

Earnings Release

2nd Quarter I 2024



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Grupo Axo 2Q24 Results

The following discussion and analysis should be read in conjunction with our quarterly consolidated interim financial statements, which have been prepared in accordance with IFRS, which in certain cases can differ significantly from U.S. GAAP.

Highlights | 2Q24 vs. 2Q23

- The Company posted **Net Sales** for the second quarter of Ps. 6,259.7 million, a 3.4% growth compared to 2Q23. This growth was influenced by the seasonality of Easter.
 - Lifestyle net sales increased 4.0% for the second quarter, mainly driven by the solid performance across channels and brands, especially in physical stores.
 - Off-Price net sales decreased 5.7% for the period. The drop in sales was a result of inventory shortages in the online channel.
 - Athletics and Outdoors net sales increased 12.6% compared to 2Q23, driven by the strong performance of its brands, as well as the growth in the wholesale channel.
- **Gross Margin** expanded by 280 basis points (bps) to reach 53.9% compared to 51.1% in 2Q23, mainly driven by an efficient pricing strategy and inventory management optimization in the offline channel.
- **EBITDA** for the quarter was Ps. 1,390.4 million, an increase of 6.5% vs 2Q23, reaching an **EBITDA margin** of 22.2%, a 65 bp expansion compared to 21.6% in the same period of the previous year.
- **Operating margin** closed at 12.9%, compared to 12.7% in 2Q23.
- **Debt / EBITDA ratio** was 2.60x and **Net Debt / EBITDA** was 2.08x, in line with our covenants and internal targets.
- Our **total digital sales** in 2Q24 were Ps. 902.7 million, representing 14.4% of total sales. These sales include the e-commerce platforms of the Lifestyle, Off-Price, and Athletics & Outdoors segments.
- At the end of the second quarter, Axo reached **8,047 total retail points of sale** and **37 digital websites**.

Relevant Figures:

Financial Figures MXN\$mm	2Q24	2Q23	Var %
Income Statement			
Net Sales	6,259.7	6,054.2	3.4%
EBITDA	1,390.4	1,305.7	6.5%
EBITDA Margin	22.2%	21.6%	65 bps
Operating Income	810.2	771.8	5.0%
Net Income	164.8	339.2	(51.4%)
Net Income Margin	2.6%	5.6%	(297) bps
Balance Sheet			
Cash and Cash Equivalents	2,773.2	2,906.8	(4.6%)
Inventories	5,466.5	5,274.5	3.6%
Accounts Receivable	2,310.1	1,735.1	33.1%
Financial Debt	10,001.2	9,658.9	3.5%
Lease Liabilities	3,479.8	3,115.9	11.7%
PP&E	2,522.2	2,063.3	22.2%

Financial Ratios ¹	2Q24	2Q23
Net Debt/ EBITDA	2.08x	2.06x
Debt/ EBITDA	2.60x	2.68x

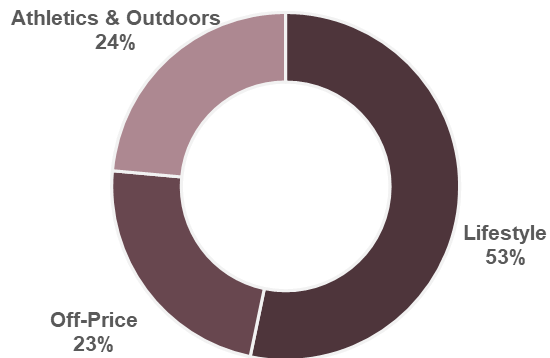
Operating Results	2Q24	2Q23
Points of Sale	8,047	7,731
Digital Platforms	37	37

Note: Rounding Adjustments

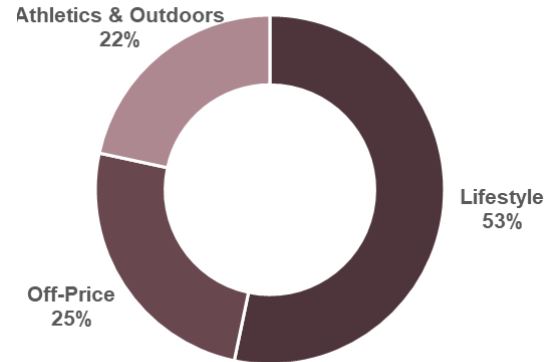
We have made rounding adjustments to certain numbers presented in this report. As a result, numerical figures presented as totals may not always be the exact arithmetic results of their components. Percentage figures included in this report have not, in all cases, been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, certain percentage amounts in this report may vary from those obtained by performing the same calculations using the figures in our Financial Statements included elsewhere in this report.

