Quarterly Financial Information

[105000] Management commentary

Management commentary [text block]

Mexico City, April 30, 2025 - Industrias Peñoles, S.A.B. de C.V. ("Peñoles" or the "Company") (NYSE: PE&OLES), a mining group with integrated operations for the smelting and refining of non-ferrous metals and the production of chemical products, reports its consolidated results for the first quarter of 2025 (1Q25) and the main changes compared to the same period of 2024 (1Q24).

EXECUTIVE SUMMARY

In the opening quarter of 2025, average gold and silver prices were higher by 38.2% and 38.4%, respectively, compared to those of the same period in 2024. Of the industrial metals, only lead decreased 5.2% on average, while zinc prices increased 15.8% and copper 10.7%. This behavior was mainly explained by the global uncertainty generated by U.S. tariff policies and their possible repercussions on international trade and economic growth, which boosted demand for precious metals as safe haven assets and put pressure on industrial metals compared to their 2024 close.

In the mining operations, the volume of ore milled and processed was 10.5% lower compared to 1Q24, mainly due to the cessation of mining activities in one of the areas of the San Julián mine (disseminated ore body) in November 2024 due to depletion, and the lack of production at Tizapa, due to a strike since August 30, 2024. Additionally, at Fresnillo ore volume processed decreased due to the lower availability of ore in the flotation plant, while the operation of the deepened San Carlos shaft was being optimized, after its commissioning in the last quarter of 2024, and to a lesser extent, at Ciénega and Saucito. The above reductions were partially offset by the higher volume of ore processed at Sabinas, which during 1Q24 remained on technical shutdown to implement a new mining method in narrow veins. However, despite these operational efforts, the problem of high dilution has not yet been resolved; and Capela, because in the same quarter of 2024 it faced a temporary suspension because of the investigation process of an unfortunate fatal accident. The volume of ore deposited increased 7.0% mainly at Herradura, since in the same quarter of the previous year, heavy rains affected the mining process and the deposit of ore in leaching patios.

The higher volume of ore deposited, together with an improvement in the ore grade and recovery at Herradura favored gold mine production, which recorded an increase of 4.8% compared to that obtained during the first quarter of 2024. Silver production, on the other hand, recorded a 12.8% lower volume, mainly due to the lack of production at Tizapa and San Julián (disseminated ore body), in addition to the lower volume less grade ore processed at Ciénega and the lower grade at San Julián Veins. This was mitigated by the increase in ore processing by Capela with higher grade and recovery, the better ore grade at Fresnillo and the increase in the volume processed by Sabinas.

Lead and zinc production also decreased by 9.1% and 13.9%, in both cases mainly due to the lack of production at Tizapa and San Julian (disseminated ore body). Lead, in addition, due to lower grade, volume and recovery at Ciénega, and lower processed volume at Fresnillo, in addition to lower grades obtained at Velardeña and Sabinas, the latter mitigated by higher ore processed These reductions were partially offset by the higher ore grades obtained at Saucito and Juanicipio and the higher volume of ore processed at the latter. Copper in concentrates increased 7.2%, thanks to the increase in volume processed, an improvement in ore grade and metallurgical recovery at Capela, while copper in cathodes decreased 19.8% due to lower volume of ore deposited, lower recovery and lower grade at Milpillas.

In the metallurgical operations, refined gold production increased 9.7%, mainly due to higher production at Herradura. Silver and lead production also increased compared to 1Q24, 5.8% and 22.4%, respectively, due to the higher volume of concentrates and other materials treated in the smelter-refinery circuit, higher lead grades in mixtures, and the reduction of in-process inventories. In contrast, refined zinc production was 28.7% down, due to a lower volume of concentrates treated as a result of the annual scheduled maintenance shutdown at the zinc plant.

The chemical business recorded a lower production of sodium sulfate (-4.3%) due to power failures and lower demand from the detergent sector. Magnesium oxide recorded an increase (+4.7%) due to higher demand for some of its varieties, and magnesium sulfate increased (+5.1%) thanks to higher production during the solar evaporation season. For the ammonium sulfate by-product, the volume decreased (-37.6%) because the strategy to reduce its production continues due to the high cost of ammonia and the drop in the price of this fertilizer, which have affected profitability margins; therefore, strategies have been implemented to reduce its production and the plant's capacity has been channeled towards more profitable by-products.

In financial results, 1Q25 sales revenue was higher, mainly due to higher gold and silver prices, together with higher volumes sold of these metals and of lead, concentrates and copper matte. Cost of sales decreased primarily due to lower production costs, driven by a reduced volume of ore processed at the mining units and the maintenance shutdown of the zinc plant. Additionally, the depreciation of the peso positively impacted production costs incurred in local currency, which represent approximately 57% of total production costs. This was offset by higher cost of metal sold, due to higher prices (mainly for gold and silver) and volumes of gold and lead in concentrates purchased from third parties for metallurgical operations, together with a higher charge for inventory movement. Operating and financial expenses were lower than those recorded in the same quarter of the previous year, while the provision for income taxes was higher. The latter resulted from the higher taxable income in the period and the unfavorable adjustment in deferred taxes, mainly due to the effect of the depreciation of the peso against the U.S. dollar on certain assets for tax purposes.

Due to the factors described above, the financial results obtained by the Company in 1Q25 and their variation with respect to 1Q24 were as follows (in millions): Net Sales US$ 1,798.0 (+28.8%), Gross Profit US$ 612.9 (+ 258.3%), EBITDA US$ 629.6 (+220.2%), Operating Income US$ 460.1 (+ 7,744.4%) and Net Income from Controlling Interest US$ 185.9, favorable compared to the Net Loss of -US$ 39.0 recorded during 1Q24.

ANNOUNCEMENTS

On April 28, 2025, the Company held its Annual Ordinary Stockholders' Meeting, the Notice of which was released on April 3. The documents related and the resolutions of the Meeting are available at www.penoles.com.mx.

Disclosure of nature of business [text block]

Peñoles, founded in 1887, is a mining group with integrated operations for the smelting and refining of non-ferrous metals and the production of chemicals. We are presently the world's largest producer of refined silver; Latin America's leading producer of refined gold and lead; and among the world's leading producers of refined zinc and sodium sulfate.

Peñoles shares have been listed on the Mexican Stock Exchange since 1968 under the ticker symbol PE&OLES and are part of the Mexican Stock Market Index.

Disclosure of management's objectives and its strategies for meeting those objectives [text block]

Exploration of Peñoles

Exploration progressed on plan in the 5 priority projects: three in Mexico, one in Peru and one in Chile, with 26,126 meters (m) drilled. Exploratory geological and geophysical studies were carried out in the areas of influence of the 5 projects, to define models and new targets to test with drilling. Additionally, studies were carried out on 10 of our own prospects and 7 third party prospects to evaluate their potential and justify direct exploration or acquisition. The main results are:

Reina del Cobre (Durango).
Advanced copper-zinc project located 20 km east of the Velardeña Unit. During the quarter, drilling advanced 11,531 m, both underground and on surface. Two new drilling stations were completed in the San Joaquin pit. The plan is to increase the 25.2 million tons of inferred resources, and convert a portion to indicated resources, to update the preliminary economic study (PEA 2025). Geological and geophysical exploration continues in adjacent zones in the San Lorenzo sierra to define new nearby drill targets.

Flobar (Sonora).
Early copper and polymetallic project near La Caridad mine. Drilling program advanced with 7,252 m in the quarter. Adjacent targets continue to be tested, and the inferred resource at La Florida, a very shallow copper body, has been increased and is targeted to double its current size. At El Barrigón, we continue to define bodies of good copper equivalent grade and their interconnection zones. Exploratory work continued on new immediate targets.

International Projects.
In Peru at the advanced Racaycocha Project, drilling has continued at Santa Rosa and Pucapampa, as well as at Pasacancha with an accumulated 3,228 m, in 9 drill holes in the quarter. Two new bodies with inferred resources were defined: Pucajirca and Santa Rosa, both shallow copper-bearing bodies of significant size that remain open. At Pucapampa, drilling continues in the new molybdenum and copper body that remains open.
At the early Yastai project, located in Chile, a total 4,113 m were drilled in the period. Inferred resources are currently being increased at two of the four new targets - Saturno, Titan, Calixto and Neptuno - which have shown intercepts of copper and gold mineralization. In addition, work continues to convert the Yastai Main Zone resources to Indicated status. The plan for 2025 is to increase the total tonnage with the objective of advancing the project configuration and conducting a preliminary economic study towards the end of the year.

Mining Units.
At Tizapa, planning work continued to prioritize and specify new drill targets while the mining operation continues to be suspended due to the strike.

Fresnillo plc

Fresnillo plc, a subsidiary listed independently on the London Stock Exchange and the Mexican Stock Exchange, in which Peñoles holds a 74.99% interest, continued to advance in its exploration activities and the development of precious metals projects.

For more information about the development of Fresnillo plc's projects, please visit www.fresnilloplc.com.

Disclosure of entity's most significant resources, risks and relationships [text block]

ECONOMIC ENVIRONMENT AND METAL PRICES

The main economic variables that had a significant impact on the Company's results include the following.

	1Q25	1Q24	% Chg
Inflation for the period (%):	0.88	1.28	
Exchange rate (peso-dollar) (peso-dollar):			
Closing	20.3182	16.6780	*21.8*
Average	20.4235	16.9977	*20.2*

Period	Gold (US$/Oz)	Silver (US$/Oz)	Lead (UScts/lb)	Zinc (UScts/lb)	Copper (UScts/lb)
1Q24	2,069.80	23.34	94.20	111.15	382.76
4T'24	2,663.38	31.40	91.05	138.35	417.00
1Q25	2,859.62	32.30	89.35	128.73	423.67
%Var 1Q25 vs 1Q24	*38.2*	*38.4*	*-5.2*	*15.8*	*10.7*
%Var 1Q25 vs. 4Q24	*7.4*	*2.9*	*-1.9*	*-7.0*	*1.6*

The first quarter of 2025 was marked by growing global uncertainty, stemming from U.S. tariff policies and their potential effects on trade and the world economy. This was compounded by the resurgence of geopolitical tensions. Gold reached historic highs as a strategic asset in the face of uncertainty, the weakening of the dollar and volatility in the stock markets, while silver rebounded, benefiting from gold. Investment demand for precious metals remained strong, with record flows into exchange traded funds (ETFs), as central bank purchases continued, in contrast to limited supply, especially for silver.

For base metals, the announcements of a general tariff of 25% on steel and aluminum imports to the United States, starting in mid-March, had an adverse effect on quotations. Particularly relevant was the launch of an investigation by the Trump administration towards the end of February on copper imports, which increased expectations of a possible imposition of tariffs on the red metal during the year. As a result, the CME futures premium over LME three-month quotes reached a high of $1,650 per ton on March 26. In this context, lead and zinc performed weaker, affected by inventory reports indicating oversupply.

Disclosure of results of operations and prospects [text block]

OPERATING RESULTS

The main aspects that affected the variations in operating results in 1Q25 compared to 1Q24 are discussed below.

MINING OPERATIONS:

Production	1Q25	1Q24	% Chg
Milled Ore (Mton)	4,790	5,352	-10.5
Ore Deposited(*) (Mton)	4,069	3,802	7.0
Ore Processed (Mton)	8,860	9,155	-3.2
Gold (oz)	162,314	154,817	4.8
Silver (koz)	15,094	17,314	-12.8
Lead (ton)	19,484	21,433	-9.1
Zinc (ton)	57,698	66,981	-13.9
Copper (ton)	2,406	2,244	7.2
Cathodic Copper (ton)	2,560	3,194	-19.8

Includes 100% of payable production of Fresnillo plc and Juanicipio.
***Includes Herradura and Milpillas.**
Mton: thousand tons; oz: troy ounces; koz: thousand troy ounces; ton: metric tons.

Gold (+4.8%): The increase in quarterly gold production came mainly from the Herradura mine, due to a higher volume of ore processed, with better grade and recovery, as mining activities in the first quarter of 2024 were affected by heavy rains during that period. This increase offset the lower ore grade at Saucito and the lower ore grade and volume of ore processed at Ciénega, as well as the lack of production at the Tizapa mine.

Silver (-12.8%): The decrease in contained silver production is mainly attributable to the lack of production at Tizapa and San Julián (disseminated ore body), an area where mining activities ended in November 2024 due to depletion. There was also a decrease in production at Ciénega, due to lower grade and volume processing, at Saucito due to lower milling and at San Julián Veins due to lower ore grade. Such reductions were mitigated by higher milling and better ore grade and recovery at Capela, better grade at Fresnillo and recovery at the Pyrites I and II plants. Production at Sabinas also increased, as operations continued uninterrupted during 1Q25, unlike in March 2024, when a technical shutdown was implemented to transition to a semi-vertical mining method. This change was necessary due to vein narrowing and aimed to reduce dilution by adapting stopes to the new method and incorporating specialized equipment for more selective extraction. However, the grade of the ore processed remains below our expectations.

Lead (-9.1%): Lead in concentrates decreased due to the lack of production at Tizapa and San Julián (disseminated ore body), as well as the lower ore grade, volume and recovery at Ciénega, and the lower volume processed at Fresnillo, in addition to the lower grades obtained by Velardeña and Sabinas, the latter mitigated by higher volume processed. The above reductions were partially offset by the higher ore grades obtained at Saucito and Juanicipio and the higher volume of ore processed at the latter.

Zinc (-13.9%): The decrease in zinc production was mainly due to the lack of production at Tizapa and San Julián (disseminated ore body), and to a lesser extent, to lower ore grades at Velardeña and Sabinas, as well as lower milling at Fresnillo. This was offset by the higher production obtained by Capela, due to the increase in ore processing with higher grade and recovery, by Saucito thanks to a better ore grade and recovery, as well as Juanicipio, due to a better ore grade and an increase in ore processing.

Copper (+7.2%): Copper in concentrates increased due to higher production at Capela, derived from the higher volume processed, improved metallurgical recovery and ore grade, which compensated for the lack of production at Tizapa and lower grades at Sabinas and Velardeña.

Cathodic copper (-19.8%): The lower cathodes production was due to the decrease in the volume of ore deposited and lower copper recovery in leaching patios, in addition to the lower head grade.

METALLURGICAL OPERATIONS:

Production	1Q25	1Q24	% Chg
Gold (oz)	238,404	217,284	*9.7*
Silver (koz)	18,989	17,944	*5.8*
Lead (ton)	30,787	25,157	*22.4*
Zinc (ton)	41,974	58,877	*-28.7*

In the lead-silver circuit, higher refined gold output was mainly due to higher production at Herradura. Silver and lead productions also increased, favored by the higher volume of load treated at the smelter and the inventory reduction program; lead also increased due to higher grades in the mixtures of concentrates treated.

On the other hand, the quarterly refined zinc production was lower compared to 1Q24 due to the annual scheduled maintenance shutdown at the zinc plant in 1Q25.

CHEMICAL OPERATIONS:

Production	1Q25	1Q24	% Chg
Sodium sulfate (ton)	172,477	180,176	*-4.3*
Magnesium oxide (ton)	15,247	14,569	*4.7*
Ammonium sulfate (ton)* (ton)*	16,333	26,184	*-37.6*
Magnesium sulfate (ton)	15,159	14,419	*5.1*

***It does not include maquila.**

Sodium sulfate decreased production due to failures in electricity supply, and an adjustment in production for inventory control, derived from the contraction in demand in the detergent sector. Magnesium oxide output was higher than in 1Q24 due to stable operations and the recovery in demand for some of its varieties, while the strategy of reducing ammonium sulfate production continued, seeking to replace it with more profitable products. Magnesium sulfate production rebounded slightly because during the first months of the year we had stable operations and increased production via dams due to the good concentration of magnesium in solar evaporation dams.

Financial position, liquidity and capital resources [text block]

The consolidated financial statements of the Company were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The analysis of the consolidated financial statements is presented in millions of U.S. dollars (US$), which is Peñoles' functional currency, and 1Q25 figures are compared to 1Q24 figures, except where otherwise indicated.

FINANCIAL HIGHLIGHTS:

(Millions of dollars)	1Q25	1Q24	% Chg
Sales Invoiced	1,798.0	1,396.3	*28.8*
Net sales (1)	1,798.0	1,396.5	*28.8*
Gross Profit	612.9	171.1	*258.3*
% of sales	*34.1%*	*12.2%*	
EBITDA (2)(3)	629.6	196.6	*220.2*
% of sales	*35.0%*	*14.1%*	
Operating income (3)	460.1	5.9	*7744.4*
% of sales	*25.6%*	*0.4%*	
Other (Expenses) Income (4)	-6.6	2.6	*n.a*
Interest Income (Expense), Net	-31.7	-40.5	*21.7*
Net (Loss) Income (Loss) of Controlling Interest	185.9	-39.0	*n.a*
% of sales	*10.3%*	*-2.8%*	

(1) Include results from metal hedges.

