

Mexico City, July 26th, 2022

Grupo Mexico, S.A.B de C.V. (“Grupo Mexico”– BMV: GMEXICO)

Grupo Mexico continues to focus all its efforts on investing responsibly and efficiently to develop sustained long-term growth as it has done over the past 20 years, as well as generating specialized and well-paid jobs for thousands of people in the countries where we operate.

Consolidated revenues for 2Q22 reached US\$6.96 billion, down 5.2% vs. the same period of 2021. The Mining Division reported US\$5.56 billion in revenues in 2Q22, down 7.8% vs. 2Q21, mainly due to non-recurring events such as the illegal blockade of our Cuajone operation by individuals not related to the company, which resulted in a drop in production equivalent to US\$217 million, lower ore grades equivalent to US\$240 million, and a mark-to-market adjustment to open sales, worth US\$104 million. In the Transportation Division, revenues grew 6.3% during the year compared to 2021, totaling US\$1.31 billion. The Infrastructure Division achieved US\$315 million in accrued net revenues, an increase of 15.9% over 2021.

The Mining Division **had a 28.1% increase in net operating cash cost on a global level, from US\$0.82 in 1H21 to US\$1.05 in 1H22, due to higher production costs, triggered by the global inflationary environment and a decrease in copper production. Nonetheless, we remain the company with the best cost in the copper industry worldwide.**

Accrued EBITDA totaled US\$3.63 billion, 20.4% below the same period of the previous year, with a 52.0% margin, due to the decrease in sales, mentioned above, as a result of lower copper production and lower volumes transported, as well as an overall increase in the cost of sales of all three Divisions. During 1H21, the Mining Division obtained US\$2.92 billion in EBITDA, 24.6% lower than in the same period of 2021. The Transportation Division posted US\$592 million in EBITDA for the quarter, up 6.4% from the previous year. In the Infrastructure Division, accrued EBITDA reached US\$126 million, 7.6% higher compared to 1H21.

Accrued net profit totaled US\$1.41 billion. Consolidated profit in 2Q22 was US\$490 million.

Capital investments during 2Q22 totaled US\$352 million. Accrued in 2022, they total US\$666 million. Our investment program for 2022 is US\$2.16 billion in different projects throughout the three Divisions, which will be sources of economic revival and job creation as the pandemic allows.

Dividend. – On July 22, 2022, the Board of Directors decreed **the payment of a cash dividend of \$1.00 peso per share outstanding**, to be made in a single installment on August 29, 2022. This dividend implies an **annualized dividend yield of 5.1%**.

(Thousand US Dollars)	Second Quarter		Variance		January - June		Variance	
	2022	2021	US\$000	%	2022	2021	US\$000	%
Sales	3,203,157	3,913,729	(710,572)	(18.2)	6,967,219	7,348,645	(381,426)	(5.2)
Cost of Sales	1,684,553	1,419,089	265,464	18.7	3,160,053	2,741,170	418,883	15.3
Operating Income	1,079,203	2,075,543	(996,341)	(48.0)	2,948,018	3,775,550	(827,532)	(21.9)
EBITDA	1,420,731	2,416,221	(995,489)	(41.2)	3,625,559	4,555,608	(930,049)	(20.4)
EBITDA Margin (%)	44.4%	61.7%			52.0%	62.0%		
Net Income (Whitout equity securities)	589,282	1,114,723	(525,441)	(47.1)	1,642,051	2,291,900	(649,849)	(28.4)
Net Income	489,701	905,823	(416,122)	(45.9)	1,409,824	1,936,771	(526,948)	(27.2)
Profit Margin (%)	15.3%	23.1%			20.2%	26.4%		
Investments / Capex	352,444	342,909	9,535	2.8	666,332	679,656	(13,324)	(2.0)

All figures are stated in dollars ("US\$"), currency of the United States of America, under U.S. GAAP, except where otherwise noted

In order to showcase the performance of our operations, we are including the concept of profit before shareholding.

Net profit includes the capital gain/loss of the shares, as well as their effect on deferred taxes.

Relevant Events Grupo México

Grupo México is the third largest company in the country in terms of market capitalization and securitization, as well as the second company in terms of tax payments in Mexico. Additionally, we are among the companies with the highest profit sharing in both Mexico and Peru.

To date, Grupo México has 29,900 direct employees and more than 110 thousand highly skilled and well-paid indirect employees. Grupo México is the fifth largest copper producer in the world with the lowest cash cost in the industry worldwide.

ESG. – Sustainability is a key pillar of Grupo México's business model.

During the second quarter of the year, Grupo Mexico, as well as the Transportation Division, joined the S&P Global sustainability index called S&P/BMV Total Mexico ESG. Moreover, Southern Copper Corporation was recognized, joining the S&P/BVL Peru General ESG index by the same agency. Both indices are integrated by the companies with the best environmental, social, and governance (ESG) performance based on their results in the Corporate Sustainability Assessment (CSA) by the same agency.

Grupo Mexico has had an upward trend in the CSA, going from 49/100 points in 2018 to 61/100 in 2021, an increase of 24%. These results have allowed it to be part of the Dow Jones Sustainability Index in the Latin American Integrated Market region (MILA, for its Spanish acronym) since 2017 and the Sustainability Yearbook 2022. We will continue to work on managing our sustainability performance to ensure a continuous improvement that will allow us to maintain and increase these types of awards.

The certification of environmental, occupational safety & health, and quality management systems enables the company to reinforce a preventive culture by following best practices in risk management. Grupo Mexico continues to make progress in the certifications of our mining units under ISO 45001 and 14001 standards. During the second quarter of 2022, the Maritime Terminal in Guaymas, Mexico, **received ISO 45001 certification**. On the other hand, the Charcas unit in Mexico is the **first of our underground mines to obtain ISO 14001 certification**. The Infrastructure Division obtained the **ISO 14001, 45001, and 9001 certifications in the Engineering business line**. With this, the division has 60% of the certified business lines.

The company promoted sustainability from different fronts. **The Metallurgical Complex in Sonora**, where it refines and melts mined material, **was recognized in the ranking of the 10 Best Places to Work for Women**. With this recognition, this plant consolidates itself as an employer of choice for the best professionals in the country and strengthens an organizational culture of safety, trust, and certainty for all its employees. In addition, this industrial complex **was recognized with the National Export Award 2021**, in the category of Large Industrial Exporting Companies, for its contribution to the country's foreign trade and international business. This distinction was possible thanks to the responsible production of essential raw materials and care for the environment, as well as to the economic benefits and support for the well-being of its workers and families.

In Peru, **the Cularjahuira dam was inaugurated** (US\$11.5 million) as a result of the work and joint investment between the company, the authorities, and the Camilaca community. This work will help strengthen agricultural activities in the Candarave province, close to the Toquepala mining operations, which will be complemented by the new Callazas dam (US\$35 million) to be financed under the Tax Works modality. These projects are taking place within the framework of a **historic record of tax contributions from Peru's operations in favor of the regional governments of Moquegua and Tacna.**

Relevant Events

Mining Division

Projects

Over the years, Grupo México has proven the ability to have an organic growth portfolio through various stages of the copper price cycle. It continues to focus on being a global industry cost leader and operating with efficiency and financial discipline. Grupo México's projects are a source of employment and wellbeing in the communities and countries where it operates.

Grupo Mexico has worked on several projects in Mexico and Peru with our approved capital investment program of US\$7.20 billion, of which we have already invested US\$5.40 billion.

Considering the projects of Buenavista Zinc, Pilares, El Pilar and El Arco in Mexico, as well as Tia Maria, Los Chancas, and Michiquillay in Peru, the total investment program for both countries amount to US\$10.00 billion.

In regards to our Cuajone Operations, on April 30th, the Peruvian government issued a Ministerial Resolution to establish a round table with members of the government, community, and company officials to better understand all the stakeholders' concerns. To date, nine round tables and three direct meetings have been held with the community. The Company has proposed investment plans in social programs that address the needs expressed by the communities and has declared an interest in buying land near the Cuajone operations to establish a buffer zone to protect the facilities and production at a later date. The Company strongly believes that the programs it has proposed will contribute significantly and sustainably to the progress and well-being of the communities. These efforts will be complemented with positive impacts through the "Works for Taxes" tool, which will finance public investments in necessary infrastructure and services.