¹Debt calculation includes lease liabilities.

Sales by Segment 2Q24



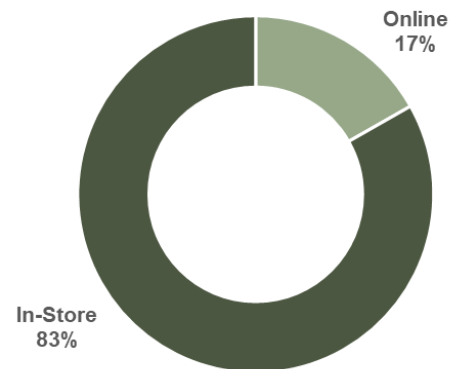
Sales by Segment 2Q23



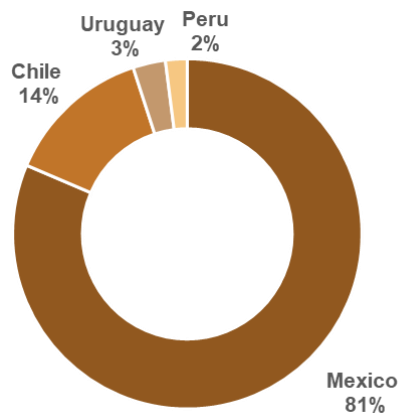
Sales by Channel 2Q24



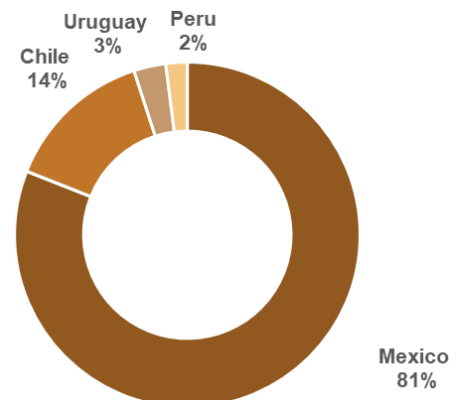
Sales by Channel 2Q23



Sales by Country 2Q24



Sales by Country 2Q23



Message from the CEO

"I am pleased to share with you AXO's second quarter 2024 earnings. Although market conditions were challenging, our results this quarter reflect our resilience and focus on strategic growth.

During 2Q24, AXO achieved total net sales of Ps. 6,259.7 million, a 3.4% increase compared to 2Q23. This growth was primarily driven by strong results in our Lifestyle and Athletics & Outdoors segments, with net sales increasing by 4.0% and 12.6%, respectively. Additionally, EBITDA increased by 6.5% to Ps. 1,390.4 million, resulting in an EBITDA margin of 22.2%, a 65 bp expansion compared to 2Q23, reflecting our commitment to profitability.

We are excited to announce that Grupo Axo has entered into a definitive agreement with The TJX Companies, Inc. for a joint venture. This partnership will encompass our existing off-price physical store retail business in Mexico, operated through the Promoda stores banners, and will significantly expand our market offering.

Additionally, we are pleased to inform that on July 17, 2024, Grupo Axo made the total prepayment of the AXO 19-2 notes (*certificados bursátiles*), issued on May 27, 2019. This highlights our commitment to financial stability and proactive liability management. We remain focused on maintaining an optimal balance sheet that allows for growth and the ability to capitalize on market opportunities. We will continually analyze the best options to finance this expansion, ensuring we are well-positioned for the future.

I would like to extend my thanks to all our bondholders, stakeholders, customers, and above all the AXO team. I value our ongoing communication and will let you know about any new developments. Together, we are building a strong foundation for AXO's continued success."

Andrés Gómez, CEO

Operating Results by Segment

Lifestyle Sales

This segment operates 441 direct-to-consumer retail stores, 75 Shop-in-Shops, 6,332 corners, 26 digital stores and we currently have a total of 4 Apps, within Mexico, Chile, Peru, and Uruguay. This segment is composed of a portfolio of internationally recognized brands managed through JVs and exclusive partnerships, such as Tommy Hilfiger, Brooks Brothers, Victoria Secret, Gap, Calvin Klein, Old Navy.

