

Second Quarter Results 2023

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

RELEVANT AND CORPORATE EVENTS

- On May 25, 2023 Grupo Carso informed the investing public that it **entered, through its subsidiary Zamajal, S.A. de C.V., into a binding agreement with Talos Energy Inc. (NYSE: TALO) to acquire 49.9% of the capital stock of its Mexican subsidiary Talos Energy México 7, S. de R.L. de C.V., which holds a 17.4% interest in the Zama oil field.** The consortium will present a plan for exploration and extraction of hydrocarbons under the production sharing modality in Block 7, a contractual area located in shallow waters approximately 63.5 km off the coast of Tabasco, in the Southeast Basin of Mexico. Participation in the Zama Field: 50.4% Petróleos Mexicanos (through PEP), 19.8% Wintershall Dea AG, 17.4% Talos México and 12.4% Harbour Energy PLC.
- On June 30, 2023 Grupo Carso **paid in cash and Series A-1 shares or a combination of both, the first installment of \$0.60 (sixty cents Mexican pesos)** against delivery of coupon 46, of the dividend of \$1.20 (one peso and twenty cents Mexican pesos) per share declared at the General Ordinary Shareholders' Meeting of Grupo Carso, S.A.B. de C.V. held on April 27, 2023.

HIGHLIGHTS

SALES
\$48,278 MM

OPERATING INCOME
\$6,239 MM

- **Grupo Carso's sales in the reported quarter increased 7.2%, totaling Ps. 48,278 MM.** The divisions that increased their revenues were Carso Infraestructura y Construcción due to higher volumes in its different projects, mainly Private Civil Construction, infrastructure and pipelines for Telecommunications; as well as Grupo Sanborns, supported by the Mother's Day, Father's Day and Hot Sale promotions. These performances offset the reduction in Grupo Condomex, Carso Energy and Elementia, which declined due to lower revenues related to the exchange rate.
- **Operating income for the quarter grew 28.5%, totaling Ps. 6,239 MM, compared to Ps.4,856 MM in the 2Q22.** The divisions that showed an improvement in profitability were: Elementia, Grupo Sanborns and Carso Infraestructura y Construcción.

EBITDA
\$7,673 MM

NET INCOME
\$3,454 MM

**ASSOCIATED
COMPANIES**
\$37,209 MM

- **Grupo Carso's EBITDA totaled Ps. 7,673 MM in the 2Q23**, 25.7% higher than the Ps. 6,103 MM reported in the 2Q22, with a margin that increased from 13.6% to 15.9% with respect to sales, compared to the previous year.
- **The Comprehensive Financing Result (CFR)** was a cost of Ps. 1,926 MM higher than a cost of Ps. 674 MM in the same quarter of the previous year, which was mainly due to higher interest rates and appreciation of the exchange rate.
- **Controlling Net Income** went from Ps. 3,427 MM in the 2Q22 to Ps. 3,454 MM in the 2Q23, a slight increase of 0.8%, as better operating results offset financial costs in the quarter.

Total debt at June 30, 2023 was Ps. 42,339 MM, which includes Ps. 15,934 MM of Elementia debt, decreasing 1.1% compared to debt at the end of December 2022 which was Ps. 42,790 MM. **Net debt** was Ps. 30,678 MM, compared to net debt of Ps. 30,496 MM at December 31, 2022.

Cash and cash equivalents for the 2Q23 totaled Ps. 11,661 MM, which includes Ps. 2,522 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 0.96 times in the 2Q23, compared to 1.11 times at the end of the 4Q22.

The Company has the following outstanding long-term Bond Certificates: i) FORTALE 22 for Ps. 2,000 MM from May 18, 2022 with a 2-year maturity, as well as ii) GCARSO 23 for Ps. 4,500 MM from March 16, 2023 with a 3-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 or market valuation, as appropriate, amounted to Ps. 37,209 million. We recognize our interest in Income from Associates or dividend income in the Income Statement.