Projects in Mexico

Buenavista Zinc, Sonora. – This project is located within the Buenavista deposit in Sonora and consists of the construction of a concentrator with a production capacity of 100,000 tons of zinc and an additional 20,000 tons of copper per year. The engineering study has been completed. To continue with the project, greater preventive measures against COVID-19 have been implemented. The progress of equipment purchases has reached 99%, and the main equipment is already in place. In addition, site construction work is underway. The project has all the necessary permits, and this investment has a budget of US\$413 million. Up to June 30, 2022, we have invested \$264.9 million in this project. It is expected to become operational in the second half of 2023. At the completion of this new concentrator, zinc production capacity will be doubled, and it is estimated that it will generate 490 direct and 1,470 indirect jobs.

Pilares, Sonora. – This project is located in Sonora, 6 km away from the La Caridad mine, and consists of an open pit mine with an annual production capacity of 35,000 tons of copper in concentrates. A 25-meter-wide road was built for mining trucks that will transport the ore between the Pilares pit and the primary crushing plants of La Caridad. This project will significantly improve the total ore grade (combining the expected 0.78% from Pilares with the 0.34% from La Caridad). The investment budget is US\$159 million, of which we have invested US\$80.9 million so far, and the project is expected to become operational in the last quarter of 2022.

El Pilar, Sonora. – This new low-capital-intensive copper project is strategically located in Sonora, Mexico, approximately 45 kilometers from our Buenavista mine. Its copper oxide mineralization contains proven and probable estimated reserves of 317 million tons of ore with an average copper grade of 0.249%. El Pilar will operate as a conventional open pit mine with an annual production capacity of 36,000 tons of copper cathode using highly cost-efficient and environmentally friendly SX/EW technology. The budget for El Pilar is US\$310 million and we expect production to begin during 2024, with a mine life of 13 years. The results on the pads in the leaching process confirm that there are adequate levels of copper recovery. At this time, the Basic Engineering Study has been completed and the company continues to develop the project and environmental activities on site.

El Arco, Baja California: This is a world-class copper deposit located in the central part of the Baja California peninsula with ore reserves exceeding 1.23 billion tons with an ore grade of 0.40%; 141 million tons of leaching material with an ore grade of 0.27%. This project includes an open pit mine with concentrator operations and a leaching plant. We expect annual production to be close to 190,000 tons of copper and 105,000 ounces of gold. The company has initiated the base study and is reviewing the basic engineering analysis to request the environmental impact statement. Since years ago, we have had the corresponding mining concessions and, during 2020, we concluded the acquisition of all the necessary land.

Projects in Peru

Tia Maria – Arequipa – The company has been working constantly to promote the wellbeing of the people of the Islay province. As part of these efforts, we have successfully implemented social programs in education, health, and productive development to improve the quality of life in the region. We have also promoted agricultural and livestock activities in the Tambo Valley and supported manufacturing, fishing, and tourism growth in Islay.

In 2021, we strengthened our relationship with the regional government and overcame their opposition to starting the project. This new consensus was reflected in a “tax works” agreement for projects related to healthcare facilities and roads. Our efforts to ensure the current and future well-being of the population in the area of influence of the Tia Maria project were recognized by several local associations, who sent letters to the National Government requesting the start of the project.

We reiterate our opinion that the start of construction activities in Tia Maria will generate significant economic opportunities for the province of Islay and the Arequipa region. Given the current economic situation in Peru, it is essential to move forward with projects that stimulate a sustainable growth cycle. We will have as a priority the hiring of local labor to cover the 9,000 jobs that we hope to generate during the construction of Tia Maria. Once we start up, we expect Tia Maria to directly employ 600 workers and provide 4,200 indirect jobs. In addition, from the beginning of our operations, we will generate significant contributions to the income of the Arequipa region.

The Company has offered to the communities and the Peruvian government the construction of the Paltiture dam, which will have a total capacity of over 70 million cubic meters of water and an investment of over US\$100 million. If this project takes place, the Company will use a maximum of 10 million cubic meters, providing the remaining 63 million cubic meters to the communities. Even though a desalinization plant would require a much lower investment, the project would bring a benefit to the local communities.

We hope that the Peruvian government will recognize the important progress that the project has made in the social sphere and the significant contributions that Tia Maria will generate for the economy of Peru and, consequently, take the necessary measures to start construction.

Los Chancas, Apurímac. – This expansion project located in Apurímac, Peru, is a porphyry deposit of copper and molybdenum. Indicated mineral copper resources are currently estimated at 98 million tons of oxides with a copper content of 0.45% and 52 million tons of sulphides with a copper content of 0.59%. The development of an open pit mine with both concentrator and leaching plant operations is proposed to produce 130,000 tons of copper and 7,500 tons of molybdenum per year. The estimated capital investment is US\$2.60 billion, and the project is expected to become operational in 2027. In 1Q22, we continued to be involved in generating social and environmental improvements for local communities and was made in the environmental impact study of the project.

In February 2022, a group of illegal miners occupied part of the project's land and began producing copper with a small-scale artisanal process. On May 31, 2022, a group of people attacked the project's mining camp, causing a fire and total destruction of the facility. There were no fatalities to regret. Today, the miners are working in the area. Grupo México expects a decisive action from the authorities to restore the lands to the Company, which will allow us to develop the project.

Michiquillay, Cajamarca. – In 2018, a contract was signed for the acquisition of this project in Cajamarca, Peru. Grupo México created a multidisciplinary team for the planning and development of the mine. As part of this plan, the company established contact with local and regional authorities to promote sustainable development programs for the area. As mentioned, in 2021, the company signed a social agreement with the community of Michiquillay and Encañada, and on October 1, 2021, Peru's Minister of Energy and Mines approved the semi-detailed Environmental Impact Study for the project.

The social agreement with the community of Michiquillay represents an opportunity to improve the quality of life of the inhabitants through our social programs and supported by a solid and safety-based technical studies framework for the project. These events are important steps that will allow the company to initiate an in-depth exploration program in the third quarter of 2022.

Michiquillay is a world-class mining project with 2.288 billion tons of mineral resources and a copper ore grade of 0.43%. Michiquillay is expected to produce 225,000 tons of copper per year (along with molybdenum, gold, and silver byproducts), with an initial mine life of over 25 years at a competitive extraction cost. It is estimated that an investment of approximately US\$2.50 billion will be required and that production will begin in 2028. Michiquillay will become one of Peru's largest copper mines and create significant job opportunities in the Cajamarca region; it will generate new jobs for local communities, and contribute taxes and royalties to the local, regional, and national governments.

Projects in the US

ASARCO, Arizona. – Production during 2Q22 totaled 28,410 tons, a decrease of 13.20% compared to 2Q21, due to lower ore grades in the Mission operation and effects from the labor situation in the United States. Net cash cost was US\$2.83 per pound, 47.2% higher than in 2Q21, and the total cost was US\$2.93, 42.3% higher than in the previous year, in line with the widespread increases in consumables worldwide.

During the month of June, a majority of the hourly employees at Silver Bell petitioned with their signatures that they no longer want to be represented by USW/Local 937. As a result, Silver Bell acknowledged their petition and withdrew recognition from the Union.

Relevant Events

Transportation Division

In the **Transportation Division**, accrued net revenues in 2Q22 totaled US\$1.31 billion, and EBITDA reached US\$592 million, increasing 6.3% and 6.4%, respectively.

Volumes transported. – The contraction and ensuing reduction in the capacity of the railways with which we connect at the Northern border of the country affected some segments: the Agricultural, due to an excess demand of fleet on US grain export routes, the Automotive, still with backlogs due to the pandemic period, and finally, the Intermodal segment, due to the reduced availability of containers in cross-border traffic; however, the rest of our segments offset this decrease with the growth described below.

Fastest growing segments:

Growth in the Industrials Segment. – The segment showed 18% growth in revenues and 16% in carloads in the second quarter, as a result of an increase in the market share of consumer goods in Mexico and the US.

Growth in the Metals Segment. – The segment showed growth of 18% in revenues and 13% in carloads in the second quarter, as a result of an increase in imports and exports, with a higher volume of finished products and raw materials.