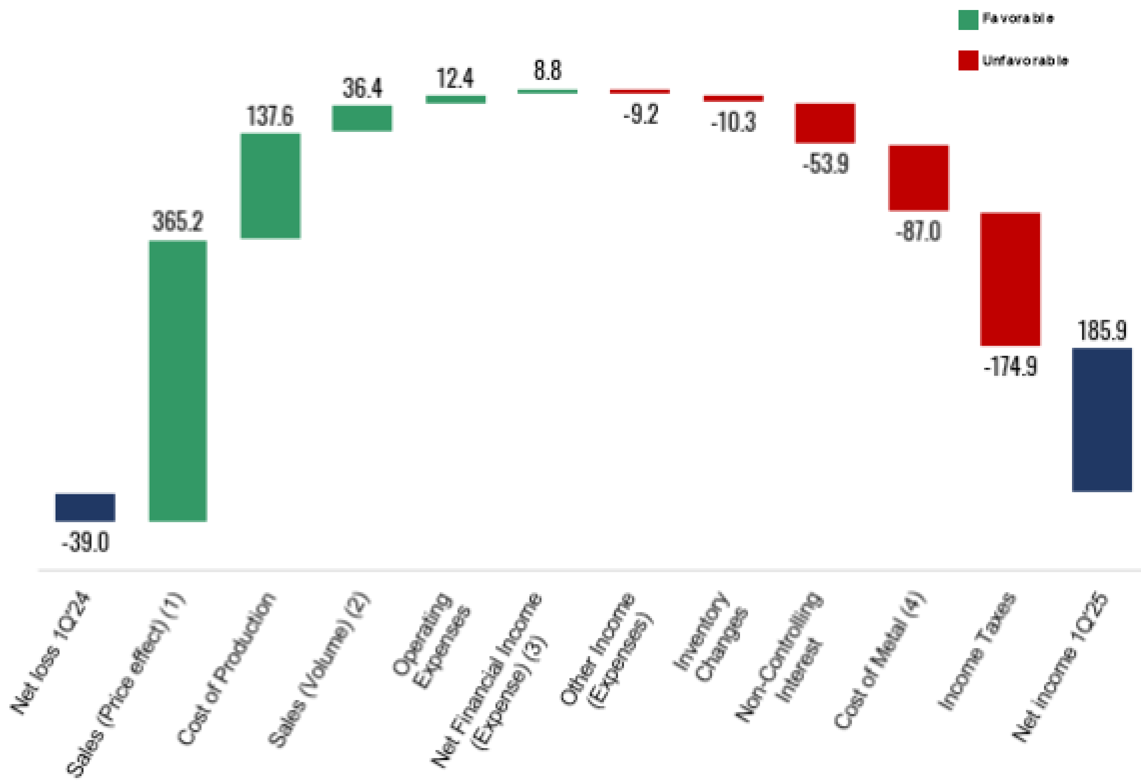
(2) Income before financial expenses, taxes, depreciation and amortization.

(3) Does not include Other Income (Expenses).

(4) Include impairment of fixed assets.

INCOME STATEMENT:

The following chart shows the variation of each income statement line item and its influence on the change in net income in 1Q25 compared to 1Q24:



(1) Includes variation in hedging results.

(2) Includes variation from the sale of other products and services.

(3) Includes financial expenses and foreign exchange result.

(4) Cost of Metal is presented net of treatment fee, profit on inventories and other items.

The variations are explained below:

Net Sales for 1Q25 totaled US$ 1,798.0, up 28.8% (+ US$ 401.6) compared to those obtained in 1Q24, as a result of:

- Higher gold and silver prices, and higher zinc, lead and copper matte realization prices, offsetting lower chemical prices and concentrate sales (+US$365.3).
- Higher volumes of gold, silver, lead, concentrates, copper matte and magnesium oxide offsetting lower volumes of zinc, copper and sodium sulfate (+US$ 39.8).
- Lower revenues from the sale of other products and services (-US$ 3.3).
- This was accompanied by a marginal variation in the result of metal hedging (-US$ 0.2).

Cost of Sales amounted to US$ 1,185.1, -3.3% below that recorded during 1Q24. The decrease of -US$ 40.3 was due to the following:

- Lower **Production Cost** by -US$ 137.6, for the following reasons: (i) the favorable effect of the depreciation of the peso against the US dollar on peso-denominated costs (approximately 57% of production costs are denominated in the national currency); (ii) lower costs associated with the cessation of mining at San Julián (disseminated ore body) due to its depletion and the lack of production at Tizapa, derived from the strike at this mining unit; and (iii) lower costs of maintenance performed; and (iv) lower electricity consumption in operations, mainly in the zinc plant, due to lower volume treated and lower production.

The variations by cost item are detailed below:

- Energy (-US$ 27.1, -22.6%) mainly in electricity, diesel and fuels and lubricants.
- Maintenance and repairs (-US$23.2, -18.0%) mainly at the Herradura, Fresnillo, Tizapa and San Julián mines.
- Contractors (-US$23.1, -18.3%), mainly in the mining units: Tizapa, Fresnillo, Saucito and San Julián, for the development of works and ore hauling.
- Depreciation and amortization (-US$19.6, -10.5%) especially in San Julián.
- Human Capital (-US$19.0, -16.2%), due to the favorable effect of the depreciation of the peso against the dollar.
- Operating materials (-US$ 18.7, -16.5%) mainly in explosives and detonators, reagents, lead for alloys, balls and bars for mills and construction materials.
- Other items (-US$6.8, -12.5%) due to lower ammonia consumption, and lower cost of low value leases, offsetting higher by-product carryforward charges.

- **Inventory Movement** Charge of US$ 34.0 higher than the US$ 23.7 charge in 1Q24 (+US$$ 10.3), due to the consumption of gold inventories in Herradura and because in the period our subsidiary Bal Holdings sold a higher volume of inventories, mainly zinc.
- Higher **Cost of Metal** Sold (+ US$ 87.0) due to higher metal prices and higher volume of concentrates purchased from third party shippers, especially with gold content.

As a result, **Gross Profit** increased 258.3% from US$ 171.1 in 1Q24 to US$ 612.9 in 1Q25.

Operating Expenses (General Expenses) totaled US$ 152.8, a reduction of -US$ 12.4 (-7.5%) due to the following items:

- Lower **Administrative and General Expenses** (-US$ 8.0, -10.1%), due to lower expenses in human capital, as well as lower expenses in fees, associations and other items.
- Lower **Selling Expenses** (-US$4.2, -9.7%) mainly due to lower inland freight.
- Lower **Exploration and Geological Expenses** (-US$ 0.2, -0.6%).

Quarterly **EBITDA** of US$629.6 increased (+US$ 433.0, +220.2%) compared to US$ 196.6 in 1Q24, while **Operating Income** of US$ 460.1 obtained in 1Q25 rose considerably (+ US$ 454.2, 7,744.4%) when compared to US$5.9 in the same quarter of the previous year.

Other expenses, net obtained during 1Q25 were -US$ 6.6, unfavorable compared to other income, net of US$ 2.6 in 1Q24 (-US$ 9.2), which is explained as follows:

- Other income of US$ 0.6 from the sale of fixed assets, lower than US$ 15.0 in the previous year, due to the income on the sale of other products and services in that amount recorded 1Q24.

- Other expenses of US$ 7.2, lower than other expenses of US$ 12.4 (-US$ 5.1), mainly due to lower donations granted -US$ 2.0, lower insurance on claims -US$ 1.3, together with lower lease expenses -US$ 0.7 and lower remediation expenses in closed mining units -US$ 0.5, among others.

The **Financial and Exchange Result, net** had a favorable variation (+US$ 8.8), since the expense for the period of US$ 31.7 was lower than the expense of US$ 40.5 of the same quarter of the previous year, as a result of:

- **Financial income** of US$ 29.6, up from US$ 19.2 (+ US$ 10.5) mainly due to higher interest on investments (+ US$ 8.6) and the fair value of derivative financial instruments, which represented income in 1Q25 (US$ 2.1) while in 1Q24 it was an expense.

- **Financial expenses** of US$ 54.1 vs US$ 56.3 (-US$ 2.2); the variation comes from the decrease in other items (-US$$ 3.9) -which includes bank commissions and the fair value of derivative financial instruments-; which offset the higher interest expense on financial debt (+US$ 1.7).

- **Exchange rate fluctuation**. In terms of translation, the result was unfavorable in -US$3.9, since in 1Q25 an exchange loss of -US$7.2 was recorded, up from the loss of -US$3.3 in 1Q24. This item arises from the translation at the balance sheet date exchange rate of monetary assets and liabilities in currencies other than the U.S. dollar, including the Mexican peso.

The **Provision for Income Taxes** was unfavorable in -US$ 174.9. In 1Q25 the provision of US$ 160.2 is made up of current taxes of US$ 77.5 and deferred taxes of US$ 82.8, while in 1Q24 the same concepts registered US$ 35.0 and -US$ 49.7 respectively. Current taxes were higher due to higher taxable income; in the case of deferred taxes, the main reason for the adjustment was the unfavorable effect of the depreciation of the peso against the US dollar on the Company's tax assets, while the appreciation of the peso in 1Q24 had the opposite effect.

Non-controlling interest in the quarterly results was an income of US$ 75.9, +US$ 54.3 versus the income of US$ 21.6, due to the better results of Fresnillo plc. On the other hand, the **Equity in the results of associates** and joint ventures had a variation of +US$ 0.4.

Due to the factors described above, in 1Q25 the **Net Income of the Controlling Interest** of US$ 185.9 was favorable at+ US$ 224.9 compared to the loss of -US$ 39.0 obtained during 1Q24.

CASH FLOW:

At the close of 1Q25, the Company had **Cash and cash equivalents** of US$2,108.0 an increase of +US$428.7 with respect to the balance of US$1,679.4 at the close of 4Q24 (net of exchange rate fluctuation and translation effect of+ US$ 3.2).

The most relevant concepts are discussed below:

1) **Net cash flows from operating activities** for+ US$ 540.3. This line item consists of items directly related to operating activities without considering those that do not have an impact on cash (such as depreciation) and includes working capital, as well as income taxes, employee profit sharing and equity in the results of associates and joint ventures.

2) **Net cash flows from investing activities** of -US$ 67.5, comprising:

   a) Investments in property, plant and equipment for -US$ 73.2, highlighting the development of depreciable mining works, the construction of tailings deposits and leaching patios, as well as the purchase of equipment for the operating units.

   b) Interest collected +US$ 3.3.

   c) Amount received from the sale of fixed assets +US$ 0.6.

d) Other cash inflows +US$ 1.

3) **Net cash flows from financing activities** of -US$40.9, derived from:

a) Obtaining and liquidating short-term loans used to finance working capital needs, and liquidation of current portion of long-term loans+ US$ 15.6.

b) Interest paid on financial debt -US$ 52.8.

c) Payment of lease liabilities -US$ 5.4.

d) Other items+ US$ 1.8.

Internal control [text block]

Industrias Peñoles, S.A.B. de C.V. maintains an Internal Control System aimed at reasonably ensuring shareholders, the financial community, and other stakeholders that accounting transactions and disclosures are in accordance with applicable regulations (both internal and external). The internal controls are based on procedures that promote the reliability and transparency of financial and operational records and reports, the protection of assets, and the proper management of existing critical risks as well as emerging ones. According to Article 28, Section III of the Securities Market Law (LMV), the General Management is responsible for maintaining the Internal Control System. This task is carried out with the support of entities that make up the three lines of defense: on one hand, process owners as the first line of defense; various committees and governing bodies, including operational and administrative departments (each within their areas of responsibility), as well as Compliance functions and Risk/Internal Control areas as the second line of defense; and the third line of defense is the Internal Audit Department, which operates independently by reporting directly to the Audit and Corporate Governance Committee of Industrias Peñoles. Its objective is to evaluate the effectiveness of the Internal Control System and the degree of regulatory compliance based on key risks. Additionally, there is independent validation by the external auditor.

The effectiveness of the Internal Control System lies in an organizational structure with clear segregation of responsibilities across different business processes, in its business ethics reflected in the code of conduct and institutional values of Confidence, Responsibility and Respect, Integrity, and Loyalty (CRIL), and in the establishment of policies and procedures that are aligned with Peñoles' organizational strategies. In compliance with the provisions of the LMV, Peñoles has an Audit and Corporate Governance Committee, which meets quarterly and provides an annual report to the Board of Directors regarding the status of the Internal Control System. The committee also follows up on reports from both the internal and external auditors, reviews transactions with related parties, and works with other governing bodies such as the Compliance Department, Legal Department, and Finance Department. The committee's report for the 2024 fiscal year was presented for approval at the Annual Ordinary Shareholders' Meeting held on April 28, 2025.

To strengthen its ethical culture in all its interactions with stakeholders, Peñoles provides an institutional reporting mechanism called the "Línea Correcta" to employees and third parties for reporting unethical behavior that violates the Code of Conduct. This line is continuously available and is managed by an independent third party to ensure confidentiality and anonymity; each report is handled according to internal procedures defined by the Ethics and Corporate Values Committee.

Disclosure of critical performance measures and indicators that management uses to evaluate entity's performance against stated objectives [text block]

The Company determines performance indicators for sales as outlined in the section on Financial Position, Liquidity, and Capital Resources described above. Internally, the Balanced Scorecard is used to measure the achievement of established objectives..

[110000] General information about financial statements

Ticker:	PE&OLES
Period covered by financial statements:	2025-01-01 to 2025-03-31
Date of end of reporting period:	2025-03-31
Name of reporting entity or other means of identification:	PE&OLES
Description of presentation currency:	USD
Level of rounding used in financial statements:	THOUSANDS OF AMERICAN DOLLARS
Consolidated:	Yes
Number of quarter:	1
Type of issuer:	ICS
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period:	
Description of nature of financial statements:	

Disclosure of general information about financial statements [text block]

Follow-up of analysis [text block]

Peñoles has analysis coverage from Morgan Stanley and Scotiabank.

[210000] Statement of financial position, current/non-current

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Statement of financial position [abstract]		
Assets [abstract]		
Current assets [abstract]		
Cash and cash equivalents	2,108,035,000	1,679,354,000
Trade and other current receivables	569,776,000	656,487,000
Current tax assets, current	87,202,000	69,538,000
Other current financial assets	272,237,000	212,544,000
Current inventories	2,130,553,000	2,119,246,000
Current biological assets	0	0
Other current non-financial assets	48,865,000	27,922,000
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	5,216,668,000	4,765,091,000
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	21,362,000	21,362,000
Total current assets	5,238,030,000	4,786,453,000
Non-current assets [abstract]		
Trade and other non-current receivables	44,281,000	8,987,000
Current tax assets, non-current	0	0
Non-current inventories	69,760,000	69,760,000
Non-current biological assets	0	0
Other non-current financial assets	166,211,000	147,926,000
Investments accounted for using equity method	0	0
Investments in subsidiaries, joint ventures and associates	71,468,000	74,750,000
Property, plant and equipment	4,121,010,000	4,219,125,000
Investment property	0	0
Right-of-use assets that do not meet definition of investment property	82,595,000	83,830,000
Goodwill	0	0
Intangible assets other than goodwill	5,351,000	5,465,000
Deferred tax assets	849,931,000	873,035,000
Other non-current non-financial assets	0	0
Total non-current assets	5,410,607,000	5,482,878,000
Total assets	10,648,637,000	10,269,331,000
Equity and liabilities [abstract]		
Liabilities [abstract]		
Current liabilities [abstract]		
Trade and other current payables	458,262,000	406,566,000
Current tax liabilities, current	113,800,000	220,488,000
Other current financial liabilities	736,519,000	666,543,000
Current lease liabilities	21,132,000	12,858,000
Other current non-financial liabilities	0	0
Current provisions [abstract]		
Current provisions for employee benefits	31,033,000	25,814,000
Other current provisions	11,781,000	11,781,000
Total current provisions	42,814,000	37,595,000
Total current liabilities other than liabilities included in disposal groups classified as held for sale	1,372,527,000	1,344,050,000
Liabilities included in disposal groups classified as held for sale	38,425,000	37,563,000
Total current liabilities	1,410,952,000	1,381,613,000
Non-current liabilities [abstract]		
Trade and other non-current payables	0	0
Current tax liabilities, non-current	0	0

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Other non-current financial liabilities	2,511,194,000	2,515,585,000
Non-current lease liabilities	79,408,000	86,144,000
Other non-current non-financial liabilities	0	0
Non-current provisions [abstract]		
Non-current provisions for employee benefits	55,998,000	54,072,000
Other non-current provisions	427,279,000	423,317,000
Total non-current provisions	483,277,000	477,389,000
Deferred tax liabilities	248,238,000	176,274,000
Total non-current liabilities	3,322,117,000	3,255,392,000
Total liabilities	4,733,069,000	4,637,005,000
Equity [abstract]		
Issued capital	401,399,000	401,399,000
Share premium	0	0
Treasury shares	0	0
Retained earnings	4,094,208,000	3,908,277,000
Other reserves	(24,447,000)	(34,522,000)
Total equity attributable to owners of parent	4,471,160,000	4,275,154,000
Non-controlling interests	1,444,408,000	1,357,172,000
Total equity	5,915,568,000	5,632,326,000
Total equity and liabilities	10,648,637,000	10,269,331,000

[310000] Statement of comprehensive income, profit or loss, by function of expense

