/or specialized cargo transportation for cross-border and customs procedures.
Traxión Logistics, S. A. de C. V.	100	100	Holding company of the logistics and technology segment and provider of national and international logistics services.
Almacenaje y Distribución Avior, S. A. de C. V.	100	100	Storage services
Traxión Solutions, S. A. de C. V.	100	100	Storage services
Traxión Solutions U.S. A. LLC.	100	100	Storage services
Redpack, S. A. de C. V.	100	100	Courier and parcel services
Redpack U.S. A. Inc.	100	100	Courier and parcel services
Traxión Technologies, S. A. de C. V.	88.75	88.75	Intermediation services through means and technological platforms.
Traxion Logistics, USA	100	100	Intermediation services through means and technological platforms.
Trx Ride On S. A. de C. V.	100	100	Establish, organize and manage a private transportation club
BBA Logistics, LLC (v)	100	100	Cargo brokerage with door-to-door and cross-border services in the United States
Logística y Transporte para la Industria de la Salud, S. A. P. I. de C. V.	100	100	It provides storage, import, export, labeling, assembly and distribution services for all kinds of goods, especially medical items.
MD Transporte y Logística, S. A. de C. V.	100	100	Provision of storage, labeling, assembly and distribution personnel services for all kinds of goods and especially medical items to their related parties.
MD Servicios y Logística, S. A. de C. V.	100	100	Provision of storage, labeling, assembly and distribution personnel services for all kinds of goods and especially medical items to their related parties.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

	2024	2023	Main Activity
Healink, S. A. de C. V.	100	100	Manage and operate online pharmacies, specialized in the supply of high-value treatments for chronic conditions, as well as the sale, distribution and delivery of all types of medicines and medical equipment.
V- Modal Mexicana, S. C.	90	90	Provision of logistics coordination and transportation services, mainly rail
NK 362 Empreendimentos e Participacoes, S. A.	100	100	To participate as a partner or shareholder of other companies in the country or abroad
Corporación Lipu, S. A. P. I. de C. V. (ii)	100	100	Holding company of the mobility of personnel segment and provider of bus leasing services
Corporación Lipu, S. A. P. I. de C. V. (ii)	100	100	Holding company of the mobility of personnel segment and provider of bus leasing services
Fastbus, S. A. P. I. de C. V.	100	100	Bus leasing
Autotransportes Miguel Meza Sánchez,	100	100	School and staff transportation.
S. A. P. I. de C. V.	100	100	School and staff transportation.
Transportes Lipu, S. A. de C. V.	100	100	School, staff and corporate transportation.
Loxtel Asesores, S. A. P. I. de C. V.	100	100	Holding company
Grupo Settepi, S. A. P. I. de C. V.	100	100	Personnel transport
Settepi de Oriente, S.A.P.I. de C.V.	100	100	Personnel transport
M&A Traxión, S. A. P. I. de C. V.	100	100	Personnel services
Excelencia en Transporte Escolar y de Personal, S. A. P. I. de C. V.	100	100	School Transportation Services
Publica Advertising, S. A. de C. V.	100	100	Advertising services
Servicios Corporativos FTM, S. C.	100	100	Provision of services
Prosperity Factor, S. A. de C. V. SOFOM, E.N.R	100	100	Financial services
Comercializadora Traxión, S. A. de C. V.	100	100	Administrative services
Prediana, S. A. de C. V. SOFOM, E. N. R.	100	100	Financial services.
Fundación Traxión, A. C.	100	100	A non-profit association, with assistance activities to people and / or groups of limited resources, Indigenous communities, and vulnerable groups.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

During 2024, the following transactions occurred:

- i. On August 14, 2024, during a shareholders meeting, the name of Transfer Services TRX, S.A. de C.V. was changed to Soluciones Operativas TRX, S.A. de C.V., and its corporate purpose was changed to administration, supervision, operation, and/or maintenance of petroleum dispensing service stations in the self-consumption modality, for each one of the companies that are part of Grupo Traxión.
- ii. On September 30, 2024, the company NK362 Empreendimentos e Participacoes, S. A., was established, whose corporate purpose is to participate in other companies as a partner or shareholder, in the country or abroad.

During 2023, the following transactions occurred:

- iii. On April 26, 2023, the companies Cargo y Transfer Services, S. A. de C. V. and Transfer Services TRX, S. A. de C. V. were incorporated. The purpose of these companies is to provide general, refrigerated, and/or specialized cargo services for cross-border transportation and to carry out the applicable customs procedures.
- iv. On November 27, 2023, the company Transferpack Logistics, S. A. de C. V. was incorporated. The purpose of this company is to provide general, refrigerated, and/or specialized cargo services for cross-border transportation and to carry out the applicable customs procedures.
- v. On June 19, 2023, the acquisition of BBA Logistics, LLC. was completed. BBA Logistics, LLC. is a cargo brokerage company offering door-to-door and cross-border services in the United States.

The aforementioned entities have their principal place of business in Mexico except for AFN Logistics, L.T.D., Redpack U.S.A, and Traxión Logistics, U.S.A, Traxion Solution, U.S.A, LLC, and BBA Logistics, LLC, which conduct their activities in the United States of America, and NK362 Empreendimentos e Participacoes, S.A., which will conduct its activities in São Paulo, Brazil.

*Investment in associated and joint venture entities-*

Investments in associates are accounted for under the equity method. An associate is an entity over which the Group has significant influence, but not control or joint control, over the financial and operating policies. These investments are initially recognized at cost and subsequently adjusted to recognize the Group's share of the changes in the net assets of the associate from the acquisition date.

The Group maintains an investment in an entity whose main activity is raising funds for subsequent investment in companies within the sector.

During 2024, the Group investment \$131,739 in a joint ventures with the entity Cosmopolitan Air Transportation, S.A. de C.V., under an agreement that establishes joint control between the parties, each holding a 50% stake, and whose main activity is the logistical operation of concessions and air service operations.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(2) Relevant events-**

During 2024, the following relevant events occurred:

On October 10, 2024, the Group signed an agreement to acquire Solística, a comprehensive logistics services company, subsidiary of Grupo FEMSA. Solística has an asset-light model that offers 3PL services together with freight brokerage, with operations in Mexico, Brazil, and Colombia, holding a leading position in its business lines, particularly in the northern part of the country. The transaction is subject to usual regulatory approvals, which are expected to be obtained within the second quarter of 2025.

During 2023, the following relevant events occurred:

**a) Cancellation of shares-**

On April 28, 2023, at a shareholders' meeting, the cancellation of 35,000,000 of the Company's own series "A" Class I ordinary nominative shares, without par value, which were held in treasury, was recorded. (see note 21).

**b) Credit agreement-**

On March 23, 2023, the Group signed a credit line agreement with a syndicate of banks, for a total amount of up to \$6,000,000, of which only \$4,400,000 can be immediately and unreservedly drawn. The main objective of this credit line is to refinance and prepay the balance of the current syndicated loan at the end of March 2023, in addition to strengthening the Group's financing strategy.

The credit consists of a long-term simple credit line of \$5,500,000, with increasing amortizations and maturity in 2028, and a TIIE rate plus a margin between 175 and 215 basis points, which represents 50 basis points less on average than the previous credit. Additionally, it includes a revolving credit line of \$500,000 with maturity in 2026 and a TIIE rate plus a margin of 180 basis points; both components of the credit are unsecured.

**c) Business acquisition-**

On June 19, 2023, the acquisition of BBA Logistics was completed. BBA Logistics is a cargo brokerage company with door-to-door and cross-border services in the United States and has a 100% asset-light model (see note 27(a)).

**d) Subsequent Public Offering-**

On August 11, 2023, the pricing and sale of a total of 143,306,920 shares representing Traxion's capital stock was carried out at a price of \$30.00 (Mexican pesos) per share, of which 84,719,775 shares were placed in the primary portion and 58,587,145 shares in the secondary portion. The offering consisted of a mixed public offering in Mexico and a simultaneous international offering of shares to qualified institutional investors.

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

On September 4, 2023, the overallotment option was exercised for 9,314,753 shares at the offering price of \$30.00 (Mexican pesos) per share.

**(3) Basis of preparation-****a) Statement of compliance-**

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

On April 26, 2025, Rodolfo Mercado Franco (Chief Executive Officer) and Wolf Silverstein Sandler (Vice President of Finance and Administration), authorized the issuance of these consolidated financial statements and accompanying notes.

In accordance with the General Corporations Law and Grupo Traxión's bylaws, the stockholders have the right to modify the consolidated financial statements after their issuance. The consolidated financial statements will be submitted for approval at the next Shareholders' Meeting.

Note 4 includes details of the Group's accounting policies.

**b) Basis of measurement-**

The consolidated financial statements have been prepared applying the same IFRS and accounting policies, valuation criteria and on historical cost basis, except for assets and liabilities arising from a business acquisition, derivative financial instruments which are measured at their fair value, as well as the projected net liability of the defined benefit obligation, which is valued at present value of defined benefit obligation.

**c) Functional and reporting currency**

The accompanying consolidated financial statements are presented in thousands of Mexican pesos. Mexican peso is both the reporting and functional currency.

For the purpose of disclosure in the notes to the consolidated financial statements, when reference is made to pesos, these are Mexican pesos, and when reference is made to dollars, it means thousands of dollars of the United States of America.

**d) Use of estimates and judgments**

The preparation of the consolidated financial statements requires management to make a number of judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses reported. Actual results may differ from those estimates.

The relevant estimates and assumptions are reviewed on a regular basis. Changes in accounting estimates are recognized prospectively.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**A. Judgments**

The information on judgments made in the application of accounting policies that have the most significant effect on the amounts recognized in the financial statements is described in the following notes:

- Note 4(m) – revenue recognition: whether revenue is recognized over time or at a point in time;
- Note 4(a) - consolidation: whether the Company has de facto control over an investee; and
- Note 4(v) – leases: whether an arrangement contains a lease.

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the consolidated financial statements in the next year are included in the following notes:

- Note 4(d)(iii) - useful lives of transportation equipment and machinery.
- Note 4(h)(i) - measurement of expected credit loss for accounts receivable and contract assets: Key assumptions in determining the weighted-average loss rate.
- Note 4(h)(ii) - impairment tests of intangible assets and goodwill: key assumptions for recoverable amounts.
- Note 4(i) - measurement of defined benefit obligations: key actuarial assumptions.
- Note 4(o) - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.
- Note 4 (t) - determination of discount rates base from determination of right of use assets and liabilities.
- Note 4(r) – contingencies.
- Note 27 – business acquisitions, fair value of consideration transferred, and assets acquired, and liabilities assumed.

**B. Measurement of fair values**

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

Significant unobservable input data and valuation adjustments are regularly reviewed. If information from third parties, such as quotes from brokers or pricing services, is used to measure fair values, the evidence obtained from third parties is evaluated to support the conclusion that those valuations satisfy the requirements of the standards, including the level within the hierarchy of fair value within which these valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 5(e) - share-based payment arrangements;
- Note 5(d) - financial instruments; and
- Note 5(f) – business acquisition.

**e) Statement of comprehensive income presentation**

The Group elected to present comprehensive income in a single statement that includes all the items that comprise net income and other comprehensive income, named “Consolidated Statement of Comprehensive Income”

Given that the Group is a service entity, costs and expenses are presented based on their function, as the information reported is clearer.

Additionally, “Gross profit” line item is included, which results from subtracting the cost of sales from total revenue of operation as this line item is considered to provide a better understanding of the Group’s economic and financial performance.

Likewise, “Operating profit” line item is presented, which results from subtracting operating expenses from the gross profit, considering that this item contributes to a better understanding of the Group’s economic and financial performance.

**f) Cash flow statement-**

The Group presents its statement of cash flows using the indirect method. Interest paid is classified as cash flows from financing activities.

**(4) Summary of significant accounting policies-**

The accounting policies set out below have been consistently applied in the periods presented in these consolidated financial statements, unless otherwise indicated.

**(a) Basis of consolidation-**

**(i) Subsidiaries-**

The consolidated financial statements of Grupo Traxión include the financial information of its subsidiaries mentioned in note 1. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that the control ceases.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**(ii) Transactions eliminated in consolidation-**

Intercompany balances and transactions between consolidated entities, as well as any unrealized gain and loss, have been eliminated in the preparation of these consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

**(iii) Business acquisitions**

Business acquisitions are recognized through the purchase accounting method. The consideration transferred in a business acquisition is measured at fair value, which is calculated as the sum of the values of the assets transferred and liabilities assumed by the Group.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at fair value.

Costs related to the acquisition are recognized in the income statement as incurred.

**(iv) Loss of control-**

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, any related non-controlling interest and other equity components.

Any resulting gain or loss is recognized in profit or loss. If the Group retains any interest in the former subsidiary, it will be measured at its fair value on the date on which control is lost.

**(b) Foreign Currency Transactions-**

Transactions in foreign currency are translated to the respective functional currencies of the Group entities at the exchange rate prevailing at the dates of the transactions. The foreign exchange gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the period, adjusted for payments and effective interest during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reported period. Foreign exchange differences arising from the conversion are recognized in the comprehensive financial results as a cost or financial gain.

**(c) Financial instruments-****(i) Initial measurement and recognition-**

Financial assets and liabilities are initially recognized when the Group becomes part of the contractual provisions of the instrument. Trade accounts receivable and debt instruments issued are recognized when they originate.

A financial asset (unless significant financing component) or financial liability is initially measured at fair value plus transaction costs directly attributable to its acquisition or issue, except for a transaction measured at fair value with changes in results. A commercial account receivable without a significant financing component is initially measured at the transaction price.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

*(ii) Classification and subsequent measurement-*

## Financial assets

At initial recognition, a financial asset is classified as measured at: amortized cost, at fair value with changes in other comprehensive income - investment in debt, at fair value with changes in other comprehensive income - investment in equity, or at fair value with changes in profit or loss. The classification of financial assets under the International Financial Reporting Standard 9 "Financial Instruments" is based on the business

model in which a financial asset is managed and on its contractual cash flow characteristics.

Financial assets are not reclassified subsequent to their initial recognition, unless if the Group changes its business model to managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period, following the change in the business model.

A financial asset is measured at amortized cost if the following two conditions are met and it is not measured at fair value with changes in results as shown below:

- a) the financial asset is held within a business model whose objective is to hold to collect contractual cash flows; and
- b) the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are only payments of the principal and interest on the amount of the outstanding principal

An investment in debt must be measured at fair value with changes in other comprehensive income if the following two conditions are met and it is not measured at fair value with changes in profit or loss:

- a) It is held within a business model whose objective is achieved both by obtaining the contractual cash flows and by selling the financial assets; and
- b) Its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the amount of the outstanding principal.

On initial recognition of an equity investment that is not held for trading, the Group may elect to present subsequent changes in fair value in other comprehensive income. This election is made individually for each investment.

All financial assets not classified as measured at amortized cost or at fair value with changes in other comprehensive income, are measured at fair value with changes in results. This includes all derivative financial assets.

At initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirement to be measured at amortized cost or at fair value with changes in other comprehensive income as at fair value with changes in results if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

*(iii) Business model evaluation -*

The Group assesses the business model objective in which a financial asset is maintained at the portfolio level, since this asset is the one that best reflects the way, the business is managed. The information considered includes: the policies applicable to the management of trade accounts receivable (portfolio), the portfolio performance evaluation model and how this is reported to key Group management personnel; managing the risks that affect the performance of the business model (and financial assets held in the business model) and the frequency, value, and timing of sales, etc. are considered.

Transfers of financial assets to third parties in transactions that are not for derecognition are not considered sales for this purpose, in accordance with the ongoing recognition of the group of assets.

Financial assets that are held or managed for trading, and whose performance is evaluated on a fair value basis, are measured at fair value through profit or loss.

*(iv) Assessment of contractual cash flows are solely payments of principal and interest –*

For purposes of this evaluation, the 'principal' is defined as the fair value of the financial asset at the time of initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with loan risks and costs (for example, liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are only payments of principal and interest, the Group considers the contractual terms of the instrument. This includes evaluating whether a financial asset contains a contractual condition that could change the schedule or amount of the contractual cash flows in a way that would not fulfill this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of the cash flows.
- terms that could adjust the contractual rate, including rate characteristics variable.
- prepayment and extension features; and
- terms that limit the Group's right to cash flows from specific assets (for example, non-recourse features)

*(v) Subsequent measurements and gains and losses-*

<b>Financial assets at fair value with changes in results</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. However, see note 25 in the case of instruments designated as hedging instruments.
<b>Financial assets at amortized cost</b>	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by the impairment losses. Interest income, gains and losses from foreign currency translation and impairment are recognized in results. Any gain or loss on the derecognition of accounts is recognized in results.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

*(vi) Financial liabilities - Classification, subsequent measurement and gains and losses-*

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss.

A financial liability is classified at fair value through profit or loss if it is classified as held-for-trading, is a derivative or is designated as such on initial recognition. Net gains and losses, including any interest expense, are recognized in the results.

The other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest income and gains and losses on translation of foreign currency are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

*(vii) Derecognition -*

The Group derecognizes a financial asset when the contractual rights over the cash flows of the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which all the risks and rewards of ownership of the financial asset are transferred, or does not transfer or retain substantially all the risks and benefits related to the property and does not retain control over the assets transferred.

Derecognition of a financial liability is generated when the contractual obligations are paid or cancelled or

expired. The Group also derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability is recognized based on the new conditions at fair value.

At the time of derecognition of a financial liability, the difference between the carrying amount of the extinguished financial liability and the consideration is recognized in profit or loss.

*(viii) Offsetting -*

A financial asset and liability are offset, and the net amount is presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts recognized, and intends to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

*(ix) Derivative financial instruments and hedge accounting -*

The Group holds derivative financial instruments to hedge its interest rate risk exposure rates from its long-term liabilities at the Equilibrium Interbank Interest Rate (TIIE, for its acronym in Spanish) (reference rate in Mexico) interest rate plus a spread.

Embedded derivatives are separated from the main contract and recorded separately if the main contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. After initial recognition, derivative financial instruments are measured at fair value, and their changes are recognized in income, if they were not designated as accounting hedges.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

The Group designates interest rate swaps, which hedge its exposure to the TIE interest rate, as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates, for paying interest on your financial liabilities at a variable rate.

At the beginning of the designated hedging relationships, the Group documents the risk management objective and strategy to carry out the hedging. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether changes in cash flows from the hedged item and the hedging instrument offset each other.

**Hedges directly affected by interest rate benchmark reform**

For the purpose of evaluating whether there is an economic relationship between the hedged item(s) and the hedging instrument(s), the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss. In determining whether a previously designated forecast transaction in a discontinued cash flow hedge is still expected to occur, the Group assumes that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

**Cash flow hedges**

When a derivative is designated as a cash flow hedging instrument, the effective portion of the changes in the fair value of the derivative is recognized in other comprehensive income and is accumulated in the cash flow hedge valuation item. The effective portion of the changes in the fair value of the derivative that is recognized in other comprehensive income is limited to the cumulative change in the fair value of the hedged item, determined on a present value basis, from the beginning of the hedge. Any ineffective portion of the changes in the fair value of the derivative is recognized immediately in profit or loss.

For all other hedges forecast transactions, the accumulated amount in the cash flow hedge valuation and the hedge cost is reclassified to results in the same period or periods during which the future expected cash flows covered will affect the result.

A hedging relationship should be discontinued prospectively when it fails to meet the criteria to recognize a hedging relationship, this includes when the hedging instrument is sold, expires, terminates or is exercised, as well as after it has been considered or taken to any rebalancing of the hedging relationship and the hedging relationship is not effective or does not meet the objective of the Group's risk management.

When the hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedge valuation and the cost of coverage remains in the stockholders' equity until it is reclassified to income in the same period or periods in which the expected future cash flows covered affect the result.

If hedged future cash flows are no longer expected to occur, the amounts that have accumulated in the hedge reserve and the cost of the hedge reserve will be immediately reclassified to profit or loss

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(d) Transport equipment and machinery, net-**

**(i) Recognition and measurement-**

Upon initial recognition, transportation equipment and machinery are recognized at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset.

In its subsequent measurement, transportation equipment and machinery are recognized at cost less accumulated depreciation, and less any impairment losses.

When parts of transportation equipment and machinery have different useful lives, they are recorded as separate components (major components).

Gains and losses on the sale of an item of transportation equipment and machinery are determined by comparing the proceeds from the sale against the carrying value of transportation equipment and machinery and are recognized net in the statement of comprehensive income.

**(ii) Subsequent costs-**

The replacement cost of an item of transportation equipment and machinery is recognized when it is probable that future economic benefits will flow to the Group and its cost can be determined reliably. The carrying value of the replaced part is recorded in the statement of comprehensive income. Repair and maintenance costs are recognized in results as incurred.

**(iii) Depreciation-**

Transportation equipment and machinery are depreciated from the date they are available for use or, in the case of internally constructed assets, from the date the asset is completed and ready for use.

Depreciation is calculated on the amount subject to depreciation, which corresponds to the cost of an asset, less its residual value.

Depreciation is recognized in the statement of comprehensive income using the units produced method (kilometers traveled) for certain tractor-trucks and for the rest of the machinery and equipment the straight-line method is used in accordance with the estimated useful life each time that this better reflects the expected consumption pattern of the future economic benefits included in the asset.

The annual depreciation rates of the main classes of assets are as follows:

• Tractor-trucks and personnel transportation equipment	5% to 20%
• Platforms and boxes (for tract-trucks)	5% and 15%
• Transportation equipment	20% to 25%
• Machinery and equipment	10% to 25%
• Computer equipment	30%
• Telephone equipment	10% and 25%
• Storage equipment	10%
• Office furniture and equipment	10%
• Tracking equipment	10% to 50%
• Safety equipment	10%

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

Leasehold improvements are amortized during the useful life of the improvement or the related lease term, whichever is lower.

The Group's Management performs economic-financial analyzes to determine the residual value that corresponds to its transportation equipment and has determined that the residual value is in the range from 45% to 60% of the acquisition cost for most of these assets, depending on the use of assets and the reported historical disposal (sale) value.

Transportation equipment used to provide personnel transportation has a residual value of 10%.

Management reviews at the end of each year: depreciation method, useful lives and residual values, and where applicable, these are adjusted.

**(e) Intangible assets-**

Intangible assets with defined useful lives mainly include customer relationship acquired in a business acquisition, recognized at its fair value as of the acquisition date, and is amortized in a straight line over its estimated useful life of 10 and 15 and 24 years, which was determined based on the historical facts of the permanence that the clients have with the Group. Licenses and software are also included, which are recognized at their acquisition or development cost and are amortized on a straight-line basis over their estimated useful lives of 3 to 5 years and should not exceed the license period.

Intangible assets with indefinite useful life include mainly brands acquired in a business acquisition, recognized at its fair value as of the acquisition date less impairment losses.

**(f) Goodwill-**

Goodwill is measured as the excess of the consideration transferred in a business acquisition, over the net fair value of the assets acquired and liabilities assumed at the acquisition date.

**(g) Inventory and cost of sales-**

Inventories are measured at the lower of cost or net realizable value. Inventories are mainly represented by fuel, lubricants, and spare parts.

To allocate of the unit cost of inventories, the average cost formula is used.

The Group recognizes estimates to recognize decreases in the value of its inventories due to obsolescence, slow movement and other causes that indicate that cost recognized is lower than the net realizable value.

**(h) Impairment-**

**(i) Non-derivative financial assets-**

The Group recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost.
- debt investments measured at fair value with changes in other comprehensive income; and
- contract assets.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

The Group measures loss allowances at an amount equal to the expected credit losses during the life of the asset, except for the following, which is measured at the amount of twelve-month expected credit losses:

- debt instruments that are determined to have low credit risk at the reporting date; and
- other debt instruments and bank balances for which credit risk (i.e., the risk of default occurring during the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade accounts receivable and contract assets are always measured at an amount equal to the expected credit losses over the lifetime.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition by estimating expected credit losses, the Group considers reasonable and sustainable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information and analysis, based on the Group's historical experience and an informed credit evaluation including that related to the future.

In the case of trade accounts receivable without a significant financing component, the entity may choose as its accounting policy to apply the general model to measure the value correction or always measure the value correction for an amount equal to the expected credit loss during lifetime. The Group has chosen the latter policy.

The Group considers a financial asset in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as the execution of the guarantee (if any); or
- the financial asset is 60, 90 or 120 days past due depending on the portfolio and the analysis on the absorbing statement.

Expected credit lifetime losses are the credit losses that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating expected credit losses is the maximum contractual period during which the Group is exposed to credit risk.

**Measurement of expected credit losses**

Expected credit losses are the probability-weighted average of credit losses. Credit losses are measured as the present value of cash shortfalls (i.e., the difference between the cash flow owed to the entity under the contract and the cash flows that the Group expects to receive).

According to the selected expected loss methodology, provisions are calculated according to the following:

The probability of default (PD) and the severity of loss (LGD) are the result of the application of the statistical model under the simplified method for measuring the impairment of accounts receivable during the life of the instrument (invoice or account receivable). As a result, the loss rate (PD\*LGD) is obtained, which must be used for the calculation of applicable reserves for the events of January 1, 2018.

This quantitative assessment will be continuous and if applicable adjustments will be made to the expected loss rate (impairment) on a semi-annual basis.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**Presentation of allowance for expected credit losses in the statement of financial position**

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

In the case of fair value debt instruments with changes in other comprehensive income, the loss allowance is charged to results and recognized in other comprehensive income.

**Write-off**

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities to comply with the Group's procedures for recovery of amounts due.

**(ii) Non-financial assets-**

The book value of non-financial assets, other than inventories, are subject to an analysis of indications of impairment prepared at least once a year during the third quarter of the current fiscal year and / or when there are changes in internal circumstances and / or external that affect the recoverable amount of the cash generating unit. When signs are identified, an impairment study will be carried out (where applicable) to estimate the asset's recovery value.

The recoverable value of an asset or cash-generating unit is the higher between its value in use and its fair value less costs to sell.

When evaluating value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the value of money attributable to the time factor and the risks specific to the asset.

For impairment testing purposes, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

For the purposes of the impairment tests, Goodwill arising from a business acquisition is allocated to CGUs or groups of CG Us that are expected to benefit from the synergies of the combination. Such distribution is subject to an operating segment ceiling test and reflects the lowest level at which the goodwill is monitored for internal reporting purposes.

Corporate assets do not generate separate cash flows. If there is any indication that a corporate asset is impaired, then the recovery value of the CGU to which the corporate asset belongs is determined.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**(i) Employee Benefits-****(i) Defined benefit plans-**

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the maturity of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method.

The Group recognizes actuarial gains and losses derived from defined benefit plans in other comprehensive income, in the period in which they accrued.

**(ii) Termination Benefits-**

Termination benefits are expensed at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

**(iii) Short-Term Employee Benefits-**

Obligations for short-term employee benefits are measured on an undiscounted basis and recognized in come of the period in which the services rendered are accrued.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Group has a legal or assumed obligation to pay such amounts as a result of prior services rendered by the employee, and the obligation can be reliably estimated.

**Employee statutory profit sharing ("ESPS")-**

The ESPS payable in the year is determined in accordance with the tax regulations. Under tax legislation, companies are required to share 10% of their taxable profits to their employees. ESPS is recorded as a general expense.

**(j) Accrued liabilities-**

The Group recognizes its accrued liabilities for those present obligations which arise as a consequence of past events, for which the Group expects to release resources that incorporate economic benefits in the short term.

**(k) Stockholders' equity-**

The stockholders' equity is composed of series A class I ordinary and nominative shares, with no par value expressed, including treasury shares. The other equity accounts represent the amounts corresponding to the share-based payment recognized during the period.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(l) Foreign currency translation-**

It represents the difference resulting from translating foreign operations from their functional currency to the reporting currency.

**(m) Revenue-**

Revenue from ordinary activities is recognized when it transfers control over a good or service to a customer. Therefore, performance obligations may be satisfied over time and the recognition of their revenue will be made also over time using methods to measure progress towards complete satisfaction of the performance obligation and this can be measured reasonably.

If the performance obligation is not satisfied over time, then it will be done at a point in time. Therefore, the Management will determine the specific moment in which a client obtains control of a committed asset and therefore a performance obligation is satisfied. The indicators of the transfer of control of the goods and / or services should be considered.

Advances from customers are mainly deposits made by customers for future services and therefore a future obligation, the initial balance of the advances from customers is recognized as income in full during the current period.

<b>Type of service</b>	<b>Nature and timing of satisfaction of performance obligations</b>	<b>Revenue recognition policy</b>
Freight revenue	National and international land freight transportation services and related services, such as loading and unloading maneuvers, storage and any other service previously requested by the client. Invoices are issued as services are rendered and are payable within 30 to 120 days.	Service revenue is recognized over time, when the customer simultaneously receives and consumes the benefits as the services are provided.
Logistics Services	Services of warehousing, collection, preparation and loading of merchandise for shipments, in addition to inventory control. Invoices are issued monthly and are usually payable within 120 days.	Service income is recognized as it is rendered.
Income by courier and parcel service	Delivery services, collection and distribution of couriers and parcels of individuals and companies, nationally and internationally. Invoices are issued monthly and are usually payable within 30 days. This type of income is part of the logistics and technology segment.	Service income is recognized over time, as provided.
Personal Transportation	School transport, personnel and tourist transport services. Invoices are issued monthly and are usually payable within 30 to 90 days.	Transportation service revenue is recognized as it is provided

**(n) Finance income and costs -**

Finance income includes interest income on invested funds and highly liquid bank deposits and foreign exchange gains. Interest income is recognized as incurred.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

Financial costs include interest expenses on debt, as well as those corresponding to leases in accordance with IFRS 16, foreign exchange losses, valuation effect of financial instruments and financial cost of the defined benefit plan.

**(o) Income tax-**

Current tax and deferred tax are recognized in the statement of comprehensive income, except when it relates to a business acquisition or items recognized directly in equity, as part of the other comprehensive income.