Growth in the Automotive Segment. – The segment showed 6% growth in carloads during the second quarter despite the ongoing lack of micro components, coupled with the lack of empty equipment due to congestion in the American railways.

Productivity Improvements – During 1H22, the main efficiency indicators have registered stable levels. We did not achieve significant improvements due to the fall in US railway service and problems in installing the new operating system.

In the 2H22, we will be focused on improving productivity levels and preserving the efficiency of all processes, to maintain the competitiveness of our service.

Relevant Events

Infrastructure Division

Infrastructure Division. – At the end of 2Q22, accrued net revenues totaled US\$315.1 million, 15.9% higher than in the previous year, due mainly to higher revenues in Energy, the increase in traffic and tolls in Highways, and the ongoing operation of the 6 rigs in Perforadora. On the other hand, EBITDA was US\$126.3 million, a 7.6% increase compared to the same period of 2021.

Power Generation. – At the end of 2Q22, revenues accrued US\$169 million, which represented an increase of 14.6% vs. 2021. EBITDA margin was 35.6%, accruing US\$60.1 million, a 6.8% increase vs. 2021, due mainly to higher volumes and better prices of energy sold by the El Retiro wind farm.

New Fenicias Wind Farm. – The construction of this 168MW renewable energy project, located in the state of Nuevo Leon, has been completed 100% and has concluded the testing stage. This Park will supply electricity to IMMSA's mining and metallurgical operations. To date, US\$239.8 million have been invested, representing 94.8% of the total cost of the project, and its commercial operation startup is planned to take place in the 4Q22.

Perforadora México (PEMSA). – Accrued revenues at the end of 2Q22 were US\$76.4 million and EBITDA totaled US\$34.6 million, representing increases of 6.2% and 9.7%, respectively, over the previous year, due mainly to the temporary suspension of the Zacatecas oil rig from April to June 2021. At the close of 2Q22, we had all 6 rigs in operation, and the average accrued efficiency was 99.8%.

México Compañía Constructora. – At the end of 2Q22, accrued revenues totaled US\$30.4 million and EBITDA, US\$4.7 million. The income recovery is due to the start-up of new works, as well as to the continuity of projects; the decrease in EBITDA is due to the lag in production times and the increase in costs due to the start-up of new projects.

Engineering Services. – At the end of 2Q22, revenues accrued US\$14.6 million and EBITDA US\$3.3 million, translating into increases of 10.8% and 15.2%, respectively vs. the same period of the previous year. The increase in EBITDA was the result of the hike in production and increased revenue recognition in projects with third parties.

Highways Division. – At the end of 2Q22, accrued revenues totaled US\$23.3 million and EBITDA US\$15.6 million, increasing 18.6% and 23.4%, respectively, compared to the same period of the previous year, due to the increase from inflation and to an average daily traffic of 18,859 units, 15.0% higher compared to 2021.

Financing

(US\$'000)	2021	As of June 30, 2022		
	Gross Debt ⁽¹⁾	Gross Debt ⁽¹⁾	Cash & Banks ⁽²⁾	Net Debt
Grupo México	-	-	1,624,013	(1,624,013)
Americas Mining Corporation	-	-	918,472	(918,472)
Southern Copper Corporation	6,545,882	6,549,372	2,355,745	4,193,627
Asarco	21,813	-	74,898	(74,898)
GMéxico Transportes	1,169,529	1,158,577	474,184	684,393
GFM – Ferromex	428,461	424,716	107,881	316,835
Ferrosur	-	-	47,739	(47,739)
México Proyectos y Desarrollos	907,902	674,447	48,654	625,793
Grupo Mexico (Consolidated)	9,073,586	8,807,110	5,651,586	3,155,524

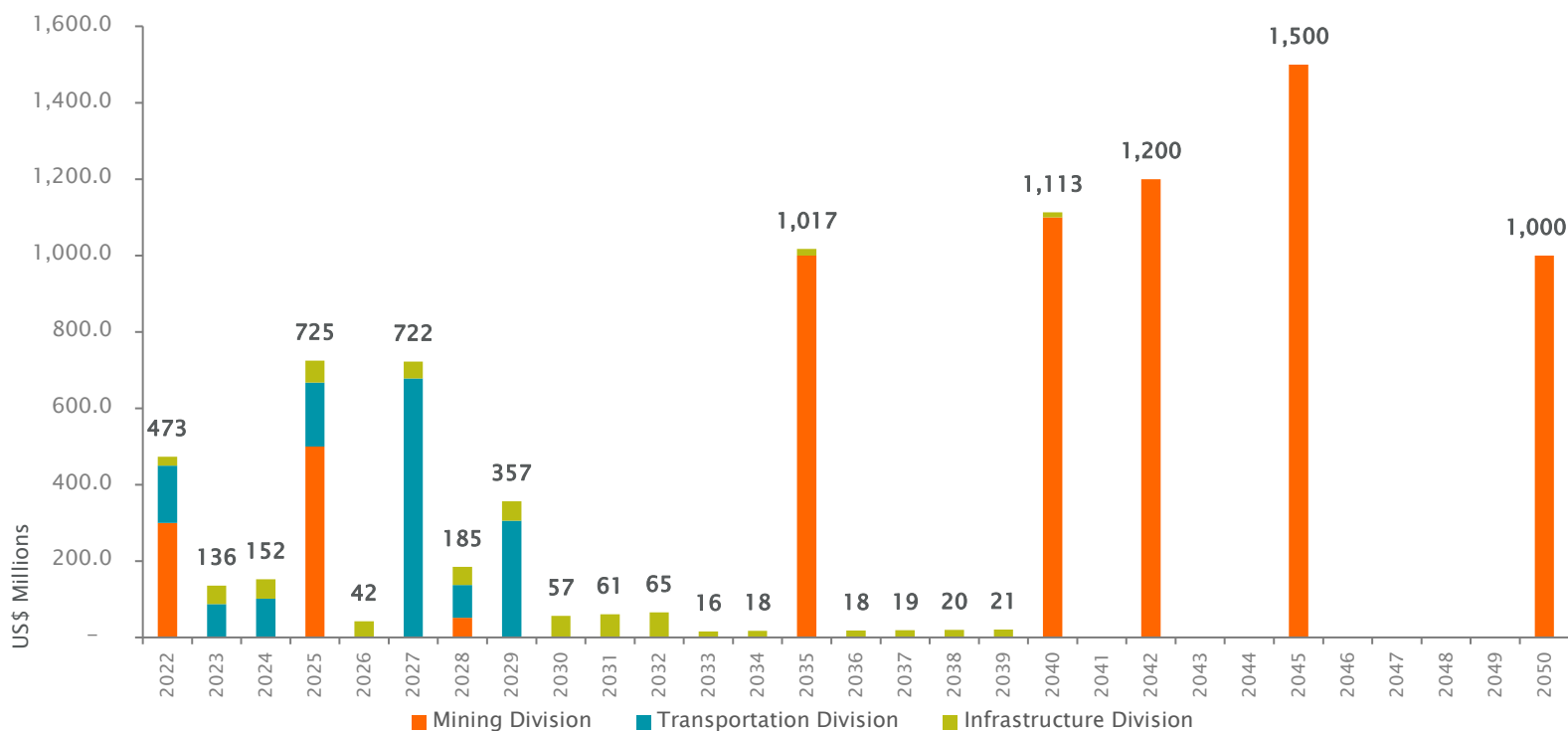
(1) include Debt Fees

(2) include Short Term Investment

Grupo México maintains a solid balance sheet with a low level of leverage with a net debt to EBITDA ratio of 0.4x. 80% of the debt contracts are dollar-denominated, and 20% are peso-denominated. 94% of the debt has a fixed rate. Moreover, Grupo Mexico has an extremely comfortable maturity schedule with payments below US\$1 billion annually until 2035. It is a high cash flow generator as a result of its investment plans for the last 20 years.