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Profit or loss [abstract]		
Profit (loss) [abstract]		
Revenue	1,798,035,000	1,396,463,000
Cost of sales	1,185,129,000	1,225,403,000
Gross profit	612,906,000	171,060,000
Distribution costs	38,754,000	42,910,000
Administrative expenses	114,081,000	122,285,000
Other income	618,000	14,963,000
Other expense	7,240,000	12,376,000
Profit (loss) from operating activities	453,449,000	8,452,000
Finance income	29,636,000	19,152,000
Finance costs	61,340,000	59,626,000
Share of profit (loss) of associates and joint ventures accounted for using equity method	347,000	(88,000)
Profit (loss) before tax	422,092,000	(32,110,000)
Tax income (expense)	160,240,000	(14,709,000)
Profit (loss) from continuing operations	261,852,000	(17,401,000)
Profit (loss) from discontinued operations	0	0
Profit (loss)	261,852,000	(17,401,000)
Profit (loss), attributable to [abstract]		
Profit (loss), attributable to owners of parent	185,931,000	(39,010,000)
Profit (loss), attributable to non-controlling interests	75,921,000	21,609,000
Earnings per share [text block]		
Earnings per share [abstract]		
Earnings per share [line items]		
Basic earnings per share [abstract]		
Basic earnings (loss) per share from continuing operations	0.47	(0.1)
Basic earnings (loss) per share from discontinued operations	0	0
Total basic earnings (loss) per share	0.47	(0.1)
Diluted earnings per share [abstract]		
Diluted earnings (loss) per share from continuing operations	0.47	(0.1)
Diluted earnings (loss) per share from discontinued operations	0	0
Total diluted earnings (loss) per share	0.47	(0.1)

[410000] Statement of comprehensive income, OCI components presented net of tax

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Statement of comprehensive income [abstract]		
Profit (loss)	261,852,000	(17,401,000)
Other comprehensive income [abstract]		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax [abstract]		
Other comprehensive income, net of tax, gains (losses) from investments in equity instruments	12,800,000	1,823,000
Other comprehensive income, net of tax, gains (losses) on revaluation	0	0
Other comprehensive income, net of tax, gains (losses) on remeasurements of defined benefit plans	0	0
Other comprehensive income, net of tax, change in fair value of financial liability attributable to change in credit risk of liability	0	0
Other comprehensive income, net of tax, gains (losses) on hedging instruments that hedge investments in equity instruments	0	0
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profit or loss, net of tax	0	0
Total other comprehensive income that will not be reclassified to profit or loss, net of tax	12,800,000	1,823,000
Components of other comprehensive income that will be reclassified to profit or loss, net of tax [abstract]		
Exchange differences on translation [abstract]		
Gains (losses) on exchange differences on translation, net of tax	(945,000)	332,000
Reclassification adjustments on exchange differences on translation, net of tax	0	0
Other comprehensive income, net of tax, exchange differences on translation	(945,000)	332,000
Available-for-sale financial assets [abstract]		
Gains (losses) on remeasuring available-for-sale financial assets, net of tax	0	0
Reclassification adjustments on available-for-sale financial assets, net of tax	0	0
Other comprehensive income, net of tax, available-for-sale financial assets	0	0
Cash flow hedges [abstract]		
Gains (losses) on cash flow hedges, net of tax	13,164,000	8,005,000
Reclassification adjustments on cash flow hedges, net of tax	0	0
Amounts removed from equity and included in carrying amount of non-financial asset (liability) whose acquisition or incurrence was hedged highly probable forecast transaction, net of tax	0	0
Other comprehensive income, net of tax, cash flow hedges	13,164,000	8,005,000
Hedges of net investment in foreign operations [abstract]		
Gains (losses) on hedges of net investments in foreign operations, net of tax	0	0
Reclassification adjustments on hedges of net investments in foreign operations, net of tax	0	0
Other comprehensive income, net of tax, hedges of net investments in foreign operations	0	0
Change in value of time value of options [abstract]		
Gains (losses) on change in value of time value of options, net of tax	0	0
Reclassification adjustments on change in value of time value of options, net of tax	0	0
Other comprehensive income, net of tax, change in value of time value of options	0	0
Change in value of forward elements of forward contracts [abstract]		
Gains (losses) on change in value of forward elements of forward contracts, net of tax	0	0
Reclassification adjustments on change in value of forward elements of forward contracts, net of tax	0	0
Other comprehensive income, net of tax, change in value of forward elements of forward contracts	0	0
Change in value of foreign currency basis spreads [abstract]		
Gains (losses) on change in value of foreign currency basis spreads, net of tax	0	0
Reclassification adjustments on change in value of foreign currency basis spreads, net of tax	0	0
Other comprehensive income, net of tax, change in value of foreign currency basis spreads	0	0
Financial assets measured at fair value through other comprehensive income [abstract]		
Gains (losses) on financial assets measured at fair value through other comprehensive income, net of tax	0	0
Reclassification adjustments on financial assets measured at fair value through other comprehensive income, net of tax	0	0
Amounts removed from equity and adjusted against fair value of financial assets on reclassification out of fair value through other comprehensive income measurement category, net of tax	0	0

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Other comprehensive income, net of tax, financial assets measured at fair value through other comprehensive income	0	0
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss, net of tax	(3,629,000)	3,000
Total other comprehensive income that will be reclassified to profit or loss, net of tax	8,590,000	8,340,000
Total other comprehensive income	21,390,000	10,163,000
Total comprehensive income	283,242,000	(7,238,000)
Comprehensive income attributable to [abstract]		
Comprehensive income, attributable to owners of parent	196,006,000	(29,244,000)
Comprehensive income, attributable to non-controlling interests	87,236,000	22,006,000

[520000] Statement of cash flows, indirect method

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Statement of cash flows [abstract]		
Cash flows from (used in) operating activities [abstract]		
Profit (loss)	261,852,000	(17,401,000)
Adjustments to reconcile profit (loss) [abstract]		
+ Discontinued operations	0	0
+ Adjustments for income tax expense	160,240,000	(14,709,000)
+ (-) Adjustments for finance costs	48,342,000	33,435,000
+ Adjustments for depreciation and amortisation expense	169,490,000	190,773,000
+ Adjustments for impairment loss (reversal of impairment loss) recognised in profit or loss	0	0
+ Adjustments for provisions	16,574,000	3,593,000
+ (-) Adjustments for unrealised foreign exchange losses (gains)	9,139,000	8,128,000
+ Adjustments for share-based payments	0	0
+ (-) Adjustments for fair value losses (gains)	0	0
- Adjustments for undistributed profits of associates	0	0
+ (-) Adjustments for losses (gains) on disposal of non-current assets	(618,000)	296,000
	(347,000)	88,000
+ (-) Adjustments for decrease (increase) in inventories	(12,225,000)	(20,241,000)
+ (-) Adjustments for decrease (increase) in trade accounts receivable	3,189,000	(27,245,000)
+ (-) Adjustments for decrease (increase) in other operating receivables	11,982,000	175,291,000
+ (-) Adjustments for increase (decrease) in trade accounts payable	(25,975,000)	11,399,000
+ (-) Adjustments for increase (decrease) in other operating payables	85,925,000	(142,446,000)
+ Other adjustments for non-cash items	690,000	5,594,000
+ Other adjustments for which cash effects are investing or financing cash flow	0	0
+ Straight-line rent adjustment	0	0
+ Amortization of lease fees	0	0
+ Setting property values	0	0
+ (-) Other adjustments to reconcile profit (loss)	0	0
+ (-) Total adjustments to reconcile profit (loss)	466,406,000	223,956,000
Net cash flows from (used in) operations	728,258,000	206,555,000
- Dividends paid	0	0
	0	0
- Interest paid	0	0
+ Interest received	0	0
+ (-) Income taxes refund (paid)	187,954,000	85,683,000
+ (-) Other inflows (outflows) of cash	0	0
Net cash flows from (used in) operating activities	540,304,000	120,872,000
Cash flows from (used in) investing activities [abstract]		
+ Cash flows from losing control of subsidiaries or other businesses	0	0
- Cash flows used in obtaining control of subsidiaries or other businesses	0	0
+ Other cash receipts from sales of equity or debt instruments of other entities	0	0
- Other cash payments to acquire equity or debt instruments of other entities	0	0
+ Other cash receipts from sales of interests in joint ventures	0	0
- Other cash payments to acquire interests in joint ventures	0	0
+ Proceeds from sales of property, plant and equipment	628,000	686,000
- Purchase of property, plant and equipment	73,201,000	86,016,000
+ Proceeds from sales of intangible assets	0	0
- Purchase of intangible assets	0	0
+ Proceeds from sales of other long-term assets	0	0
- Purchase of other long-term assets	0	0

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
+ Proceeds from government grants	0	0
- Cash advances and loans made to other parties	0	19,000
+ Cash receipts from repayment of advances and loans made to other parties	0	1,006,000
- Cash payments for futures contracts, forward contracts, option contracts and swap contracts	0	0
+ Cash receipts from futures contracts, forward contracts, option contracts and swap contracts	0	0
+ Dividends received	0	0
- Interest paid	0	0
+ Interest received	3,319,000	15,666,000
	0	0
+ (-) Other inflows (outflows) of cash	1,717,000	0
Net cash flows from (used in) investing activities	(67,537,000)	(68,677,000)
Cash flows from (used in) financing activities [abstract]		
+ Proceeds from changes in ownership interests in subsidiaries that do not result in loss of control	0	0
- Payments from changes in ownership interests in subsidiaries that do not result in loss of control	0	0
+ Proceeds from issuing shares	0	0
+ Proceeds from issuing other equity instruments	0	0
- Payments to acquire or redeem entity's shares	0	0
- Payments of other equity instruments	0	0
+ Proceeds from borrowings	1,723,386,000	887,000,000
- Repayments of borrowings	1,707,808,000	813,728,000
- Payments of finance lease liabilities	0	0
- Payments of lease liabilities	5,449,000	5,633,000
+ Proceeds from government grants	0	0
- Dividends paid	0	0
- Interest paid	52,840,000	52,745,000
+ (-) Income taxes refund (paid)	0	0
+ (-) Other inflows (outflows) of cash	1,819,000	(15,725,000)
Net cash flows from (used in) financing activities	(40,892,000)	(831,000)
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	431,875,000	51,364,000
Effect of exchange rate changes on cash and cash equivalents [abstract]		
Effect of exchange rate changes on cash and cash equivalents	(3,194,000)	(1,679,000)
Net increase (decrease) in cash and cash equivalents	428,681,000	49,685,000
Cash and cash equivalents at beginning of period	1,679,354,000	1,040,222,000
Cash and cash equivalents at end of period	2,108,035,000	1,089,907,000

[610000] Statement of changes in equity - Accumulated Current

	Components of equity [axis]								
Sheet 1 of 3	Issued capital [member]	Share premium [member]	Treasury shares [member]	Retained earnings [member]	Revaluation surplus [member]	Reserve of exchange differences on translation [member]	Reserve of cash flow hedges [member]	Reserve of gains and losses on hedging instruments that hedge investments in equity instruments [member]	Reserve of change in value of time value of options [member]
Statement of changes in equity [line items]									
Equity at beginning of period	401,399,000	0	0	3,908,277,000	0	(77,985,000)	1,446,000	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	185,931,000	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	(12,821,000)	13,165,000	0	0
Total comprehensive income	0	0	0	185,931,000	0	(12,821,000)	13,165,000	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	185,931,000	0	(12,821,000)	13,165,000	0	0
Equity at end of period	401,399,000	0	0	4,094,208,000	0	(90,806,000)	14,611,000	0	0

Sheet 2 of 3	Components of equity [axis] Reserve of change in value of forward elements of forward contracts [member]	Reserve of change in value of foreign currency basis spreads [member]	Reserve of gains and losses on financial assets measured at fair value through other comprehensive income [member]	Reserve of gains and losses on remeasuring available-for-sale financial assets [member]	Reserve of share-based payments [member]	Reserve of remeasurements of defined benefit plans [member]	Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale [member]	Reserve of gains and losses from investments in equity instruments [member]	Reserve of change in fair value of financial liability attributable to change in credit risk of liability [member]
Statement of changes in equity [line items]									
Equity at beginning of period	0	0	53,171,000	0	0	(11,154,000)	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	0	0	0	0	0	0
Other comprehensive income	0	0	9,731,000	0	0	0	0	0	0
Total comprehensive income	0	0	9,731,000	0	0	0	0	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	9,731,000	0	0	0	0	0	0
Equity at end of period	0	0	62,902,000	0	0	(11,154,000)	0	0	0

Sheet 3 of 3	Components of equity [axis]							
	Reserve for catastrophe [member]	Reserve for equalisation [member]	Reserve of discretionary participation features [member]	Other comprehensive income [member]	Other reserves [member]	Equity attributable to owners of parent [member]	Non-controlling interests [member]	Equity [member]
Statement of changes in equity [line items]								
Equity at beginning of period	0	0	0	0	(34,522,000)	4,275,154,000	1,357,172,000	5,632,326,000
Changes in equity [abstract]								
Comprehensive income [abstract]								
Profit (loss)	0	0	0	0	0	185,931,000	75,921,000	261,852,000
Other comprehensive income	0	0	0	0	10,075,000	10,075,000	11,315,000	21,390,000
Total comprehensive income	0	0	0	0	10,075,000	196,006,000	87,236,000	283,242,000
Issue of equity	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	0	10,075,000	196,006,000	87,236,000	283,242,000
Equity at end of period	0	0	0	0	(24,447,000)	4,471,160,000	1,444,408,000	5,915,568,000

[610000] Statement of changes in equity - Accumulated Previous

	Components of equity [axis]								
Sheet 1 of 3	Issued capital [member]	Share premium [member]	Treasury shares [member]	Retained earnings [member]	Revaluation surplus [member]	Reserve of exchange differences on translation [member]	Reserve of cash flow hedges [member]	Reserve of gains and losses on hedging instruments that hedge investments in equity instruments [member]	Reserve of change in value of time value of options [member]
Statement of changes in equity [line items]									
Equity at beginning of period	401,399,000	0	0	3,834,771,000	0	(53,574,000)	(4,061,000)	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	(39,010,000)	0	0	0	0	0
Other comprehensive income	0	0	0	0	0	386,000	8,005,000	0	0
Total comprehensive income	0	0	0	(39,010,000)	0	386,000	8,005,000	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	(39,010,000)	0	386,000	8,005,000	0	0
Equity at end of period	401,399,000	0	0	3,795,761,000	0	(53,188,000)	3,944,000	0	0

Sheet 2 of 3	Components of equity [axis]								
	Reserve of change in value of forward elements of forward contracts [member]	Reserve of change in value of foreign currency basis spreads [member]	Reserve of gains and losses on financial assets measured at fair value through other comprehensive income [member]	Reserve of gains and losses on remeasuring available-for-sale financial assets [member]	Reserve of share-based payments [member]	Reserve of remeasurements of defined benefit plans [member]	Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale [member]	Reserve of gains and losses from investments in equity instruments [member]	Reserve of change in fair value of financial liability attributable to change in credit risk of liability [member]
Statement of changes in equity [line items]									
Equity at beginning of period	0	0	34,066,000	0	0	(2,575,000)	0	0	0
Changes in equity [abstract]									
Comprehensive income [abstract]									
Profit (loss)	0	0	0	0	0	0	0	0	0
Other comprehensive income	0	0	1,375,000	0	0	0	0	0	0
Total comprehensive income	0	0	1,375,000	0	0	0	0	0	0
Issue of equity	0	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	1,375,000	0	0	0	0	0	0
Equity at end of period	0	0	35,441,000	0	0	(2,575,000)	0	0	0

Sheet 3 of 3	Components of equity [axis]							
	Reserve for catastrophe [member]	Reserve for equalisation [member]	Reserve of discretionary participation features [member]	Other comprehensive income [member]	Other reserves [member]	Equity attributable to owners of parent [member]	Non-controlling interests [member]	Equity [member]
Statement of changes in equity [line items]								
Equity at beginning of period	0	0	0	0	(26,144,000)	4,210,026,000	1,295,762,000	5,505,788,000
Changes in equity [abstract]								
Comprehensive income [abstract]								
Profit (loss)	0	0	0	0	0	(39,010,000)	21,609,000	(17,401,000)
Other comprehensive income	0	0	0	0	9,766,000	9,766,000	397,000	10,163,000
Total comprehensive income	0	0	0	0	9,766,000	(29,244,000)	22,006,000	(7,238,000)
Issue of equity	0	0	0	0	0	0	0	0
Dividends recognised as distributions to owners	0	0	0	0	0	0	0	0
Increase through other contributions by owners, equity	0	0	0	0	0	0	0	0
Decrease through other distributions to owners, equity	0	0	0	0	0	0	0	0
Increase (decrease) through other changes, equity	0	0	0	0	0	0	0	0
Increase (decrease) through treasury share transactions, equity	0	0	0	0	0	0	0	0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity	0	0	0	0	0	0	0	0
Increase (decrease) through share-based payment transactions, equity	0	0	0	0	0	0	0	0
Amount removed from reserve of cash flow hedges and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of time value of options and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of forward elements of forward contracts and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Amount removed from reserve of change in value of foreign currency basis spreads and included in initial cost or other carrying amount of non-financial asset (liability) or firm commitment for which fair value hedge accounting is applied	0	0	0	0	0	0	0	0
Total increase (decrease) in equity	0	0	0	0	9,766,000	(29,244,000)	22,006,000	(7,238,000)
Equity at end of period	0	0	0	0	(16,378,000)	4,180,782,000	1,317,768,000	5,498,550,000