The income tax for the year is determined in accordance with legal and tax requirements, applying the rates of taxes enacted or substantially enacted at the reporting date, and any adjustment to the tax charged in respect of prior years. These tax requirements require calculating the tax result considering the income collected and deductions paid in the year.

Deferred income tax is recorded under the assets and liabilities method, which compares the book and tax values of the Group's assets and liabilities and recognizes deferred income taxes (assets or liabilities) in respect of differences between these values.

Deferred income taxes are not recognized for the initial recognition of assets and liabilities in a transaction that does not affect neither accounting nor taxable profit or loss, and differences related to investments in subsidiaries and associates as long as the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future.

Deferred taxes are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be materialized simultaneously.

A deferred asset is recognized for deductible temporary differences, to the extent that it is probable that future taxable income will be available against which it can be applied. Deferred tax assets are reviewed at the reporting date and are reduced to the extent that the realization of the related tax benefit is no longer probable.

**(p) Prepayments-**

Include mainly insurance payments, security deposits and rents paid in advance that will be received after the date of the statement of financial position and during the normal course of operations. When the terms of the acquisitions (mainly fixed assets) and services are over 12 months, the amount that exceeds the established term is presented as non-current assets in the statement of financial position.

**(q) Government incentives-**

Derived from the main activity of the Group, it has the right to receive subsidies, mainly related to tolls and fuel. Such subsidies are transferred to the Group as a reduction to the income tax. Due to its economic substance, the Company recognizes these subsidies as a decrease in total costs line item in the income statement.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(r) Contingencies-**

Liabilities or significant losses related to contingencies are recognized when it is probable that its effects are likely to materialize and there are reasonable elements for their quantification. If these reasonable elements do not exist, their disclosure is included qualitatively in the notes to the financial statements. Income, profits, or contingent assets are recognized until there is virtual certainty that they will be realized.

**(s) Share-based payment**

The Group has granted benefits to key executive management personnel, settled through share-based payments, subject to certain performance conditions. The fair value of the share-based payments at the grant date is recognized as an expense within the concept of labor cost, with the corresponding application in equity, over the vesting period (3 years). The grant date is the date on which Traxion and the employee enter into the share-based payment agreement and establish the terms and conditions of the agreement. The details of this plan are mentioned in note 21(d).

**(t) Basic earnings per share-**

The Group presents information about basic earnings related to its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to common stockholders of the Group between the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

**(u) Segment information-**

An operating segment is a component of the Group that engages in business activities for which it can earn revenues and incur expenses, which include revenues and expenses related to transactions with any of the other components of the Group. Inter-segment transactions are determined based on comparable prices to those that would be used with or between independent parties in comparable transactions.

**(v) Leases-**

At the beginning of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

**i. Leases.**

**i.1) Initial measurement**

The initial measurement of the right-of-use asset will be determined by the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. If applicable by the provisions of the lease contract.

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

The lease liability is measured at amortized cost using the effective interest method which corresponds to the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The incremental interest rate is defined as the interest rate that a lessee would have to pay to borrow for a similar term, and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise fixed payments less any incentive, the amounts expected to be payable under a residual value guarantee, and variable lease payments.

**i.2) Subsequent measurements**

After the commencement date, a lessee will measure its right-of-use asset using the cost model, less depreciation using the straight-line method, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment (by IAS 16) and accumulated impairment losses (in accordance with IAS 36 and adjusted for certain lease liability remeasurement).

Subsequent measurement of the lease liability shall include the interest determined less the payments for leases made.

**i.3) Contracts modifications.**

A change in the scope of a lease, or consideration for a lease, which was not part of the original terms and conditions (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual duration of the lease).

A lessee will remeasure the lease liability by discounting the modified lease payments using a modified discount rate and in cases where:

- (a) there is a change in the lease term, or
- (b) there is a change in the evaluation of an option to buy the asset

The adjustment will be made against the right-of-use asset.

**i.4) Short-term leases and low-value asset leases.**

The Group has chosen not to recognize rights-of-use assets and lease liabilities for low-value asset leases and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(w) New accounting standards and accounting standards not adopted-**

New accounting standards

Effective Date January 1, 2024

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Lease liabilities in "sales and lease-back" transactions (Amendments to IFRS 16)
- Supplier financing arrangements (Amendments to IFRS 7)
- Non-current liabilities with covenants (Amendments to IFRS 1)

As of December 31, 2024, the new standards do not have a significant impact on the Group's financial statements.

Accounting standards issued but not yet effective –

Effective date January 1, 2025:

- Effects of changes in foreign exchange rates / Impact of a currency being non-exchangeable (Amendments to IFRS 21)

Effective date January 1, 2026:

- Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)

"IFRS 18 'Presentation and Disclosure in Financial Statements' is mandatory from January 1, 2027. IFRS 18 will change the way the statement of comprehensive income is presented and will disclose additional information in the notes to the financial statements, including the disclosure of management performance measures that could be part of the financial statements. The Company is in the process of assessing the possible impacts arising from IFRS 18."

As of December 31, 2024, the Company has not early adopted these standards, and the effect of their adoption has not been quantified.

**(5) Determination of fair values-**

The fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between a market participant at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

Some of the Group's accounting policies and disclosures require determination of fair value, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the price quoted in the active market for that instrument. A market is considered "assets" if the transactions of the assets or liabilities takes place with a frequency and sufficient volume to provide information about pricing on an ongoing basis.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable input data and minimize the use of non-observable input data. The chosen valuation technique incorporates all the factors that market participants consider when setting the price of a transaction.

If an asset or liability measured at fair value has a buyer price and a seller price, then the Group measures long-term assets and positions at a buyer price and liabilities and short positions at a seller price.

**a) Demand deposits-**

The fair value of demand deposits with original maturities of three months or less from the date of acquisition is similar to the historical cost derived as they are subject to insignificant risks of changes in fair value and are used in accordance with the business model that the Group uses to manage its short-term commitments.

**b) Non-derivative financial liabilities-**

The fair value of non-derivative financial liabilities is calculated based on the present value of future cash flows of principal and interest, discounted at a market interest rate that includes an adjustment for the credit risk of the entity assuming the obligation represented by the financial liability.

**c) Derivative financial instruments-**

Derivative financial instruments are measured at fair value with valuation methodologies and inputs accepted in the financial environment. The Group specifically has interest rate swaps, for which the fair value is calculated as the present value of the estimated future net cash flows. Estimates of future floating rate cash flows are based on quoted swaps, future prices, or interbank debit rates. Cash flows are discounted using a yield curve created from similar sources and reflecting the corresponding interbank reference rate used by market participants. The fair value estimate is subject to an adjustment for credit risk that reflects the credit risk of the Group or of the counterparty.

**d) Share-based payments-**

In the transaction of share-based payments settled on equity instruments fair value is determined at the date of grant, this is the date on which the entity confers on the counterparty the right to receive cash, other assets, or shares from it, subject to compliance, where appropriate, with certain performance obligations to grant the shares.

**e) Assets acquired in business acquisitions-**

The fair value of an intangible asset related to customers was determined through the "multi-period excess earnings" method, which consists of demanding a return for each of the tangible and intangible assets that contribute to the generation of income from the intangible asset, subject to valuation.

To estimate the fair value of the brand, the "relief from royalty" methodology was used, which considers market royalties comparable to the operation of acquired businesses.

For property and equipment, the fair value was determined based on quotes considering the price at which the asset would be purchased.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(6) Financial Risk Management-**

The Group is exposed to the following risks from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information of the Group's exposure to each of the aforementioned risks, the objectives, policies and processes of the Group for risk measurement and management, as well as the Group's capital management. More quantitative disclosures are included in various sections of these consolidated financial statements.

**Risk Management Framework-**

Management has overall responsibility for the establishment and supervision of the risk management framework. Management is responsible for the development and monitoring of risk management policies and reports its activities to the Board of Directors on a regular basis.

Risk management policies are established to identify and analyze the risks they face, to establish appropriate limits and controls, and to monitor risks and to enforce limits. Risk management policies and systems are periodically reviewed to reflect changes in market conditions and in Group activities.

The risk management framework applied and the identified risks to which the Group is exposed at the date of preparation of these audited consolidated financial statements is the same as that applied in the preparation of the Group's consolidated financial statements for the years ended, as of December 31, 2024 and 2023

**Credit Risk-**

Credit risk represents the risk of financial loss of the Group, if a customer or counterparty risk of a financial instrument does not comply with its contractual obligations and originates mainly from the accounts receivable and investment instruments available to the Group.

The carrying amount of financial assets represents the maximum exposure to credit risk.

**Accounts receivable from customers and other receivables-**

The Group's exposure to credit risk is derived mainly by the individual characteristics of each customer. However, Management also considers the demographics of the Group's customer base, which includes the default risk of the industry in which customers operate, as these factors may influence credit risk. The Company's revenues are attributed to sales transactions with different customers. As of the date of these consolidated financial statements there is no significant concentration of sales and accounts receivable in a single customer.

Management has implemented a credit policy under which each customer is analyzed individually. The Group's review includes external ratings, when available, and in some cases, bank references.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

When monitoring customer credit risk, customers are grouped according to their credit characteristics, including geographic location, industry, aging, and other factors.

## Impairment losses-

The following table shows the classification of accounts receivable from customers, based on their aging at the date of the statement of financial position:

	2024		2023	
	Gross	Impairment	Gross	Impairment
Current	\$ 2,920,745	(15,487)	2,467,532	(15,956)
Past due from 0 to 90 days	1,898,443	(10,066)	1,580,070	(10,217)
Past due from 91 to 120 days	16,541	(88)	20,309	(131)
Past due over 121 days	583,135	(125,592)	398,150	(99,643)
	<b>\$ 5,418,864</b>	<b>(151,233)</b>	<b>4,466,061</b>	<b>(125,947)</b>

The Group determined expected credit losses by considering the risk level criteria assigned for each company or group of companies and applying the corresponding loss rate, which is distributed in ranges from 0.000157% to 8.7602% for accounts receivable and 100 % for unrecoverable accounts receivable.

Movements of the allowance for doubtful of accounts receivable from customers, is as follows:

a) **Accounts receivable:**

	2024	2023
Balance at the beginning of the year	\$ 125,947	84,031
Increases	63,882	71,132
Amounts written of	(38,596)	(29,216)
<b>Balance at the end of the year</b>	<b>\$ 151,233</b>	<b>125,947</b>

b) **Other accounts receivable:**

	2024	2023
Balance at the beginning of the year	\$ 8,766	39,616
Increases	600	7,806
Amounts written of	-	(38,656)
<b>Balance at the end of the year</b>	<b>\$ 9,366</b>	<b>8,766</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**Investments-**

The Group mitigates its exposure to credit risk by investing solely in liquid securities from solid financial institutions, as such, it does not anticipate that any counterparty will default on its obligations. The Group's primary investments are in investment companies, which may include debt and variable income instruments (stock market) as part of their portfolio.

**Derivatives-**

The Group's policy is to contract derivative financial instruments solely to hedge the risk exposure. Derivative financial instruments are currently held to hedge the interest rate risk of the Group's, as well as an exchange rate hedge, to cover the risks of a lease entered in foreign currency, by one of its subsidiaries, such instruments have been formally recognized as hedges from the beginning of their contracting. Subsequent measurements are recognized at fair value, and their changes are recognized in other comprehensive income. Derivative financial instruments are contracted with counterparties that are rated baa2 according to the rating agency Moody's. The maximum exposure to credit risk for derivative financial instruments amounts to \$21,972

As of December 31, 2024, the maximum exposure to credit risk from derivative financial instruments amounts to the valuation of hedging swaps, which represent an asset for the Group of \$21,972, with an outstanding notional of \$720,000. In March 2024, the forward-type instruments contract matured.

***Liquidity risk-***

Liquidity risk represents the possibility that the Group may have difficulties to fulfill its obligations related to its financial liabilities that are settled through cash or another financial asset. The approach to manage liquidity is to ensure, to the extent possible, that there will be enough liquidity to settle its liabilities on maturity.

The Group has a budget control based on cost centers and activities, which helps to monitor cash flow requirements and optimize the cash performance of its investments. Normally, the Group ensures that it has sufficient cash available to cover the expected operating expenses for a period of 15 to 30 days, which includes the payment of its financial obligations; the foregoing excludes the possible impact of extreme circumstances that are not reasonably predictable, such as natural disasters.

The following table shows the maturities of financial liabilities, including estimated interest payments and excluding the impact of the netting agreements, customer advances and income taxes:

<b>2024</b>		<b>Carrying amount</b>	<b>Total cash flows</b>	<b>0-12 months</b>	<b>1 to 2 years</b>	<b>More than 3 years</b>
Debt	\$	9,843,288	12,693,558	2,549,792	3,173,080	6,970,686
Debt securities		2,600,000	3,291,397	337,408	226,994	2,726,995
Lease liabilities		1,182,625	1,343,658	549,568	378,500	415,590
Suppliers and provisions		2,828,979	2,828,979	2,828,979	-	-
Other liabilities		1,032,650	1,032,650	1,032,650	-	-
	\$	<b>17,487,542</b>	<b>21,190,242</b>	<b>7,298,397</b>	<b>3,778,574</b>	<b>10,113,271</b>

As of December 31, 2024, the liabilities from forward-type derivative financial instruments have already been settled, as they have matured.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

<b>2023</b>		<b>Carrying amount</b>	<b>Total cash flows</b>	<b>0-12 months</b>	<b>1 to 2 years</b>	<b>More than 3 years</b>
Debt	\$	7,584,417	10,036,700	1,945,227	2,512,859	5,578,614
Debt securities		2,600,000	3,519,731	338,748	226,994	2,953,989
Lease liabilities		1,279,517	1,473,005	676,286	341,302	455,417
Suppliers and provisions		2,610,968	2,610,969	2,610,969	-	-
Other liabilities		1,326,868	1,326,868	1,326,868	-	-
long-term other liabilities		60,641	60,641	60,641	-	-
	\$	<b>15,462,411</b>	<b>19,027,914</b>	<b>6,958,739</b>	<b>3,081,155</b>	<b>8,988,020</b>

  

<b>2023</b>		<b>Carrying amount</b>	<b>Total cash flows</b>	<b>0-12 months</b>	<b>1 to 2 years</b>	<b>More than 3 years</b>
<b>Derivative financial liabilities</b>						
Foreing exchange forward contracts deseignated for hedgin purposes:	\$	2,549	-	-	-	-
- Outflows (MXN)		-	(10,004)	(10,004)	-	-
- Inflows (thousand of USD).		-	435	435	-	-

**Market risk-**

Market risk is the risk generated by changes in market prices, such as exchange rates and interest rates, which may affect the Group's net income. The objective of the Market Risk Management is to manage and control exposures to this risk within reasonable parameters, while optimizing returns.

The Group uses derivatives to manage market risk. All transactions are measured according to the guidelines established by the risk management committee. The group generally seeks to apply hedge accounting to mitigate volatility in profit or loss.

**Managing interest rate benchmark reform and associated risks-**

Overview.

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. There is uncertainty over the timing and the methods of transition in some jurisdictions that the Group operates in. The Group anticipates that IBOR reform will impact its risk management and hedge accounting.