SUMMARY

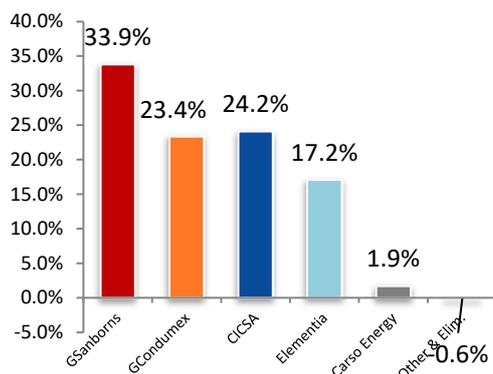
Amounts in Million Pesos MXN (MM)

Consolidated Results	2Q23	2Q22	Var%	6M23	6M22	Var %
Sales	48,278	45,017	7.2%	97,299	79,560	22.3%
Operating Income	6,239	4,856	28.5%	12,364	8,731	41.6%
Controlling Net Income	3,454	3,427	0.8%	7,324	6,465	13.3%
EBITDA	7,673	6,103	25.7%	15,233	10,869	40.2%
Operating Margin	12.9%	10.8%		12.7%	11.0%	
EBITDA Margin	15.9%	13.6%		15.7%	13.7%	

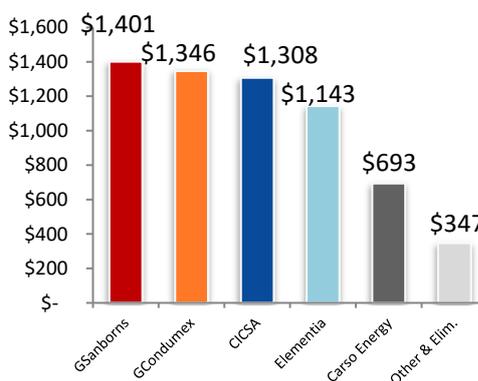
NC= Not Comparable

CONTRIBUTION TO CONSOLIDATED RESULTS BY DIVISION

2Q23 Sales Contribution



2Q23 Op. Income Contribution



FINANCIAL RESULTS

Financial Results	2Q23	2Q22	Var%	6M23	6M22	Var%
Interest Expense	-1,426.0	-796.1	79.1%	-2,792.0	-1,283.4	117.5%
Income (Loss) on derivatives net	35.9	108.6	-66.9%	55.0	269.6	-79.6%
Interest Income	378.0	210.1	79.9%	737.5	399.9	84.4%
Interest (net)	-1,012.1	-477.5	112.0%	-1,999.4	-613.9	225.7%
ForEx Results	-913.9	-196.3	365.5%	-2,034.4	-380.0	435.3%
CFR	-1,926.0	-673.8	185.8%	-4,033.8	-993.9	305.9%
Income taxes	884.1	983.2	-10.1%	1,199.8	1,419.5	-15.5%
Earnings from non-consolidated companies	304.9	533.2	-42.8%	672.7	718.2	-6.3%
Non-controlling participation in Net Income	279.4	304.9	-8.4%	479.0	571.3	-16.2%

NC=Not Comparable

ASSOCIATED COMPANIES

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

2Q23 Associated Companies	Holding %	Division	Stockholders Equity	Part. in Results (MM MXN)		
				Sales	Op. Income	EBITDA
Aerofrisco	20.00%	GCarso	499.2	25.2	-2.0	2.4
Construction projects Consortia	-	CICSA	-73.2	0.0	-2.1	-2.1
Trans-Pecos Pipeline, LLC (Gasoducto Waha-Presidio)	51.00%	Carso Energy	4,031.6	451.7	344.5	344.5
Comanche Trail Pipeline, LLC (Gasoducto Waha-San Elizario)	51.00%	Carso Energy	2,824.3	348.3	303.1	303.1
Inmuebles SROM, S.A. de C.V.	14.00%	Grupo Sanborns	2,013.1	76.1	52.5	29.6
Subtotal			9,295.0	901.3	696.0	677.5
Others investments in associated companies			1,032.6			
Total Investments in joint ventures ans associates			10,327.6			
			Fair Value			
Companies at market value						
GMéxico Transportes, S.A.B. de C.V. (GMéxico)	15.14%	GCarso	26,359.2	4,361.2	1,500.9	2,074.2
Others			522.0			
Subtotal			26,881.2	5,262.5	2,196.9	2,751.7
Total Investments in shares			37,208.8			