Grupo México Maturities

As at June 30, 2022



Mining Division

Americas Mining Corporation

Relevant figures

(Thousand US Dollars)	Second Quarter		Variance		January - June		Variance	
	2022	2021	US\$000	%	2022	2021	US\$000	%
Sales	2,483,937	3,230,397	(746,460)	(23.1)	5,560,688	6,031,365	(470,677)	(7.8)
Cost of Sales	1,389,049	1,133,518	255,531	22.5	2,597,785	2,209,175	388,610	17.6
Operating Income	812,405	1,826,960	(1,014,555)	(55.5)	2,409,474	3,285,593	(876,119)	(26.7)
EBITDA	1,066,588	2,056,240	(989,652)	(48.1)	2,915,780	3,865,504	(949,724)	(24.6)
EBITDA Margin (%)	42.9%	63.7%			52.4%	64.1%		
Net Income (Whitout equity securities)	453,079	989,469	(536,389)	(54.2)	1,371,228	2,052,132	(680,904)	(33.2)
Net Income	403,290	899,874	(496,584)	(55.2)	1,231,311	1,910,995	(679,684)	(35.6)
Profit Margin (%)	16.2%	27.9%			22.1%	31.7%		
Investments / Capex	224,580	219,811	4,770	2.2	476,323	467,637	8,686	1.9

Average Metals Prices

		3Q	4Q	1Q	Second Quarter		Var.	January - June		Var.
		2021	2021	2022	2022	2021		2022	2021	
Copper	(\$cts/Pound)	4.30	4.38	4.54	4.34	4.43	(2.0)	4.44	4.14	7.2
Molybdenum	(\$dls/Pound)	19.05	18.89	19.08	18.38	14.18	29.6	18.73	12.74	47.0
Zinc	(\$cts/Pound)	1.36	1.53	1.70	1.78	1.32	34.8	1.74	1.28	35.9
Silver	(\$dls/Ounce)	24.28	23.36	24.05	22.65	26.78	(15.4)	23.35	26.54	(12.0)
Gold	(\$dls/Ounce)	1,789.44	1,794.58	1,873.63	1,872.01	1,816.49	3.1	1,872.82	1,807.14	3.6
Lead	(\$cts/Pound)	1.06	1.06	1.06	1.00	0.96	4.2	1.03	0.94	9.6
Sulfuric Acid	(\$dls/Ton)	80.58	88.52	201.89	206.90	73.98	179.7	206.90	73.98	179.7

Source: Copper & Silver – COMEX; Zinc & Gold – LME;
Molybdenum – Metals Week Dealer Oxide, Sulfuric Acid – AMC

Copper. – Copper production during 2Q22 reached 236,839 tons, 12.2% lower than in the previous year, reporting a lower production in most of our operations.

Molybdenum. – Molybdenum production during 2Q22 was 6,323 tons, down 9.4% from the previous year, due to lower production in Toquepala, Caridad, and Buenavista.

Zinc. – Zinc production during 2Q22 totaled 15,141 tons, 11.5% lower than in 2Q21, due to lower production in Charcas and San Martin.

Silver. – Silver production in 2Q22 was 3,344 thousand ounces, a 1.1% increase over 2Q21, due to higher production in Caridad and IMMSA.

Gold. – Gold production during 2Q22 was 9,587 ounces, 12.1% higher than in 2Q21, mainly due to lower production in Ilo, Caridad, and IMMSA.

Mining Production

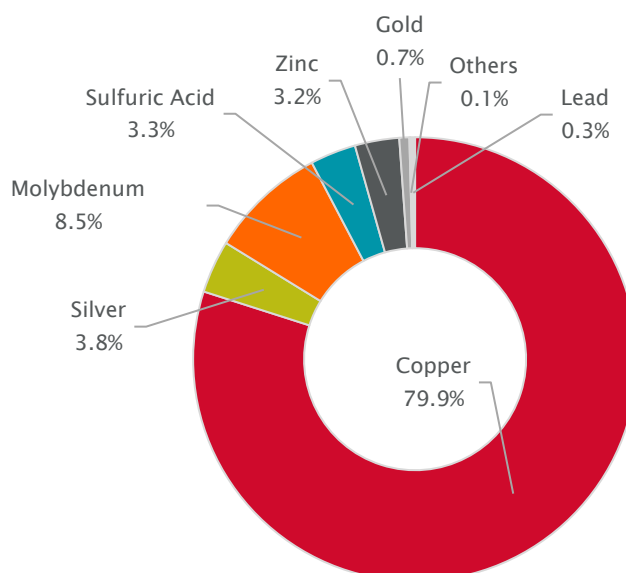
Mining Division		Second Quarter			Variance	January – June			Variance
		2022	2021			2022	2021		
Copper	(m.t.)								
Production		236,840	269,838	(32,999)	(12.2)	481,216	541,149	(59,933)	(11.1)
Sales		224,983	268,412	(43,428)	(16.2)	464,301	540,420	(76,119)	(14.1)
Molybdenum	(m.t.)								
Production		6,323	6,980	(657)	(9.4)	13,412	14,181	(769)	(5.4)
Sales		6,299	6,952	(653)	(9.4)	13,343	14,171	(829)	(5.8)
Zinc	(m.t.)								
Production		15,141	17,111	(1,970)	(11.5)	29,867	33,577	(3,711)	(11.1)
Sales		19,436	26,656	(7,220)	(27.1)	44,318	39,169	5,149	13.1
Silver	(Koz)								
Production		3,344	3,307	37	1.1	6,927	6,656	271	4.1
Sales		5,032	4,885	147	3.0	9,760	10,480	(719)	(6.9)
Gold	(Oz)								
Production		9,587	10,904	(1,317)	(12.1)	19,520	22,242	(2,721)	(12.2)
Sales		11,521	10,507	1,014	9.6	21,905	21,620	285	1.3
Sulfuric Acid	(m.t.)								
Production		506,441	537,924	(31,483)	(5.9)	1,087,874	1,087,912	(38)	(0.0)
Sales		445,621	395,624	49,997	12.6	898,534	838,371	60,163	7.2

Cash Cost

For 2Q22, operating cash cost after byproducts per pound of copper was US\$1.29, due to higher production costs, triggered by the global inflationary environment and a decrease in copper production.

Sales Distribution

The contribution by metal to AMC's accrued revenues in 2022 is shown below::



Transportation Division GMXT Relevant figures

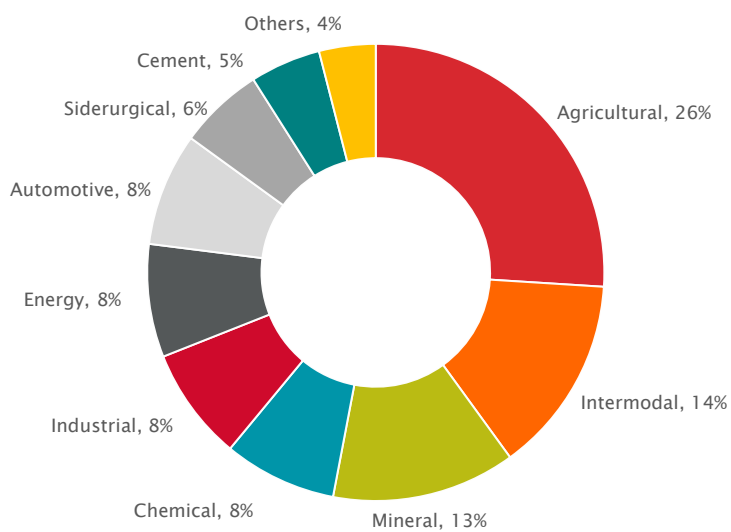
(Thousand US Dollars)	Second Quarter		Variance		January - June		Variance	
	2022	2021	US\$000	%	2022	2021	US\$000	%
Load Volume (MillionTons/Km)	15,890	17,695	(1,805)	(10.2)	31,786	34,128	(2,342)	(6.9)
Moved Cars	475,028	484,071	(9,043)	(1.9)	940,364	950,242	(9,878)	(1.0)
Sales	670,584	644,107	26,477	4.1	1,314,631	1,237,288	77,343	6.3
Cost of Sales	355,449	329,630	25,819	7.8	679,537	635,378	44,159	7.0
Operating Income	198,037	203,834	(5,797)	(2.8)	406,818	381,000	25,818	6.8
EBITDA	294,995	292,801	2,194	0.7	592,192	556,413	35,779	6.4
EBITDA Margin (%)	44.0%	45.5%			45.0%	45.0%		
Net Income	98,524	102,457	(3,933)	(3.8)	196,161	182,517	13,644	7.5
Profit Margin (%)	14.7%	15.9%			14.9%	14.8%		
Investments / Capex	92,585	90,086	2,499	2.8	163,453	152,829	10,624	7.0

The Transportation Division's **total revenues** in 2Q22 were US\$671 million, 4.1% higher than in 2Q21.