In the international context of transition to new reference rates, the Bank of Mexico began the publication of the TIIE of Funding to an interbank business day on January 16, 2020.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

The main advances during 2023 regarding the adoption of the Funding TIIE have been carried out within the framework of the Working Group on Alternative Reference Rates (GTTR) on the following topics:

- Derivatives market
- Debt market
- The market for banking products.

Following the steps taken in other countries, the analysis for the cessation of the TIIE was initiated at terms greater than one banking business day so that market participants can take their forecasts before this event. In this sense, measures have been implemented to facilitate the transition towards the Funding TIIE and evaluate the viability of a forward-looking rate (Term TIIE).

In order to decide how and when to adopt the new rates that replace those of the TERM TIIE, it is necessary to take into account the representativeness that these rates have in the different markets, so it is important to note that the 28-day period of the TIIE is by far the most used, therefore, and with the aim of smoothing the transition, the rates that replace the terms of 91 and 182 days could be the first to be used.

During 2024, in reference to the adoption of the Funding TIIE, the following actions have been carried out within the framework of the GTTR:

- Implementation of regulatory adjustments for the conversion of swaps in derivative clearinghouses, restricting the use of basis swaps to the exchange between Funding TIIE and TIIE 28.
- Expansion of the debt market linked to Funding TIIE, representing about 35% of non-government debt issuances since March 2022.
- Development of the derivatives market, with the trading of futures and OIS contracts referenced to Funding TIIE, although with still limited volume.
- Evaluation of international experience in forward-looking rates such as Term SONIA, Term SOFR, and Term CORRA, identifying opportunities and challenges for a possible Term TIIE in Mexico.

Despite these advances, the Bank of Mexico has determined that the necessary conditions for the publication of a robust Term TIIE do not yet exist. However, when the derivatives market operates more actively, its publication could be considered with limited use to corporate and commercial loans, as well as to the rate risk hedging of these same products.

Finally, the Bank of Mexico has reiterated its compromise to all market participants to make the necessary modifications to cease using TIIE 28 in new contracts before January 1, 2025, promoting the use of authorized reference rates in derivative, passive, and active operations.

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

The exposure of the Group to these changes as of December 31, 2024 is presented below:

Reference rate	Type of financial instrument		Nominal
TIIE28	Syndicated credit	\$	2,184,000
TIIE28	Simple credits		5,897,470
TIIE28	Current portion of long-term debt securities		100,000
TIIE28	Revolving credits		50,000
Reference rate	Type of financial instrument		Notional
TIIE28	SWAPs		720,000

***Risks in the price of diesel-***

Effective on January 1, 2017, Mexican Government announced the release of the price of diesel (and gasoline). This release has generated variations that have been recognized in the cost of diesel during the 12 months ended December 31, 2024 and 2023.

The accumulative average public price of diesel in the twelve-month period ended December 31, 2024, was \$24.89 pesos per liter. The Group carries out a sensitivity analysis based on the changes that the price of diesel could have under 2 scenarios (+/- five percentage points to the price of diesel).

The result of the analysis indicates that an increase in price compared to that of December 31, 2024, could decrease or increase the gains or losses of the period, respectively by \$211,243.

The decrease in the price of diesel at the end of the period would have had the same effect, in the amount shown, but in the opposite direction on the gains or losses of the period.

In addition to this, a change in the amount of the incentive of creditable Special Tax on Production and Services ("IEPS", for its acronym in Spanish) could generate a direct impact on the cost of fuel and on the profitability of the Group.

The price of diesel could fluctuate due to changes in diesel production by oil-producing countries, market forces, increased international tensions, or unforeseen geopolitical events.

***Other market price risk-***

Major investments within the portfolio are managed individually and all purchase decisions and sales are approved by the management of the Group. The Group only invests in liquid funds with high credit ratings.

***Currency risk-******Exposure to currency risk –***

The Group is exposed to foreign currency risk in its transactions to the extent that there is an asymmetry between the currencies in which sales, purchases and receivables and accounts payable are denominated.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

Group's exposure to currency risks, based on amounts in thousands of dollars, is shown below:

		<b>2024</b>	<b>2023</b>
Assets	\$	50,744	35,760
Liabilities		(12,840)	(19,359)
<b>Net long position</b>	<b>\$</b>	<b>37,904</b>	<b>16,401</b>
Foreign exchange forward contracts	\$	-	435
<b>Net exposure</b>	<b>\$</b>	<b>37,904</b>	<b>16,836</b>

In March 2024, the forward contracts that had been executed reached their maturity.

The following exchange rates, at closing and average exchange rates, have been applied in the preparation of these consolidated financial statements:

		<b>Aver age for</b>	
		<b>2024</b>	<b>2023</b>
US dollar	\$	18.31	17.75

  

		<b>For the year</b>	
		<b>2024</b>	<b>2023</b>
US dollar	\$	20.51	16.89

*Sensitivity analysis-*

A strengthening of the dollar against the peso would have increased the equity and the results of the period in the amounts shown below. This analysis is based on the variations in the currency exchange rate that the Group considers will be reasonably possible at the end of the period of the consolidated financial statements.

The analysis assumes that all other variables, especially interest rates, remain constant.

		<b>For the year</b>	
		<b>2024</b>	<b>2023</b>
Dollar (10%, variation)	\$	77,742	27,706

The weakening of the US dollar against the Mexican peso on December 31, 2024, and 2023 would have had the same effect, but opposite, in the previous currencies, in the amount shown, on the basis that the other variables remain constant.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

*Sensitivity analysis of exchange rate forwards-*

In March 2024, the forward-type contracts that the Group had contracted matured, so the sensitivity analysis only shows the effects up to December 31, 2023.

A strengthening of the US dollar against the Mexican peso would have increased the capital by the amounts shown below. The analysis assumes that all other variables remain constant.

	<b>December</b>
	<b>2023</b>
Exchange rate forwards (10% variation)	\$ 735

The weakening of the US dollar against the Mexican peso as of December 31, 2023, would have had the same effect, but opposite, on the previous currencies, in the amount shown, based on the assumption that all other variables remain constant.

***Interest Rate Risk-***

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

*Exposure to interest rate risk-*

The Group's exposure to interest rate risk as of December 31, 2024, and 2023 is derived, primarily, from a syndicated loan for \$2,184,000 and \$2,328,000, respectively, and other loans with balance of \$6,047,470 and \$3,168,708, in which cash flows of the interest payable are referenced to TIIE rate plus a margin. The Group contracted derivative financial instruments, specifically interest rate swaps, some of which have been designated and documented as cash flow hedge instruments with a notional for \$720,000 as of December 31, 2023, to mitigate variable rate risk. The Group applies a coverage ratio of 1:1.

All coverage relationships designated as of December 31, 2024, and 2023 meet the criteria for hedge accounting.

The Group determines the existence of an economic relationship between the hedging instrument and the covered item based on reference interest rates, deadlines, interest, and maturity adjustment dates and national or nominal amounts. If a relationship is directly affected by the uncertainty arising from the IBOR Reform, the Group assumes for this purpose that the benchmark interest rate is not altered because of the reform of the benchmark interest rate.

The Group evaluate whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows from hedged items using the hypothetical derivatives method.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

The interest rate profile at December 31, 2024 and 2023 of the interest-accruing financial instruments, were as follows:

		<b>2024</b>	<b>2023</b>
Fixed rate:			
Financial liabilities	\$	4,296,594	4,858,697
Derivative financial instruments (swaps)		720,000	870,000
	\$	<b>5,016,594</b>	<b>5,728,697</b>
		<b>2024</b>	<b>2023</b>
Variable rate::			
Financial liabilities	\$	8,214,925	5,496,708
Derivative financial instruments (swaps)		(720,000)	(870,000)
	\$	<b>7,494,925</b>	<b>4,626,708</b>

The Group is exposed to interest rate risk in the short and long term of this loan, for the part not covered by the derivative financial instruments contracted.

*Sensitivity analysis on cash flows for fixed-rate instruments*

The Group does not recognize fixed-rate financial assets and liabilities at fair value through profit or loss, nor does it designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Consequently, a change in interest rates at the reporting date would not impact profit or loss.

*Sensitivity analysis on cash flows for variable-rate instruments*

An increase or decrease in the interest rate, assuming that the other variable rates remain constant, at the end of the year, could affect the valuation of the derivative financial instruments and debt at variable rate, and their corresponding effects on Stockholders' equity and other comprehensive income as follows:

		<b>2024</b>	<b>2023</b>
Variable interest rate (TIIE+ 50 basis points)	\$	8,098	11,559
Interest rate on swaps (TIIE + 50 basis points)		3,033	6,105

A decrease in the interest rate as of December 31, 2024 and 2023 would have had the same effect, but in the opposite direction on the valuation of derivative financial instruments and variable-rate debt and their corresponding effects on equity and profit or loss.

*Fair values versus book values*

The fair values of financial assets and liabilities, along with the book values presented in the statement of financial position, are shown below.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

The tables do not include information for financial assets and liabilities not measured at fair value if the carrying amount is similar to their fair value.

2024								
Carrying amount					Fair value			
	Fair value	Cash and accounts receivable	Interest rate swaps designated as hedge accounting	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value:</b>								
Derivative financial Instruments	\$ -	-	21,972	21,972	-	21,972	-	21,972
	\$ -	-	21,972	21,972	-	21,972	-	21,972

<b>Financial assets not measured at fair value:</b>								
Cash and cash equivalents	\$ -	1,455,551	-	1,455,551	-	-	-	-
Accounts receivable,	-	5,267,631	-	5,267,631	-	-	-	-
Other accounts receivable,	-	709,499	-	709,499	-	-	-	-
	\$ -	7,432,681	-	7,432,681	-	-	-	-

2024								
Carrying amount					Fair value			
	Fair value	Other financial liabilities	Exchange rate forwards designated as hedge accounting	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities not measured at fair value:</b>								
Long-term debt	\$ -	12,443,288	-	12,443,288	-	11,691,650	-	11,691,650
Lease liabilities	-	1,182,625	-	1,182,625	-	-	-	-
Suppliers and provisions	-	2,821,832	-	2,821,832	-	-	-	-
Other liabilities	-	1,032,650	-	1,032,650	-	-	-	-
	\$ -	17,480,395	-	17,480,395	-	11,691,650	-	11,691,650

(Continued)



## Grupo Traxión, S. A. B. de C. V. and the subsidiaries

## Notes to the consolidated financial statements

(Thousands of pesos)

2023								
	Carrying amount				Fair value			
	Fair value	Cash and accounts receivable	Interest rate swaps designated as hedge accounting	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value:</b>								
Derivative financial Instruments	\$ -	-	51,245	51,245	-	51,245	-	51,245
	\$ -	-	51,245	51,245	-	51,245	-	51,245
<b>Financial assets not measured at fair value:</b>								
Cash and cash equivalents	\$ -	1,379,799	-	1,379,799	-	-	-	-
Accounts receivable,	-	4,340,114	-	4,340,114	-	-	-	-
Other accounts receivable,	-	492,173	-	492,173	-	-	-	-
	\$ -	6,212,086	-	6,212,086	-	-	-	-
<b>2023</b>								
	Carrying amount				Fair value			
	Fair value	Other financial liabilities	Exchange rate forwards designated as hedge accounting	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities not measured at fair value:</b>								
Long-term debt	\$ -	10,184,417	-	10,184,417	-	11,151,047	-	11,151,047
Lease liabilities	-	1,279,517	-	1,279,517	-	-	-	-
Suppliers and provisions	-	2,610,968	-	2,610,968	-	-	-	-
Other liabilities	-	1,326,868	-	1,326,868	-	-	-	-
Long-term other liabilities	-	60,641	-	60,641	-	-	-	-
	\$ -	15,462,411	-	15,462,411	-	11,151,047	-	11,151,047
<b>Financial liabilities at fair value:</b>								
Derivative financial instruments	\$ -	-	2,549	2,549	-	2,549	-	2,549
	\$ -	-	2,549	2,549	-	2,549	-	2,549

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**A. Measurement of fair values**

*i. Valuation techniques and significant non-observable input data.*

The following table shows the valuation techniques used to measure level 2 fair values for financial instruments in the financial statements, as well as the significant non- observable input data used.

<b>Financial Instruments measured at fair value</b>	
<b>Type</b>	<b>Valuation technique</b>
Derivative financial instruments-interest rate swaps	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.
<b>Significant non-observable input data</b>	
Not applicable	
<b>Interrelationship between significant non-observable input data and fair value measurement</b>	
Not applicable	
<b>Financial Instruments measured at fair value</b>	
<b>Type</b>	<b>Valuation technique</b>
Foreign exchange forward contracts	Forward prices: Fair value is determined using quoted or estimated forward exchange rates at the date of the financial statements along with present value calculations based on yield curves reflecting the credit quality in the respective currencies.
<b>Significant non-observable input data</b>	
Not applicable	
<b>Interrelationship between significant non-observable input data and fair value measurement</b>	
Not applicable	
<b>Financial Instruments measured at fair value</b>	
<b>Type</b>	<b>Valuation technique</b>
Bank loans and bond issuance	Discounted cash flows: The valuation model considers the present value of the expected payment, discounted using a risk-adjusted discount rate
<b>Significant non-observable input data</b>	
Not applicable	
<b>Interrelationship between significant non-observable input data and fair value measurement</b>	
Not applicable	

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

*ii. Transfer between Level 1 and Level 2.*

In order to determine the fair value of debt instruments, management used a valuation technique in which all significant inputs were based on data from observable markets. There were no transfers between these two levels in 2024.

*Cash Flow Hedges-*

As of December 31, 2024, the Group had the following instruments to hedge exposures to changes in interest rates, and instruments to hedge exposures to MXN/USD exchange rates, which matured in March 2024.

<b>Interest rate risk</b>		<b>Maturity</b>		
		<b>1-6 months</b>	<b>6-12 months</b>	<b>More than a year</b>
Interest rate swaps				
Net exposure	\$	12,777	7,266	1,929
Average fixed interest rate		5.98%	5.98%	5.98%

As of December 31, 2023, the Group had the following instruments to hedge exposures to changes in interest rates and MXN/USD exchange rates.