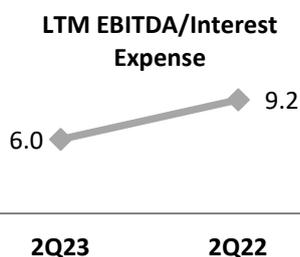
INTEREST-BEARING LIABILITIES

Total Debt by CURRENCY

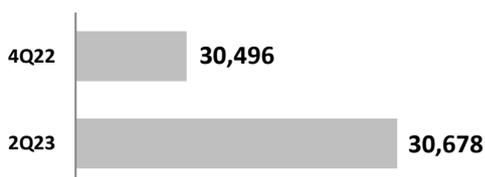
Pesos 63%	Dollars 37%
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Total Debt by TERM

Short T. 45%	Long T. 55%
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Net Debt (MM Ps)



RESULTS BY DIVISION

COMMERCIAL

Consolidated Results	2Q23	2Q22	Var%	6M23	6M22	Var %
Sales	16,381	14,667	11.7%	32,833	28,163	16.6%
Operating Income	1,401	1,037	35.1%	2,566	1,636	56.9%
Controlling Net Income	932	839	11.1%	1,846	1,332	38.6%
EBITDA	1,895	1,513	25.2%	3,551	2,599	36.6%
Operating Margin	8.6%	7.1%		7.8%	5.8%	
EBITDA Margin	11.6%	10.3%		10.8%	9.2%	

NC= Not Comparable

Note: For more information, please refer to Grupo Sanborns, S.A.B. de C.V.'s 2Q23 Earnings Report.



Contribution to Consolidated Results
34% SALES
23% OP. INCOME
25% EBITDA

In the second quarter of the year, **Grupo Sanborns' total sales grew 11.7% reaching Ps. 16,381 million.** Gross profit increased 16.6%, with gross margin that went up from 34.4% to 35.9% of sales due to higher margin products and higher credit income.

Operating and administrative expenses as a percentage of sales represented 28.0% in the 2Q23 versus 27.4% in the 2Q22, an increase of 0.6 percentage points.

Operating income increased by 35.1%, reflecting a profit of Ps. 1,401 million in the 2Q23, with and operating margin of 8.6% compared to 7.1% in the previous year.

Quarterly EBITDA increased 25.2% totalling Ps. 1,895 million in the 2Q23 vs. Ps. 1,513 million in the 2Q22, with a margin of 11.6%, which represented an increase of 1.3 percentage points versus the 2Q22.

The Controlling Net Result was an income of Ps. 932 million in the 2Q23, representing an 11.1% increase compared to an income of Ps. 839 million in the 2Q22.

INDUSTRIAL

Consolidated Results	2Q23	2Q22	Var%	6M23	6M22	Var %
Sales	11,318	13,316	-15.0%	23,882	25,674	-7.0%
Operating Income	1,346	1,604	-16.1%	2,980	3,179	-6.2%
Controlling Net Income	829	3,172	-73.9%	2,003	4,242	-52.8%
EBITDA	1,482	1,742	-14.9%	3,268	3,460	-5.6%
Operating Margin	11.9%	12.0%		12.5%	12.4%	
EBITDA Margin	13.1%	13.1%		13.7%	13.5%	



Contribution to Consolidated Results
23% SALES
22% OP. INCOME
19% EBITDA

During the 2Q23, **Grupo Condumex's sales decreased 15.0%**, totaling Ps. 11,318 MM. The reduction came mainly from the Telecom Sector, where lower volumes of optical fiber, copper cable and coaxial cable were observed. This was coupled with a **decline of 11.9% in the average exchange rate which decreased from \$20.05 MXN/USD to \$17.66 MXN/USD.**

Operating income and EBITDA decreased 16.1% and 14.9%, totaling Ps. 1,346 million and Ps. 1,482 million, respectively.

Grupo Condumex's **Controlling Net Income** fell 73.9%, from Ps. 3,172 million to Ps. 829 million, which was explained by the contraction in operating and financial results due to exchange rate effects.