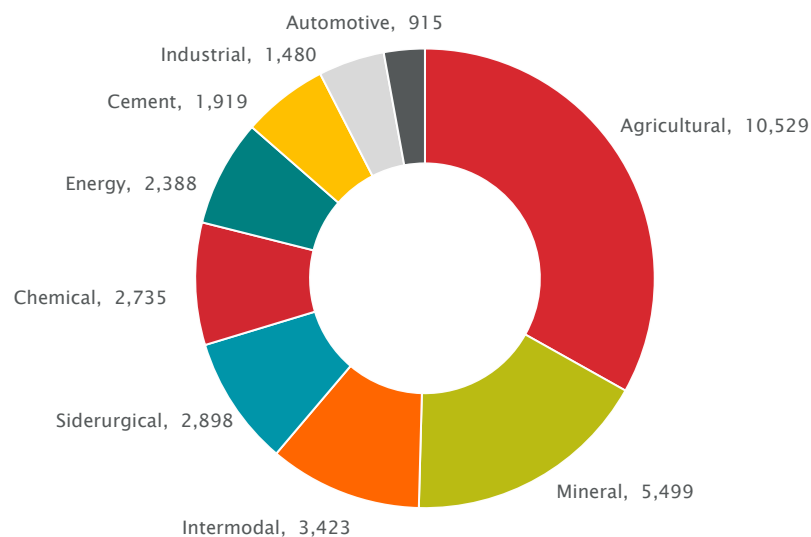
Volumes transported were 10.2% lower in tons-km, and the number of carloads totaled 475,028 (-1.9%) vs. 2T21. The most active segments were Industrials, Metals, Minerals, and Chemicals and Fertilizers.

Contribution by segment in revenues and tons-km, as well as in volumes as at June 30, 2022:

Revenues by Segment



Tons-km



Infrastructure Division
MPD
Relevant figures

(Thousand US Dollars)	Second Quarter		Variance		January – June		Variance	
	2022	2021	US\$000	%	2022	2021	US\$000	%
Sales	169,222	124,317	44,905	36.1	315,152	271,843	43,308	15.9
Cost of Sales	103,397	63,737	39,660	62.2	183,631	148,221	35,410	23.9
Operating Income	31,594	26,470	5,125	19.4	63,496	55,303	8,193	14.8
EBITDA	62,586	57,730	4,856	8.4	126,323	117,419	8,904	7.6
EBITDA Margin (%)	37.0%	46.4%			40.1%	43.2%		
Income before Taxes	17,103	11,545	5,559	48.1	38,057	26,152	11,905	45.5
Current Income Taxes	8,285	17,342	(9,056)	(52.2)	20,597	21,165	(568)	(2.7)
Deferred Income Taxes	(2,929)	(6,330)	3,401	(53.7)	(5,841)	(12,928)	7,087	(54.8)
Net Income	13,123	815	12,307	1,509.4	25,231	18,197	7,034	38.7
EBITDA Margin (%)	7.8%	0.7%			8.0%	6.7%		
Investments / Capex	14,632	24,333	9,701	66.3	26,556	59,190	32,634	122.9

During 2Q22, **net revenues** in the Infrastructure Division totaled US\$169 million, 36.1% higher than in 2Q21.

EBITDA in the Division reached US\$63 million during 2Q22, an 8.4% increase vs. 2Q21.

Net profit for 2Q22 was US\$13 million, 1,509.4% greater than in 2Q21.

* * * * *

Company Profile

Grupo México "Gmexico" is a controlling company whose main activities are: (i) mining, being one of the largest integrated producers of copper worldwide; (ii) the broadest railroad service in Mexico; and (iii) engineering, procurement, construction, and drilling services. These lines of business are grouped under the following subsidiaries:

GMexico's **Mining Division** is represented by its subsidiary Americas Mining Corporation ("AMC"), whose main subsidiaries are Southern Copper Corporation ("SCC") in México and Peru, and Asarco In the USA. Both Companies together hold the largest copper reserves in the world. SCC trades on the New York and Lima stock exchanges. SCC's shareholders, directly or through subsidiaries, are: GMexico (88.9%) and other shareholders (11.1%). It has mines, metallurgical plants and exploration projects in Peru, México, the US, Spain, Chile, Argentina, and Ecuador. Asarco was reincorporated into GMexico on December 9, 2009. It has 3 mines and 1 smelting plant in Arizona, and 1 refinery in Texas.

GMexico's **Transportation Division** is represented by its subsidiary GMexico Transportes, S.A. de C.V. ("GMXT"). Its main subsidiaries are Grupo Ferroviario Mexicano, S.A. de C.V. ("GFM"), Ferrosur, S. A. de C. V. ("Ferrosur"), Intermodal México, S.A. de C.V., Texas Pacifico, LP, Inc., and Florida East Coast Railway Corp "FEC". GMXT's shareholders are GMexico (70.27%), Grupo Carso Sinca Inbursa (17.12%), and others (12.61%). GFM Through its subsidiary Ferrocarril Mexicano, S.A. de C.V. ("Ferromex ") is the largest railway company and has the largest coverage in Mexico. Its network spans 8,111 km. of railways covering roughly 71% of the Mexican territory. Ferromex's lines connect at five border points with the USA, as well as at four ports on the Pacific Coast, and two on the Gulf of Mexico. Ferromex's shareholders are GMXT (74%) and Union Pacific (26%). Ferrosur's railway network spans 1,549 km. covering the center and southeast of the country. It serves the states of Tlaxcala, Puebla, Veracruz, and Oaxaca, mainly, and has access to the Veracruz and Coatzacoalcas ports in the Gulf of Mexico. Ferrosur is fully controlled by GMXT, which holds (100%). Headquartered in Jacksonville, Florida, FEC offers railway services along the east coast of Florida, and is the supplier of railway services to the ports in southern Florida: Miami, Everglades, and Palm Beach. FEC offers services along roughly 565 km of its own railways, with connections to CSX and Norfolk Southern in Jacksonville, Florida. FEC is controlled by GMXT (100%).

The **Infrastructure Division** is represented by México Proyectos y Desarrollos, S.A. de C.V. ("MPD"). Its main subsidiaries are México Compañía Constructora, S.A. de C.V. ("MCC"), Grupo México Servicios de Ingeniería, S.A. de C.V. ("GMSI"), Controladora de Infraestructura Petrolera Mexico, S.A. de C.V. ("PEMSA"), Controladora de Infraestructura Energética México, S.A. de C.V. ("CIEM"), and Concesionaria de Infraestructura del Bajío, S.A. de C.V. ("CIBSA"). MPD, PEMS, MCC, GMSI, and CIEM are controlled 100% by Gmexico. MPD and MCC participate in engineering, procuring, and construction activities for infrastructure works. GMSI's business line is integrated project engineering. PEMS offers drilling services for oil and water exploration, and related added value services, such as cementation engineering, and directional drilling. CIEM's business line is energy generation through two combined cycle plants and a wind farm. CIBSA operates and maintains a highway concession joining Salamanca and Leon.

This report includes certain estimates and future projections that are subject to risks and uncertainty of their real results, which could differ significantly from the figures expressed. A lot of these risks and uncertainty are related to risk factors that GMexico cannot control or estimate precisely, such as future market conditions, metal prices, the performance of other market participants, and the actions of government regulators, all of which are described in detail in the Company's annual report. GMexico is under no obligation to publish a revision of these future projections to reflect events or circumstances that may take place following the release of this report.

Conference Call to Discuss the Results of the Second Quarter 2022

Grupo Mexico, S.A.B. de C.V. ("Grupo México" –BMV: GMEXICOB) will hold its conference call to comment on the results of the second quarter 2022 results with the financial community on **July 27th, 2022, at 1:00 p.m.** (Mexico Time). A Q&A session for analysts and investors shall follow the call.

