

First Quarter Results 2023

Mexico City, April 24, 2023, Grupo Carso S.A.B. de C.V. ("The Group", "Grupo Carso", BMV: GCARSO OTC: GPOVY) announces today its results for the first quarter 2023.

HIGHLIGHTS

SALES
\$49,021 MM

OP. INCOME
\$6,125 MM

EBITDA
\$7,560 MM

NET INCOME
\$3,870 MM

- **Grupo Carso's sales in the reported quarter increased 41.9%, totaling Ps. 49,021 million pesos.** Excluding Elementia, total sales went up 18.0% reaching Ps. 40,759 MM. Grupo Sanborns grew 21.9%, Carso Infraestructura y Construcción 42.9%, due to higher volumes from its different projects and in its pipeline business for telecom and Civil private construction, where growth is expected during this and the following year. Grupo Condumex increased 1.7% mainly due to higher sales of cables and automotive harnesses, while Carso Energy decreased 13.2% due to lower revenues affected by the exchange rate. On the other hand, Elementia decreased 7.1% due to lower demand in Construsistemas U.S.A. coupled with a lower average exchange rate.
- **Operating income for the quarter grew 58.1% to Ps. 6,125 million pesos, compared to Ps. 3,875 million in the 1Q22. Excluding Elementia, operating income increased 34.2% from Ps. 3,875 million to Ps. 5,202 million.** The divisions that improved their profitability were: Grupo Sanborns, Grupo Condumex, Elementia, Carso Infraestructura y Construcción and Carso Energy.
- **Grupo Carso's EBITDA totaled Ps. 7,560 MM in the 1Q23**, 58.6% higher than the Ps. 4,765 MM reported in the 1Q22, with a margin that increased from 13.8% to 15.4% with respect to sales, compared to the previous year. Excluding Elementia, EBITDA increased 28.6% from Ps. 4,765 million in the 1Q22 to Ps. 6,126 million in the 1Q23.
- **The Comprehensive Financing Result (CFR)** was a cost of Ps. 2,108 MM higher than a cost of Ps. 320 MM in the same quarter of the previous year, which was mainly due to the effects of higher interest rates and appreciation of the exchange rate, affecting asset positions in dollars, as well as the incorporation of Elementia's debt.
- Controlling Net Income went from Ps. 3,037 MM in the 1Q22 to Ps. 3,870 MM in the 1Q23 or a 27.4% growth driven by the better operating results indicated above.

**ASSOCIATED
COMPANIES
\$38,499 MM**

Total debt at March 31, 2023 was Ps. 45,176 MM, which includes Ps. 16,605 MM of Elementia debt, increasing 5.6% compared to debt at the end of December 2022 of Ps. 42,790 MM. Net debt was Ps. 33,792 MM, compared to net debt of Ps. 30,496 MM at December 31, 2022.

Cash and cash equivalents for the 1Q23 totaled Ps. 11,384 MM, which includes Ps. 2,287 MM of cash and cash equivalents from Elementia, compared to Ps. 12,295 MM at the end of December 2022. The 12-month net debt to EBITDA ratio was 1.12 times in the 1Q23, compared to 0.85 times at the end of the 4Q22.

The Company has one outstanding issuance of Bond Certificates: the FORTALE 22 for Ps. 2,000 MM on May 18, 2022 with a 2-year maturity.

Associated Companies: GCarso's most representative associated companies are: GMéxico Transportes (15.1%), Inmuebles SROM (14.0%), Trans Pecos Pipeline (51.0%) and Comanche Trail Pipeline (51.0%). The book market valuation, as appropriate was Ps. 38,499 million. We recognize our interest in Income from Associates or dividend income in the Income Statement.

SUMMARY

Amounts in Million Pesos MXN (MM)

Consolidated Results	1Q23	1Q22	Var%
Sales	49,021	34,544	41.9%
Operating Income	6,125	3,875	58.1%
Controlling Net Income	3,870	3,037	27.4%
EBITDA	7,561	4,766	58.6%
Operating Margin	12.5%	11.2%	
EBITDA Margin	15.4%	13.8%	