INFRASTRUCTURE AND CONSTRUCTION

Consolidated Results	2Q23	2Q22	Var%	6M23	6M22	Var %
Sales	11,682	9,611	21.5%	22,616	17,264	31.0%
Operating Income	1,308	707	85.0%	2,763	1,511	82.9%
Controlling Net Income	716	502	42.8%	1,588	1,065	49.2%
EBITDA	1,526	886	72.2%	3,189	1,867	70.8%
Operating Margin	11.2%	7.4%		12.2%	8.8%	
EBITDA Margin	13.1%	9.2%		14.1%	10.8%	

carso
INFRAESTRUCTURA Y CONSTRUCCIÓN

Contribution to Consolidated Results
24% SALES
21% OP. INCOME
20% EBITDA

The sales of Carso Infraestructura y Construcción's grew 21.5% totalling Ps. 11,682 million in the second quarter of the year. All sectors posted increases, mainly Private Civil Construction - due to the start of construction of hospitals in the cities of Mexico, Puebla and Tijuana, as well as other commercial and housing projects -, **Pipeline Installations** and networks for telecommunications, and **Manufacturing and Services for the Chemical Industry**. Progress continued on the Tren Maya project, the Mitla-Tehuantepec highway, and Las Varas-Vallarta highway, which will be completed in the first half of 2023.

Consolidated operating income and EBITDA reached Ps. 1,308 million and Ps. 1,526 million, increasing profitability by 85.0% and 72.2%, respectively, as a result of the positive results in the Private Civil Construction, Manufacturing and Services for the Chemical Industry and Pipeline and Network Installation operations mentioned above.

As a result of the above, the **Controlling Net Income** increased from Ps. 502 MM in the 2Q22 to Ps. 716 MM in the 2Q23.

Carso Infraestructura's backlog totaled Ps. 31,239 million as of June 30, 2023, compared to Ps. 49,766 million in the same period of the previous year.

ELEMENTIA*

Consolidated Results	2Q23	2Q21	Var%	6M23	6M22	Var %
Sales	8,286	9,330	-11.2%	16,548	18,222	-9.2%
Operating Income	1,143	946	20.9%	2,066	1,687	22.5%
Controlling Net Income	180	259	-30.5%	336	566	-40.5%
EBITDA	1,661	1,456.0	14.1%	3,095	2,802	10.5%
Operating Margin	13.8%	10.1%		12.5%	9.3%	
EBITDA Margin	20.0%	15.6%		18.7%	15.4%	



Contribution to Consolidated Results
17% SALES
18% OP. INCOME
22% EBITDA

Elementia's sales decreased 11.2% from Ps. 9,330 MM in the 2Q22 to Ps. 8,286 MM in the 2Q23. This decrease was due to lower sales volumes mainly in the Construsistemas and Metals segments.

Elementia's Operating Income increased 20.9% from Ps. 946 MM in the 2Q22 to Ps. 1,143 MM in the 2Q23, due to cost efficiencies, mainly in the Cement segment, which allowed to improve profitability. Likewise, there was a natural reduction in distribution expenses in Construsistemas due to the lower volume sold. For the same reasons, EBITDA increased 14.1% from Ps. 1,456 MM to Ps. 1,661 MM.

The **Controlling Net Income** of the company decreased 30.5%, registering an amount of Ps. 180 MM compared to Ps. 259 MM in the previous year.

**2Q22 figures are for statistical purposes as Elementia's financial information began to be consolidated as of May 2022 in Grupo Carso.*

CARSO ENERGY



Consolidated Results	2Q23	2Q22	Var%	6M23	6M22	Var %
Sales	902	1,054	-14.5%	1,724	2,002	-13.9%
Operating Income	693	801	-13.4%	1,293	1,382	-6.4%
Controlling Net Income	1,063	681	56.0%	2,145	1,360	57.7%
EBITDA	777	894.6	-13.2%	1,464	1,571	-6.8%
Operating Margin	76.9%	75.9%		75.0%	69.0%	
EBITDA Margin	86.1%	84.8%		84.9%	78.5%	

Contribution to Consolidated Results
2% SALES
11% OP. INCOME
10% EBITDA

Carso Energy's sales decreased 14.5% from Ps. 1,054 MM in the 2Q22 to Ps. 902 MM in the 2Q23. The appreciation of the peso against the dollar affected the revenues of the different businesses of this subsidiary. This was the case of Ideal Panama's two hydroelectric plants, which have turbined a greater volume of water compared to other years when the El Niño phenomenon occurs. Revenues from natural gas transportation services to the CFE through pipelines from Waha (Texas, U.S.A) with a 51.0% participation (unconsolidated) and revenues from the Samalayuca-Sásabe pipeline (100% owned by the Group) continued with a good performance within the operating results, despite the exchange rate. It is important to mention that the compression station for the Samalayuca-Sásabe pipeline will be completed in this quarter and precommissioning tests will begin to increase gas transportation capacity.