To participate in the call, it is necessary to register in the following link:

<https://register.vevent.com/register/Ble40ac3c59d0c49828f69f69352558ef5>

- **At the registration time, a personal confirmation PIN will be generated to access the call.**

Once registered, please dial in 10 minutes before the start of the conference:

(844) 543-0451	(Participants from United States and Canada)
800-2832735	(From Mexico)

During the conference call, please join live presentation through **Webex at the following link:**

<https://grupomexico.webex.com/grupomexico-sp/onstage/g.php?MTID=ee771a80ce4b3693c8e7165d1c0716218>

A replay of the call will be available through a link that will be published on the website

[::Grupo México:: \(gmexico.com\)](http://Grupo México:: (gmexico.com))

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GRUPO MEXICO, S.A.B. DE C.V. (GM)
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Thousands of US Dollars)	Quarters			Accumulated		
STATEMENT OF EARNINGS	Q2-22	Q2-21	Variance	2022	2021	Variance
Net sales	3,203,157	3,913,729	(710,572)	6,967,219	7,348,645	(381,426)
Cost of sales	1,684,553	1,419,088	265,464	3,160,053	2,741,170	418,883
Exploration	12,231	9,815	2,416	21,740	16,284	5,456
Gross profit	1,506,373	2,484,825	(978,452)	3,785,426	4,591,191	(805,765)
Gross margin	47%			54%	62%	
Administrative expenses	71,365	68,793	2,571	142,543	130,206	12,337
EBITDA	1,420,731	2,416,221	(995,489)	3,625,559	4,555,608	(930,049)
Depreciation, amortization and depletion	355,806	340,488	15,318	694,865	685,435	9,430
Operating income	1,079,203	2,075,543	(996,341)	2,948,018	3,775,550	(827,532)
Operating margin	34%	53%		42%	51%	
Interest expense	134,609	137,331	(2,722)	269,109	275,250	(6,140)
Interest income	(19,281)	(3,164)	(16,116)	(32,711)	(7,684)	(25,027)
(Gain) loss in investments	2,889	94,058	(91,169)	(23,403)	134,545	(157,949)
Other (income) expense, net	14,277	(189)	14,467	17,324	(94,622)	111,947
Earnings before Tax	946,708	1,847,508	(900,800)	2,717,699	3,468,062	(750,362)
Taxes	361,594	802,493	(440,898)	1,063,651	1,278,501	(214,851)
Participation in subsidiary not consolidated and associated companies	(2,139)	(5,869)	3,730	(4,385)	(14,309)	9,924
Net Earnings	587,253	1,050,884	(463,631)	1,658,434	2,203,869	(545,435)
Net income attributable to the non-controlling interest	97,551	145,061	(47,509)	248,610	267,098	(18,488)
Net income attributable to GM	489,701	905,823	(416,122)	1,409,824	1,936,771	(526,948)
BALANCE SHEET						
Cash and cash equivalents	5,651,586	5,642,421	9,165	5,651,586	5,642,421	9,165
Restricted cash	53,008	55,255	(2,247)	53,008	55,255	(2,247)
Notes and accounts receivable	1,602,921	1,912,864	(309,942)	1,602,921	1,912,864	(309,942)
Inventories	1,501,753	1,279,834	221,919	1,501,753	1,279,834	221,919
Prepaid and others current assets	757,613	518,305	239,307	757,613	518,305	239,307
Total Current Assets	9,566,880	9,408,679	158,202	9,566,880	9,408,679	158,202
Property, plant and equipment, Net	16,981,679	16,979,347	2,332	16,981,679	16,979,347	2,332
Leachable material, net	1,100,612	1,193,086	(92,474)	1,100,612	1,193,086	(92,474)
Other long term assets	2,025,881	1,918,658	107,224	2,025,881	1,918,658	107,224
Total Assets	29,675,052	29,499,769	175,283	29,675,052	29,499,769	175,283
Liabilities and Stockholders' Equity						
Current – term debt	495,631	270,968	224,663	495,631	270,968	224,663
Accumulated liabilities	1,675,641	1,992,851	(317,210)	1,675,641	1,992,851	(317,210)
Current Liabilities	2,171,273	2,263,819	(92,546)	2,171,273	2,263,819	(92,546)
Long-term debt	8,311,479	8,802,618	(491,139)	8,311,479	8,802,618	(491,139)
Other non-current liabilities	2,125,455	2,187,058	(61,604)	2,125,455	2,187,058	(61,604)
Total Liabilities	12,608,206	13,253,496	(645,289)	12,608,206	13,253,496	(645,289)
Stockholders equity	2,003,496	2,003,496	-	2,003,496	2,003,496	-
Other equity accounts	(2,443,143)	(2,691,459)	248,316	(2,443,143)	(2,691,459)	248,316
Retaining earnings	15,283,841	14,650,317	633,525	15,283,841	14,650,317	633,525
Total Stockholders' equity	14,844,194	13,962,354	881,841	14,844,194	13,962,354	881,841
Non-controlling interest	2,222,651	2,283,920	(61,269)	2,222,651	2,283,920	(61,269)
Total Liabilities and Equity	29,675,052	29,499,769	175,283	29,675,052	29,499,769	175,283
CASH FLOW						
Net earnings	587,253	1,050,884	(463,631)	1,658,434	2,203,869	(545,435)
Depreciation, amortization and depletion	355,806	340,488	15,318	694,865	685,435	9,430
Deferred income taxes	(12,179)	(56,726)	44,547	42,745	(187,952)	230,697
Participation in subsidiary not consolidated and associated companies	(2,139)	(5,869)	3,730	(4,385)	(14,309)	9,924
Other Net	13,770	96,075	(82,305)	78,268	138,969	(60,701)
Changes in assets and liabilities	(299,671)	282,688	(582,359)	(734,727)	(2,535)	(732,192)
Cash generated by operating activities	642,840	1,707,540	(1,064,700)	1,735,200	2,823,477	(1,088,277)
Capital expenditures	(352,444)	(342,909)	(9,535)	(666,332)	(679,656)	13,324
Restricted cash	21,105	3,008	18,097	(10,905)	(10,551)	(354)
Other – Net	(60,699)	220,150	(280,849)	(87,526)	753,996	(841,522)
Cash used in investing activities	(392,038)	(119,752)	(272,287)	(764,763)	63,788	(828,551)
Debt incurred	-	265,277	(265,277)	-	351,590	(351,590)
Debt repaid	(27,889)	(211,917)	184,028	(37,689)	(240,450)	202,761
Dividends paid	(760,529)	(707,415)	(53,113)	(1,560,290)	(1,275,674)	(284,616)
GMXT common shares buyback	(16,122)	(30,586)	14,464	(16,122)	(74,702)	58,580
Other – Net	(2,112)	(1,400)	(712)	(4,517)	(3,606)	(911)
Cash used in financing activities	(806,652)	(686,041)	(120,610)	(1,618,618)	(1,242,842)	(375,776)
Effect of exchange rate changes on cash and cash equivalents	(60,122)	(96,226)	36,104	(118,408)	(48,091)	(70,317)
Net increase (decrease) cash & cash equivalents	(615,972)	805,521	(1,421,493)	(766,588)	1,596,333	(2,362,922)
Cash and cash equivalents – Beginning of year	6,267,558	4,836,900	1,430,658	6,418,175	4,046,087	2,372,087
Cash and cash equivalents – End of year	5,651,586	5,642,421	9,165	5,651,586	5,642,421	9,165