<b>Interest rate risk</b>		<b>Maturity</b>		
		<b>1-6 months</b>	<b>6-12 months</b>	<b>More than a year</b>
Interest rate swaps				
Net exposure	\$	11,748	19,252	20,245
Average fixed interest rate		5.97%	5.97%	5.97%

<b>Exchange rate risk</b>		<b>Maturity</b>		
		<b>1-6 months</b>	<b>6-12 months</b>	<b>More than a year</b>
Net exposure in dollars	\$	435	-	-
Average exchange rate		22.99	-	-

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

As of the reporting date, the amounts related to items designated as hedged items were as follows:

2024					
		Change in value used to calculate hedge ineffectiveness	Cash flow hedge reserve	Costs of hedging hedge reserve	Balances that remain in coverage reserve of coverage relationships for which hedge accounting is no longer applied
Rate risk interest					
Variable rate instruments	\$	29,273	21,972	-	-
Exchange rate risks					
Foreign exchange forward contracts		(2,549)	-	-	-

2023					
		Change in value used to calculate hedge ineffectiveness	Cash flow hedge reserve	Costs of hedging hedge reserve	Balances that remain in coverage reserve of coverage relationships for which hedge accounting is no longer applied
<b>Rate risk interest</b>					
Variable rate instruments	\$	21,936	51,245	-	-
<b>Exchange rate risks</b>					
Foreign exchange forward contracts		(1,210)	(2,549)	-	-

The amounts related to items designated as hedging instruments and hedging effectiveness are as follows:

2024											
Carrying amount				Line in the statement of financial position in which the hedging instrument is included	Change in value of hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Costs of hedging recognized in OCI	Amount from costs of hedging reserve transferred to cost of inventory	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
Nominal amount	Assets	Liabilities									
Interest rate risk											
Interest rate swaps	720,000	21,972	-	Financial Instruments derivatives	29,273	-	(Cost) Financial Income	-	-	-	(Cost) Financial Income
Exchange rate risks											
Foreign exchange contracts	-	-	-	Derivative Financial Instruments	(2,549)	-	(Cost) Financial Income	-	-	-	(Cost) Financial Income

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

2023											
Carrying amount											
	Nominal amount	Assets	Liabilities	Line in the statement of financial position in which the hedging instrument is included	Change in value of hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Costs of hedging recognized in OCI	Amount from costs of hedging reserve transferred to cost of inventory	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
Interest rate risk											
Interest rate swaps	870,000	51,245	-	Derivative Financial Instruments	21,936	-	(Cost) Financial Income	-	-	-	(Cost) Financial Income
Exchange rate risks											
Foreign exchange contracts	7,349	-	2,549	Derivative Financial Instruments	(1,210)	-	(Cost) Financial Income	-	-	-	(Cost) Financial Income

The following table shows a reconciliation by risk category of components and an analysis of items included in other comprehensive income, net of taxes, derived from cash flow hedge accounting:

2024				2023	
	Hedge reserve	Cost of hedge reserve		Hedge Reserve	Cost of hedge reserve
<b>Balance as of January 1</b>	\$ (33,592)	-		(48,100)	-
<b>Cash flow hedges</b>					
Changes in fair value					
Interest rate risk	29,273	-		21,936	-
Foreign exchange risk	(2,549)	-		(1,210)	-
Amount reclassified to profit or loss					
Deferred income taxes	(8,017)	-		(6,218)	-
<b>Balance as of December 31</b>	\$ (14,885)	-		(33,592)	-

**Capital Management-**

The policy of the Group is to maintain a solid capital base to maintain the trust in the Group of investors, creditors and the market, and to sustain the future development of the business. The Board of Directors monitors the capital return.

The debt-equity ratio is monitored by the Board of Directors. The Group's debt-equity ratio at the end of the reporting periods is as follows;

	2024	2023
Total liabilities	\$ 20,419,312	18,073,751
Cash and cash equivalents	1,455,551	1,379,799
<b>Liabilities less cash and cash equivalents</b>	<b>\$ 18,963,761</b>	<b>16,693,952</b>
Stockholder's equity	\$ 14,181,777	13,901,460
Ratio of debt to equity (total liabilities less cash and cash equivalents divided by stockholder's equity).	1.34	1.20

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**(7) Cash and cash equivalents-**

Cash and cash equivalents are as shown below:

	2024	2023
Petty cash	\$ 2,712	4,338
Demand deposits	401,141	543,905
Banks	1,051,698	831,556
<b>Cash and cash equivalents</b>	<b>\$ 1,455,551</b>	<b>1,379,799</b>

Note 6 discloses the Group's exposure to credit risks related to cash and cash equivalents.

**(8) Accounts receivable-**

	2024	2023
Accounts receivable	\$ 5,418,864	4,466,061
Less allowance for doubtful accounts	151,233	125,947
<b>Total accounts receivable</b>	<b>\$ 5,267,631</b>	<b>4,340,114</b>

Note 6 discloses the Group's exposure to credit risk, foreign exchange and impairment losses related to accounts receivable.

The Group mainly offers ground transportation services (national and international), logistics and technology services, as well as transport services, for which it generates revenue from contracts with customers. See note 29 for details of revenue by segment.

As of December 31, 2024 and 2023, contract assets related to customers are primarily included in accounts receivable for an amount of \$5,267,631 and \$4,340,114, respectively.

As of December 31, 2024 and 2023, contract liabilities related to customers are for \$107,754 and \$73,539, respectively, and are mainly advances from customers.

As of December 31, 2024 and 2023, revenues of \$73,539 and \$38,112 were recognized derived from the beginning balance of contract liabilities.

The Group has carried out non-resource financial factoring operations (assignment of credit rights) with banking institutions during 2024 and 2023. These transactions involve the sale of certain accounts receivable to the financial institution. The Group is not obligated to reimburse the factor in case of debtor default.

The Group has classified the cash flows resulting from these operations as operating activities, since they represent an anticipated collection of amounts owed by customers. The Group derecognizes accounts receivable from the statement of financial position and recognizes the funds received as early collection.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

These accounts receivable are not included in the Company's statement of financial position, as the risks and rewards associated with the accounts receivable have been transferred to the factor. As of the date of issuance of the financial statements, all accounts receivable assigned to the factor were fully settled.

**(9) Other accounts receivables-**

		<b>2024</b>	<b>2023</b>
Sundry debtors	\$	570,962	404,977
Bus operators		90,393	42,606
Officials and employees		20,480	22,350
Other		37,030	31,006
		718,865	500,939
Less allowance for doubtful accounts		9,366	8,766
<b>Total other accounts receivable</b>	<b>\$</b>	<b>709,499</b>	<b>492,173</b>

Note 6 discloses the Group's exposure to credit and currency risk and impairment losses related to other accounts receivable.

**(10) Transactions and balances with related parties-****(a) Compensations to key management personnel -**

The key management personnel of the Group received the following remunerations and other benefits (share-based plan), which are included in personnel costs (note 22):

	<b>2024</b>	<b>2023</b>
Short-term benefits	333,720	319,000
Share-based payments (note 21(d))	247,450	532,086

**Transactions with other related parties-**

All related parties listed in this note correspond to "other related parties" as they are not joint agreements, subsidiaries, partners, or key personnel of the administration.

In the normal course of activities, Grupo Traxión carries out commercial transactions with other related parties, including raw materials supply and the leasing of real estate.

Transactions carried out with other related parties, during the twelve-month period ended December 31, 2024 and 2023, were as follows:

<b>Company</b>	<b>Gasto por la operación</b>		<b>2024</b>	<b>2023</b>
Inmobiliaria Albali, S. A. de C. V.	Leasing and other expenses	\$	18,535	17,874
Tracto servicios Especializados de Querétaro, S. A. de C. V.	Maintenance costs		-	214
Inmobiliaria Eventus, S. A. de C. V.	Leasing		12,305	11,873

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

As of December 31, 2024 and 2023, there are no receivable and payable balances with related parties (other related parties).

**(11) Prepayments-**

		<b>2024</b>	<b>2023</b>
Advances to suppliers <sup>(1)</sup>	\$	89,032	102,016
Insurance paid in advance		102,950	69,020
Other expenses paid in advance <sup>(2)</sup>		127,976	85,804
		319,958	256,840
Advances to suppliers long-term <sup>(1)</sup>		180,933	159,954
		180,933	159,954
<b>Total prepayments</b>	<b>\$</b>	<b>500,891</b>	<b>416,794</b>

(1) Advances to suppliers are classified according to the destination of the acquisitions.

(2) Mainly to advertising expenses, bonuses paid in advance, among others.

**(12) Transportation equipment and machinery-**

During the year ended 31 December 2024, the Group had the following relevant transactions related to transportation equipment and machinery, as shown below.

*Additions and disposals-*

<b>Cost</b>	<b>2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>2024</b>
Personnel transportation equipment	\$ 11,178,724	2,142,634	111,207	13,210,151
Tractor trucks	3,952,368	428,005	204,796	4,175,577
Platforms and boxes	1,911,390	178,159	38,326	2,051,223
Transportation equipment	581,141	74,875	36,983	619,033
Machinery and equipment	455,915	180,828	38,583	598,160
Leasehold improvements	447,563	108,781	17,343	539,001
Computer equipment	390,873	50,153	20,988	420,038
Tracking equipment	79,887	5,857	-	85,744
Office furniture and equipment	182,102	7,937	1,120	188,919
Storage equipment	14,049	-	1,526	12,523
Telephones	5,320	1,358	-	6,678
Safety equipment	1,913	343	-	2,256
Other assets	63,593	38,887	4,242	98,238
	<b>\$ 19,264,838</b>	<b>3,217,817</b>	<b>475,114</b>	<b>22,007,541</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

*Depreciation-*

<b>Accumulated depreciation</b>	<b>2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>2024</b>
Personnel transportation equipment	\$ 2,592,722	826,468	55,255	3,363,935
Tractor trucks	654,279	359,143	99,521	913,901
Platforms and boxes	814,925	170,640	18,306	967,259
Transportation equipment	168,224	26,981	10,546	184,659
Machinery and equipment	142,523	65,713	9,177	199,059
Leasehold improvements	181,345	40,945	14,337	207,953
Computer equipment	278,167	71,074	20,199	329,042
Tracking equipment	36,274	11,643	635	47,282
Office furniture and equipment	38,885	17,436	122	56,199
Storage equipment	7,552	2,278	1,526	8,304
Telephones	3,203	471	-	3,674
Safety equipment	916	1,041	859	1,098
Other assets	24,012	3,671	3,387	24,296
	4,943,027	1,597,504	233,870	6,306,661
<b>Carrying value, net</b>	<b>\$ 14,321,811</b>	<b>1,620,313</b>	<b>241,244</b>	<b>15,700,880</b>

During the year ended 31 December 2023, the Group had the following relevant transactions related to transportation equipment and machinery, as shown below.

*Additions and disposals-*

<b>Cost</b>	<b>2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>2023</b>
Personnel transportation equipment	\$ 8,597,500	2,591,799	10,575	11,178,724
Tractor trucks	3,362,511	1,034,329	444,472	3,952,368
Platforms and boxes	1,914,242	87,717	90,569	1,911,390
Transportation equipment	578,301	33,936	31,096	581,141
Machinery and equipment	343,178	112,737	-	455,915
Leasehold improvements	376,978	76,733	6,148	447,563
Computer equipment	316,062	77,138	2,327	390,873
Tracking equipment	74,833	5,054	-	79,887
Office furniture and equipment	154,366	31,842	4,106	182,102
Storage equipment	14,033	27	11	14,049
Telephones	5,320	-	-	5,320
Safety equipment	1,772	141	-	1,913
Other assets	20,765	52,908	10,080	63,593
	<b>\$ 15,759,861</b>	<b>4,104,361</b>	<b>599,384</b>	<b>19,264,838</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

*Depreciation-*

<b>Accumulated depreciation</b>	<b>2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>2023</b>
Personnel transportation equipment	\$ 1,906,678	686,044	-	2,592,722
Tractor trucks	627,020	251,043	223,784	654,279
Platforms and boxes	704,648	183,784	73,507	814,925
Transportation equipment	168,121	18,459	18,356	168,224
Machinery and equipment	99,915	42,608	-	142,523
Leasehold improvements	134,208	51,277	4,140	181,345
Computer equipment	203,482	76,720	2,035	278,167
Tracking equipment	25,633	10,641	-	36,274
Office furniture and equipment	27,281	11,604	-	38,885
Storage equipment	5,004	2,548	-	7,552
Telephones	3,203	-	-	3,203
Safety equipment	772	144	-	916
Other assets	18,792	8,983	3,763	24,012
	3,924,757	1,343,855	325,585	4,943,027
<b>Carrying value, net</b>	<b>\$ 11,835,104</b>	<b>2,760,506</b>	<b>273,799</b>	<b>14,321,811</b>

As part of the covenants of the main bank loans (see note 14), the Group is restricted from selling or otherwise disposing of its assets, except for sales or disposals in the ordinary course of business or outside the ordinary course of business up to an annual limit of \$300,000.

*Impairment-*

During the years ended 31 December 2024 and 2023, the Group did not recognize any impairment in relation to transportation equipment and machinery.

**(13) Goodwill, intangible assets and other assets-**

As of December 31, 2024 and 2023, goodwill is derived from the acquisitions of the entities shown below:

<b>Entity</b>	<b>2024</b>	<b>2023</b>
LIPU	\$ 2,229,351	2,229,351
Medistik	756,122	756,122
Bisonte	639,056	639,056
Grupo SID	509,599	509,599
Egoba	368,588	368,588
AFN	295,518	295,518
Redpack	280,780	280,780
BBA Logistics	183,343	151,020
V-Modal	61,807	61,807
	<b>\$ 5,324,164</b>	<b>5,291,841</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**Intangibles and other assets-**

The movement in the account of intangibles and other assets as of December 31, 2024, it is as follows:

<b>Cost</b>		<b>2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>2024</b>
Brands	\$	1,026,916	-	-	1,026,916
Customers relationships		1,357,492	-	-	1,357,492
Licenses and Software		227,893	98,070	-	325,963
Other Intangibles		30,455	-	-	30,455
	\$	<b>2,642,756</b>	<b>98,070</b>	-	<b>2,740,826</b>
			-		
<b>Amortization</b>					
Customers relationships	\$	328,141	57,935	-	386,076
Licenses and Software		128,392	33,011	-	161,403
Other Intangibles		2,076	4,152	-	6,228
	\$	<b>458,609</b>	<b>95,098</b>	-	<b>553,707</b>
<b>Net book value</b>	\$	<b>2,184,147</b>	<b>2,972</b>	-	<b>2,187,119</b>

The movement in the intangibles and other assets account as of December 31, 2023 is shown below:

<b>Cost</b>		<b>2022</b>	<b>Additions</b>	<b>Disposals</b>	<b>2023</b>
Brands	\$	1,026,916	-	-	1,026,916
Customers relationships		1,357,492	-	-	1,357,492
Licenses and Software		188,392	39,501	-	227,893
Other Intangibles		12,455	18,000	-	30,455
	\$	<b>2,585,255</b>	<b>57,501</b>	-	<b>2,642,756</b>
<b>Amortization</b>					
Customers	\$	270,516	57,625	-	328,141
Licenses and Software		96,980	31,412	-	128,392
Other Intangibles		-	2,076	-	2,076
	\$	<b>367,496</b>	<b>91,113</b>	-	<b>458,609</b>
<b>Net book value</b>	\$	<b>2,217,759</b>	<b>(33,612)</b>	-	<b>2,184,147</b>

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

Goodwill and other intangible assets with indefinite useful lives are reviewed to determine if there are impairment indicators at least once a year. When an impairment test is performed, the recoverable amount is determined with reference to the net present value of the expected future cash flows (value in use) of the corresponding cash-generating unit and the fair value less the cost to sell, the highest.

The recoverable amount of the cash-generating units has been determined based on value in use calculations. These calculations require the use of estimates, including management's expectations of future revenue growth, operating costs, profit margins, and operating cash flows for each cash-generating unit.