Carso Energy's operating income and EBITDA decreased 13.4% and 13.2%, totaling Ps. 693 MM and Ps. 777 MM respectively.

On the other hand, the **Controlling Net Income** in Carso Energy increased from Ps. 681 MM last year to Ps. 1,063 MM in the same quarter of this year.

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INVITATION TO THE WEBINAR OF RESULTS:

Date: Tuesday, July 25, 2023
 Time: 10:00-10:30 A.M. Mexico City Time/ 11:00 A.M.-11:30 A.M. New York Time (US EST)
 Registration Link: [Register Here](#)

ADDITIONAL CHARTS:

Consolidated Financial Income Data										
Million PESOS (MXN)										
	2Q23		2Q22		Var %	6M23		6M22		Var %
GRUPO CARSO										
Revenues	48,277.6	100.0%	45,016.9	100.0%	7.2%	97,298.7	100.0%	79,560.5	100.0%	22.3%
Operating Income	6,238.6	12.9%	4,855.9	10.8%	28.5%	12,363.7	12.7%	8,731.1	11.0%	41.6%
Financial Results	-1,926.0	-4.0%	-673.8	-1.5%	185.8%	-4,033.8	-4.1%	-993.9	-1.2%	305.9%
Controlling Net Income	3,453.9	7.2%	3,427.2	7.6%	0.8%	7,323.8	7.5%	6,464.6	8.1%	13.3%
EBITDA	7,672.8	15.9%	6,102.9	13.6%	25.7%	15,233.3	15.7%	10,868.5	13.7%	40.2%
GRUPO SANBORNS										
Sales	16,380.9	100.0%	14,667.0	100.0%	11.7%	32,833.3	100.0%	28,162.6	100.0%	16.6%
Operating Income	1,401.0	8.6%	1,036.7	7.1%	35.1%	2,566.4	7.8%	1,635.6	5.8%	56.9%
Controlling Net Income	931.7	5.7%	838.8	5.7%	11.1%	1,846.5	5.6%	1,332.3	4.7%	38.6%
EBITDA	1,895.0	11.6%	1,513.0	10.3%	25.2%	3,550.6	10.8%	2,598.8	9.2%	36.6%
GRUPO CONDUMEX										
Sales	11,318.4	100.0%	13,316.5	100.0%	-15.0%	23,882.0	100.0%	25,674.5	100.0%	-7.0%
Operating Income	1,346.3	11.9%	1,604.3	12.0%	-16.1%	2,980.4	12.5%	3,178.6	12.4%	-6.2%
Controlling Net Income	829.2	7.3%	3,172.3	23.8%	-73.9%	2,003.2	8.4%	4,242.3	16.5%	-52.8%
EBITDA	1,481.6	13.1%	1,741.6	13.1%	-14.9%	3,267.7	13.7%	3,460.1	13.5%	-5.6%
CICSA										
Sales	11,681.9	100.0%	9,611.2	100.0%	21.5%	22,616.3	100.0%	17,263.9	100.0%	31.0%
Operating Income	1,307.8	11.2%	706.8	7.4%	85.0%	2,763.0	12.2%	1,510.6	8.8%	82.9%
Controlling Net Income	716.2	6.1%	501.6	5.2%	42.8%	1,588.1	7.0%	1,064.8	6.2%	49.2%
EBITDA	1,525.9	13.1%	886.3	9.2%	72.2%	3,189.0	14.1%	1,867.0	10.8%	70.8%
ELEMENTIA										
Sales	8,286.3	100.0%	6,262.2	100.0%	32.3%	16,548.3	100.0%	6,262.2	100.0%	164.3%
Operating Income	1,143.1	13.8%	581.4	9.3%	96.6%	2,066.1	12.5%	581.4	9.3%	255.4%
Controlling Net Income	179.6	2.2%	101.4	1.6%	77.1%	336.4	2.0%	101.4	1.6%	231.7%
EBITDA	1,661.3	20.0%	953.8	15.2%	74.2%	3,095.3	18.7%	953.8	15.2%	224.5%
CARSO ENERGY										
Sales	902.0	100.0%	1,054.5	100.0%	-14.5%	1,724.4	100.0%	2,002.1	100.0%	-13.9%
Operating Income	693.5	76.9%	800.6	75.9%	-13.4%	1,293.4	75.0%	1,381.7	69.0%	-6.4%
Controlling Net Income	1,062.7	117.8%	681.0	64.6%	56.0%	2,144.8	124.4%	1,360.2	67.9%	57.7%
EBITDA	776.6	86.1%	894.6	84.8%	-13.2%	1,464.0	84.9%	1,571.2	78.5%	-6.8%