**AMERICAS MINNING CORPORATION (AMC)
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)**

(Thousands of US Dollars)	Quarters			Accumulated		
STATEMENT OF EARNINGS	Q2-22	Q2-21	Variance	2022	2021	Variance
Net sales	2,483,937	3,230,397	(746,460)	5,560,688	6,031,365	(470,677)
Cost of sales	1,389,049	1,133,518	255,531	2,597,785	2,209,175	388,610
Exploration	12,231	9,815	2,416	21,740	16,284	5,456
Gross profit	1,082,658	2,087,064	(1,004,406)	2,941,163	3,805,906	(864,743)
Gross margin	44%	65%		53%	63%	
Administrative expenses	37,667	39,533	(1,865)	79,131	74,747	4,384
EBITDA	1,066,588	2,056,240	(989,652)	2,915,780	3,865,504	(949,724)
Depreciation, amortization and depletion	232,585	220,571	12,014	452,559	445,566	6,993
Operating income	812,405	1,826,960	(1,014,555)	2,409,474	3,285,593	(876,119)
Operating margin	33%	57%		43%	54%	
Interest expense	86,439	90,435	(3,996)	174,749	181,854	(7,105)
Interest income	(8,325)	(1,541)	(6,784)	(14,385)	(4,070)	(10,315)
(Gain) loss in investments	-	(22,234)	22,234	-	(68,354)	68,354
Other (income) expense, net	(21,598)	(8,708)	(12,889)	(53,747)	(134,345)	80,598
Earnings before Tax	755,889	1,769,008	(1,013,119)	2,302,856	3,310,506	(1,007,650)
Taxes	303,237	768,972	(465,735)	934,627	1,219,258	(284,631)
Participation in subsidiary not consolidated and associated	(428)	(6,997)	6,569	(2,998)	(14,883)	11,885
Net Earnings	453,079	1,007,033	(553,954)	1,371,228	2,106,132	(734,903)
Net income attributable to the non-controlling interest	49,790	107,159	(57,370)	139,917	195,137	(55,220)
Net income attributable to AMC	403,290	899,874	(496,584)	1,231,311	1,910,995	(679,684)
BALANCE SHEET						
Cash and cash equivalents	3,349,115	4,801,892	(1,452,778)	3,349,115	4,801,892	(1,452,778)
Restricted cash	44	331	(287)	44	331	(287)
Notes and accounts receivable	1,084,117	1,541,735	(457,619)	1,084,117	1,541,735	(457,619)
Inventories	1,369,613	1,151,554	218,060	1,369,613	1,151,554	218,060
Prepaid and others current assets	527,156	262,513	264,642	527,156	262,513	264,642
Total Current Assets	6,330,044	7,758,025	(1,427,981)	6,330,044	7,758,025	(1,427,981)
Property, plant and equipment, Net	10,870,760	10,833,156	37,603	10,870,760	10,833,156	37,603
Leachable material, net	1,100,612	1,193,086	(92,474)	1,100,612	1,193,086	(92,474)
Other long term assets	1,680,367	1,524,982	155,386	1,680,367	1,524,982	155,386
Total Assets	19,981,783	21,309,249	(1,327,466)	19,981,783	21,309,249	(1,327,466)
Liabilities and Stockholders' Equity						
Long-term debt	299,894	21,813	278,081	299,894	21,813	278,081
Other non-current liabilities	1,339,049	1,570,329	(231,280)	1,339,049	1,570,329	(231,280)
Current Liabilities	1,638,943	1,592,142	46,801	1,638,943	1,592,142	46,801
Long term debt	6,249,478	6,545,882	(296,404)	6,249,478	6,545,882	(296,404)
Other long term liabilities	1,809,311	1,959,101	(149,790)	1,809,311	1,959,101	(149,790)
Total Liabilities	9,697,732	10,097,125	(399,393)	9,697,732	10,097,125	(399,393)
Stockholders equity	56,021	1,056,021	(1,000,000)	56,021	1,056,021	(1,000,000)
Other equity accounts	(2,337,892)	(2,552,132)	214,240	(2,337,892)	(2,552,132)	214,240
Retained earnings	11,656,716	11,771,250	(114,533)	11,656,716	11,771,250	(114,533)
Total Stockholders' equity	9,374,845	10,275,139	(900,294)	9,374,845	10,275,139	(900,294)
Non-controlling interest.	909,205	936,985	(27,779)	909,205	936,985	(27,779)
Total Liabilities and Equity	19,981,783	21,309,249	(1,327,466)	19,981,783	21,309,249	(1,327,466)
CASH FLOW						
Net earnings	453,079	1,007,033	(553,953)	1,371,228	2,106,132	(734,903)
Depreciation, amortization and depletion	232,585	220,572	12,014	452,559	445,566	6,993
Deferred income taxes	(7,262)	25,490	(32,752)	54,923	(71,057)	125,980
Participation in subsidiary not consolidated and associated	(428)	(6,997)	6,569	(2,998)	(14,883)	11,885
Others Net	10,027	(12,754)	22,781	97,008	(56,375)	153,383
Changes in assets and liabilities	(86,780)	(3,521)	(83,260)	(432,103)	(145,959)	(286,144)
Cash generated by operating activities	601,221	1,229,822	(628,600)	1,540,617	2,263,424	(722,808)
Capital expenditures	(245,227)	(228,490)	(16,737)	(476,324)	(467,637)	(8,687)
Other - Net	(12,476)	239,126	(251,602)	(23,855)	738,217	(762,072)
Cash used in investing activities	(257,703)	10,636	(268,339)	(500,179)	270,580	(770,759)
Debt repaid	(7,413)	(3,500)	(3,913)	(14,813)	(7,000)	(7,813)
Dividends paid	(1,229,702)	(542,751)	(686,951)	(2,004,243)	(1,007,909)	(996,334)
SCC common shares buyback	-	(23,307)	23,307	-	(64,484)	64,484
Others Net	(2,112)	(1,401)	(711)	(4,516)	(3,606)	(910)
Cash used in financing activities	(2,239,227)	(570,958)	(1,668,269)	(3,023,572)	(1,083,000)	(1,940,572)
Effect of exchange rate changes on cash and cash equivalents	(15,009)	(31,842)	16,833	(90,813)	(27,892)	(62,921)
Net increase (decrease) cash & cash equivalents	(1,910,718)	637,657	(2,548,375)	(2,073,947)	1,423,113	(3,497,060)
Cash and cash equivalents - Beginning of year	5,259,832	4,164,235	1,095,598	5,423,062	3,378,779	2,044,282
Cash and cash equivalents - End of year	3,349,114	4,801,892	(1,452,778)	3,349,114	4,801,892	(1,452,778)