[700000] Informative data about the Statement of financial position

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Informative data of the Statement of Financial Position [abstract]		
Capital stock (nominal)	401,399,000	401,399,000
Restatement of capital stock	0	0
Plan assets for pensions and seniority premiums	88,674,000	86,840,000
Number of executives	64	65
Number of employees	4,694	5,000
Number of workers	10,525	10,548
Outstanding shares	397,475,747	397,475,747
Repurchased shares	15,789,000	15,789,000
Restricted cash	0	0
Guaranteed debt of associated companies	0	0

[700002] Informative data about the Income statement

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Informative data of the Income Statement [abstract]		
Operating depreciation and amortization	169,490,000	190,773,000

[700003] Informative data - Income statement for 12 months

Concept	Current Year 2024-04-01 - 2025-03-31	Previous Year 2023-04-01 - 2024-03-31
Informative data - Income Statement for 12 months [abstract]		
Revenue	7,051,652,000	5,912,396,000
Profit (loss) from operating activities	1,519,499,000	22,678,000
Profit (loss)	487,115,000	250,117,000
Profit (loss), attributable to owners of parent	298,194,000	104,660,000
Operating depreciation and amortization	766,483,000	712,164,000

[800001] Breakdown of credits

Institution [axis]	Foreign institution (yes/no)	Contract signing date	Expiration date	Interest rate	Denomination [axis]											
					Domestic currency [member]						Foreign currency [member]					
					Time interval [axis]						Time interval [axis]					
					Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]	Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]
Banks [abstract]																
Foreign trade																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Banks - secured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Commercial banks																
Novascotia	NO	2025-02-14	2025-05-14	4.90%							100,000,000					
Novascotia.	NO	2025-02-14	2025-05-14	4.90%							100,000,000					
BBVA Bancomer	NO	2025-02-28	2025-04-30	5.05%							100,000,000					
Bank of America México, S.A	NO	2025-03-14	2025-04-30	5.04%							20,000,000					
CITIMEXICO	NO	2025-03-19	2025-04-30	5.08%							60,000,000					
BBVA Bancomer.	NO	2025-03-31	2025-04-30	5.09%							50,000,000					
Bank of America México, S.A.	NO	2025-03-31	2025-04-30	5.07%							30,000,000					
Scotiabank	NO	2025-03-14	2025-04-30	5.12%	44,738,000						0					
TOTAL					44,738,000	0	0	0	0	0	460,000,000	0	0	0	0	0
Other banks																
Crédit Agricole Corporate and Investment Bank (scheme ECA)	SI	2017-06-22	2026-09-30	Libor 6 month + 0.94%							9,636,000		4,813,000			
TOTAL					0	0	0	0	0	0	9,636,000	0	4,813,000	0	0	0
Total banks																
TOTAL					44,738,000	0	0	0	0	0	469,636,000	0	4,813,000	0	0	0
Stock market [abstract]																
Listed on stock exchange - unsecured																
Unsecured bonds issued by Fresnillo plc	SI	2020-10-02	2050-10-03	4.25%												830,008,000
Unsecured bonds issued by IPSAB .	SI	2019-09-12	2049-09-12	5.65%												538,078,000
Unsecured bonds issued by IPSAB	SI	2019-09-12	2029-09-12	4.15%												538,077,000
Unsecured bonds issued by IPSAB.	SI	2020-08-06	2050-08-06	4.75%												500,182,000
Unsecured bonds issued by IPSAB .	SI	2019-09-12	2029-09-12	4.15%												100,036,000
TOTAL					0	0	0	0	0	0	0	0	0	0	0	2,506,381,000
Listed on stock exchange - secured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Private placements - unsecured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Private placements - secured																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total listed on stock exchanges and private placements																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	2,506,381,000
Other current and non-current liabilities with cost [abstract]																
Other current and non-current liabilities with cost																
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Total other current and non-current liabilities with cost																

Institution [axis]	Foreign institution (yes/no)	Contract signing date	Expiration date	Interest rate	Denomination [axis]											
					Domestic currency [member]						Foreign currency [member]					
					Time interval [axis]						Time interval [axis]					
					Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]	Current year [member]	Until 1 year [member]	Until 2 years [member]	Until 3 years [member]	Until 4 years [member]	Until 5 years or more [member]
TOTAL					0	0	0	0	0	0	0	0	0	0	0	0
Suppliers [abstract]																
Suppliers																
Metals and Maquilas to Pay	NO	2025-03-31	2025-05-31								12,035,000					
Mineral Senders	NO	2025-03-31	2025-06-30								127,433,000					
Foreing Mineral Senders	SI	2025-03-31	2025-06-30								2,930,000					
National Metals Division	NO	2025-03-11	2025-04-10								26,181,000					
Foreing Metals Division	SI	2025-02-28	2025-04-10								13,463,000					
National Mine Division	NO	2025-02-19	2025-04-20								93,690,000					
Foreing Mine Division	SI	2025-03-19	2025-04-03								2,606,000					
National Chemical Division	NO	2025-02-22	2025-04-22								2,820,000					
Foreing Chemical Division	SI	2025-03-01	2025-04-15								425,000					
National Corporate Division	NO	2025-02-11	2025-04-03								1,306,000					
Foreing Corporate Division	SI	2025-03-20	2025-04-03								262,000					
Metals Division	NO	2025-03-27	2025-04-02		12,895,000											
Mine Division	NO	2025-03-24	2025-04-08		77,452,000											
Chemical Division	NO	2025-03-31	2025-04-30		3,590,000											
Corporate Division	NO	2025-02-15	2025-04-05		4,895,000											
TOTAL					98,832,000	0	0	0	0	0	283,151,000	0	0	0	0	0
Total suppliers																
TOTAL					98,832,000	0	0	0	0	0	283,151,000	0	0	0	0	0
Other current and non-current liabilities [abstract]																
Other current and non-current liabilities																
Other liabilities	NO				164,858,000						57,287,000					
TOTAL					164,858,000	0	0	0	0	0	57,287,000	0	0	0	0	0
Total other current and non-current liabilities																
TOTAL					164,858,000	0	0	0	0	0	57,287,000	0	0	0	0	0
Total credits																
TOTAL					308,428,000	0	0	0	0	0	810,074,000	0	4,813,000	0	0	2,506,381,000

[800003] Annex - Monetary foreign currency position

Disclosure of monetary foreign currency position [text block]

Exchange rates March 2025 for conversions of the following currencies to national currency:

- Dollar USD	20.3182
- British Pounds	26.3028
- Swedish Krona	2.024
- Euros	21.9125
- Canadian Dollar	14.1693

	Currencies [axis]				
	Dollars [member]	Dollar equivalent in pesos [member]	Other currencies equivalent in dollars [member]	Other currencies equivalent in pesos [member]	Total pesos [member]
Foreign currency position [abstract]					
Monetary assets [abstract]					
Current monetary assets	2,434,239,000	49,459,358,000	3,904,000	79,315,000	49,538,673,000
Non-current monetary assets	25,273,000	513,499,000	0	0	513,499,000
Total monetary assets	2,459,512,000	49,972,857,000	3,904,000	79,315,000	50,052,172,000
Liabilities position [abstract]					
Current liabilities	657,306,000	13,355,267,000	(15,060,000)	(305,996,000)	13,049,271,000
Non-current liabilities	3,339,022,000	67,842,922,000	0	0	67,842,922,000
Total liabilities	3,996,328,000	81,198,189,000	(15,060,000)	(305,996,000)	80,892,193,000
Net monetary assets (liabilities)	(1,536,816,000)	(31,225,332,000)	18,964,000	385,311,000	(30,840,021,000)

[800005] Annex - Distribution of income by product

	Income type [axis]			
	National income [member]	Export income [member]	Income of subsidiaries abroad [member]	Total income [member]
Peñoles				
Gold	14,822,000	486,194,000	137,767,000	638,783,000
Silver	3,780,000	9,960,000	592,754,000	606,494,000
Zinc	70,987,000	23,394,000	86,252,000	180,633,000
Concentrates	59,267,000	89,820,000	0	149,087,000
Lead	54,437,000	21,887,000	2,026,000	78,350,000
Copper matte	29,037,000	9,505,000	0	38,542,000
Sodium Sulfate	36,657,000	425,000	573,000	37,655,000
Copper	10,185,000	5,909,000	1,935,000	18,029,000
Magnesium Oxide	2,739,000	4,969,000	3,920,000	11,628,000
Magnesium Hydroxide	1,302,000	2,814,000	2,400,000	6,516,000
Ammonium Sulfate	6,190,000	0	0	6,190,000
Sulfuric Acid	3,768,000	806,000	0	4,574,000
Magnesium Sulfate	3,336,000	0	757,000	4,093,000
Antimony Trioxide	3,759,000	0	0	3,759,000
Copper Sulfate	3,370,000	0	0	3,370,000
Zinc Sulfate	2,020,000	0	0	2,020,000
Other Products	8,029,000	218,000	65,000	8,312,000
TOTAL	313,685,000	655,901,000	828,449,000	1,798,035,000

[800007] Annex - Financial derivate instruments

Management discussion about the policy uses of financial derivate instruments, explaining if these policies are allowed just for coverage or for other uses like trading [text block]

DERIVATIVES FINANCIAL INSTRUMENTS SUMMARY
AS OF 2025 FIRST QUARTER
(FIGURES IN THOUSANDS OF AMERICAN DOLLARS, EUROS AND STERLING POUNDS)

Due to the nature of its business and exposures, Grupo Peñoles uses Financial Derivatives Instruments (FDI) for hedging purposes to reduce the variability of its cash flows and operational margins due to various factors, such as:

I. Price Fluctuations of:

Metals it produces (silver, gold, zinc, lead, and copper)

Inputs and row material that it consumes and/or refines (mineral concentrates, natural gas, etc.)

II. Financial variables of:

Interest rate and currency different than the functional of its liabilities.

Foreign Exchange in commercial and financial transactions.

By using FDI, Grupo Peñoles transfers the market risk of the foregoing variables to its financial counterparties. To mitigate its counterparty credit risk, Grupo Peñoles has entered into agreements only with well-known and financially strong financial institutions and assesses periodically their credit profile. That said, Grupo Peñoles currently does not foresee any of its counterparties to default on their obligations and thus does not consider it necessary to create any reserves for counterparty risk.

Derivative trades made by Grupo Peñoles are classified as “Over the Counter” (OTC). To trade FDI, the Company has credit lines with approximately 30 financial counterparties’, of which, a quarter of them are margin call free. It is important to mention, that Grupo Peñoles decisions on hedging allocations are based on diversification among all of its counterparties with the intention of making an efficient use of the existing credit lines, minimizing potential margin calls and reducing the credit/liquidity risk due to high volatility scenarios.

Compliance of the hedging process and policies is verified through internal and external auditing; for the moment, the review of procedures by an independent third party has not been considered necessary.

Grupo Peñoles Senior Management has an active participation in the analysis, authorization and monitoring of the different FDI strategies, therefore, the company’s Board of Directors has appointed a Hedging Committee that gathers once every two months, according to a proposed calendar at the beginning of each year, but also as frequent as the Finance Department summons it. In every session, a memorandum containing all the agreements reached is prepared.

The Hedging Committee has the following responsibilities:

I. Analyze and approve hedging strategies for the different assets and liabilities according to the desired budget and risk profiles.

II. Analyze the behavior of the different financial markets in wich Grupo Peñoles participates or that could affect company’s FDI hedging portfolio performance.

III. Analyze the outstanding positions of our hedged underlying’s (hedged percentage, tenor, valuation, etc.)

IV. Analyze and authorize counterparty risk with whom we can trade FDI.

Grupo Peñoles Senior Management maintains a conservative position authorizing mainly “Plain Vanilla” hedging strategies, encouraging risk management through constant effectiveness valuations and the permanent review of the hedged underlying asset vs the derivative, verifying that no significant deviations are taking place.

As part of the internal control, policies and procedures for the use of FDI have been established and are periodically reviewed for their corresponding update.

There are strict control and monitoring through a daily report of the authorized, executed, current and pending FDI positions issued by the Treasury and Financing Department, supported by the approval of the Senior Management.

General description about valuation techniques, standing out the instruments valuated at cost or fair value, just like methods and valuation techniques [text block]

Grupo Peñoles has the necessary infrastructure to value all of its FDI through a treasury software made and customized in house, called Sistema Integral de Finanzas (SIF), also internal valuation models. It is worth mentioning that the Treasury and Financing Department is responsible for the valuation of the FDI and the results are used for hedge accounting purposes. The valuation technique is based on Black and Scholes model for options and present value for forwards and swaps. Grupo Peñoles has a strict discipline of valuating on a daily basis its FDI portfolio and the results are shared with the Senior Management with the same frequency. Market inputs of all underlying's used to valuate, are updated daily through Bloomberg and Reuters as a source of information. In other matters, Grupo Peñoles periodically validates and compares the outstanding position through electronic means with all its financial counterparties whom these positions are held. The Company also performs periodic mark to market sensibility analysis by underlying and financial counterparty with the intention of diversifying the counterparty risk and minimizing potential margin calls.

The company continuously prepares hedge accounting information based on IFRS 9.

Management discussion about intern and extern sources of liquidity that could be used for attending requirements related to financial derivate instruments [text block]

As of March 31, 2025, Grupo Peñoles did not have any margin calls related with FDI so no collateral, pledge or financial instruments were given as a guarantee of the derivatives positions. It is important to mention that if needed, Grupo Peñoles has internal liquidity resources available and credit lines with different financial counterparties to face potential margin calls. The settlements and new FDI traded during this period are consistent in the notional and economic relevance of the ones previously informed.

Since January 2011, Grupo Peñoles Senior Management decided to adopt the International Financial Reporting Standard´s (IFRS). For this reason, files that classify the different financial instruments traded are being prepared, updated and constantly monitored to identify possible deviations or changes in the commodities and comply with the applicable regulations.

The underlying assets characteristics are the same as of those derivatives traded, therefore no ineffectiveness is expected. Grupo Peñoles maintains strict control, management, and monitoring of the portion hedged according to the commodity in order to avoid ineffectiveness under this concept.

Changes and management explanation in principal risk exposures identified, as contingencies and events known by the administration that could affect future reports [text block]

Grupo Peñoles acknowledges its FDI as financial assets and/or liabilities and are valued at fair value. The results of hedging strategies that qualify as cash flow hedges are recognized as comprehensive income and affect the income statement until the underlying settlement day, as part of sales, cost of sales or the comprehensive financing accordingly. It is worth mentioning that the characteristics of Grupo Peñoles FDIs are equal to the primary underlying asset position, therefore the changes in the fair value or the cash flows attributable to the risk being hedged will be fully compensated at the beginning, during and until the expiration of the hedge. If there is any ineffective portion in the fair value fluctuations of cash flow hedges, this will be recognized in the results of the period.

Since 2018, with IFRS 9 (International Financial Reporting Standard) adoption, the time value component of options and forward points have been considered as hedging cost and reported as other comprehensive income.

Quantitative information for disclosure [text block]

Below the list of active financial counterparties with whom Grupo Peñoles has an outstanding FDI position as of March 31, 2025:

Bank of America Merrill Lynch
BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México
BMO Financial Group
BNP Paribas
Citibank N.A. New York
Credit Agricole Corporate and Investment Bank
Ing Capital Markets LLC
Koch Metal Trading Limited
Morgan Stanley Capital Group Inc.
Natixis
Scotiabank Inverlat, S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat
The J.P. Morgan Chase. Bank

The fair value of the cash flow hedging derivatives as of March 31, 2025, is $20,872 ($14,610 net of deferred income tax), registered as stockholders' equity as part of other comprehensive loss; from this amount, Grupo Peñoles estimates to reclassify in the twelve following months $137,298 ($96,108 net of deferred income tax) of FDI loss to income statement. The aforementioned income statement represents the accrual fair value change of cash flow hedging financial instruments and it will be dependent on the underlying prices at settlement.

In the first quarter of 2025 and 2024, IFD's cash flow hedging operations together generated a net profit of $65,964 and $16,961 respectively.

The following table shows the volume that has expired during 2025 first quarter.

Overdue Hedged Volume					
Commodity	**January**	**February**	**March**	**Total**	**Unit**
Gold	211.14	188.31	336.88	736.33	Oz (Thousands)
Silver	2,695.23	2,678.18	3,776.89	9,150.30	Oz (Thousands)
Zinc	38.03	27.37	36.66	102.06	Ton (Thousands)
Lead	5.12	3.64	2.45	11.21	Ton (Thousands)
Copper	1.11	0.21	0.21	1.53	Ton (Thousands)
Euros	707.30	-	5,813.18	6,520.48	Eur (Thousands)

Notes: The table does not include Interest Rate Swaps coupon settlements neither Cross Currency Swaps. The maturity periodicity is mentioned in the summary of derivatives.

As of March 31, 2025, the following 36 months outstanding hedging position is:

Commodity	Maximum Hedging Percentage (%)
	2025
Euros*	63.35

* Percentage calculated based on the currency hedging needs of the Supply Department of the company which are above to the equivalent of USD 500 thousand and the zinc leaching expansion project.

Under IFRS regulation, the FDI that compensates hedging cash flow should be registered as hedge accounting and, its effect under income statement should be recognized until the underlying that originated these hedges shows its effects in the income statement. Intrinsic and the time value of Options should be identified and registered as hedging costs on other comprehensive income. As of March 31, 2025, the time value of outstanding options is $1 thousand dollars and, the credit in the income statement under the last twelve months represents a credit to results of $-1,560 thousand dollars.