Off-Price Sales

This segment operates 235 direct-to-consumer retail stores, 2 digital platforms and 1 App under the following store formats: Promoda (Mexico), Urban Store (Mexico), Reduced (Mexico), Privalia (Mexico), and Surprice (Chile and Peru). These banners offer hundreds of well-known brands at deep discounts.

Athletics & Outdoors Sales

The Athletics & Outdoors segment has 213 direct-to-consumer retail stores, 8 Shop-in-Shops, 743 corners, 9 e-commerce websites and 3 Apps. This segment is composed of a portfolio of license agreements with international brands as well as owned multi-brand store concepts, including: The North Face, TAF, Nike, Andesgear, Lust, among others.

We have recently opened new stores, introducing our products to fresh audiences, and our online presence is expanding, reflecting an omnichannel strategy that aligns with current customer preferences.

FINANCIAL ANALYSIS

Income Statement Analysis

MXN\$mm	2Q24	2Q23	Var %
Net Sales and Service Revenue	6,259.7	6,054.2	3.4%
Cost of Goods Sold	(2,885.5)	(2,960.4)	(2.5%)
Gross Margin	53.9%	51.1%	280 bps
Total Expenses	(2,564.0)	(2,322.0)	10.4%
EBITDA	1,390.4	1,305.7	6.5%
Net Financial Cost	(560.6)	(278.6)	N/A
Income Taxes	(84.8)	(154.0)	(44.9%)
Net Income	164.8	339.2	(51.4%)

Net Sales and Service Revenue

Net Sales and Service Revenue for the second quarter increased 3.4% to Ps. 6,259.7 million, compared to Ps. 6,054.2 million in the same period of 2023. This growth was due to a solid performance mainly in our Lifestyle and Athletics and Outdoors segments.

- Total sales Lifestyle segment, including merchandise sold through retail, wholesale, e-commerce channels, and other service revenue, increased 4.0% vs 2Q23, reaching Ps. 3,342.7 million, mainly driven by a solid performance across channels and brands.
- Total sales Off-Price segment, including the retail and e-commerce channels, revenue decreased 5.7% during the second quarter of 2024 compared to the second quarter of 2023, reaching Ps. 1,446.9 million. The online channel of this segment has an inventory shortage; however, this is expected to normalize by the second half of the year. Meanwhile, the offline channel reported a 5.2% increase for the quarter.
- Total sales Athletics & Outdoors segment which includes merchandise, sold through retail, wholesale and ecommerce channels, increased 12.6% to Ps. 1,470.1 million for 2Q24, compared to Ps. 1,305.3 million in 2Q23. This growth was mainly due to the great performance of brands in the digital channel and physical stores, as well as the growth in wholesale sales.

Total digital sales for the second quarter of 2024 reached Ps. 902.7 million, representing 14.4% of total sales. These sales include e-commerce platforms of our Lifestyle, Off-Price and Athletics & Outdoors segments.

Cost of Goods Sold

Cost of Goods Sold decreased 2.5% to Ps. 2,885.5 million from Ps. 2,960.4 million in the second quarter of 2023. Costs as a percentage of net sales were 46.1%, compared to 48.9% in the same period of last year, due to sales mix and despite an increase in the volume of units sold.

Gross Margin

Following our focus on margin expansion, Gross Margin increased by 280 bps, reaching 53.9%, compared to 51.1% in 2Q23. This was mainly driven by an efficient pricing strategy and inventory optimization in the offline channel.