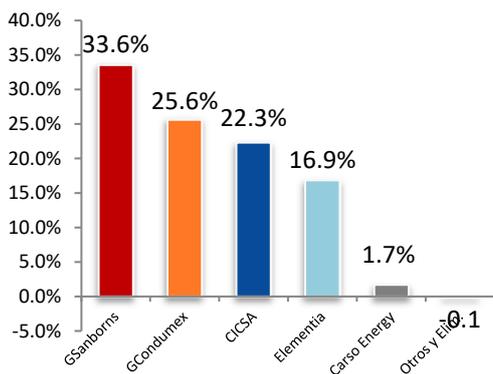
NC= Not Comparable

Consolidated Results			
Excluding Elementia	1Q23	1Q22	Var%
Sales	40,759	34,544	18.0%
Operating Income	5,202	3,875	34.2%
Controlling Net Income	3,870	3,037	27.4%
EBITDA	6,127	4,766	28.6%
Operating Margin	12.8%	11.2%	
EBITDA Margin	15.0%	13.8%	

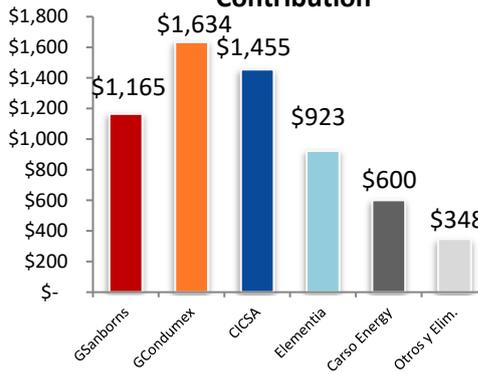
NC= Not Comparable

CONTRIBUTION TO CONSOLIDATED RESULTS BY DIVISION

1Q23 Sales Contribution



1Q23 Operating Income Contribution



FINANCIAL RESULTS

Financial Results	1Q23	1Q22	Var%
Interest Expense	-1,366.0	-487.3	180.3%
Income (Loss) on derivatives net	19.2	161.1	NC
Interest Income	359.5	189.8	89.4%
Interest (net)	-987.4	-136.4	623.9%
ForEx Results	-1,120.5	-183.7	509.9%
CFR	-2,107.8	-320.1	558.5%
Income taxes	315.7	436.4	-27.7%
Earnings from non-consolidated companies	367.8	185.0	98.8%
Non-controlling participation in Net Income	199.6	266.4	-25.1%

1Q23

NC=Not Comparable

ASSOCIATED COMPANIES

Grupo Carso has significant investments in companies in different segments as shown in the following chart, where values are presented in proportion to our ownership interest:

1Q23	Holding	Stockholders	Part. in Results (MM MXN)			
Associated Companies	%	Division	Equity	Sales	Op. Income	EBITDA
Aerofrisco	18.21%	GCarso	500.3	13.9	0.6	2.7
Construction projects Consortia	-	CICSA	-37.7	0.0	-0.8	-0.8
Trans-Pecos Pipeline, LLC (Gasoducto Waha-Presidio)	51.00%	Carso Energy	4,174.2	231.5	164.9	164.9
Comanche Trail Pipeline, LLC (Gasoducto Waha-San Elizario)	51.00%	Carso Energy	2,916.1	185.5	162.4	162.4
Inmuebles SROM, S.A. de C.V.	14.00%	Grupo Sanborns	1,972.4	43.8	32.1	15.2
Subtotal			9,525.3	474.7	359.2	344.4
Others investments in associated companies			1,026.3			
Total Investments in joint ventures ans associates			10,551.6			
			Fair Value			
Companies at market value						
GMéxico Transportes, S.A.B. de C.V. (GMéxico)	15.14%	GCarso	27,458.1	2,172.2	757.4	1,043.6
Others			489.3			
Subtotal			27,947.4	2,646.9	1,116.6	1,388.0
Total Investments in shares			38,499.0			

INTEREST-BEARING LIABILITIES

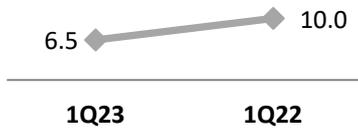
Total Debt by CURRENCY

Pesos	Dollars
63%	37%

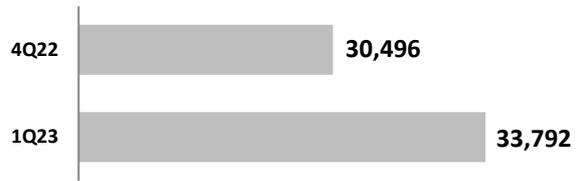
Total Debt by TERM

Short T	Long T
52%	48%

LTM EBITDA/Interest Expense



Net Debt (MM Ps)



RESULTS BY DIVISION

COMMERCIAL

Consolidated Results	1Q23	1Q22	Var%
Sales	16,452	13,499	21.9%
Operating Income	1,165	599	94.6%
Controlling Net Income	915	494	85.4%
EBITDA	1,656	1,086	52.5%
Operating Margin	7.1%	4.4%	
EBITDA Margin	10.1%	8.0%	

NC= Not Comparable

Nota: Para más información consultar el reporte de resultados del 1T23 de Grupo Sanborns, S.A.B. de C.V.