As of March 31, 2025, the Company had the following cash flow hedging strategy summary:

a) Metal price hedging program (Strategic and Refinery)

Objective: Grupo Peñoles enters into hedging transactions to offset the US dollar income associated with unfavorable market prices of the metals it extracts and to protect the profit margin of the refinery and mines. With this, Peñoles intends to assure the continuity of its operation.

Underlying: all metal content in concentrates, dores and precipitates that it produces (Silver, Gold, Zinc, Lead, and Copper).

Strategy: Hedge up to 100% of the annual estimated production of refined metal. The most frequent FDI traded are: forwards and options (purchase of put option financed with the sale of a call option).

As of March 31, 2025, the Company established the following FDI that hedges 2025 expected production:

Instrument	Silver		Gold		Zinc	
	Price (US$/Oz)	Volume (thousands of ounces)	Price (US$/Oz)	Volume (thousands of ounces)	Price (US$/Ton)	Volume (tons)
Long Purchase	34.00	358.17	2,990.68	119.30	2,817.93	45,853.00
Short Forward	33.71	819.21	3,071.01	19.71	2,833.93	45,853.00
Long Put	--	--	--	--	--	--
Short Call	--	--	--	--	--	--

Instrument	Lead		Copper	
	Price (US$/Ton)	Volume (toneladas)	Price (US$/Ton)	Volume (toneladas)
Long Forward	1,965.73	2,804.00	9,466.12	1,735.00
Short Forward	1,971.97	2,804 .00	9,474.39	535.00
Long Put	--	--	--	--
Short Call	--	--	--	--

Note: The prices shown at the above table reflect the weighted average sale or purchase price of forwards and for options the weighted average strike price.

b) Natural Gas hedging program.

Objective: Grupo Peñoles uses hedging instruments to stabilize expenditures in dollars associated with the movement in the price of natural gas it consumes. With this, it seeks to guarantee the continuity of its operation.

Underlying: Natural Gas.

Strategy: Hedge up the annual natural gas estimated consumption. The FDI traded are: buy of forwards.

As of March 31, 2025, there were no established operations to hedge the future purchases of natural gas.

c) Foreign Exchange hedging program.

EUR/USD:

Objective: Grupo Peñoles uses hedging instruments to mitigate the exchange effect in the acquisition of assets in Euros.

Underlying: Euros.

Strategy: To hedge up to the 100% of the assets amount with future delivery under a currency different to the US Dollar. The most frequent FDI traded is: sell and buy of forwards.

As of March 31, 2025, the Company established the following FDI that hedges part of future assets payments under Euro:

Instrument	Exchange rate (USD/EUR)	Amount (Thousands EUR)
Long Forward	1.0869	17,258.39
Short Forward	1.0852	235.77

Note: The prices shown in the table correspond to the weighted average purchase prices as well as the weighted average sales prices in the case of forward instruments.

SEK/USD:

Objective: Grupo Peñoles uses hedging instruments to mitigate the exchange effect in Swedish Krona assets purchases.

Underlying: Swedish Krona.

Strategy: To hedge up to the 100% of the assets amount with future delivery under a currency different to the US Dollar. The most frequent FDI traded is: sell and buy of forwards.

As of March 31, 2025, there were no established operations to hedge part of future assets payments denominated in Swedish Krona

GBP/USD:

Objective: Grupo Peñoles uses hedging instruments to mitigate the exchange effect in Sterling Pounds assets purchases.

Underlying: Sterling Pounds.

Strategy: To hedge up to the 100% of the assets amount with future delivery under a currency different to the US Dollar. The most frequent FDI traded is: sell and buy of forwards.

As of March 31, 2025, there were no established operations to hedge part of future assets payments denominated in Sterling Pounds.

USD/MXN:

Objective: Grupo Peñoles uses hedging instruments to mitigate exchange rate fluctuations resulting from liabilities in U.S. dollars to be paid with cash flows to be received in Mexican pesos from the sale of chemical products.

Underlying: U.S. Dollar.

Strategy: To hedge future cash flows from liabilities in U.S. dollars from an accounts receivable program (Receivable Purchase Program) to be settled with the invoicing of chemical products in Mexican pesos. The IFD used are long forwards on U.S. dollar.

As of March 31, 2025, there were no established operations to hedge part of future purchases of U.S. Dollars.

d) Metal Price Hedge Program

Objective: Grupo Peñoles uses hedging instruments to minimize the difference between sale and buy prices on the commercialization of refined metal.

Underlying: Silver, Gold, Zinc, Lead, and Copper.

Strategy: To hedge up to the 100% of the refined metal that is commercialized. The most frequent FDI traded are: forwards.

As of March 31, 2025, the Company established the following FDI that hedges its commercial operations of 2025.

Instrument	Silver		Gold		Zinc	
	Price (US$/Oz)	Volume (thousands of ounces)	Price (US$/Oz)	Volume (thousands of ounces)	Price (US$/Ton)	Volume (tons)
Short Forward	33.71	601.00	3,038.60	10.00	2,956.49	98,699.00
Long Forward	--	--	--	--	2,872.69	83,261.00

Instrument	Lead	Copper

	Price (US$/Ton)	Volume (tons)	Price (US$/Ton)	Volume (tons)
Short Forward	2,011.90	4,725.00	10,554.09	816.47
Long Forward	2,017.33	3,650.00	--	--

Note: The prices shown in the above table represent the weighted average prices for the sale or purchase of forward instruments.

e) Interest rate hedging program.

Objective: Grupo Peñoles uses hedging instruments to stabilize the borrowing costs of debt and potential financing needs when the corresponding interest rate has a floating component.

Underlying: Floating debt component.

Strategy: Hedge 100% of the floating interest rate component of the outstanding debt using an Export Credit Agency (ECA) mechanism. Its main characteristics are described on its respective note.

Instrument: Interest rate swap where the Company pays fixed and receives floating of the underlying, applied to outstanding notional.

As of March 31, 2025, the Company established the following FDI that hedges the outstanding notional, which amortizes until September 2026.

Instrument	Rate (weighted)	Amount hedged in thousands (*)	Tenor	Interest payment	Amortization	Credit
Fixed rate swap	2.0355% (Peñoles pays)	US$14,574.71	1.50 years	Biannual	17 bi-annuals on September 2018	ECA

f) Simultaneous interest rate and foreign exchange hedging program (Cross Currency Swap).

Objective: The company contracts hedging instruments to set the cost of its loans and keep them in its functional currency.

Underlying: Credit contracted in a different currency and applicable rate than the functional one.

Strategy: Hedge 100% of the unsecured short-term loan in pesos appreciation risk, as well as the credit and functional currency applicable rate differential.

Instrument: As of March 31, 2025, the Company has Cross Currency Swaps position as follows.

Instrument	Hedge amount and exchange rate	Currency swap amount in thousands (*)	Tenor	Swap rate	Amortization
Rate and currency swap	MXN $909,000 20.2000	Commencement: We receive US$45,000 We pay MXN $909,000	0.08 years	Monthly we pay 5.12% over USD $45,000 and receive two	Bullet (One expiration on April 2025)

	mxn/usd	Expiration: We pay US$45,000 We receive MXN $909,000		coupons TIIE +87 bp, the first one 11.17772951% and the second one is unknown as of March 31, 2025; both coupons over MXN $909,000	

[800100] Notes - Subclassifications of assets, liabilities and equities

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Subclassifications of assets, liabilities and equities [abstract]		
Cash and cash equivalents [abstract]		
Cash [abstract]		
Cash on hand	391,000	32,000
Balances with banks	81,431,000	115,624,000
Total cash	81,822,000	115,656,000
Cash equivalents [abstract]		
Short-term deposits, classified as cash equivalents	0	0
Short-term investments, classified as cash equivalents	2,026,213,000	1,563,698,000
Other banking arrangements, classified as cash equivalents	0	0
Total cash equivalents	2,026,213,000	1,563,698,000
Other cash and cash equivalents	0	0
Total cash and cash equivalents	2,108,035,000	1,679,354,000
Trade and other current receivables [abstract]		
Current trade receivables	190,974,000	194,187,000
Current receivables due from related parties	6,569,000	6,548,000
Current prepayments [abstract]		
Current advances to suppliers	15,885,000	9,318,000
Current prepaid expenses	0	0
Total current prepayments	15,885,000	9,318,000
Current receivables from taxes other than income tax	0	0
Current value added tax receivables	0	0
Current receivables from sale of properties	0	0
Current receivables from rental of properties	0	0
Other current receivables	356,348,000	446,434,000
Total trade and other current receivables	569,776,000	656,487,000
Classes of current inventories [abstract]		
Current raw materials and current production supplies [abstract]		
Current raw materials	0	0
Current production supplies	283,172,000	285,311,000
Total current raw materials and current production supplies	283,172,000	285,311,000
Current merchandise	0	0
Current work in progress	0	0
Current finished goods	0	0
Current spare parts	0	0
Property intended for sale in ordinary course of business	1,792,119,000	1,786,753,000
Other current inventories	55,262,000	47,182,000
Total current inventories	2,130,553,000	2,119,246,000
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners [abstract]		
Non-current assets or disposal groups classified as held for sale	21,362,000	21,362,000
Non-current assets or disposal groups classified as held for distribution to owners	0	0
Total non-current assets or disposal groups classified as held for sale or as held for distribution to owners	21,362,000	21,362,000
Trade and other non-current receivables [abstract]		
Non-current trade receivables	0	0
Non-current receivables due from related parties	0	0
Non-current prepayments	0	0
Non-current lease prepayments	0	0
Non-current receivables from taxes other than income tax	0	0
Non-current value added tax receivables	0	0

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Non-current receivables from sale of properties	0	0
Non-current receivables from rental of properties	0	0
Revenue for billing	0	0
Other non-current receivables	44,281,000	8,987,000
Total trade and other non-current receivables	44,281,000	8,987,000
Investments in subsidiaries, joint ventures and associates [abstract]		
Investments in subsidiaries	0	0
Investments in joint ventures	0	0
Investments in associates	71,468,000	74,750,000
Total investments in subsidiaries, joint ventures and associates	71,468,000	74,750,000
Property, plant and equipment [abstract]		
Land and buildings [abstract]		
Land	110,929,000	113,013,000
Buildings	688,248,000	712,375,000
Total land and buildings	799,177,000	825,388,000
Machinery	399,782,000	414,667,000
Vehicles [abstract]		
Ships	0	0
Aircraft	0	0
Motor vehicles	23,954,000	25,522,000
Total vehicles	23,954,000	25,522,000
Fixtures and fittings	15,909,000	16,694,000
Office equipment	59,884,000	44,211,000
Tangible exploration and evaluation assets	63,605,000	64,973,000
Mining assets	953,906,000	997,975,000
Oil and gas assets	0	0
Construction in progress	374,918,000	349,845,000
Construction prepayments	0	0
Other property, plant and equipment	1,429,875,000	1,479,850,000
Total property, plant and equipment	4,121,010,000	4,219,125,000
Investment property [abstract]		
Investment property completed	0	0
Investment property under construction or development	0	0
Investment property prepayments	0	0
Total investment property	0	0
Intangible assets and goodwill [abstract]		
Intangible assets other than goodwill [abstract]		
Brand names	0	0
Intangible exploration and evaluation assets	0	0
Mastheads and publishing titles	0	0
Computer software	0	0
Licences and franchises	0	0
Copyrights, patents and other industrial property rights, service and operating rights	0	0
Recipes, formulae, models, designs and prototypes	0	0
Intangible assets under development	0	0
Other intangible assets	5,351,000	5,465,000
Total intangible assets other than goodwill	5,351,000	5,465,000
Goodwill	0	0
Total intangible assets and goodwill	5,351,000	5,465,000
Trade and other current payables [abstract]		
Current trade payables	381,983,000	322,699,000
Current payables to related parties	9,562,000	13,032,000
Accruals and deferred income classified as current [abstract]		

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Deferred income classified as current	8,000	8,000
Rent deferred income classified as current	0	0
Accruals classified as current	41,035,000	39,117,000
Short-term employee benefits accruals	41,035,000	39,117,000
Total accruals and deferred income classified as current	41,043,000	39,125,000
Current payables on social security and taxes other than income tax	0	0
Current value added tax payables	51,788,000	60,464,000
Current retention payables	6,410,000	8,911,000
Other current payables	19,264,000	22,799,000
Total trade and other current payables	458,262,000	406,566,000
Other current financial liabilities [abstract]		
Bank loans current	514,374,000	489,592,000
Stock market loans current	0	0
Other current iabilities at cost	0	0
Other current liabilities no cost	222,145,000	176,951,000
Other current financial liabilities	0	0
Total Other current financial liabilities	736,519,000	666,543,000
Trade and other non-current payables [abstract]		
Non-current trade payables	0	0
Non-current payables to related parties	0	0
Accruals and deferred income classified as non-current [abstract]		
Deferred income classified as non-current	0	0
Rent deferred income classified as non-current	0	0
Accruals classified as non-current	0	0
Total accruals and deferred income classified as non-current	0	0
Non-current payables on social security and taxes other than income tax	0	0
Non-current value added tax payables	0	0
Non-current retention payables	0	0
Other non-current payables	0	0
Total trade and other non-current payables	0	0
Other non-current financial liabilities [abstract]		
Bank loans non-current	4,813,000	9,671,000
Stock market loans non-current	2,506,381,000	2,505,914,000
Other non-current liabilities at cost	0	0
Other non-current liabilities no cost	0	0
Other non-current financial liabilities	0	0
Total Other non-current financial liabilities	2,511,194,000	2,515,585,000
Other provisions [abstract]		
Other non-current provisions	427,279,000	423,317,000
Other current provisions	11,781,000	11,781,000
Total other provisions	439,060,000	435,098,000
Other reserves [abstract]		
Revaluation surplus	0	0
Reserve of exchange differences on translation	(90,806,000)	(77,985,000)
Reserve of cash flow hedges	14,611,000	1,446,000
Reserve of gains and losses on hedging instruments that hedge investments in equity instruments	0	0
Reserve of change in value of time value of options	0	0
Reserve of change in value of forward elements of forward contracts	0	0
Reserve of change in value of foreign currency basis spreads	0	0
Reserve of gains and losses on financial assets measured at fair value through other comprehensive income	62,902,000	53,171,000
Reserve of gains and losses on remeasuring available-for-sale financial assets	0	0
Reserve of share-based payments	0	0
Reserve of remeasurements of defined benefit plans	(11,154,000)	(11,154,000)

Concept	Close Current Quarter 2025-03-31	Close Previous Exercise 2024-12-31
Amount recognised in other comprehensive income and accumulated in equity relating to non-current assets or disposal groups held for sale	0	0
Reserve of gains and losses from investments in equity instruments	0	0
Reserve of change in fair value of financial liability attributable to change in credit risk of liability	0	0
Reserve for catastrophe	0	0
Reserve for equalisation	0	0
Reserve of discretionary participation features	0	0
Reserve of equity component of convertible instruments	0	0
Capital redemption reserve	0	0
Merger reserve	0	0
Statutory reserve	0	0
Other comprehensive income	0	0
Total other reserves	(24,447,000)	(34,522,000)
Net assets (liabilities) [abstract]		
Assets	10,648,637,000	10,269,331,000
Liabilities	4,733,069,000	4,637,005,000
Net assets (liabilities)	5,915,568,000	5,632,326,000
Net current assets (liabilities) [abstract]		
Current assets	5,238,030,000	4,786,453,000
Current liabilities	1,410,952,000	1,381,613,000
Net current assets (liabilities)	3,827,078,000	3,404,840,000

[800200] Notes - Analysis of income and expense

Concept	Accumulated Current Year 2025-01-01 - 2025-03-31	Accumulated Previous Year 2024-01-01 - 2024-03-31
Analysis of income and expense [abstract]		
Revenue [abstract]		
Revenue from rendering of services	0	0
Revenue from sale of goods	1,798,035,000	1,396,463,000
Interest income	0	0
Royalty income	0	0
Dividend income	0	0
Rental income	0	0
Revenue from construction contracts	0	0
Other revenue	0	0
Total revenue	1,798,035,000	1,396,463,000
Finance income [abstract]		
Interest income	24,172,000	15,543,000
Net gain on foreign exchange	0	0
Gains on change in fair value of derivatives	0	0
Gain on change in fair value of financial instruments	2,119,000	0
Other finance income	3,345,000	3,609,000
Total finance income	29,636,000	19,152,000
Finance costs [abstract]		
Interest expense	40,458,000	38,802,000
Net loss on foreign exchange	7,217,000	3,318,000
Losses on change in fair value of derivatives	0	0
Loss on change in fair value of financial instruments	0	695,000
Other finance cost	13,665,000	16,811,000
Total finance costs	61,340,000	59,626,000
Tax income (expense)		
Current tax	77,482,000	35,023,000
Deferred tax	82,758,000	(49,732,000)
Total tax income (expense)	160,240,000	(14,709,000)

[800500] Notes - List of notes

Disclosure of notes and other explanatory information [text block]

Industrias Peñoles, S.A.B. de C.V. (“IPSAB”), is a company incorporated under the Mexican Corporations Act and the Mexican Securities Trading Act as a publicly traded variable capital corporation listed in Bolsa Mexicana de Valores, S.A.B. de C.V. (the Mexican Stock Exchange). Grupo Peñoles is the ultimate holding company. Its corporate offices are located in Mexico City at Calzada Legaria No. 549, Colonia 10 de Abril.