Total Expenses

Expenses for the second quarter of 2024 increased 10.4% to Ps. 2,564.0 million, compared to Ps. 2,322.0 million in the same period of 2023, mainly driven by:

- Administrative Expenses, which increased 8.6% to Ps. 1,358.2 million in the second quarter of 2024, compared to Ps. 1,250.2 million in 2Q23. This was mainly due to an increase in payroll, utilities, depreciation and right of use assets depreciation. Total depreciation and amortization for the quarter increased from Ps. 533.9 million in 2023 to Ps. 580.3 million in 2024. Right of use assets depreciation, included in total depreciation and amortization, was Ps. 348.1 million in 2Q24 compared to Ps. 327.8 million in 2023.
- Selling Expenses, increased 11.6% to Ps. 1,238.0 million in the second quarter of 2024, compared to Ps. 1,109.3 million in 2Q23. The upward trend, in line with sales, was mainly due to an increase in payroll, logistics expenses, commissions from credit card sales and royalties.
- Other Income and Other Expenses (including profit sharing and net income of associates), which for the three months ended in June 30th, 2024, decreased to an income of Ps. 32.3 million, compared to Ps. 37.5 million in the second quarter of 2023. This decrease is mainly due to the fact that during 2023 the Company obtained other income higher than in 2024.

Net Financial Cost

Net Financial Cost for the second quarter of 2024 increased to Ps. 560.6 million, from Ps. 278.6 million in the same period of last year. This increase was the result of:

- Interest Expenses for 2Q24, which increased to Ps. 450.4 million from Ps. 399.3 million in 2Q23. This was driven by a combination of factors: higher interest rates, and the increase in interest expenses related to lease liabilities, which amounted to Ps. 95.3 million compared to Ps. 70.3 million for 2Q23.
- Interest Income decreased 15.7% to Ps. 52.8 million in 2Q24, from Ps. 62.6 million in 2Q23, mainly driven by the decrease in overnight investments.
- Foreign exchange, net and other expenses, registered a loss of Ps. 162.9 million compared to a gain of Ps. 58.1 million in the same period of 2023. This was due to the fluctuation of the Mexican peso against the U.S. dollar and its impact on our U.S. currency denominated obligations mainly associated with the USD senior notes covered by the call spread.

Income Taxes

The effective tax rate for the annual financial statements as of June 30th, 2024, was 33.9%, compared to an effective annual tax rate of 43.4% as of December 31st, 2023. Income tax expense is recognized by multiplying the profit before tax for the interim reporting period by management's representing annual income tax rate for the full financial year, adjusted for the tax effect of certain items recognized in the full period.

Net Income

Net Income for the second quarter of 2024 decreased to Ps. 164.8 million, from Ps. 339.2 million in the same period of last year. This decrease is mainly due to the unrealized exchange loss in this quarter compared to the unrealized exchange profit in 2Q23 related to the senior notes.

Balance Sheet Analysis

Cash and Cash Equivalents

Cash and Cash Equivalents were Ps. 2,773.2 million at the end of the second quarter of 2024, compared to Ps. 2,906.8 million in the same period of 2023. This decrease was partly driven by dividend payments, primarily from our joint ventures, and investments in working capital influenced by trade and other payables.

Additionally, as of June 30th, 2024, CapEx amounted to Ps. 394.5 million and dividends to Ps. 492.8 million.

Inventories, Net

Inventories as of June 30th, 2024, were Ps. 5,466.5 million, compared to Ps. 5,274.5 million in 2023.

Debt

Axo's debt balance as of June 30th, 2024, including lease liabilities, was Ps. 13,914.9 million compared to Ps. 13,665.1 million as of June 30th, 2023. Debt includes Ps. 3,479.8 million in lease liabilities for the second quarter of 2024, compared to Ps. 3,115.9 million for the same period of the previous year.

Our Debt / EBITDA ratio was 2.60x on June 30th, 2024, in line with our covenants.

	June 30th, 2024				June 30th, 2023			
	Gross Debt	Amortized Cost	Hedge Impact	Total Debt	Gross Debt	Amortized Cost	Hedge Impact	Total Debt
Short Term Bank Debt	708.0	(5.2)	-	702.8	197.9	-	-	197.9
Short Term Public Debt	-	-	-	-	-	-	-	-
Short Term right of Use (Lease) Liabilities	1,179.4	-	-	1,179.4	974.3	-	-	974.3
Long Term right of Use (Lease) Liabilities	2,300.4	-	-	2,300.4	2,141.6	-	-	2,141.6
Working Capital Debt	253.8	-	-	253.4	379.0	-	-	379.0
Long Term Public Debt	1,651.6	(6.4)	-	1,645.2	1,651.6	(9.8)	-	1,641.8
Long Term Bank Debt	1,478.2	(6.7)	29.9	1,501.4	1,967.5	(17.8)	-	1,959.6
International Bond (Senior Notes)	5,972.6	(44.6)	403.9	6,332.0	5,548.4	(67.8)	890.3	6,370.9
Total Debt	13,544.0	(63.0)	433.9	13,914.9	12,870.2	(95.5)	890.3	13,665.1