Contribution to Consolidated Results
34% SALES
19% OP. INCOME
22% EBITDA

In the first quarter of the year, **Grupo Sanborns' total sales grew 21.9%** to Ps. 16,452 million. Gross profit increased 24.9% with a gross margin that went from 32.7% to 33.5% of sales.

Operating expenses as a percentage of sales represented 26.5% in the 1Q23 versus 28.1% in the 1Q22, a decrease of 1.6 percentage points.

Operating income increased 94.6%, reflecting a Ps. 1,165 million gain in the 1Q23, with a 7.1% operating margin compared to 4.4% in the previous year.

Quarterly EBITDA increased 52.5% to Ps. 1,656 million in the 1Q23 vs. Ps. 1,086 million in the 1Q22, with a margin of 10.1%, which represented an increase of 2.1 percentage points versus 1Q22.

The Controlling Net Income was Ps. 915 million in the 1Q23, representing an 85.4% growth compared to an income of Ps. 493.5 million in the 1Q22.

INDUSTRIAL

Consolidated Results	1Q23	1Q22	Var%
Sales	12,564	12,358	1.7%
Operating Income	1,634	1,574	3.8%
Controlling Net Income	1,174	1,070	9.7%
EBITDA	1,786	1,719	3.9%
Operating Margin	13.0%	12.7%	
EBITDA Margin	14.2%	13.9%	



**Contribution to
Consolidated Results**
26% SALES
27% OP. INCOME
24% EBITDA

During the 1Q23, **Grupo Condumex's sales** increased 1.7% to Ps. 12,564 million. The increase came mainly from the cable sector, where domestic sales were strong, while exports improved from sales to South America of telecom, electrical and mining cables, despite a reduction in the average exchange rate. Autoparts benefited from higher volume sold to main automotive cable customers, even though there were some line stoppages in the assembly plants.

There was a reduction in variable costs and operating expenses, which benefited **operating income and EBITDA**, which increased 3.8% and 3.9%, reaching Ps. 1,634 million and Ps. 1,786 million, respectively.

Grupo Condumex's **controlling net income** increased 9.7%, from Ps. 1,070 million pesos to Ps. 1,174 million pesos.

INFRASTRUCTURE AND CONSTRUCTION

Consolidated Results	1Q23	1Q22	Var%
Sales	10,934	7,653	42.9%
Operating Income	1,455	804	81.0%
Controlling Net Income	872	563	54.8%
EBITDA	1,663	981	69.6%
Operating Margin	13.3%	10.5%	
EBITDA Margin	15.2%	12.8%	

carso
INFRAESTRUCTURA Y CONSTRUCCIÓN

Contribution to Consolidated Results
22% SALES
24% OP. INCOME
22% EBITDA

The sales of Carso Infraestructura y Construcción's posted a 42.9% growth, totaling Ps. 10,934 billion in the first quarter of the year. The main increases were due to higher volumes in all the projects that we have in execution, as well as higher revenues in the **Manufacturing and Services for the Oil and Chemical Industry** sector, with higher drilling volumes and related services. In **Pipeline Installations** there was a higher construction volume attributable to the increase in operations for Telecom.

On the other hand, consolidated **operating income and EBITDA** reached Ps. 1,455 million and Ps. 1,663 million, increasing profitability by 81.0% and 69.6%, respectively, driven by the positive results in the Infrastructure and Manufacturing and Services for the Oil and Chemical Industry operations mentioned above.

As a result, the **Controlling net income** went from Ps. 563 MM in the 1Q22 to a profit of Ps. 872 MM in the 1Q23.

The Backlog projects in the pipeline at the end of December 2022 include mainly the construction of Section II of the Mayan Train, the Las Varas-Vallarta and Mitla-Tehuantepec highways, telecommunications facilities services, equipment for the petrochemical industry, well drilling and various services for the oil industry, and the construction of hospitals, among other real estate. Carso Infraestructura's backlog totaled Ps. 38,175 million as of December 31, 2022, compared to Ps. 48,893 million in the same period of the previous year.