Industrias Peñoles, S.A.B. de C.V. and its subsidiaries (collectively, “Grupo Peñoles” or “the Company”) are principally engaged in the exploration, extraction and sale of mineral concentrates and ore, as well as in the production and sale of nonferrous metals.

Grupo Peñoles is required to obtain government concessions for the exploration and exploitation of mineral deposits. Under the current legal and regulatory regime in Mexico, concessions for mining operations, development projects and exploration prospects may be cancelled by the Mexican government under certain circumstances, including where minimum expenditure levels are not achieved by Grupo Peñoles, if fees related to exploitation activities are not paid to the Mexican government or if environmental, health and safety standards are not observed.

Mining concessions grant rights upon all the minerals and substances, but do not grant rights upon the surface where the mines are located. In accordance with the new Mining Law that came into effect on May 9, 2023, the duration of mining concessions for exploitation was reduced from 50 to 30 years and will be granted as long as certain requirements are met and can be extended for an additional 25 years. In total, new concessions granted after the implementation of the new law will be for a maximum of 55 years.

The consolidated financial statements of Grupo Peñoles and all its subsidiaries were prepared in accordance with the International Financial Reporting Standards (hereinafter “IFRS”) issued by the International Accounting Standards Board (hereinafter “IASB”). in English).

Disclosure of accounting judgements and estimates [text block]

The preparation of Grupo Peñoles consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accordingly, actual results could differ from these estimates. The areas involving a higher degree of judgment and complexity and areas where estimates and assumptions are significant to the financial statements are described as follows:

Judgments

i) Rights over concession assets in Soledad-Dipolos

In 2009, five members of the El Bajío agricultural community in the state of Sonora, who claimed rights over certain land areas near the operations of the Subsidiary Minera Penmont ("Penmont"), filed a legal lawsuit with the Agrarian Unification Court (Tribunal Unitario Agrario) of Hermosillo, Sonora, to have Penmont vacate an area of this surface land. The land in dispute covered a portion of the surface where part of the Soledad & Dipolos mine operations are located. The litigation led to a final court order, which

Penmont complied with by vacating 1,824 hectares of land, resulting in the suspension of Soledad & Dipolos operations. Although the claim and final court order did not affect the Group's legal title over the mining concession or the mineral currently located in the leaching yards near the mine site, access to the land at the mine site is required for the exploitation of the concession in Soledad & Dipolos.

Penmont is the legal and registered owner of the land where the leaching yards are located but has not yet been able to physically access these yards due to opposition from certain local individuals. This land was purchased by Penmont from the Federal Government of Mexico in accordance with legal procedures. Grupo Peñoles has a reasonable expectation that Penmont will eventually regain access to the Soledad & Dipolos assets and process the ore content in the Soledad & Dipolos leaching pads. This expectation considers different scenarios, including but not limited to the different legal processes that Minera Penmont has presented in order to regain access to the land, and other proceedings that members of the El Bajío agricultural community have presented seeking cancellation of Penmont's property deed over this area, which proceedings are pending final resolution. Therefore, Grupo Peñoles continues to recognise properties, plant and equipment, and inventories related to Soledad & Dipolos. Due to the fact that it is not yet certain when access can be granted so that the inventory can be processed, this inventory is classified as a non-current asset.

In regard to the inventory, during the first half of the year 2023, the Company identified certain suspicions of illegal extraction of gold content from its Soledad-Dipolos leaching pads. The Company estimates a loss of approximately 20,000 ounces of gold content and therefore recognised a write-off of $21,861 regarding the gold content of Soledad-Dipolos in inventory, which has been presented as other expenses in the statement of profit or loss. The Company took relevant actions with the support of diverse authorities to stop illegal extraction. During the visit of the authorities to the mine site, it was confirmed that there were no personnel carrying out any illegal mining activities at Soledad & Dipolos leaching pads. Therefore, the Company currently does not expect any further loss of this inventory.

The write-off of the inventory considered both the estimated recoverable quantity of gold existing on the leaching platform and the potential volume of solution being irrigated in the area believed to have been leached to date. However, the nature of the estimate means that actual results may differ from these estimates.

ii) Subsidiaries with non-controlling interests

For subsidiaries with non-controlling interests, Grupo Peñoles assesses different aspects of the investee to determine whether Grupo Peñoles has control over the investee and the power to direct its relevant activities, thus giving it the right to variable returns from its involvement with the investee.

iii) Climate Change

Grupo Peñoles set out its assessment of climate risks and opportunities. Grupo Peñoles recognizes that there may be potential implications on the consolidated financial statements in the future in regard to the mitigation and adaptation measures to the physical and transition risks. The potential effect of climate change would be in respect of assets and liabilities that are measured based on an estimate of future cash flows. Grupo Peñoles specifically considers the effect of climate change on the valuation of property, plant and equipment, deferred tax assets, and the provision for mine closure costs, which represent the main material accounting entries reflected as of the date of the consolidated financial statements. On the other hand, Grupo Peñoles does not have assets or liabilities for which measurement is directly linked to climate change performance (for example: Sustainability-linked Bonds).

The main ways in which climate has affected the preparation of the consolidated financial statements are:

- Grupo Peñoles has already made certain climate-related strategic decisions, such as to focus on decarbonization and to increase wind energy. Where decisions have been approved by the Board of Directors, the effects were considered in the preparation of these consolidated financial statements by way of inclusion in future cash flow projections underpinning the estimation of the recoverable amount of property, plant and equipment and deferred tax assets, as relevant.

Grupo Peñoles strategy consists of mitigation and adaptation measures. To mitigate the impacts by and on climate change, Grupo Peñoles relies on renewable electricity, fuel replacement, and efficiency opportunities to reduce its carbon footprint. The approach to adaptation measures is based on climate models to produce actionable information for the design, construction, operation and closure of its mining assets, considering climate change. Future changes in Grupo Peñoles climate change strategy or signs of global decarbonization signposts may impact significant judgments and key estimates of Grupo Peñoles and result in material changes to financial results and the carrying values of certain assets and liabilities in future reporting periods.

iv) Uncertain tax positions

The current charge for income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates the positions taken in tax returns with respect to situations where the applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances based on the most likely amount or expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

v) Strike Arising from Labor Dispute at Minera Tizapa

On July 26, 2024, the National Union of Mining, Metallurgical, Steel, and Similar Workers of the Mexican Republic, holder of the Collective Bargaining Agreement, filed a strike notice at the Minera Tizapa business unit, which resulted in a suspension of operations starting on August 30, 2024, for an indefinite period. The strike notice alleges violations of the Collective Bargaining Agreement, including the distribution of profit-sharing (PTU) amounts exceeding those established under applicable legislation. Grupo Peñoles has determined that it has fully complied with the obligations set forth in the Collective Bargaining Agreement, as well as with all obligations arising from the Federal Labor Law and other applicable regulations, and it will adhere to the corresponding legal and administrative procedures to resolve this dispute.

Following the commencement of the strike, on October 31, 2024, Minera Tizapa initiated proceedings to determine the attribution of responsibility for the strike. The labor authority has scheduled a hearing for May 8, 2025, during which various documentary evidence will be presented, particularly the testimonial evidence of the company's Legal Representative regarding the alleged violations of the Collective Bargaining Agreement, and the testimonial evidence of the Labor Relations Superintendent concerning the receipt of various documents delivered to him.

A summary of the main estimates used is presented below:

a) Mineral reserves and resources

Grupo Peñoles applies judgments and makes estimates to calculate its mineral reserves and resources. These judgments and estimates are formulated using recognized mining industry methodologies and standards and the respective calculations are performed by qualified internal personnel and take into account Grupo Peñoles past experience in similar matters. The reports supporting these estimates are prepared periodically. Grupo Peñoles reviews these estimates periodically with the support of recognized independent experts to obtain certification of its mineral reserves.

There are a number of uncertainties inherent to estimating mineral reserves. Assumptions considered valid at the time the estimate is made may change significantly when new information becomes available. Changes in metal prices, exchange rates, production costs, metallurgical recovery provisions and discount rates could alter the value of a given mineral reserve and result in the need to restate such value.

Mineral reserves are used to determine production units for purposes of calculating the depreciation of certain mining properties, as well as to calculate the decommissioning provision and to analyze the impairment of mining units.

b) Estimation of recoverable mineral in leaching platforms

In the Group’s open pit mines, certain mined ore is placed on leaching pads where a solution is applied to the surface of the heap to dissolve the gold and enable extraction. The determination of the amount of recoverable gold requires estimation with consideration of the quantities of ore placed on the pads, the grade of the ore (based on assay data) and the estimated recovery percentage (based on metallurgical studies and current technology).

The grades of ore placed on pads are regularly compared to the quantities of metal recovered through the leaching process to evaluate the appropriateness of the estimated recovery (metallurgical balancing).
The Group monitors the results of the metallurgical balancing process and recovery estimates are refined based on actual results over time and when new information becomes available.

c) Deferred income tax assets

The recognition of deferred tax assets, including those that arise from unused tax losses, requires Management to assess the probability that the Group will generate taxable profits in future periods, in order to be able to utilize the recognized deferred tax assets. Estimates of future taxable income are based on the forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the Group's ability to realize the net deferred tax assets recorded at the balance sheet date could be affected.

d) Impairment

The carrying value of non-financial long-lived assets are tested for impairment when there are situations or changes in circumstances that indicate that the carrying value of a given asset is not recoverable. Whenever there are indicators of impairment, the carrying value of the asset is assessed to determine if it exceeds the recoverable amount, which is the higher of the cash generating unit’s fair value less costs of disposal and the value in use of the asset, and if the asset is therefore impaired. For this impairment evaluation, assets are grouped into CGU and their recoverable amount is calculated as the present value of the future cash flows expected to be produced by the assets. When the recoverable amount of an asset or the cash generating unit to which it belongs is less than its net carrying amount, the difference is recognized as an impairment loss.

Grupo Peñoles allocates its mining units and metallurgical plants to CGU comprised of the different mining units, and metallurgical plant and estimates the projection periods for the cash flows. Subsequent changes in CGU allocations or changes in the assumptions used to estimate cash flows or the discount rate could affect the recoverable amounts and therefore the reported carrying amounts of the respective assets.

e) Property, plant and equipment

Depreciation of property, plant and equipment, except for certain mining properties, is determined based on the useful lives of the assets. Useful lives are determined based on technical studies performed by specialized internal personnel with the assistance of independent specialists. Grupo Peñoles useful lives are reviewed at least annually, and such analyses consider the current condition of the assets and the estimate of the period during which they will generate economic benefits for Grupo Peñoles. Changes in these estimated useful lives could prospectively alter depreciation amounts and the carrying amounts of property, plant and equipment.

f) Provision for asset decommissioning and rehabilitation

The estimated costs of closure of mining units derived from the legal and implied obligations required to restore operating locations are recognized at their present value in the period in which they are incurred. Estimated rehabilitation costs include the costs of decommissioning and removing structures, rehabilitating mines and tailings dams and decommissioning the processing plant and operating facilities, as well as the costs incurred for rehabilitation, reclamation, and re-vegetation of affected areas. Provisions for asset decommissioning and rehabilitation are recognized at present value at the time the obligation becomes known and provision amounts are calculated based on management’s understanding of the related legal requirements and Grupo Peñoles corporate social responsibility policies.

Environmental costs are also estimated by Grupo Peñoles own internal specialists with the support of studies performed by independent experts. Generally speaking, management applies its judgment and experience to estimate decommissioning and rehabilitation costs over the life of each mine.

The costs incurred in future periods may be different from the amounts provided for. Also, the book value of the provision could eventually be affected by future changes in the applicable legislation and regulatory requirements, as well as changes to the estimated useful lives of Grupo Peñoles mines or the discount rates.

The assumptions on which the estimates of dismantling and restoration costs for mining units are determined are regularly reviewed. These estimates are based on internationally recognized standards that require the closure processes of operations. Additionally, the discount rate is reviewed to reflect the obligations for ecological restoration at their present value, in accordance with current market interest rate conditions.

g) Retirement benefits

Assumptions are used to calculate Grupo Peñoles employee long term retirement benefits. Assumptions, as well as the estimates they give rise to, are determined together with independent actuaries. The assumptions cover demographical hypothesis, discount rates, expected salary increases, estimated working lives, and expected inflation rate, among other areas.

h) Mining project development

Grupo Peñoles evaluates the status of its various mine development projects, which covers exploration to locate new mineral deposits, and the development and construction of new mining units through the startup of commercial exploitation of the mines. Grupo Peñoles makes judgments and prepares estimates to determine when a project has completed the mineral exploration phase and entered the development phase, and when it has finally reached the production and exploitation phase.

The criteria and estimates used in this evaluation include the determination of a large enough mineral reserve to support the financial viability of a mining project, which represents the completion of the exploration phase and the beginning of the development stage, as well as the level of additional capital investment needed for the project, the amount of the investment already made in the project and the completion of the mine and processing plant testing periods, among other areas. Determining the completion of the different phases of a project has a significant impact on how development costs are accounted for, since during the exploration phase, these costs and expenses are recognized directly in the consolidated statement of profit or loss, during the development stage they are capitalized, and once the production phase is authorized, development costs and expenses are no longer capitalized.

i) Contingencies

Given their nature, contingencies are only resolved when one or more future events or uncertain facts not entirely under Grupo Peñoles control either occur or do not occur. The evaluation of the existence of contingencies requires significant judgment and the use of estimates regarding the outcome of future events. Grupo Peñoles evaluates the probability of losing its on-going litigations based on the estimates of its legal advisors and these evaluations are reassessed periodically.

Disclosure of associates [text block]

Equity Investments in Associates

				Total Amount	
Company Name	**Main activity**	**Share No.**	**% of ownership**	**Acquisition cost**	**Current value**
Aerovics, S.A. de C.V.	Air taxi	26,983,329,966	63.36	-	72,465
Línea Coahuila-Durango, S.A. de C.V.	Rail line operator	27,281,040	50.00	-	(1,662)
Administración de Riesgos Bal, S.A. de C.V.	Risk manager	36,000	35.00	-	665
Total Investments in Associates					71,468

Disclosure of authorisation of financial statements [text block]

The consolidated financial statements and their notes were authorized by the Managing Director, Finance Director, Director of Administrative Services, and Legal Director on April 25rd, 2025, in accordance with their respective roles for issuance and subsequent approval by the Board of Directors. Shareholders of Grupo Peñoles have the authority to approve or modify the consolidated financial statements.

Disclosure of basis of consolidation [text block]

The consolidated financial statements include the financial statements of Industrias Peñoles, S.A.B. de C.V. and its subsidiaries, prepared for the same reporting period as that of the parent company, applying uniform accounting policies.

The consolidated financial statements include all assets, liabilities, revenues, expenses, and cash flows, after eliminating intercompany balances and transactions. When shareholding in a subsidiary is less than 100%, therefore there is non-controlling interest in the net assets of the consolidated subsidiaries, it is identified in a separate line item in equity as non-controlling interest.

All intercompany balances and transactions, intra-group unrealized gains and losses, and dividends have been eliminated on consolidation.

Gains and losses on transactions with associates are eliminated in the consolidated financial statements based on the equity interest held in each investee.

Disclosure of basis of preparation of financial statements [text block]

The consolidated financial statements of Grupo Peñoles and all its subsidiaries were prepared in accordance with International Financial Reporting Standards (hereafter “IFRS”) issued by the International Accounting Standards Board (hereafter “IASB”).

The consolidated financial statements are presented in U.S. dollars (refer Note 6 a), which is the functional currency of Industrias Peñoles and most of the entities that comprise it. The amounts were rounded to thousands of U.S. dollars, unless otherwise indicated. Figures referred to in Mexican pesos (Ps) are expressed in thousands of Mexican pesos, unless otherwise indicated.

The consolidated financial statements presented cover the following periods and dates:

- Statements of financial position as of March 31, 2025 and December 31, 2024.
- Statements of profit or loss for the three-month periods ended March 31, 2025 and March 31, 2024.

- Statements of other comprehensive income for the three-month periods ended March 31, 2025 and March 31, 2024.

- Statements of changes in equity for the three-month periods ended March 31, 2025 and March 31, 2024.

- Statements of cash flows for the three-month periods ended March 31, 2025 and March 31, 2024.

The consolidated financial statements were prepared on a historical cost basis, except for the following items which are valued at their fair value as of the reporting date of the consolidated statement of financial position:

- Derivative financial instruments.

- Financial assets in equity instruments.

- Certain inventories which are valued at their fair value.

Disclosure of borrowings [text block]

Financial debt

As of March 31, 2025 and December 31, 2024, short-term direct loans were contracted for:

		March 2025		December 2024
Bank loans denominated in pesos		**909,000**		-
dollar equivalent (1)	**$**	**44,738**	$	-
Bank loan (2)		**460,000**		480,000
Current maturity of long-term liability		**9,636**		9,592
Total current debt denominated in U.S. dollars	**$**	**514,374**	$	489,592

(1) As of March 31, 2025, direct loan maturing on April 30, 2025, for $44,738, accruing interest at an average rate of 5.12%.