As of December 31, 2024 and 2023, no impairments of goodwill were recognized and the most sensitive variable in the calculations is the discount rate.

If, as of December 31, 2024 and 2023, the estimated discount rate used in the calculation of the value in use for each of the CGU's had been 0.5% higher and / or lower than those estimated by Management, the Group would not have either had the need to reduce the values of goodwill, due to impairment.

The key assumptions used in determining the recoverable amount are indicated below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and are based on external as well as internal sources.

<b><i>In percentage</i></b>	<b>2024</b>	<b>2023</b>
Discount rate	12.13%	11.50%
Terminal value growth rate	2.0%	2.0%
Budgeted growth rate of EBITDA growth (average for the next five years)	10.5%	10.0%

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(14) Debt-**

The long-term debt as of December 31, 2024 and 2023 is as follows:

	<b>2024</b>	<b>2023</b>
Issued bond loan at an annual fixed rate of 8.98% maturing in 2027. (3)	\$ 2,500,000	2,500,000
Simple loan contracted at an annual TIIE quarterly compounded rate plus a variable margin ranging between 175 and 215 basis points, depending on the leverage ratio defined in the Group's loan contract, maturing in 2028. (2)	2,184,000	2,328,000
Simple loan contracted at an annual TIIE rate plus 1.88 maturing in 2029.	960,000	1,000,000
Simple loan contracted at an annual TIIE rate plus 1.75 percentage points maturing in 2028.	603,200	637,000
Simple loan contracted at a TIIE rate plus 1.50 percentage points maturing in 2030. (1)	492,547	-
Simple loan contracted at an annual TIIE rate plus 1.60 percentage points maturing in 2031.	476,190	97,122
Simple loan contracted at an annual TIIE rate plus 1.40 percentage points maturing in 2029. (1)	435,512	-
Simple loan contracted at a TIIE rate plus 1.65 percentage points maturing in 2029. (1)	398,500	-
Simple loan contracted at an annual TIIE rate plus 1.47 percentage points maturing in 2026.	350,000	300,000
Simple loan contracted at an annual TIIE rate plus 1.58 percentage points maturing in 2029. (1)	341,250	-
Simple loan contracted at a TIIE rate plus 1.50 percentage points maturing in 2027. (1)	300,000	-
Simple loan contracted at an annual rate of 11.35% maturing in 2028.	299,500	355,908
Simple loan contracted at a TIIE rate plus 1.75 percentage points maturing in 2028. (1)	295,500	-
Simple loan contracted at an annual TIIE rate plus 1.50 percentage points maturing in 2029. (1)	241,667	-
Simple loan contracted at a TIIE rate plus 1.40 percentage points maturing in 2029. (1)	224,289	-
Simple loan contracted at an annual TIIE rate plus 1.75 percentage points maturing in 2028.	202,500	231,250
Simple loan contracted at a TIIE rate plus 1.40 percentage points maturing in 2029. (1)	201,813	-
Simple loan contracted at an annual rate of 8.45% maturing in 2027. (2)	200,756	251,360
Simple loan contracted at an annual rate of 8.15% maturing in 2027.	178,694	228,131
Simple loan contracted at a TIIE rate plus 1.85 percentage points maturing in 2026.	150,000	300,000
Simple loan contracted at an annual rate of 12.70% maturing in 2029.	144,761	168,934
Simple loan contracted at an annual rate of 12.90% maturing in 2028.	140,111	163,555
Simple loan contracted at an annual rate of 8.80% maturing in 2027. (2)	136,837	168,413
Simple loan contracted at an annual rate of 8.99% maturing in 2028. (2)	130,458	159,993
Simple loan contracted at an annual TIIE rate plus 1.75 percentage points maturing in 2026.	108,710	142,524
Revolving bond loan contracted at a TIIE rate plus 0.17 percentage points maturing in 2025.	100,000	100,000
Simple loan contracted at an annual rate of 9.40% maturing in 2028. (2)	99,162	113,362
Revolving loan contracted at an annual TIIE rate plus 1.75 percentage points maturing in 2028.	93,702	124,936
Simple loan contracted at an annual rate of 7.31% maturing in 2025.	92,806	169,905
Simple loan contracted at an annual rate of 6.90% maturing in 2025.	77,451	100,941
Simple loan contracted at an annual rate of 7.40% maturing in 2026.	66,448	86,815
Simple loan contracted at an annual rate of 9.15% maturing in 2027.	58,631	70,083
Simple loan contracted at an annual TIIE rate plus 1.2 percentage points maturing in 2025. (1)	50,000	-
Simple loan contracted at an annual rate of 9.25% maturing in 2027.	37,135	45,161
Simple loan contracted at an annual rate of 8.14% maturing in 2025.	23,096	75,027
Simple loan contracted at an annual TIIE rate plus 1.90 percentage points maturing in 2027.	22,090	30,372
Simple loan contracted at an annual TIIE rate plus 1.5 percentage points maturing in 2026.	-	130,000
Revolving loan contracted at a TIIE rate plus 1.15 percentage points maturing in 2024	-	100,000
<b>Total Debt</b>	<b>\$ 12,417,316</b>	<b>10,178,792</b>
Unpaid accrued interest	73,107	73,449
Transaction costs	(47,135)	(67,824)
<b>Carrying amount of debt</b>	<b>\$ 12,443,288</b>	<b>10,184,417</b>
Current portion of long-term debt	1,459,962	986,991
Current portion of long-term debt securities	100,000	100,000
<b>Long-term debt securities, excluding current portion</b>	<b>2,500,000</b>	<b>2,500,000</b>
<b>Long-term debt, excluding current maturities and debt securities</b>	<b>\$ 8,383,326</b>	<b>6,597,426</b>

(1) During 2024, credit lines were signed and disbursements were made, which, together with own resources, were allocated to the payment of capital investments and company acquisitions.

(2) In March 2023, the Group signed a contract for a credit line of \$6,000,000 pesos, which is composed as follows:

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

Tranche A for \$500,000 pesos at a 28-day TIIE rate plus a margin of 180 basis points.

Tranche B for \$2,400,000 pesos from a disbursement made on March 30, 2023, with which the previous credit was paid on the same date, at a 28-day TIIE rate plus a variable margin of 175 to 215 basis points depending on our net debt to EBITDA ratio.

Tranche C for \$1,500,000 pesos at a 28-day TIIE rate with a variable margin of 175 to 215 basis points. This line represents a specific amount of credit that will not exceed that amount.

Uncommitted Tranche C for \$1,600,000 pesos at a 28-day TIIE rate plus a variable margin of 175 to 215 basis points. This is a credit line whose disbursement can be made in several disbursements during the term.

(3) On September 11, 2020, the Group issued \$2.5 billion pesos in unsecured debt certificates with a seven-year term at an annual gross interest rate of 8.98%, based on a program of up to 10 billion pesos. With these resources, the Group made various prepayments of liabilities during the 3rd and 4th quarters of 2020, including the first disbursement of the syndicated loan; these operations are part of the liability substitution plan.

The movements of debt balance as of December 31, 2024 and 2023 is shown below:

Total debt	Beginning Balance 2023	Loans received	Payments	Interest paid	Total cash transactions	Accrued Interest	Amortization of transaction costs	Ending balance 2024
	10,184,417	4,574,356	2,335,832	1,487,270	10,935,671	1,479,097	28,520	12,443,288

  

Total debt	Beginning Balance 2022	Loans received	Payments	Interest paid	Total cash transactions	Accrued interest	Amortization of transaction costs	Ending balance 2023
	9,606,494	4,992,352	4,394,506	1,327,687	8,876,653	1,272,848	34,916	10,184,417

Our main loan (see footnote 2 of this note) sets certain restrictive covenants, among which are:

- limitations on the transfer title of its assets (including, without limitation, fixed assets, or securities of any subsidiary),(see note 12)
- limitations on participation in acquisitions, spin offs or mergers,
- not to reduce the Group's equity,
- insurances on the property and equipment,
- maintain certain financial measurements,

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

- not to grant any type of loan or credit, with or without guarantee, except for loans or credits between Grupo Traxión and jointly obligors.
- not to pay dividends or make distributions in cash or in kind to its shareholders,
- not to contract, or allow any of its subsidiaries to contract, debt (including the granting of encumbrances that guarantee it) for a total amount that implies the breach of any of the financial obligations in the contract.
- not assume or guarantee obligations of third parties, except for the obligations under this agreement.

As of December 31, 2024 and 2023, all covenants have been met.

As of December 31, 2024 and 2023, the entities Transportadora Egoba, S. A. de C. V. (Egoba), Transporte de Carga Grupo MyM, S. A. de C. V., (TCGM), Almacenaje y Distribución Avior, S. A. de C. V. (Avior), Auto Express Frontera Norte, S. A. de C. V. (AFN), Corporación Lipu, S. A. P. I. de C. V. and subsidiaries (Lipu), Autotransportes el Bisonte, S. A. de C. V. (Bisonte), Redpack, S. A. de C. V. (Redpack) and Logística y Transporte para la Industria de la Salud, S. A. P. I. de C. V. (Medistik) are guarantors of the main bank loan held by the Group.

**(15) Suppliers-**

The Group's main costs are diesel and gasoline, which represents 14.46% and 16.26 % of total costs for the periods ended December 31, 2024, and 2023, respectively. The rest of the supplies are provided by various suppliers.

Note 6 discloses the Group's exposure to exchange rate and liquidity risk related to suppliers.

**(16) Other taxes-**

	2024	2023
Taxes and duties	\$ 368,741	360,346
Value added tax	702,449	563,614
	<b>\$ 1,071,190</b>	<b>923,960</b>

**(17) Employee Benefits-**

The Group has a defined benefit plan (seniority premium) that will be payable in the event of death, disability or disability and voluntary separation of a worker. The benefit consists of twelve days of the last salary of the worker per year of service, without exceeding two minimum wages of the economic zone where the worker provides his/her services.

In case of voluntary separation, fifteen years of seniority is required.

	2024	2023
Present value of unfunded obligations	\$ 121,423	119,860
<b>Recognized liability of defined benefit obligations</b>	<b>\$ 121,423</b>	<b>119,860</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

***Movements in the present value of defined benefit obligations ("DBO")***

	<b>2024</b>	<b>2023</b>
DBO as of January 1	\$ 119,860	109,894
Current service cost	9,964	13,610
Financial cost	5,669	5,324
Actuarial (gains) losses	(2,253)	5,448
Payments during the period	(11,817)	(14,416)
<b>DBO as of December 31</b>	<b>\$ 121,423</b>	<b>119,860</b>

Expected payments for defined benefits in the coming years are shown in the following table:

2025	\$	19,120
2026		19,276
2027		18,012
2028		19,119
2029		22,061
2030 to 2034		132,297
	\$	<b>229,885</b>

**a) *Expense recognized in profit and loss--***

	<b>2024</b>	<b>2023</b>
Current service cost	\$ 9,964	13,610
Financial cost	5,669	5,324
	\$ <b>15,633</b>	<b>18,934</b>

***Actuarial (gains) losses recognized in other comprehensive income--***

	<b>2024</b>	<b>2023</b>
As of January, 1	\$ (7,285)	(3,471)
Recognized during the year:		
Experience adjustment	2,253	(4,559)
Financial assumptions	-	(889)
Recognized during the year	2,253	(5,448)
Deferred income tax	(676)	1,634
<b>As of December 31,</b>	<b>\$ (5,708)</b>	<b>(7,285)</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**b) Actuarial assumptions-**

The actuarial assumptions at the dates of the consolidated financial statements are shown below:

	2024	2023
Discount rate	10.10% to 10.60%	9.10% to 9.20%
Salary increase	4.45% to 5.58%	4.45% to 5.58%
Minimum salary increase	12% to 15%	15% to 20%
Inflation rate	4.21%	4.66%

Assumptions about future mortality are based on published statistics and mortality tables. The retirement age in Mexico is 65 years.

The calculation of the defined benefit obligation is sensitive to the mortality assumptions indicated above.

**c) Sensitivity analysis-**

The possible variations at the reporting date, in one of the most significant actuarial assumptions, and assuming that the rest of the variables remained constant, would have affected the defined benefit obligations as of December 31, 2024 and 2023, in the amounts shown below:

2024		Increment	Decrease
Discount rate (1% variation)	\$	(2,430)	2,558
2023		Increment	Decrease
Discount rate (1% variation)	\$	(2,599)	2,738

**(18) Accumulated liabilities-**

	2024	2023
Salaries and wages	\$ 160,774	224,991
Service costs	697,873	514,070
Other accumulated liabilities	213,685	242,245
<b>Ending balances</b>	<b>\$ 1,072,332</b>	<b>981,306</b>

The Group expects the liquidation of these obligations to take place during the coming year.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(19) Leases-**

The Group leases warehouses, courtyards and point of sale facilities as well as other types of assets. To calculate lease liability, the Group used a weighted average incremental rate of 13.07% per annum. Leases are typically for a period of two years, with the option to renew the lease after that date.

Likewise, the Group leases, real estate, tractors, boxes and other assets, the average term of the leases is 3 years, some of the contracts have annual rent increases based on inflation in some cases they have restriction to cancel de lease.

The Group decided not to recognize the right-of-use asset and the corresponding lease liability for those lease contracts of less than one year or of low-value in accordance with the Group's accounting policies.

The details of the right-of-use asset and the lease liability are shown below:

i. Right of use assets.