NC=Not Comparable

Consolidated Balance Sheet Data			
Million PESOS (MXN)			
	2Q23	4Q22	Var %
GRUPO CARSO			
Cash and Cash Equivalents	11,661.4	12,294.6	-5.2%
Trade Receivables	40,298.6	37,808.4	6.6%
Accounts Receivable to Related Parties	7,260.3	7,656.6	-5.2%
Other Accounts Receivable	2,954.1	2,316.3	27.5%
Recoverable Taxes	6,173.8	7,229.6	-14.6%
Other Financial Assets	27,154.8	27,143.5	0.0%
Inventories	95,502.9	94,449.1	1.1%
Other Non-Current Trade Receivables	15,243.8	16,587.9	-8.1%
Non-Current Inventories	971.3	971.3	0.0%
Other Non-Current Financial Assets	704.1	795.9	-11.5%
Investments in Associates	37,208.8	36,755.2	1.2%
Property, Plant and Equipment	59,004.0	61,528.8	-4.1%
Investment Properties	4,784.9	4,766.1	0.4%
Assets for Rights of Use	6,020.4	6,202.7	-2.9%
Goodwill	4,465.4	4,518.6	-1.2%
Intangible Assets	4,653.5	4,864.4	-4.3%
Deferred Tax Assets	6,557.4	5,815.5	12.8%
Other Non-Current Non-Financial Assets	2,171.3	2,126.5	2.1%
Non-Current Assets	141,784.9	144,933.0	-2.2%
Total Assets	237,287.8	239,382.1	-0.9%
Suppliers	26,192.9	26,739.0	-2.0%
Current Tax Liabilities, Current	382.5	3,211.8	-88.1%
Short-Term Debt	14,987.0	11,963.9	25.3%
Short-Term Bank Debt	4,000.0	3,500.0	14.3%
Other Current Liabilities at Cost	87.2	120.7	-27.8%
Other Current Financial Liabilities	35.2		
Current Lease Liabilities	1,765.6	1,952.7	-9.6%
Other Non-Financial Liabilities Short-Term	1,804.2	2,528.0	-28.6%
Total Current Provisions	11,926.7	11,355.3	5.0%
Current Liabilities	61,181.4	61,373.0	-0.3%
Long-Term Taxes Payable	131.4	378.7	-65.3%
Bank loans non-current	18,765.3	25,205.8	-25.6%
Stock market loans non-current	4,500.0	2,000.0	125.0%
Other non-current financial liabilities	3.4	0.0	0.0%
Long-Term Lease Liabilities	4,302.4	4,572.7	-5.9%
Long-Term Provisions	1,260.7	1,313.9	-4.0%
Deferred Tax Liabilities	9,734.4	9,683.7	0.5%
Non-Current Liabilities	38,697.6	43,154.8	-10.3%
Total Liabilities	99,878.9	104,527.9	-4.4%
Stockholder's Equity	137,408.9	134,854.2	1.9%
Shares Outstanding ('000)	2,257,434	2,248,990.6	0.4%
Closing Stock Price	124.3	81.8	52.1%

NC= Not Comparable