GMÉXICO TRANSPORTES, S. A. DE C.V. (GMXT)
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Thousands of US Dollars)	Quarters			Accumulated		
<u>STATEMENT OF EARNINGS</u>	Q2-22	Q2-21	Variance	2022	2021	Variance
Net sales	670,584	644,107	26,477	1,314,631	1,237,288	77,343
Cost of sales	355,449	329,630	25,819	679,537	635,378	44,159
Gross profit	315,135	314,477	658	635,094	601,910	33,184
Gross margin	47%	49%		48%	49%	
Administrative expenses	26,564	23,683	2,881	51,163	46,617	4,546
EBITDA	294,995	292,801	2,194	592,192	556,413	35,779
Depreciation, amortization and depletion	90,534	86,960	3,574	177,113	174,293	2,820
Operating Income	198,037	203,834	(5,797)	406,818	381,000	25,818
Operating margin	30%	32%		31%	31%	
Interest expense	33,409	30,328	3,081	65,238	61,034	4,204
Interest income	(9,011)	(1,754)	(7,257)	(12,032)	(3,225)	(8,807)
Other (income) expense – Net	(4,889)	(7,281)	2,392	(2,656)	(10,383)	7,727
Earnings before Tax	175,661	182,541	(6,880)	353,401	333,574	19,827
Taxes	53,001	52,622	379	106,121	100,614	5,507
Participation in subsidiary not consolidated and associated	(1,634)	(440)	(1,194)	(2,042)	(994)	(1,048)
Net Earnings	124,294	130,359	(6,065)	249,322	233,954	15,368
Net income attributable to the non-controlling interest	25,770	27,902	(2,132)	53,161	51,437	1,724
Net income attributable to ITM	98,524	102,457	(3,933)	196,161	182,517	13,644
<u>BALANCE SHEET</u>						
Cash and cash equivalents	629,804	409,053	220,751	629,804	409,053	220,751
Notes and accounts receivable	441,406	315,614	125,792	441,406	315,614	125,792
Inventories	59,614	59,298	316	59,614	59,298	316
Prepaid and others current assets	116,774	113,165	3,609	116,774	113,165	3,609
Total Current Assets	1,247,598	897,130	350,468	1,247,598	897,130	350,468
Property, plant and equipment – Net	4,466,385	4,418,075	48,310	4,466,385	4,418,075	48,310
Other long term assets	822,325	610,946	211,379	822,325	610,946	211,379
Total Assets	6,536,308	5,926,151	610,157	6,536,308	5,926,151	610,157
Liabilities and Stockholders' Equity						
Current portion of long-term debt	150,187	1,304	148,883	150,187	1,304	148,883
Accumulated liabilities	496,922	416,450	80,472	496,922	416,450	80,472
Current Liabilities	647,109	417,754	229,355	647,109	417,754	229,355
Long-term debt	1,433,106	1,596,686	(163,580)	1,433,106	1,596,686	(163,580)
Other non-current liabilities	863,427	764,567	98,860	863,427	764,567	98,860
Other liabilities	22,308	16,685	5,623	22,308	16,685	5,623
Total Liabilities	2,965,950	2,795,692	170,258	2,965,950	2,795,692	170,258
Stockholders equity	521,910	34,083	487,827	521,910	34,083	487,827
Other equity accounts	(444,534)	(406,560)	(37,974)	(444,534)	(406,560)	(37,974)
Retaining earnings	3,071,236	3,063,795	7,441	3,071,236	3,063,795	7,441
Total Stockholders' equity	3,148,612	2,691,318	457,294	3,148,612	2,691,318	457,294
Non-controlling interest.	421,746	439,141	(17,395)	421,746	439,141	(17,395)
Total Liabilities and Equity	6,536,308	5,926,151	610,157	6,536,308	5,926,151	610,157
<u>CASH FLOW</u>						
Net earnings	124,294	130,359	(6,065)	249,322	233,954	15,368
Depreciation, amortization and depletion	90,534	86,960	3,574	177,113	174,293	2,820
Deferred income taxes	(1,989)	(6,559)	4,570	(14,218)	4,557	(18,775)
Participation in subsidiary not consolidated and associated	(1,634)	(440)	(1,194)	(2,042)	(994)	(1,048)
Other Net	7,778	(3,627)	11,405	13,091	(2,988)	16,079
Changes in assets and liabilities	(51,586)	39,827	(91,413)	(57,567)	(46,942)	(10,625)
Cash generated by operating activities	167,397	246,520	(79,123)	365,699	361,880	3,819
Capital expenditures	(92,585)	(90,086)	(2,499)	(163,453)	(152,829)	(10,624)
Cash used in investing activities	265,967	(90,086)	356,053	195,099	(152,829)	347,928
Debt incurred	-	247,377	(247,377)	-	296,590	(296,590)
Debt repaid	-	(124,357)	124,357	-	(125,490)	125,490
Dividends received (paid) – Net	(137,498)	(77,231)	(60,267)	(262,774)	(157,353)	(105,421)
Common shares buyback	(16,122)	-	(16,122)	(16,122)	(2,938)	(13,184)
Cash used in financing activities	(153,620)	45,789	(199,409)	(278,896)	10,809	(289,705)
Effect of exchange rate changes on cash and cash equivalents	(273)	(17,013)	16,740	(27,595)	(20,199)	(7,396)
Net increase (decrease) cash & cash equivalents	279,471	185,210	94,261	254,307	199,661	54,646
Cash and cash equivalents – Beginning of year	350,333	223,843	126,490	375,497	209,392	166,105
Cash and cash equivalents – End of year	629,804	409,053	220,751	629,804	409,053	220,751

MÉXICO PROYECTOS Y DESARROLLOS, S.A. DE C.V. (MPD)
CONSOLIDATED FINANCIAL STATEMENTS (US GAAP)

(Thousands of US Dollars)	Quarters			Accumulated		
STATEMENT OF EARNINGS	Q2-22	Q2-21	Variance	2022	2021	Variance
Net sales	169,222	124,317	44,905	315,152	271,843	43,308
Cost of sales	103,397	63,737	39,660	183,631	148,221	35,410
Gross profit	65,826	60,580	5,245	131,520	123,622	7,898
Gross margin	39%	49%		42%	45%	
Administrative expenses	4,397	4,025	371	8,530	8,483	47
EBITDA	62,586	57,730	4,856	126,323	117,419	8,904
Depreciation, amortization and depletion	29,835	30,085	(250)	59,495	59,836	(342)
Operating income	31,594	26,470	5,125	63,496	55,303	8,193
Operating margin	19%	21%		20%	20%	
Interest expense	16,494	16,781	(287)	31,097	32,865	(1,768)
Interest income	(847)	(681)	(165)	(2,325)	(1,435)	(891)
Other (income) expense, net	(1,157)	(1,175)	18	(3,332)	(2,279)	(1,053)
Earnings before Tax	17,103	11,545	5,559	38,057	26,152	11,905
Taxes	5,357	11,012	(5,655)	14,756	8,237	6,519
	(1,373)	(283)	(1,090)	(1,924)	(283)	(1,642)
Participation in subsidiary not consolidated and associated						
Net Earnings	13,120	815	12,304	25,225	18,197	7,028
Net income attributable to the non-controlling interest	(3)	0	(3)	(6)	0	(6)
Net income attributable to MPD	13,123	815	12,307	25,231	18,197	7,034
BALANCE SHEET						
Cash and cash equivalents	48,654	61,698	(13,044)	48,654	61,698	(13,044)
Restricted cash	52,964	54,924	(1,961)	52,964	54,924	(1,961)
Notes and accounts receivable	77,398	55,514	21,884	77,398	55,514	21,884
Inventories	72,526	68,982	3,544	72,526	68,982	3,544
Prepaid and others current assets	241,143	214,255	26,887	241,143	214,255	26,887
Total Current Assets	492,685	455,374	37,311	492,685	455,374	37,311
Property, plant and equipment, Net	1,593,093	1,642,106	(49,013)	1,593,093	1,642,106	(49,013)
Other long term assets	409,245	395,127	14,118	409,245	395,127	14,118
Total Assets	2,495,022	2,492,607	2,415	2,495,022	2,492,607	2,415
Liabilities and Stockholders' Equity						
Current portion of long-term debt	45,551	247,851	(202,300)	45,551	247,851	(202,300)
Accumulated liabilities	200,379	176,781	23,598	200,379	176,781	23,598
Current Liabilities	245,930	424,632	(178,702)	245,930	424,632	(178,702)
Long-term debt	628,896	660,051	(31,155)	628,896	660,051	(31,155)
Other non-current liabilities	96,836	89,570	7,266	96,836	89,570	7,266
Total Liabilities	971,661	1,174,252	(202,591)	971,661	1,174,252	(202,591)
Stockholders equity	1,242,934	1,047,934	195,000	1,242,934	1,047,934	195,000
Other equity accounts	(244,157)	(229,865)	(14,292)	(244,157)	(229,865)	(14,292)
Retaining earnings	524,603	500,286	24,316	524,603	500,286	24,316
Total Stockholders' equity	1,523,379	1,318,355	205,024	1,523,379	1,318,355	205,024
Total Liabilities and Equity	2,495,022	2,492,607	2,416	2,495,022	2,492,607	2,416
CASH FLOW						
Net earnings	13,120	815	12,305	25,225	18,197	7,028
Depreciation, amortization and depletion	29,835	30,085	(250)	59,495	59,836	(341)
Deferred income taxes	(2,929)	(6,330)	3,401	(5,841)	(12,928)	7,087
Other Net	12	(1,936)	1,947	(1,769)	(2,440)	670
Changes in assets and liabilities	(36,304)	26,987	(63,291)	(70,210)	5,238	(75,448)
Cash generated by operating activities	3,734	49,621	(45,888)	6,900	67,904	(61,004)
Capital expenditures	(14,632)	(24,333)	9,701	(26,556)	(59,190)	32,633
Restricted cash	21,105	3,008	18,097	(10,905)	(10,551)	(354)
Other - Net	(1,016)	(11,750)	10,734	(5,691)	11,450	(17,142)
Cash used in investing activities	5,457	(33,075)	38,532	(43,153)	(58,290)	15,137
Debt incurred	-	17,900	(17,900)	-	55,000	(55,000)
Debt repaid	(20,476)	(84,060)	63,584	(22,876)	(107,960)	85,084
Cash used in financing activities	(20,476)	(17,539)	(2,937)	(22,876)	(4,339)	(18,537)
Net increase (decrease) cash & cash equivalents	(11,285)	(993)	(10,293)	(59,129)	5,274	(64,403)
Cash and cash equivalents - Beginning of year	59,939	62,691	(2,752)	107,783	56,424	51,359
Cash and cash equivalents - End of year	48,654	61,698	(13,045)	48,654	61,698	(13,045)