<b>2024</b>		<b>Real estate</b>	<b>Transportation equipment</b>	<b>Tractor trucks and boxes</b>	<b>Other assets</b>	<b>Total</b>
Balance as of January 1	\$	945,994	91,021	322,569	26,678	1,386,262
Depreciation		578,603	121,624	81,505	37,694	819,426
Business acquisition		583,181	122,995	9,724	36,025	751,925
Cancellations		68,318	-	84,165	-	152,483
<b>Balance as of December 31</b>	<b>\$</b>	<b>882,254</b>	<b>92,392</b>	<b>166,623</b>	<b>25,009</b>	<b>1,166,278</b>

<b>2023</b>		<b>Real estate</b>	<b>Transportation equipment</b>	<b>Tractor trucks and boxes</b>	<b>Other assets</b>	<b>Total</b>
Balance as of January 1	\$	762,749	158,500	383,667	22,820	1,327,736
Depreciation		587,716	102,927	113,263	509	804,415
Business acquisition		847,860	134,247	94,060	4,367	1,080,534
Cancellations		76,899	98,799	41,895	-	217,593
<b>Balance as of December 31</b>	<b>\$</b>	<b>945,994</b>	<b>91,021</b>	<b>322,569</b>	<b>26,678</b>	<b>1,386,262</b>

ii. Lease liabilities

<b>2024</b>		<b>Real estate</b>	<b>Transportation equipment</b>	<b>Tractor trucks and boxes</b>	<b>Other assets</b>	<b>Total</b>
Short term lease liability	\$	409,530	31,273	69,936	14,623	525,362
Long term lease liability		567,344	23,553	42,185	24,181	657,263
<b>Total lease liabilities</b>	<b>\$</b>	<b>976,874</b>	<b>54,826</b>	<b>112,121</b>	<b>38,804</b>	<b>1,182,625</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

<b>2023</b>		<b>Real estate</b>	<b>Transportation equipment</b>	<b>Tractor trucks and boxes</b>	<b>Other assets</b>	<b>Total</b>
Short term lease liability	\$	433,652	25,659	153,224	14,417	626,952
Long term lease liability		522,330	26,180	100,750	3,305	652,565
<b>Total lease liabilities</b>	<b>\$</b>	<b>955,982</b>	<b>51,839</b>	<b>253,974</b>	<b>17,722</b>	<b>1,279,517</b>

<b>Lease liabilities</b>	<b>Beginning balance 2023</b>	<b>Lease payments</b>	<b>Interest paid</b>	<b>Total Cash Transactions</b>	<b>Accrued interest</b>	<b>Business acquisitions</b>	<b>New leases entered into</b>	<b>Early cancellation of leases</b>	<b>Ending balance 2024</b>
	1,279,517	(971,672)	(11,904)	295,941	134,729	107,574	751,925	(107,544)	1,182,625

<b>Lease liabilities</b>	<b>Beginning balance 2022</b>	<b>Lease payments</b>	<b>Interest paid</b>	<b>Total Cash Transactions</b>	<b>Accrued interest</b>	<b>Business acquisitions</b>	<b>New leases entered into</b>	<b>Early cancellation of leases</b>	<b>Ending balance 2023</b>
	1,222,665	(974,991)	(31,917)	215,757	125,326	(46,742)	1,080,538	(95,362)	1,279,517

iii. Amounts recognized in statement of comprehensive income

	<b>2024</b>	<b>2023</b>
Depreciation expense	\$ 819,426	804,415
Interest on lease liabilities	134,729	125,326
Expense relating to short-term and/or low-value leases	23,794	21,464

iv. Amounts recognized in the statement of cash flows:

	<b>2024</b>	<b>2023</b>
Cash outflows for leases. <sup>(1)</sup>	\$ 995,466	996,455

(1) Includes payments for lease expenses of less than one year and of little value.

v. Expansion options

Some leases of property contain renewal options that can be exercised by the Group up to one year before the end of the non-cancellable period of the contract. When practicable, the Group seeks to include renewal options in new leases in order to provide operational flexibility.

The renewal options are exercisable only by the Group and not by the lessors. The Group evaluates, at the commencement date, whether there is reasonable certainty of exercising the renewal options. The Group reassess if it has reasonable certainty to exercise a renewal option if there is a significant event or change in circumstances.

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

The initial measurement of the right-of-use asset is determined by the initial measurement of the lease liability.

The right-of-use asset depreciates considering the lease term.

The lease liability corresponds to the present value of the lease payments that have not been paid on the commencement date and is discounted using incremental interest rate.

The lease payments that the entity considers include fixed payments less any incentives, as well as amounts expected to be paid as residual value guarantees.

**(20) Income tax-**

Deferred income tax assets and liabilities have been presented in the consolidated statement of financial position, based on the grouping of each legal entity that is included in consolidation, because the tax effects cannot be netted or offset between the different legal entities (there is not a legal mechanism that allows it).

**(a) Deferred tax assets (and liabilities) –**

As of December 31, 2024 and 2023, a deferred tax liability was generated for temporary differences related to investments in subsidiaries. However, this liability was not recognized because the Group controls the dividend policy of its subsidiaries, that is, the Group controls the timing of the reversal and the related temporary difference they will not be reversed in the foreseeable future.

	2024	2023
Accounts receivable and allowance for doubtful accounts	\$ (1,836,341)	(1,564,011)
Transportation equipment and machinery	(978,168)	(808,492)
Intangible assets	(636,784)	(641,192)
Right-of-use assets	(657,058)	(732,154)
Other assets	(83,719)	(87,892)
Other accounts receivable	43,159	(66,651)
Prepayments	(43,749)	(18,694)
Derivative financial instruments assets	(7,356)	(15,373)
Suppliers	1,476,646	1,204,130
Lease liabilities	644,275	686,268
Other liabilities	507,362	445,795
Tax losses	314,936	332,249
Accrued liabilities	316,086	281,181
Advances from customers	60,212	42,094
Transaction costs from subsequent public offering	41,101	41,101
Employee benefits	27,678	36,083
ESPS	25,502	24,607
Inventory reserve	(14,343)	1,327
Derivative financial instruments liabilities	-	765
	<b>\$ (800,561)</b>	<b>(838,859)</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

**(b) Movements in temporal differences-**

	2023	Profit or loss	OCI	2024
Accounts receivable and allowance for doubtful accounts	\$ (1,564,011)	(272,330)	-	(1,836,341)
Property and equipment	(808,492)	(169,676)	-	(978,168)
Intangible assets	(641,192)	4,408	-	(636,784)
Right-of-use	(732,154)	75,096	-	(657,058)
Other assets	(87,892)	4,173	-	(83,719)
Other receivables	(66,651)	109,810	-	43,159
Advance payments	(18,694)	(25,055)	-	(43,749)
Derivative financial instruments assets	(15,373)	-	8,017	(7,356)
Suppliers	1,204,130	272,516	-	1,476,646
Lease liabilities	686,268	(41,993)	-	644,275
Other liabilities	445,795	61,567	-	507,362
Tax losses	332,249	(17,313)	-	314,936
Accrued liabilities	281,181	34,905	-	316,086
Advance customers	42,094	18,118	-	60,212
Transaction costs from subsequent public offering	41,101	-	-	41,101
Employee benefits	36,083	(7,729)	(676)	27,678
ESPS	24,607	895	-	25,502
Inventory reserve	1,327	(15,670)	-	(14,343)
Derivative financial instruments liabilities	765	(765)	-	-
	<b>\$ (838,859)</b>	<b>30,957</b>	<b>7,341</b>	<b>(800,561)</b>

	2022	Profit or loss	Stockholders' equity	OCI	2023
Accounts receivable and allowance for doubtful accounts	\$ (1,319,024)	(244,987)	-	-	(1,564,011)
Property and equipment	(682,305)	(126,187)	-	-	(808,492)
Intangible assets	(660,650)	19,458	-	-	(641,192)
Right-of-use	(603,023)	(129,131)	-	-	(732,154)
Other assets	(38,220)	(49,672)	-	-	(87,892)
Other receivables	(29,538)	(37,113)	-	-	(66,651)
Advance payments	14,926	(33,620)	-	-	(18,694)
Derivative financial instruments assets	(21,954)	-	-	6,581	(15,373)
Suppliers	1,002,886	201,244	-	-	1,204,130
Lease liabilities	558,941	127,327	-	-	686,268
Other liabilities	143,574	302,221	-	-	445,795
Tax losses	380,505	(48,256)	-	-	332,249
Provisions	258,103	23,078	-	-	281,181
Advance customers	23,706	18,388	-	-	42,094
Transaction costs from subsequent public offering	-	-	41,101	-	41,101
Employee benefits	22,061	12,388	-	1,634	36,083
ESPS	14,987	9,620	-	-	24,607
Inventory reserve	1,667	(340)	-	-	1,327
Derivative financial instruments liabilities	1,128	-	-	(363)	765
	<b>\$ (932,230)</b>	<b>44,418</b>	<b>41,101</b>	<b>7,852</b>	<b>(838,859)</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

When assessing the recoverability of the deferred tax assets, the Group Management considers the probability that some or all of them may not realize.

The realization of the deferred income tax assets depends on the generation of taxable income in the periods in which temporary differences will be realized.

In conducting this assessment, the Group considers the expected reversal of deferred tax liabilities, estimated taxable income and planning strategies. Certain deferred tax assets have not been recognized with respect to tax losses, as it is probable that sufficient tax profits will not be available to apply such losses.

Deferred tax assets that have not been recognized in the Group's consolidated financial statements are shown in the following table and their expiration date ranges from 2026 to 2034:

		<b>December 31</b>	
		<b>2024</b>	<b>2023</b>
Tax losses	\$	271,962	174,967

Furthermore, the Group did not recognize a deferred tax asset related to the share-based payment, based on the assessment that the temporary differences arising from the plan may not result in future tax benefits.

As of December 31, 2024, and 2023, some subsidiaries are subject to income tax under the conditions set forth in the "current coordinated tax regime", which, like the "simplified tax regime" in force on December 31, 2013, is applicable to companies engaged on freight transportation services. Tax law establishes that an entity is engaged on freight transportation services, when no more than 10% of its total revenue comes from different sources than freight transportation services. The coordinated tax regime establishes that the tax basis for income tax is determined on revenue collected less deductions paid as well as the simplified tax regime.

According to the current income tax law, it establishes a rate of 30% for 2014 and thereafter.

**(a) Income tax recognized in P&L**

		<b>December 31</b>	
		<b>2024</b>	<b>2023</b>
Current	\$	322,557	265,285
Deferred		(30,957)	(44,418)
	\$	<b>291,600</b>	<b>220,867</b>

**Income Tax recognized directly in other comprehensive income-**

		<b>2024</b>		
		<b>Gross</b>	<b>Tax</b>	<b>Net of tax</b>
Actuarial losses	\$	2,253	(676)	1,577
Derivative financial instruments		(26,724)	8,017	(18,707)

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

		<b>2023</b>	
	<b>Gross</b>	<b>Tax</b>	<b>Net of tax</b>
Actuarial losses	\$ (5,448)	1,634	(3,814)
Derivative financial instruments	(20,726)	6,218	(14,508)

**d) Reconciliation of effective tax rate-**

	<b>2024</b>	<b>2023</b>
Profit before income taxes	\$ 946,336	859,576
Computed "expected" tax expense	283,901	257,873
Effects of inflation, net	(28,474)	4,442
Non-deductible expenses	133,207	131,168
Non-recognized deferred tax assets	(90,314)	(180,471)
Other, net	(6,720)	7,855
	<b>\$ 291,600</b>	<b>220,867</b>

**(21) Stockholders' equity -**

The main characteristics of the accounts of stockholders' equity are described below, as well as their structure.

**a) Structure of capital stock-**

During 2024 and 2023, Grupo Traxión's capital stock underwent the following changes:

(Number of shares)	<b>2024</b>	<b>2023</b>
Outstanding ordinary shares as of January 1 (net)	\$ 567,790,504	476,191,876
Shares repurchased during the year	(5,866,640)	304,400
Shares placed in subsequent offering during the year	-	91,903,028
<b>Outstanding ordinary shares as of December 31 (net)</b>	<b>\$ 561,923,864</b>	<b>567,790,504</b>

On April 28, 2023, at a shareholders' meeting, the cancellation of 35,000,000 of the Company's own series "A" Class I ordinary nominative shares, with no par value, which were held in treasury and originated from the repurchases previously made by the Company, was recorded. Considering the above, our authorized capital stock is represented by 573,315,217 series "A" Class I, ordinary, nominative shares, with no par value, and our subscribed and paid-in capital stock is represented by 475,887,476 series "A" Class I, ordinary, nominative shares, with no par value, resulting in an authorized fixed capital stock of \$9,420,434. It was acknowledged that the reduction in capital stock did not entail any reimbursement to shareholders.

On August 11, 2023, Grupo Traxión completed the placement and sale of 84,719,775 shares, with no par value, representing its capital stock at a price of \$30.0 per share, through a mixed public offering.

On September 4, 2023, the overallotment option was exercised for a total of 7,183,253 shares, with no par value, at the mixed public offering price of \$30.0 per share.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

The movements of shares placed and sold were recognized in our capital stock, less transaction costs and the corresponding deferred tax, for a total of \$2,661,178.

As a result of the changes, Traxión's subscribed and paid-in capital stock is represented by a total of 567,790,504 outstanding shares and 5,496,397 treasury shares.

Since September 29, 2017, the shares of the Group are quoted in the Mexican Stock Exchange and may be subscribed or acquired only by Mexican investors in whose bylaws contain the foreigners' exclusion clause.

**b) Legal reserve**

In accordance with the General Corporations Law, the net profit for the year is subject to a separation of 5%, to constitute the legal reserve, until it reaches one fifth of the share capital. As of December 31, 2024, the legal reserve amounts to \$99,602, which has not reached the amount required by the General Corporations Law.

**c) Other equity accounts (Repurchase of shares)**

At the shareholders' meeting held on April 27, 2018, the maximum amount that Grupo Traxión could assign to repurchase shares was approved. For the period from January 1 to December 31, 2024 and 2023, the amount traded for the repurchase of shares required cash flow outflows of \$124,167 and \$10,940 corresponding to 5,866,640 and 304,400 securities, respectively.

**d) Other equity accounts (share based payments)****(i) Stock-based payment plan issued in 2024.**

The Group offered some of its key management members compensation based on the company's shares in exchange for a premium for exercising them.

In equity-settled share-based payment transactions, the fair value is determined at the grant date, which is the date on which the entity grants the counterparty the right to receive cash, other assets, or equity instruments of the entity, subject to the fulfilment, where applicable, of certain conditions for the irrevocability of the grant.

The program estimates a total of 32,768,450 shares, distributed across two distinct plans. The irrevocability of each plan is conditioned upon meeting two requirements: (i) that the stock price reaches a specific quotation and (ii) that the company executive has remained with the company for at least three consecutive years from the date the specific stock price quotation is reached.

**(ii) Stock-based payment plan issued in 2019**

During 2019, the Group offered some of its key management members share-based payment.

The fair value of the shares at the date of granting was \$14.37. The same plan contemplates the possibility for executives to participate in the Group's stock compensation program in which a portion of the variable compensation may be settled in shares.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

The program considers a total of 27,173,912 shares, distributed across three distinct plans. The irrevocability of each plan is conditioned upon meeting two requirements: that the stock price reaches a specific quotation during a determined period and that the company executive has remained with the company for at least three consecutive years from the date of the initial public offering.

As of December 31, 2024, all shares of the plan were granted to the executives, considering that the fulfillment of the irrevocability conditions and the recognition of the total amount of the plan in the company's results were met in previous years.

**e) Actuarial gains and losses-**

This account represents the accumulated amount, net of deferred income taxes, of changes in actuarial assumptions used in the calculation of defined benefits plans (note 18).

**f) Valuation effect of derivative financial instruments-**

Derived from the valuation of the period of derivative financial instruments designated for hedge accounting (note 25).

**g) Foreign currency translation effect**

Represents the difference arising from translating foreign operations from their functional currency to the reporting currency.

**(22) Total Costs -**

		<b>2024</b>	<b>2023</b>
Labor cost	\$	5,583,093	4,862,516
Diesel and gasoline <sup>(1)</sup>		3,271,990	3,089,244
Transportation and freight insurance		3,270,968	2,408,614
Parcel and logistics cost		2,389,974	1,711,941
Depreciation and amortization		2,163,405	1,928,028
Logistics services		1,486,884	1,086,716
Maintenance of trucks		1,464,276	1,238,346
Tolls		978,423	921,841
Leasing, maintenance and general services of real estate		438,560	275,947
Insurance		332,715	255,109
Private security		150,125	153,522
GPS communication and monitoring		119,330	111,995
Other <sup>(2)</sup>		974,390	945,729
<b>Total costs</b>	<b>\$</b>	<b>22,624,133</b>	<b>18,989,548</b>

(1) Includes income of \$1,154,075 and \$952,458 of tax subsidy for IEPS tax for 2024 and 2023, respectively.