ELEMENTIA*

Consolidated Results	1Q23	2Q21	Var%
Sales	8,262	8,892	-7.1%
Operating Income	923	741	24.5%
Controlling Net Income	157	307	-49.0%
EBITDA	1,434	1,345.8	6.6%
Operating Margin	11.2%	8.3%	
EBITDA Margin	17.4%	15.1%	



Contribution to
Consolidated Results
17% SALES
15% OP. INCOME
19% EBITDA

Elementia's sales decreased 7.1% from Ps. 8,892 MM in the 1Q22 to Ps. 8,262 MM in the 1Q23. This decrease was mainly due to lower demand in Construsistemas.

Elementia's **operating income** increased 24.5% from Ps. 741 MM in the 1Q22 to Ps. 923 MM in the 1Q23, due to cost efficiencies that improved profitability. Likewise, there was a reduction in distribution expenses in Construsistemas. For the same reasons, **EBITDA** increased 6.6% from Ps. 1,346 MM to Ps. 1,434 MM.

The net result of the controlling company in Elementia decreased 49.0%, registering an amount of Ps. 157 MM compared to Ps. 307 MM in the previous year.

**1Q22 figures in this chart are for statistical purposes as Elementia's financial information began to be consolidated as of May 2022 in Grupo Carso.*

CARSO ENERGY



**Contribution to
Consolidated Results**
2% SALES
10% OP. INCOME
9% EBITDA

Resultados Consolidados	1T23	1T22	Var%
Ventas	822	948	-13.2%
Utilidad de Operación	600	581	3.2%
Utilidad Neta Controladora	1,082	679	59.3%
EBITDA	687	677	1.6%
Margen de Operación	72.9%	61.3%	
Margen EBITDA	83.6%	71.4%	

Carso Energy's sales decreased 13.2% from Ps. 948 MM in 1Q22 to Ps. 822 MM in 1Q23. Ideal Panama's two hydroelectric plants recorded lower water volumes due to the level of rainfall, while the company continued to provide gas transportation services to the CFE through the Samalayuca-Sásabe gas pipeline (100% owned by the Group), affected by the appreciation of the peso against the dollar. In this business, the construction of the compression station continued, which will significantly increase the capacity of this pipeline. Likewise, the gas pipelines in Waha (Texas, U.S.A.) with a 51.0% participation (non-consolidated) continued with a good performance, which is reflected in the results by the equity method.

Carso Energy's **operating income** increased 3.2% from Ps. 581 MM in 1Q22 to Ps. 600 MM in 1Q23.

EBITDA increased 1.6% from Ps. 677 MM to Ps. 687 MM.

The **Controlling net** income in Carso Energy increased from Ps. 679 MM last year to Ps. 1,082 MM this year.

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INVITATION TO THE WEBINAR OF RESULTS:

Date: Tuesday, April 25, 2023

Time: 9:00-9:30 A.M. Mexico City Time/ 11:00 A.M.-11:30 A.M. NY Time (US EST)

 Registration Link: https://teams.microsoft.com/join/19%3ameeting_M2RjNGY2ZTQtNjBIMS00NmMzLWIzMWItMGM2ODNmZGI2NWMw%40thread.v2/0?context=%7b%22
https://teams.microsoft.com/join/19%3ameeting_M2RjNGY2ZTQtNjBIMS00NmMzLWIzMWItMGM2ODNmZGI2NWMw%40thread.v2/0?context=%7b%22Tid%22%3a%223403678f-c88d-4e90-a790-18fb4deef85d%22%2c%220id%22%3a%2278bffbe1-bf45-41bc-81dc-17e57863192e%22%7d
ADDITIONAL CHARTS:

Consolidated Financial Income Data					
Million PESOS (MXN)					
	1Q23		1Q22		Var %
GRUPO CARSO					
Revenues	49,021.1	100.0%	34,543.6	100.0%	41.9%
Operating Income	6,125.1	12.5%	3,875.2	11.2%	58.1%
Financial Results	-2,107.8	-4.3%	-320.1	-0.9%	558.5%
Controlling Net Income	3,869.9	7.9%	3,037.3	8.8%	27.4%
EBITDA	7,560.5	15.4%	4,765.6	13.8%	58.6%
GRUPO SANBORNS					
Sales	16,452.5	100.0%	13,499.5	100.0%	21.9%
Operating Income	1,165.3	7.1%	598.9	4.4%	94.6%
Controlling Net Income	914.8	5.6%	493.5	3.7%	85.4%
EBITDA	1,655.7	10.1%	1,085.8	8.0%	52.5%
GRUPO CONDUMEX					
Sales	12,563.7	100.0%	12,358.0	100.0%	1.7%
Operating Income	1,634.1	13.0%	1,574.4	12.7%	3.8%
Controlling Net Income	1,174.0	9.3%	1,070.0	8.7%	9.7%
EBITDA	1,786.1	14.2%	1,718.6	13.9%	3.9%
CICSA					
Sales	10,934.4	100.0%	7,652.6	100.0%	42.9%
Operating Income	1,455.1	13.3%	803.8	10.5%	81.0%
Controlling Net Income	871.9	8.0%	563.2	7.4%	54.8%
EBITDA	1,663.1	15.2%	980.7	12.8%	69.6%
ELEMENTIA					
Sales	8,262.0	100.0%	8,892.1	100.0%	-7.1%
Operating Income	923.0	11.2%	741.1	8.3%	24.5%
Controlling Net Income	156.8	1.9%	307.1	3.5%	-49.0%
EBITDA	1,434.0	17.4%	1,345.8	15.1%	6.6%
CARSO ENERGY					
Sales	822.4	100.0%	947.6	100.0%	-13.2%
Operating Income	599.9	72.9%	581.1	61.3%	3.2%
Controlling Net Income	1,082.1	131.6%	679.2	71.7%	59.3%
EBITDA	687.4	83.6%	676.6	71.4%	1.6%

NC=Not Comparable

Consolidated Balance Sheet Data			
Million PESOS(MXN)			
	1Q23	4Q21	Var %
GRUPO CARSO			
Cash & Equivalents	11,383.8	12,294.6	-7.4%
Trade Receivables	40,267.4	37,808.4	6.5%
Accounts Receivable to Related Parties	7,066.8	7,656.6	-7.7%
Other Accounts Receivable	3,197.3	2,316.3	38.0%
Recoverable Taxes	6,354.9	7,229.6	-12.1%
Other Financial Assets	27,877.2	27,143.5	2.7%
Inventories	96,147.5	94,449.1	1.8%
Other Non-Current Trade Receivables	15,523.4	16,587.9	-6.4%
Non-Current Inventories	971.3	971.3	0.0%
Other Non-Current Financial Assets	563.8	795.9	-29.2%
Investments in Associates	38,499.1	36,755.2	4.7%
Property, Plant and Equipment	59,740.2	61,528.8	-2.9%
Investment Properties	4,766.1	4,766.1	0.0%
Assets for Rights of Use	6,095.5	6,202.7	-1.7%
Goodwill	4,489.4	4,518.6	-0.6%
Intangible Assets	4,744.1	4,864.4	-2.5%
Deferred Tax Assets	6,270.3	5,815.5	7.8%
Other Non-Current Non-Financial Assets	2,142.5	2,126.5	0.7%
Non-Current Assets	143,805.7	144,933.0	-0.8%
Total Assets	239,953.2	239,382.1	0.2%
Suppliers	25,422.2	26,739.0	-4.9%
Current Tax Liabilities, Current	539.6	3,211.8	-83.2%
Short-Term Debt	21,186.4	11,963.9	77.1%
Short-Term Bank Debt	2,000.0	3,500.0	-42.9%
Other Current Liabilities at Cost	117.3	120.7	-2.8%
Other Current Financial Liabilities	50.2	1.7	
Current Lease Liabilities	1,841.8	1,952.7	-5.7%
Other Non-Financial Liabilities Short-Term	1,974.9	2,528.0	-21.9%
Total Current Provisions	11,372.8	11,355.3	0.2%
Current Liabilities	64,505.3	61,373.0	5.1%
Long-Term Taxes Payable	130.4	378.7	-65.6%
Bank loans non-current	19,871.8	25,205.8	-21.2%
Stock market loans non-current	2,000.0	2,000.0	0.0%
Other non-current financial liabilities	0.0	0.0	0.0%
Long-Term Lease Liabilities	4,383.7	4,572.7	-4.1%
Long-Term Provisions	1,284.0	1,313.9	-2.3%
Deferred Tax Liabilities	9,526.6	9,683.7	-1.6%
Non-Current Liabilities	37,196.5	43,154.8	-13.8%
Total Liabilities	101,701.8	104,527.9	-2.7%
Stockholder's Equity	138,251.4	134,854.2	2.5%
Shares Outstanding (´000)	2,248,141	2,248,990.6	0.0%
Closing Stock Price	89.6	81.8	9.5%

NC= Not Comparable