Cash Flow Statement Analysis

Net Cash Flow from Operating Activities

For the six months ended in June 30th, 2024, net cash flow from operating activities reached Ps. 470.3 million compared to Ps. 239.5 million in the same period in 2023. The increase is mainly due to the collection of accounts receivable and unrealized exchange effects. Working capital remains negative in Ps. 1,919.9 million from Ps. 1,718.9 million for the same period for the previous year, given the business's seasonality.

Net Cash Flow from Investing Activities

For the six months ended in June 30th, 2024, net cash outflow from investing activities reached Ps. 184.4 million compared to Ps. 2,069.9 million in the same period of 2023. Net cash flow from investing activities was partly related to dividends received from our subsidiaries as well as the acquisition in South America in 2023.

Net Cash Flow from Financing Activities

For the six months ended in June 30th, 2024, net cash flow from financing activities resulted in negative Ps. 1,923.8 million, compared to a negative Ps. 42.0 million in 2023. This result was primarily due to dividend payments totaling Ps. 492.8 million in 2024 as well as a loan obtained for the business acquisition in South America in 2023.

Analyst Coverage

As of June 30th, 2024, analyst coverage was provided by:

- Bank of America

Press Release

- On July 17, 2024, as the press release announced by the Company on July 16, 2024, AXO fully prepaid the notes with ticker symbol "AXO 19-2." These notes were initially issued on May 27, 2019, as reported by the common representative on June 19, 2024 and on July 12, 2024.
- On July 16, 2024, Grupo Axo successfully obtained a new credit agreement. BBVA México acted as the administrative agent, HSBC México served as both the coordinating agent and sustainable coordinator, and Banco Mercantil del Norte joined as a co-structurer along with BBVA and HSBC.

About Axo

Axo is a Mexican multi-brand, fashion platform with 30 years of experience distributing and operating a portfolio of nationally and internationally recognized brands. Axo has operations in Mexico, Chile, Peru, and Uruguay and has a curated brand portfolio at diverse price points that caters to a broad spectrum of socioeconomic segments. Some of the brands in Mexico include Abercrombie & Fitch, Bath & Body Works, Brooks Brothers, Calvin Klein, Coach, Guess, Hollister, Laces, Lust, Nike, Old Navy, Olga, Rapsodia, Speedo, Taf, Taf Kids, Tommy Hilfiger, Victoria's Secret, Warner's, Privalia and Promoda; in Chile Abercrombie & Fitch, Andesgear, Bath & Body Works, Banana Republic, Brooks Brothers, DC, GAP, Guess, Kipling, Kivul, Mammot, Marmot, Old Navy, Surprice, The North Face, UGG and Victoria's Secret; in Perú, Banana Republic, GAP, Guess, Kipling, The North Face, SiSi, Surprice and Hydroflask; and in Uruguay Caffarena and SiSi.

Disclaimer

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Forward-looking Statements

This report contains certain forward-looking statements relating to the business, financial performance, and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not

historical facts. The forward-looking statements contained in this report, including assumptions, opinions, and views of the Company, or cited from third party sources are solely opinions and forecasts which are uncertain and subject to risks. A multitude of factors can cause actual events to differ significantly from any anticipated development and trends described herein could differ materially from those described by forward-looking statements due to various factors, including those beyond our ability to control or predict and you should not place reliance on the forward-looking statements.