(2) It mainly includes costs and inspections, facilities security, maintenance of other assets, etc.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**(23) General expenses -**

		<b>2024</b>	<b>2023</b>
Labor cost	\$	2,317,683	2,127,410
Administrative fee		437,903	455,092
Depreciation and amortization		348,624	310,827
Restructuring expenses		228,226	-
Software cost		137,014	118,031
Travel expenses		105,028	110,620
Bank commissions		41,814	23,364
Advertising		38,391	29,730
Maintenance		25,468	31,066
Fees and subscriptions		13,400	11,433
Office supplies		13,184	13,104
Security		9,741	13,211
Insurances		8,766	9,612
Taxes		6,484	11,992
Leasing		2,279	2,097
Other <sup>(1)</sup>		299,654	269,404
<b>Total expenses</b>	<b>\$</b>	<b>4,033,659</b>	<b>3,536,993</b>

(1) Includes expenses such as recruitment and selection of personnel, training, dining room expenses, telephone, office supplies, insurance and claims, among others.

**(24) Other revenues-**

Other revenues and other expenses for the years ended December 31, 2024, and 2023 are shown below:

		<b>2024</b>	<b>2023</b>
(Loss) profit on the sale of machinery and equipment	\$	(96,156)	(27,438)
Other miscellaneous revenues <sup>(1)</sup>		133,813	136,748
<b>Total other revenues.</b>	<b>\$</b>	<b>37,657</b>	<b>109,310</b>

(1) Mainly includes recovery of insurance expense, dining room recovery and damage recovery income.

**(25) Financial instruments and hedging operations-****a) Derivatives for hedging purposes.**

The Group has implemented a policy of using derivative financial instruments, which establishes that the objective of the strategy for contracting such instruments is to minimize the exposure to financial risks of assets and liabilities, attributable to the movements of various variables macroeconomic. And it is done exclusively for risk coverage purposes and not for speculative purposes.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

The Group evaluates hedging relationships applying the concept of critical terms, due to the characteristics of the primary position (Loan, (initial provision) and a subsequent provision) and the derivative financial instruments (swaps) have been contracted with the same counterparty with which the credit is held, therefore they are aligned in terms of amount, reference rate, periodicity and payment schedule.

For exchange rate hedging relationships (forward-type instruments), the company evaluates the effectiveness of its hedging relationship through the least squares method, which allows analyzing the exchange relationship between fair value and the hedging instrument.

As of December 31, 2024 and 2023, the derivative financial instruments for accounting and economic hedging purposes held by the Group are shown below:

Derivative instrument	Notional	Underlying asset / reference asset / December 31, 2024	Fair value December 31, 2024	Collateral/Lines of Credit/securities in warranty.
Santander interest rate swap at 5.98% fixed rate	216,000	10.74/TIIE 28 días	6,559	Joint Obligors
Banorte interest rate swap at 5.95% fixed rate	216,000	10.74/TIIE 28 días	6,681	Joint Obligors
HSBC interest rate swap at 5.98% fixed rate	288,000	10.74/TIIE 28 días	8,732	Joint Obligors
	<b>720,000</b>		<b>21,972</b>	

As of December 31, 2024, the Group no longer has current forward-type financial instruments.

Derivative instrument	Notional	Underlying asset / reference asset / December 31, 2023	Fair value December 31, 2023	Collateral/Lines of Credit/securities in warranty.
Santander interest rate swap at 5.98% fixed rate	261,000	11.50/TIIE 28 días	15,302	Joint Obligors
Banorte interest rate swap at 5.95% fixed rate	261,000	11.50/TIIE 28 días	15,546	Joint Obligors
HSBC interest rate swap at 5.98% fixed rate	348,000	11.50/TIIE 28 días	20,397	Joint Obligors
	<b>870,000</b>		<b>51,245</b>	

Derivative instrument	Notional USD.	Underlying asset / December 31, 2023	Fair value December 31, 2023	Collateral/Lines of Credit/securities in.
Forward currencies BBVA to T.C. 22.99 pesos per dollar	435	22.29 pesos per dólar	(2,549)	No aplica
	<b>10,004</b>		<b>(2,549)</b>	

Derivati v Es	BeginningBalance 2023	Settlement	Total cash Transactions	Change in fair value recognized in OCI	Financial instruments for business acquisition	Reclassified to profit or loss	Ending balance 2024
	48,696	-	-	(26,724)	-	-	21,972

(Continued)





**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

	Egining Balance 2022	Settlement	Total cash Transactions	Change in fair value recognized in OCI	Financial instruments for business acquisition	Reclassified to profit or loss	Ending Balance 2023
Derivativ es	69,422	-	-	(20,726)	-	-	48,696

**(26) Contingent liabilities-**

**a) Insurance-**

The Group has insurance coverage for damages to third parties for its tractor-trucks, as well as different risks coverage such as civil liability, insurance of major medical expenses and life insurance, mainly. The Group's risk management considers performing periodic risk assessments against hedges in order to maintain an acceptable level of risk exposure whose impact does not have an adverse effect on the Group's operations.

**b) Litigation-**

The Group is involved in various suits and claims arising from the normal course of its operations, which are expected to have no material adverse effect on its financial position and future results of operations.

**c) Employee Benefits-**

There is a contingent liability arising from the labor obligations mentioned in note 4(i).

**d) Tax contingencies-**

In accordance with Mexican tax law, the tax authorities are empowered to examine transactions carried out during the five years prior to the most recent income tax return filed. In the event that the authorities revise the prices and reject the determined amounts, they may demand, in addition to the collection of the tax, fines on the omitted contributions, which could be up to 100% of the updated amount of the contributions.

In accordance with the IT Law, companies carrying out transactions with related parties are subject to certain requirements as to the determination of prices, which should be similar to those that would be used in arm's-length transactions.

The Group considers that its pricing policy for operations with related parties is correct and therefore its determination of income taxes and ESPS are adequate in accordance with the tax legislation in force in the applicable years.

**(27) Business acquisition-**

**a) Acquisition of BBA Logistics-**

On June 19, 2023, Grupo Traxión completed the acquisition of 100% of the membership interests in BBA Logistics, LLC. ("BBA Logistics"), a cargo brokerage company with door-to-door and cross-border services in the United States, and a 100% asset-light model.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

Notes to the consolidated financial statements

(Thousands of pesos)

For the seven months ended December 31, 2023, from the acquisition date, BBA Logistics contributed to the Group's consolidated statement of comprehensive income with \$201,068 of revenues and \$5,217 of net income.

If the acquisition had taken place on January 1, 2023, the consolidated revenue would have been \$24,942,365, while consolidated profit would have been \$652,254. When determining these amounts, management assumed that the fair value adjustments that arose on the acquisition date would have been the same if the acquisition had taken place on January 1, 2023.

*Consideration transferred-*

The consideration transferred comprises the following:

		Thousands of USD	Thousands of Pesos
Cash	\$	4,000	67,574
Payment on the first anniversary		2,836	47,910
Payment on the second anniversary		797	13,464
Contingent consideration		1,810	30,577
<b>Total consideration transferred (1)</b>	<b>\$</b>	<b>9,443</b>	<b>159,525</b>

(1) *The liabilities recognized for the payments corresponding to the first and second anniversaries are recognized at present value, with a discount rate of 10.73% per annum used for this determination. The interest recognized for this concept as of December 31, 2024, amounted to \$370 thousand USD.*

*Contingent consideration*

Grupo Traxión agreed to pay the former shareholders of BBA Logistics a contingent consideration of \$2,100 thousand if the company achieves earnings before taxes, financial costs, depreciation, and amortization (EBITDA) of at least \$2,000 thousand in 2024. Based on our projections and analysis, we estimate that it is probable that BBA Logistics will reach this level of EBITDA in 2024, and therefore, the contingent consideration of \$2,100 thousand would be paid in the second half of 2025. It should be noted that, although all possible estimates have been made, there is some uncertainty, and the final results could be higher or lower than these estimates. As of December 31, 2024, the contingent consideration, as well as the payments on the first and second anniversaries, have been recognized as part of short and long-term other liabilities.

In July 2024, the payment corresponding to the first anniversary was made for \$2,018 thousand dollars equivalent to \$36,601. The remaining payment corresponding to the first anniversary of \$818 is withheld according to the terms and conditions of the contract for this operation and is expected to be paid in the second half of 2025.

*Acquisition-related costs*

For the year ended December 31, 2023, Grupo Traxión incurred \$1,800 in costs related to the acquisition of BBA Logistics, primarily for due diligence audits, legal fees, and notary fees. These costs were recognized in "general expenses".

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**Identifiable assets acquired and liabilities assumed**

The following table summarizes the recognized amounts of assets acquired and liabilities, based on their book value.

	Thousands of USD	Thousands of pesos
Cash and cash equivalents	\$ 421	7,113
Accounts receivable	2,837	47,921
Suppliers	2,754	46,529
Total identifiable net assets acquired	504	8,505
Consideration transferred	9,443	159,525
<b>Goodwill</b>	<b>\$ 8,939</b>	<b>151,020</b>

**(28) Earnings per share-**

Earnings per share for the year ended December 31, 2024 and 2023, were \$1.147 pesos and \$1.131 pesos, respectively.

**i. Profit attributable to ordinary shareholders:**

	2024	2023
Consolidated net income attributable to ordinary shareholders	\$ 650,342	638,709

**ii. Weighted average number of common shares:**

	2024	2023
Common shares as of January 1	\$ 564,534,495	543,951,430
Average effect of shares repurchased	2,216,357	20,583,065
Weighted average number of common shares as of December 31	<b>\$ 566,750,852</b>	<b>564,534,495</b>

The Group has no ordinary shares with potential dilutive effects.

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**(29) Information by segments-****a) Segmentation bases-**

The Group analyzes its financial information through three operating segments, which are classified by type of service and due to the similarity of their economic characteristics:

- Mobility of Cargo
- Logistics and Technology, and
- Mobility of personnel.

The cargo mobility segment integrates the services of dedicated cargo transport, consolidated, specialized transport, among others.; while the logistics and technology segment provide storage, parcel, last mile services, among others, and finally the mobility segment of people that integrates the services of transfer of personnel both companies, schools, and tourism, among others.

The prices that are established between inter-segment transactions are determined based on prices comparable to those that would be used with or between independent parties in comparable transactions.

The accounting policies of the operating segments are the same as described in the note 4.

**b) Financial information of the operating segments-**

The performance of the operating segments is measured based on the operating profit and net income of each operating segment, since the management considers that said information is the most appropriate for the evaluation of the results.

The financial information for each of the operating segments is detailed below:

<b>2024</b>	<b>Mobility of Cargo</b>	<b>Logistics and technology</b>	<b>Mobility of personnel</b>	<b>Total reportable segments</b>
Services revenue:				
External clients	\$ 7,839,965	9,987,944	10,333,376	28,161,285
Inter-segment	515,556	357,363	107,478	980,397
	\$ 8,355,521	10,345,307	10,440,854	29,141,682
Depreciation and amortization	\$ 744,224	667,209	1,036,715	2,448,148
Operating profit	1,010,776	(46,538)	1,626,963	2,591,201
Net income	422,560	(261,979)	648,521	809,102
<b>Total assets</b>	<b>\$ 9,901,554</b>	<b>7,466,785</b>	<b>16,421,084</b>	<b>33,789,423</b>
<b>Total liabilities</b>	<b>\$ 5,545,680</b>	<b>7,045,345</b>	<b>7,515,215</b>	<b>20,106,240</b>

(Continued)



## Grupo Traxión, S. A. B. de C. V. and the subsidiaries

## Notes to the consolidated financial statements

(Thousands of pesos)

2023	Mobility of Cargo	Logistics and technology	Mobility of personnel	Total reportable segments
Services revenue:				
External clients	\$ 7,168,549	7,987,838	8,891,914	24,048,301
Inter-segment	521,224	127,452	109,659	758,335
	\$ 7,689,773	8,115,290	9,001,573	24,806,636
Depreciation and amortization	\$ 637,683	683,492	855,886	2,177,061
Operating profit	1,009,586	(29,683)	1,442,023	2,421,926
Net income	375,787	(238,967)	610,137	746,957
<b>Total assets</b>	<b>\$ 8,982,226</b>	<b>7,407,280</b>	<b>14,904,397</b>	<b>31,293,903</b>
<b>Total liabilities</b>	<b>\$ 4,571,307</b>	<b>6,317,731</b>	<b>6,960,902</b>	<b>17,849,940</b>

## c) Conciliation of revenues by operating segment-

**Consolidated net income**

	2024	2023
Net profit by reportable segments	\$ 809,102	746,957
Corporate expenditures, net	(158,760)	(108,248)
<b>Consolidated net income</b>	<b>\$ 650,342</b>	<b>638,709</b>
<b>Assets</b>		
Total assets by operating segments	\$ 33,789,423	31,293,903
Corporate assets (mainly goodwill and brands)	807,272	681,308
<b>Consolidated assets</b>	<b>\$ 34,596,695</b>	<b>31,975,211</b>
<b>Liabilities</b>		
Total, liabilities by operating segments	\$ 20,106,240	17,849,940
Corporate liabilities	313,072	223,811
<b>Consolidated liabilities</b>	<b>\$ 20,419,312</b>	<b>18,073,751</b>

(Continued)



**Grupo Traxión, S. A. B. de C. V. and the subsidiaries**

## Notes to the consolidated financial statements

(Thousands of pesos)

**Information by geographic area--**

<b>2024</b>	<b>Mexico</b>	<b>United States of America</b>	<b>Total</b>
Freight revenue	\$ 7,365,870	989,651	8,355,521
Logistics revenue	7,346,855	2,998,452	10,345,307
Staff income	10,440,854	-	10,440,854
	<b>\$ 25,153,579</b>	<b>3,988,103</b>	<b>29,141,682</b>

  

<b>2023</b>	<b>Mexico</b>	<b>United States of America</b>	<b>Total</b>
Freight revenue	\$ 6,781,018	908,755	7,689,773
Logistics revenue	6,121,209	1,994,081	8,115,290
Staff income	9,001,573	-	9,001,573
	<b>\$ 21,903,800</b>	<b>2,902,836</b>	<b>24,806,636</b>

Because most of the Group's operations are carried out in Mexico, non-current assets located outside Mexico are not significant.

**d) Main clients-**

Because the Group provides services to a diverse number of customers, there is no significant dependence on any major custom.

**(30) Subsequent events-**

On March 13, 2025, an unsecured syndicated credit facility of \$10,000,000 was signed, with the participation of six banks. It consists of a simple credit line of \$6,500,000 maturing in 2030, a revolving credit line of \$1,000,000, and a committed credit line of \$2,500,000. The initial disbursement will be approximately \$2,850,000 for the prepayment of liabilities, including the previous syndicated loan. This structure provides margin rate efficiencies of 30 to 35 basis points compared to the syndicated loan in effect in 2024

\*\*\*\*\*