(2) As of March 31, 2025, direct loans maturing on April 30, 2025 for $260,000, and on May 14, 2025 for $200,000, bearing interest at an average rate of 5.115%.

The loans correspond to a drawdown of uncommitted lines of credit held as of March 31, 2025. Likewise, short-term amounts are available for Industrias Peñoles, S.A.B. de C.V. with Mexican and foreign banks for $354,500.

In January 2024, Fresnillo plc entered into a revolving credit facility ("the Facility") with several domestic financial institutions for a five-year term (January 2024 to January 2029). The maximum amount available under the Facility is $350,000. The Facility is unsecured and carries an interest rate on SOFR amounts drawn, plus a 1.15% interest margin and a commitment fee of between 20% and 30% depending on the use of the Facility. The Facility includes certain financial covenants related to leverage and interest coverage ratios. To date, no drawdowns have been made.

As of March 31, 2025, and December 31, 2024, the relationship between interest payable on short- and long-term debt is shown below:

	March 2025	December 2024
Opening balance on January 1	$ **39,780**	$ 39,613
Interest accrued during the year	**40,424**	150,149
Interest capitalized in properties, plant and equipment	**-**	342
Payment of short and long-term interest	**(52,840)**	(150,324)
Ending balance	$ **27,364**	$ 39,780

At the same time, long-term debt comprised the following loans payable in dollars:

	March 2025	December 2024
Unsecured bonds issued by IPSAB (3)	$ **1,176,191**	$ 1,175,714
Unsecured bonds issued by IPSAB (4)	**500,182**	500,295
Unsecured bonds issued by Fresnillo plc (5)	**830,008**	829,905
Bilateral with ECA guarantee (6)	**14,449**	19,263
Total	**2,520,830**	2,525,177
Less:		
Current maturity	**9,636**	9,592
Total non-current debt	$ **2,511,194**	$ 2,515,585

As of March 31, 2025, and December 31, 2024, the short- and long-term debt ratio is shown below:

	March 2025	December 2024
Opening balance on January 1	$ **3,005,177**	$ 2,758,785
Debt obtained	**1,723,386**	5,200,061
Debt payment	**(1,707,808)**	(4,947,433)
Amortization of transaction costs	**512**	2,039
Exchange rate result	**4,301**	(8,275)
Ending balance	$ **3,025,568**	$ 3,005,177

Long-term debt maturities, starting in April 2026, are as follows:

	Amount
2026	$ 4,811
2027	-

2028	-
2029	650,219
2030-2050	1,856,164
	$ 2,511,194

(3) Unsecured debt bonds issued by Industrias Peñoles S.A.B. de C.V. for a total of $1,100,000 placed in the international market under the 144A/Reg. S format on September 5, 2019. The issuance was made in two equal parts of $550,000 each with terms of 10 and 30 years, with principal payment at maturity and interest payable semi-annually at a fixed rate of 4.15% and 5.65% respectively plus taxes. The proceeds from this transaction were used to prepay the issues of Stock Certificates for a total of $600,000 due in 2020 ($400,000) and 2022 ($200,000) and the rest for corporate purposes. Standard & Poor's Global Ratings (S&P) and Fitch Ratings, Inc. assigned the notes "BBB" ratings. Additionally, on July 30, 2020, the original issue with a maturity in 2029 was reopened to which $100,000 was added at the same fixed rate of 4.15% and a placement yield at maturity of 3.375%. The use of the funds included pre-payment of the syndicated credit with Bank of America, N.A. (Administrative Agent) and Scotiabank Inverlat S.A., payment of short-term debt and for general corporate purposes.

(4) Unsecured debt bonds issued by Industrias Peñoles S.A.B. de C.V., for an amount of $500,000, debt placed in the international market under the 144A/Reg. S format on July 30, 2020, with a term of 30 years, principal payment at maturity, semiannual interest at a fixed rate of 4.75% plus taxes and no endorsements. The use of the funds included pre-payment of the syndicated credit with Bank of America, N.A. (Administrative Agent) and Scotiabank Inverlat S.A., payment of short-term debt and for general corporate purposes. Transaction costs amounted to $3,627.

(5) On September 29, 2020, with settlement on October 2, Fresnillo plc issued Unsecured Debt Bonds for $850,000; debt placed in the international market under the 144A/Reg S format, with a term of 30 years, principal payment at maturity, semi-annual interest at a fixed rate of 4.25% plus taxes and no endorsements. The use of the funds includes the payment for the partial repurchase of the current debt mentioned in point (2) and for general corporate purposes. Standard & Poor's and Moody's Investors Service assigned the notes ratings of BBB and Baa2, respectively. Transaction costs amounted to $3,844.

(6) On June 22, 2017, Industrias Peñoles S.A.B. de C.V. signed a credit agreement with Crédit Agricole Corporate and Investment Bank based on the purchases of equipment that its subsidiary Metalúrgica Met-Mex Peñoles S.A. de C.V. has made to the supplier Outotec Oy (Finland) for the projects of expansion of its zinc plant and Silver Recovery II. The debt is 95% guaranteed by Finnvera as Export Credit Agency (ECA) of the country of origin of the supplier under the protection of goods and services eligible under the agreement, as well as local costs.

The drawdown amounted to a notional of $82,590 and the settlement is made through 17 semiannual repayments from September 28, 2018 to September 30, 2026. Applicable rate of 6-month LIBOR plus 0.94% on outstanding balances (without considering the ECA's commission for its guarantee). The floating component of the interest rate has been fixed through an interest rate swap.

Regarding the reference rate for this credit, on October 23, 2020, the International Swaps and Derivatives Association (ISDA) published in its 2006 ISDA Definitions the revised definition of LIBOR, as well as a modification to the definitions of other IBOR rates, and a new Protocol was issued. During the year 2022, Grupo Peñoles adhered to the ISDA IBOR "Fallback" protocol.

On June 29, 2023, a modification agreement to the credit contract was signed to change the reference interest rate from LIBOR to compounded SOFR, applicable starting September 29, 2023.

- Credit actions by Rating Agencies.

As of March 31st, 2025, the S&P global rating of the unsecured senior debt for IPSAB de CV was BBB with negative outlook and BBB with stable outlook by Fitch Ratings

In the case of Fresnillo plc, the rating for their senior unsecured notes is "BBB" by S&P with negative outlook in global scale and "Baa2" with negative outlook by Moody's Investor Service.

As of March 31st, 2024, the S&P global rating of the unsecured senior debt for IPSAB de CV was BBB with negative outlook and BBB with stable outlook by Fitch Ratings

In the case of Fresnillo plc, the rating for their senior unsecured notes is "BBB" by S&P with negative outlook in global scale and "Baa2" with stable outlook by Moody's Investor Service.

- Obligations to do and not to do in financial debt.

The Group's financial debt is subject to certain obligations and non-obligations, which have been fully met by March 31, 2025.

Disclosure of cash and cash equivalents [text block]

Cash and cash equivalents and short-term investments

An analysis of cash and cash equivalents is as follows:

	March 2025	December 2024
Cash in hand and in banks	**$ 81,822**	$ 115,656
Short-term deposits (1)	**2,026,213**	1,563,698
	$ 2,108,035	$ 1,679,354

(1)Investments in instruments readily convertible into cash earn interest at market rates with maturities of less than 30 days.

Disclosure of commitments [text block]

Electric power supply

As part of its strategy to ensure the electricity supply for its operations at competitive costs, Grupo Peñoles has the following commitments related to the purchase of electricity.

a) Thermoelectric Peñoles

Contract signed to acquire, through its subsidiaries, the electricity production from a plant with a production capacity of 230 megawatts, valid until 2027.

In addition to the supply contract, an agreement was signed to create a trust for business activities for the operation and maintenance of a power generation plant under the self-supply permit granted to Termoeléctrica Peñoles, S. de R. L. de C.V. (TEP). This Trust was terminated early in 2023, and its rights and obligations were incorporated directly into the bylaws of TEP and a shareholders' agreement. To guarantee the commitments for the purchase of electricity, a put option was granted to the owners/operators of the project so that, in the event of default by its subsidiaries, they can require Grupo Peñoles to purchase the shares that make up the capital stock of TEP at a price equivalent to the present value of the remaining scheduled payments that its subsidiaries are obligated to pay under the contract. In April 2024, the Legacy Interconnection Contract signed with CFE will expire, which will be replaced by an Open Access and Non-Discriminatory Interconnection Contract, so TEP will cease to operate under the rules of the Electric Public Service Law and will start operating under the regulatory framework of the Electric Industry Law from May 2024. Under this scheme, Peñoles subsidiaries will acquire the net production of energy and 230 MW-year of power through the Qualified Services Supplier. The estimated cost for electricity consumption for the fiscal year 2025 for 2,014.8 million kWh and 230 MW-year of power is $126,157 dollars.

b) Eólica de Coahuila

Electricity supply contract signed on April 25, 2014, under a self-supply regime with Eólica de Coahuila, S.A. de C.V. (EDC), for a term of 25 years, under which Peñoles subsidiaries adhering to this contract will acquire the entire net production of energy generated by EDC during the contracted period, estimated at an average of 700 million kWh per year, payable monthly at a fixed price determinable for each kWh delivered by EDC to the Federal Electricity Commission at the interconnection point stipulated in the contract. Commercial operations began in April 2017. Simultaneously with this contract, a purchase and sale option agreement ("Put option") was signed for the transfer of EDC's shares under certain circumstances of default. The approximate cost for electricity consumption for the fiscal year 2025, estimated at 722.1 million kWh, is $57,334 dollars.

c) Eólica Mesa La Paz

On January 25, 2018, Grupo Peñoles signed an electricity coverage contract under the Electric Industry Law with Eólica Mesa La Paz, S. de R.L. de C.V. (MLP), for a term of 25 years, under which Peñoles subsidiaries, through the Qualified Services Supplier, will acquire 67.8% of the net energy production from MLP during the first 7 years, estimated at an average of 782.3 million kWh per year. From year 8 until the end of the contract, they will acquire 100% of the net energy production from MLP, estimated at an average of 1,170.0 million kWh per year, payable monthly at a fixed price determinable for each kWh delivered by MLP to the National Electric System at the interconnection point established in the contract. Commercial operations began on April 1, 2020. As part of the contract, a purchase and sale option agreement ("Put option") was stipulated for the transfer of MLP's shares under certain circumstances of default. The approximate cost for electricity consumption for the fiscal year 2025, estimated at 804.3 million kWh, is $36,783 dollars.

Disclosure of contingent liabilities [text block]

Contingencies

As of March 31, 2025 and December 31, 2024, Grupo Peñoles had the following contingencies:

Tax Matters

a) Grupo Peñoles is subject to various laws and regulations that, if not complied with, could result in penalties. Tax periods remain open for review by the Mexican tax authorities for five years following the filing of tax returns by the Group's companies, during which time the authorities have the power to review and determine additional taxes, including fines, updates, and surcharges. Under certain circumstances, these powers may be extended for longer periods. As such, there is a risk that transactions, particularly those conducted with related parties, which have not been questioned in the past by the authorities, may be challenged by them in the future.

   Grupo Peñoles has initiated various audits related to compliance with its tax obligations concerning income tax, special mining rights, and employee profit sharing by the Tax Administration Service (SAT), and has submitted the information and documentation requested.

   Industrias Peñoles S.A.B. de C.V. (IPSAB) and its subsidiary Comercializadora de Metales Fresnillo, S.A. de C.V. (CMF) received resolutions from the SAT in which the tax authority determined tax credits by concluding that the operation known as "Silverstream" for the fiscal year 2016 does not correspond to a derivative financial operation and therefore the tax effects of such operation should not be considered deductible. Consequently, IPSAB initiated a revocation appeal to contest this resolution, and CMF filed a revocation appeal challenging the resolution issued by the SAT.

   Additionally, both IPSAB and CMF underwent tax audits for the same Silverstream operation for the fiscal year 2017. In this regard, IPSAB and CMF received a letter of observations in which the authority reiterated the conclusions from 2016 and issued further observations. In this context, both companies submitted requests to the Taxpayer Defense Attorney's Office (PRODECON) to adopt a conclusive agreement procedure with the SAT, in which no agreement was reached. The authority has a period of six months to assess the evidence presented and, if appropriate, issue a resolution on the case.

   In June 2024, Metalúrgica Met Mex Peñoles was notified of a letter of observations questioning certain deductions applied in determining the Income Tax for the fiscal year 2017. In April 2024, the company submitted a request to PRODECON to adopt a conclusive agreement procedure with the SAT, which was partially agreed upon. The authority has six months to review the evidence for the unagreed items and issue its final resolution.

   There are other audits of certain subsidiaries by the authorities, where certain deductions are questioned, as well as the profitability of some transactions between related parties, for which requests for the adoption of a conclusive agreement procedure were submitted to PRODECON. In the opinion of management, there are solid arguments to refute the observations made by the tax authority.

b) In 2011, a flood occurred at the Saucito mine, after which the Group filed an insurance claim for the damages caused (and for the interruption of business). This claim was rejected by the insurance provider. In early 2018, after the matter was taken to mutual arbitration, the insurance claim was declared valid; however, there is disagreement over the appropriate amount to be paid. In October 2018, the Group received $13.6 million regarding the insurance claim; however, this does not constitute a final agreement, and management continues to seek a higher insurance payment. Due to the fact that negotiations are ongoing and there is uncertainty about the timing and amount involved in reaching a final agreement with the insurer, it is currently not feasible to determine the total amount expected to be recovered.

Disclosure of cost of sales [text block]

Cost of sales

The cost of sales is composed as follows:

	March 2025	March 2024
Personnel expenses	$ **98,490**	$ 117,539
Energy	**93,057**	120,177
Operating materials	**94,990**	113,714
Maintenance and repairs	**105,837**	129,077
Depreciation and amortization	**167,115**	186,738
Amortization of right-of-use assets	**1,197**	1,334
Transfer of by-products	**(23,239)**	(29,480)
Contractors	**103,423**	126,521
Leases of low-value assets	**7,643**	22,883
Other	**61,737**	59,383
Inventory adjustments	**34,036**	23,700
Cost of sale of extraction and treatment	**744,286**	871,586
Cost of metals sold	**440,843**	353,817
	$ **1,185,129**	$ 1,225,403

Disclosure of deferred taxes [text block]

Income taxes charged to the income statement for the three-month periods ended March 31, 2025, and 2024, are comprised as follows:

	March 2025	March 2024
ISR caused	$ **24,337**	$ 26,415
Deferred ISR	**82,758**	(49,732)
Special mining fee	**53,145**	8,608
Income tax as an expense (income) in results	$ **160,240**	$ (14,709)

Disclosure of deposits from banks [text block]

The disclosure of this note is mentioned in the note information to be disclosed regarding cash and cash equivalents.

Disclosure of deposits from customers [text block]

The disclosure of this note is mentioned in the note information to be disclosed regarding customers and other accounts receivable.

Disclosure of earnings per share [text block]

Earnings (loss) per share

Earnings (loss) per share is calculated by dividing the net profit for the year attributable to the holders of the ordinary shares representing the capital of Grupo Peñoles, by the weighted average of ordinary shares in circulation for the period.

The basic and diluted earnings (loss) per share are the same since Grupo Peñoles does not have ordinary shares with potential dilutive effects.