Financial Statements

Income Statement

Grupo AXO S.A.P.I. de C.V. and Subsidiaries						
Consolidated Income Statements						
(million MXN)	THREE MONTHS ENDED			SIX MONTHS ENDED		
	June 30th, 2024	June 30th, 2023	%Δ	June 30th, 2024	June 30th, 2023	%Δ
Net sales and service revenue	6,259.7	6,054.2	3.4%	11,674.7	10,848.8	7.6%
Cost of goods sold	2,885.5	2,960.4	(2.5%)	5,550.5	5,440.8	2.0%
Gross profit	3,374.2	3,093.8	9.1%	6,124.2	5,408.0	13.2%
<i>% Gross profit margin</i>	53.9%	51.1%	280 bps	52.5%	49.8%	261 bps
Administration expenses	1,358.2	1,250.2	8.6%	2,637.0	2,286.8	15.3%
Selling expenses	1,238.0	1,109.3	11.6%	2,355.9	2,104.0	12.0%
Other (income) and expenses, net	(32.3)	(37.5)	(14.0%)	(79.5)	(65.0)	22.2%
Total Expenses	2,564.0	2,322.0	10.4%	4,913.5	4,325.8	13.6%
<i>% of revenue</i>	41.0%	38.4%		42.1%	39.9%	
Operating income (loss)	810.2	771.8	5.0%	1,210.7	1,082.1	11.9%
Interest expense (income)	450.4	399.3	12.8%	876.8	741.4	18.3%
Other (income) expense, net	110.1	(120.7)	N/A	70.0	(273.3)	N/A
Financial cost, net	560.6	278.6	N/A	946.8	468.1	N/A
Earnings (loss) before taxes	249.6	493.2	(49.4%)	264.0	614.0	(57.0%)
Income tax expense	84.8	154.0	(44.9%)	89.5	186.7	(52.1%)
Net Income (loss)	164.8	339.2	(51.4%)	174.5	427.3	(59.2%)
Non-controlling interest	122.8	126.4	(2.8%)	207.5	229.4	(9.5%)
Controlling interest	42.0	212.9	(80.3%)	(33.0)	198.0	N/A
Notes:						
Depreciation and amortization	232.1	206.1	12.6%	457.0	396.9	15.1%
Right of use assets depreciation	348.1	327.8	6.2%	682.4	605.8	12.6%
Total depreciation and amortization	580.3	533.9	8.7%	1,139.3	1,002.8	13.6%
Non-operating and non-cash items	-	-	-	-	-	-
EBITDA	1,390.4	1,305.7	6.5%	2,350.1	2,084.9	12.7%
EBITDA Margin	22.2%	21.6%	65 bps	20.1%	19.2%	91 bps

Balance Sheet

Grupo AXO S.A.P.I. de C.V. and Subsidiaries Consolidated Statements of Financial Position (Unaudited)		
(MXN million)	June 30th, 2024	June 30th, 2023
ASSETS		
<i>Current assets:</i>		
Cash and cash equivalents	2,773.2	2,906.8
Accounts receivable, net	1,105.9	964.7
Related parties	8.1	16.4
Other receivables, net	1,196.1	754.0
Inventories, net	5,466.5	5,274.5
Prepaid expenses	430.6	301.4
Derivative financial instruments	-	3.8
Total current assets	10,980.4	10,221.6
<i>Non-current assets</i>		
Leasehold improvements, furniture and equipment, net	2,522.2	2,063.3
Right-of-Use Assets	3,443.6	3,049.3
Equity-accounted investees	611.3	601.8
Goodwill	4,822.8	5,338.6
Other long-term credits	-	29.4
Intangible assests, net	2,991.2	2,788.8
Deferred income taxes	2,177.3	1,931.8
Guarantee deposits	166.8	154.5
Derivative financial instruments LT	202.4	93.1
Total non-current assets	16,937.4	16,050.6
TOTAL ASSETS	27,917.8	26,272.2
LIABILITIES AND SHAREHOLDERS' EQUITY		
<i>Current liabilities</i>		
Current installments of notes payable to banks	956.6	576.8
Accounts payable	4,004.9	3,721.0
Short-term debt	-	-
Provisions	534.4	447.6
Income taxes payable and deferred income tax optional regime	528.9	381.3
Contract liabilities	83.7	90.5
Lease liabilities	1,179.4	974.3
Derivative financial instruments	1.0	145.1
Total current liabilities	7,288.8	6,336.6
<i>Non-current liabilities</i>		
Deferred income taxes	1,160.4	938.8
Notes payable to banks, excluding current installments	1,471.4	1,959.6
International Bond	5,928.1	5,480.6
Long-term debt	1,645.2	1,641.8
Other liabilities LT	663.7	1,001.8
Lease liabilities LT	2,300.4	2,141.6
Total non-current liabilities	13,169.1	13,164.2
TOTAL LIABILITIES	20,458.0	19,500.8
Total stockholders' equity	7,459.9	6,771.4
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	27,917.8	26,272.2

Cash Flow Statement

Grupo AXO S.A.P.I. de C.V. and Subsidiaries		
Consolidated Cash Flow Statement		
(Unaudited)		
(MXN million)	June 30th, 2024	June 30th, 2023
Profit for the Period	174.5	427.3
Other Operating Non-Cash Items ¹	2,215.7	1,531.0
Changes in Working Capital ²	(1,919.9)	(1,718.9)
Net Cash Provided by Operating Activities	470.3	239.5
Business Acquisition ³	-	(1,777.2)
Investment in associates	147.0	-
Acquisition of Furniture, Equipment and Leasehold Improvements	(394.5)	(388.1)
Other ⁴	63.1	95.4
Net Cash Provided by Investing Activities	(184.4)	(2,069.9)
Unlevered Free Cash Flow ⁵	285.9	(1,830.4)
Equity Related ⁶	(498.5)	(313.5)
Differed Business Acquisition Payment ³	-	-
Debt Related ⁷	(1,425.3)	271.5
Net Cash Provided by Financing Activities	(1,923.8)	(42.0)
Net Increase (decrease) in Cash and Cash Equivalents	(1,637.9)	(1,872.4)
Effect of Exchange Rate Changes	57.2	(48.5)
End of Period Cash and Cash Equivalents	2,675.8	2,906.8

Notes: ¹Income taxes, depreciation, right-of-use asset depreciation, amortization, impairment of goodwill, loss on disposal of fixed assets, intangibles & key money, share profit of equity accounted investees, employee statutory profit sharing, interest income and expense, changes in employee benefit valuation, derivative financial instruments, unrealized exchange rate gain and loss, amortized cost of debt, one-times and non-cash / non-recurring expenses for, effect of exchange rate changes on cash and cash equivalents; ² Includes accounts receivable, accounts receivable from related parties, other receivables, inventories, prepayments, trade accounts payable and acquired liabilities, accruals, royalties and commissions payables, income taxes paid, derivative financial instruments, employee statutory profit sharing paid, accounts payable to related parties, differed revenue and advances from customers. Net of the Acquisition; ³ For payments related to business acquisition that were paid after a year or more, they are registered in financing activities; ⁴ Includes acquisition of intangible assets, increase in security deposits, dividends received from associates, and interest received; ⁵ Net cash provided by operating activities + net cash provided by investing activities. Does not include interest expense and IFRS 16 cashflow effect; ⁶ Includes proceeds from issue of share capital, repurchase of treasury shares, payment of dividends, sale of shares, repurchase of shares; ⁷ Includes lease payments, acquisition of key money paid to a lessor, incentives received from landlords, proceeds from issue of debt, cost of issuing debt, proceeds from loans, cost of obtaining bank loans, interests paid, payments of bonds and payments of loans

Shareholders' Equity Statement

Grupo Axo S.A.P.I. de C.V. and subsidiaries

Condensed Consolidated Statements of Changes in Stockholders' Equity as of June 30, 2024 and December 31, 2022
(MXN million)

	Capital stock	Additional paid-in capital	Retained earnings	Other comprehensive income	Stockholders' equity - controlling interest	Non-controlling interest	Total Stockholders' equity
Balances as of December 31, 2023	\$ 4,183.8	1,063.9	773.7	(166.1)	5,855.4	1,771.6	7,626.9
Dividends decreed		-	(51.8)		(51.8)	(441.0)	(492.8)
Executive stock option plan		9.6			9.6	-	9.6
Net comprehensive income	4,183.8	1,073.5	721.9	(166.1)	5,813.2	1,330.6	7,143.7
Loss for the period	-	-	(33.0)	-	(33.0)	207.5	174.5
Translation effect of subsidiaries	-	-	-	57.2	57.2	-	57.2
Profit and Loss							
Change in valuation of derivative financial instruments	-	-	-	76.9	76.9	7.6	84.5
Increase in capital stock in subsidiary			-		-	-	-
Charge in liability for the purchase of shares			-		-		-
Net comprehensive income	-	-	(33.0)	134.1	101.1	215.1	316.2
Balances as of June 30, 2023	\$ 4,183.8	1,073.5	688.9	(32.0)	5,914.2	1,545.6	7,459.9