For the three-month periods ended March 31, 2025 and 2024, the earnings (loss) per share were calculated as follows:

	March 2025	March 2024
Net profit (loss) (in thousands of U.S. dollars):		
Attributable to the shareholders of Grupo Peñoles	**$ 185,931**	$ (39,010)
Shares (in thousands of shares):		
Weighted average of ordinary shares in circulation	**397,476**	397,476
Earnings (loss) per share:		
Basic and diluted earnings (loss) per share (Expressed in U.S. dollars)	**$ 0.47**	$ (**0.10**)

Disclosure of employee benefits [text block]

Employee benefits

Employee benefits

The current obligations for employee benefits are detailed as follows:

		March 2025		December 2024
Salaries and other employment benefits payable	$	**2,093**	$	27,175
Paid annual leave and vacation premium payable		**14,361**		14,520
Social security dues and other provisions		**24,581**		23,236
	$	**41,035**	$	64,931

Disclosure of entity's operating segments [text block]

Segment information

The segment information for the three-month period ended March 31, 2025 is shown below:

		Precious Metal Mines		Base Metals Mines		Metallurgical		Others		Eliminations and reclasifications		Total
Third-Party Sales	$	**5,820**	$	**75,292**	$	**1,659,169**	$	**57,754**	$	**-**	$	**1,798,035**
Intra-group Sales		**926,776**		**98,869**		**2,672**		**137,179**		**(1,165,496)**		**-**
Total Sales		**932,596**		**174,161**		**1,661,841**		**194,933**		**(1,165,496)**		**1,798,035**
Cost of Sales		**448,841**		**138,655**		**1,658,384**		**100,909**		**(1,161,660)**		**1,185,129**
Gross Profit		**483,755**		**35,506**		**3,457**		**94,024**		**(3,836)**		**612,906**
Administrative Expenses		**24,201**		**13,221**		**11,205**		**62,210**		**(39,720)**		**71,117**
Exploration Expenses		**29,064**		**14,784**		**-**		**32**		**(916)**		**42,964**
Selling Expenses		**14,677**		**8,070**		**8,491**		**7,609**		**(93)**		**38,754**
Other expenses/(income), net		**1,692**		**2,290**		**(10,655)**		**5,282**		**8,013**		**6,622**
		69,634		**38,365**		**9,041**		**75,133**		**(32,716)**		**159,457**
Operating profit/(loss)	$	**414,121**	$	**(2,859)**	$	**(5,584)**	$	**18,891**	$	**28,880**		**453,449**
Finance income		**-**		**-**		**-**		**-**		**-**		**(29,636)**
Finance costs		**-**		**-**		**-**		**-**		**-**		**54,123**
Foreign exchange gain, net		**-**		**-**		**-**		**-**		**-**		**7,217**
Share of profit of associates		**-**		**-**		**-**		**-**		**-**		**(347)**
Profit before income tax		**-**		**-**		**-**		**-**		**-**		**422,092**
Income tax		**-**		**-**		**-**		**-**		**-**		**160,240**
Consolidated net profit		**-**		**-**		**-**		**-**		**-**	$	**261,852**

The segment information for the three-month period ended March 31, 2024 is shown below:

		Precious Metal Mines		Base Metals Mines		Metallurgical		Others		Eliminations and reclasifications		Total
Third-Party Sales	$	426	$	97,418	$	1,237,969	$	60,478	$	172	$	1,396,463
Intra-group Sales		644,412		134,963		4,331		106,000		(889,706)		-
Total Sales		644,838		232,381		1,242,300		166,478		(889,534)		1,396,463
Costo of Sales		525,150		221,631		1,238,358		41,905		(801,641)		1,225,403
Gross Profit		119,688		10,750		3,942		124,573		(		171,060

					87,893)	
Administrative Expenses	27,400	28,058	18,569	69,515	(64,468)	79,074
Exploration Expenses	33,929	10,135	-	561	(1,414)	43,211
Selling Expenses	8,149	13,106	12,201	9,755	(301)	42,910
Other expenses/(income), net	7,112	3,489	(3,594)	1,954	(11,548)	(2,587)
	76,590	54,788	27,176	81,785	(77,731)	162,608
Operating profit/(loss)	$ 43,098	$ (44,038)	$ (23,234)	$ 42,788	$ (10,162)	8,452
Finance income	-	-	-	-	-	(19,152)
Finance costs	-	-	-	-	-	56,308
Foreign exchange gain, net	-	-	-	-	-	3,318
Share of profit of associates	-	-	-	-	-	88
Loss before income tax	-	-	-	-	-	(32,110)
Income tax	-	-	-	-	-	(14,709)
Consolidated net loss	-	-	-	-	-	$ (17,401)

Disclosure of fair value of financial instruments [text block]

Hedging financial derivatives

Grupo Peñoles contracts with various institutions financial derivative instruments to reduce its level of exposure to the risk of adverse movements in the prices of the variables to which it is exposed. This risk consists of fluctuations in the prices of metals that are produced or processed, energy inputs that are consumed, and exchange rates at which its financial and commercial transactions are agreed upon.

To minimize counterparty risk, contracts are made only with intermediaries of recognized reputation and financial capacity, so it does not foresee that any of the counterparties will fail to meet their obligations and therefore Grupo Peñoles must create reserves associated with this risk.

The fair value of the cash flow hedging financial instruments, net of the deferred income tax recognized in stockholders' equity, is as follows:

	March 2025	December 2024
Fair value of financial instruments	**$ 17,258**	$ 2,035
Ineffectiveness and effect of the time value of options excluded from hedges	**(1)**	(2)
Deferred Income Tax	**(5,177)**	(610)
Net fair value of deferred income tax directly recognized in equity	**$ 12,080**	$ 1,423

The movement of hedging valuation gains for the years ending March 31, 2025 and 2024 is shown below:

	March 2025	December 2024
Opening balance as of January 1st	**$ 1,423**	$ (4,045)
Income reclassified to the	**65,928**	63,148

period's results		
Deferred income tax	(19,778)	(18,944)
Changes in fair value in hedging instruments	(50,704)	(55,336)
Deferred income tax	15,211	16,600
Unrealized gain net of deferred income tax	$ 12,080	$ 1,423

Disclosure of finance income (cost) [text block]

Finance Income

An analysis of finance income is as follows:

	March 2025	March 2024
Interest income on cash equivalents and other investments	$ 24,172	$ 15,543
Interest income from trade receivables	41	122
Finance income on tax refund	3,304	3,487
Other	2,119	-
	$ 29,636	$ 19,152

Finance Costs

An analysis of finance costs is as follows:

	March 2025	March 2024
Interest arising on financial debt	$ 40,458	$ 38,802
Financial discount of liability provisions	9,952	9,604
Net interest on defined benefit obligation	1,280	1,196
Finance cost on lease liabilities	1,579	1,960
Other	854	4,746
	$ 54,123	$ 56,308

Disclosure of financial instruments [text block]

The disclosure of this note is mentioned in the disclosure note on the fair value of financial instruments.

Disclosure of financial instruments at fair value through profit or loss [text block]

The disclosure of this note is mentioned in the disclosure note on the fair value of financial instruments

Disclosure of financial instruments held for trading [text block]

The disclosure of this note is mentioned in the disclosure note on the fair value of financial instruments.

Disclosure of general and administrative expense [text block]

Administrative Expenses

An analysis of administrative expenses is as follows:

		March 2025		March 2024
Personnel expenses	**$**	**27,526**	$	32,738
Fees		**22,727**		21,370
Travel expenses		**3,063**		4,413
Information technology expenses		**5,981**		4,241
Amortization of right-of-use assets		**763**		2,228
Leases of low-value assets		**5,954**		5,966
Fees, associations and other		**5,102**		8,117
Total administrative expenses	**$**	**71,116**	$	79,073

Exploration Expenses

An analysis of exploration expenses is as follows:

	March 2025	March 2024
Personnel expenses	**$ 4,782**	$ 5,175
Contractors	**22,564**	23,019
Taxes and duties	**8,410**	10,151
Operating materials	**203**	160
Amortization of right-of-use assets	**99**	193
Leases of low-value assets	**340**	483
Fees, assays and other	**6,567**	4,031
Total exploration expenses	**$ 42,965**	$ 43,212

Selling Expenses

An analysis of selling expenses is as follows:

	March 2025	March 2024
Freight and transfers	**$ 22,979**	$ 28,010
Royalties	**1,417**	2,205
Handling	**763**	1,076
Extraordinary mining tax	**9,032**	3,117
Amortization of right-of-use assets	**316**	282
Other expenses	**4,247**	8,220
Total selling expenses	**$ 38,754**	$ 42,910

Personnel Expenses

An analysis of personnel expenses is as follows:

	March 2025	March 2024
Salaries and other employee benefits	**$ 79,669**	$ 92,038
Employee benefits at retirement	**558**	1,179
Social security contributions	**25,556**	29,967
Social welfare and other benefits	**25,015**	32,268
Total personnel expenses	**$ 130,798**	$ 155,452

Disclosure of income tax [text block]

Income Tax (ISR) and Special Tax for Mining Companies (DEM)

Tax environment

Income tax

he Mexican Income Tax Law (MITL) stipulates a 30% corporate income tax rate.

Fiscal consolidation

Industrias Peñoles, S.A.B. de C.V. and its subsidiaries determined the ISR on a consolidated basis until 2013 in accordance with the tax legislation in force in this year. As of January 1, 2014, with the Tax Reform, both IPSAB and its controlled subsidiaries pay the ISR on individual bases.

In accordance with the provisions of the new LISR in force as of 2014, the groups that were fiscally consolidated as of December 31, 2013, must deconsolidate and pay the ISR and/or Asset Tax (IA) that they might have deferred and that is pending payment by each entity on individual bases. Therefore, IPSAB, as the controlling company, pays the ISR that was deferred due to fiscal consolidation, in a similar manner to the payment of the ISR deferred by fiscal consolidation in accordance with the changes introduced to the fiscal consolidation regime of 2010.

The 2014 Tax Reform establishes two deadlines for the payment of previously deferred taxes from the effects of deconsolidation; the first is five years, so that 25% must be paid no later than May 31, 2014, while the remaining 75% will be divided into four parts (25%, 20%, 15% and 15%), to be covered, subject to an update in the following four exercises; and the second is up to ten years applying the provisions in force until 2013.

Special Mining Right

The Special Mining Right (DEM) is considered a tax on profits payable by holders of mining concessions and assignments, consisting of the application of a rate of 7.5% (8.5% starting in 2025) to the positive difference resulting from subtracting the deductions established in the Income Tax Law (LISR) from their accumulated income, excluding deductions for investments, interest, and annual inflation adjustments. This DEM can be credited against the income tax (ISR) for the same fiscal year and must be paid no later than within the first three months following the corresponding fiscal year.

Disclosure of interest expense [text block]

The disclosure of this note is mentioned in the note information to be disclosed on financial income (expenses).

Disclosure of interest income [text block]

The disclosure of this note is mentioned in the note information to be disclosed on financial income (expenses).

Disclosure of inventories [text block]

Inventories

An analysis of this caption is as follows:

		March 2025		December 2024
Inventories stated at cost:				
Refined metals and ore concentrates	**$**	**1,749,611**	$	1,725,278
Raw materials and chemical products in process		**55,263**		47,183
Operating materials		**283,171**		285,310
		2,088,045		2,057,771
Inventories measured at fair value:				
Refined metals		**112,268**		131,235
Inventories		**2,200,313**		2,189,006
Less: Non-current portion		**69,760**		69,760
Inventories, current potion	**$**	**2,130,553**	$	2,119,246

Disclosure of investments accounted for using equity method [text block]

The movement in investments for the periods ended March 31, 2025 and December 31, 2024 is analyzed as follows:

		March 2025		December 2024
Starting balance in associates	**$**	**74,750**	$	81,215
Share in the result of associates		**347**		5,528
Conversion adjustment		**(3,629)**		(11,993)
Ending balance in associates	**$**	**71,468**	$	74,750

Disclosure of issued capital [text block]

Equity and other comprehensive loss items

Share capital

The share capital as of March 31, 2025, and December 31, 2024, is represented by ordinary, registered shares without an expression of nominal value and is made up of class one shares representing the minimum fixed capital and class two shares, representing the variable part, as follows:

	Shares		Amount			
	2025	2024		**2025**		2024
Authorized and subscribed share capital	**413,264,747**	413,264,747	**$**	**403,736**	$	403,736
Repurchased shares	**15,789,000**	15,789,000		**2,337**		2,337
Nominal share capital in circulation	**397,475,747**	397,475,747	**$**	**401,399**	$	401,399

As of March 31, 2025, and December 31, 2024, the nominal share capital is made up of a minimum fixed capital without the right to withdrawal of $401,399 (equivalent to Ps. 2,191,210) and a variable capital that may not exceed ten times the amount of the fixed capital.

Disclosure of joint ventures [text block]

The disclosure of this note is mentioned in the note on information to be disclosed regarding business combinations.

Disclosure of non-current assets or disposal groups classified as held for sale [text block]

Assets Held for Sale

In December 2022, Grupo Peñoles received a binding offer for the sale of property, plant and equipment related to the Madero unit. In February 24, 2023 the master contract for assets was signed for an amount of $47,000 subject to certain conditions; among them that the Federal Economic Competition Commission (COFECE) issues a favorable written approval of the transaction's formalization; the related assets and liabilities are recognized separately as part of the assets and liabilities held for sale caption. The carrying amount of these assets and liabilities add up to $21,362 and $38,425 respectively.

During the year 2024, the preferential term of the binding offer held between Grupo Peñoles and its counterparty remains in effect, despite the latter still being in the process of obtaining financing. However, the Company continues to actively seek buyers to finalize the sale of this unit, and therefore has maintained the classification of the related assets and liabilities as held for sale.

Disclosure of other current assets [text block]

Other financial assets

It is analyzed as follows:

		March 2025		December 2024
Short-term investments (1)	**$**	**185,686**		187,403
Short-term hedging derivative financial instruments		**86,763**	$	25,307
Less: Non-current maturity		**(212)**		(166)
Total other financial assets	**$**	**272,237**	$	212,544

(1) Investments in short-term instruments with maturities exceeding three months and that are not readily convertible into cash or are subject to significant risks of changes in value are classified as short-term investments.

Disclosure of other non-current assets [text block]

Other non-current financial assets

It is integrated as follows:

	March 2025	December 2024

Investments in stocks listed on the Canadian Stock Exchange:		
Cost (1)	**$ 65,045**	$ 65,045
Increases in fair value	**100,237**	82,118
Subtotal	**165,282**	147,163
Investments in shares listed on the American stock exchange:		
Cost	**180**	180
Increases in fair value	**749**	583
Subtotal	**929**	763
Total	**$ 166,211**	$ 147,926

(1) As of March 31, 2025, the principal investments correspond to 9,746,193 shares of Mag Silver, Corp. for an amount of $148,249, 2,800,000 shares of Endeavor, Inc. for an amount of $11,946.

(2) As of December 31, 2024, the principal investments correspond to 9,746,193 shares of Mag Silver, Corp. for an amount of $132,369, 2,800,000 shares of Endeavor, Inc. for an amount of $10,262.

(3) The investments mentioned above are listed on the Canadian Stock Exchange. The share prices as of March 31, 2025, and December 31, 2024, are $21.89 and $6.14 per share, and $19.53 and $5.70 per share, respectively.

Disclosure of other operating income (expense) [text block]

Other (Income) Expenses

An analysis of other income is as follows:

	March 2025	March 2024
Income on sale of fixed asset	**$ (618)**	$ -
Income on sale of other products and services	**-**	(14,963)
Otros income	**$ (618)**	$ (14,963)

An analysis of other expenses is as follows:

	March 2025	March 2024
Rental expenses	**$ 279**	$ 951
Donations	**358**	2,374
Rehabilitation expenses for closed mining units	**3,017**	3,476
Losses from accidents	**217**	1,512
Loss on sale of fixed asset	**-**	296
Loss on sale of material and waste	**500**	451
Loss on sale of concentrates	**2**	-
Loss on sale of other products and services	**111**	-
Other	**2,756**	3,316

Other expenses	**$**	**7,240**	$	12,376

Disclosure of property, plant and equipment [text block]

During the three-month periods ended March 31, 2025 and 2024, Grupo Peñoles made investments in its property, plant and equipment of $73,201 and $86,016, respectively.

Depreciation as of March 31, 2025, and 2024 amounted to $167,115 and $186,737, respectively.

Commitments

As of March 31, 2025, and December 31, 2024, various agreements have been entered into for the purchase of machinery and equipment, as well as for the completion of adjustments to mining and metallurgical projects. The amounts of the commitments as of these dates are $129,066 and $119,090, respectively.

Disclosure of related party [text block]

Related parties

The balances receivable and payable to non-consolidated related entities are analyzed as follows:

		March 2025		December 2024
Accounts receivable from:				
Sales:				
Grupo Palacio de Hierro, S.A.B. de C.V. (1)	**$**	**913**	$	978
Grupo Nacional Provincial, S.A.B. de C.V. (1)		**5,630**		5,542
Others		**26**		28
Total	**$**	**6,569**	$	6,548
Accounts payable from:				
Short-term accounts:				
Termoeléctrica Peñoles, S. de R.L. de C.V. (4)	**$**	**-**	$	9,182
Eólica de Coahuila S. de R.L. de C.V. (4)		**4,612**		-
Línea Coahuila-Durango, S.A.B. de C.V. (2)		**2,416**		1,780
Others		**444**		15
		7,472		10,977

Loans:				
Minera los Lagartos, S.A. de C.V. (3)		**2,090**		2,055
Total	**$**	**9,562**	$	13,032

As of March 31, 2025 and December 31, 2024, the reconciliation of loans and interest with Minera los Lagartos, S.A. de C.V. is shown below:

		2025		2024
Opening balance as of January 1	**$**	**2,055**	$	95,360
Loan amortization		**-**		(92,361)
Interest accrued in the year		**35**		4,197
Interest payment		**-**		(5,015)
Others		**-**		(126)
Closing balance as of December 31	**$**	**2,090**	$	2,055

In the periods ended March 31, 2025, and 2024, various business transactions were conducted with related entities, as indicated below:

(a) Grupo Peñoles, through its subsidiary Minera Tizapa, made sales of lead, zinc, and gravimetric concentrate and copper, setting sale prices according to international market references and the payable metal content.

(b) Grupo Peñoles, through a subsidiary, has several energy supply contracts with its related parties under the self-supply scheme.

(c) Grupo Peñoles has concluded contracts for the supply of electricity with its related parties under the self-supply scheme and the wholesale electricity market.

(d) Transaction corresponding to insurance paid to Grupo Nacional Provincial, S.A.B. de C.V.

(e) Business consulting and corporate administration services.

		March 2025		March 2024
Income (a):				
Sales of concentrates and refined metal:				
Dowa Mining Co. Ltd. (3)	**$**	**-**	$	26,057
Sumitomo Corporation (3)		**-**		75,871
		-		101,928
Electrical energy (b):				
Grupo Palacio de Hierro, S.A.B. de C.V. (1)		**1,691**		1,668
Grupo Nacional Provincial, S.A.B. de C.V. (1)		**134**		159
Instituto Tecnológico Autónomo de México (1)		**39**		51
		1,864		1,878
Others:				
Línea Coahuila Durango, S.A de C.V. (2)		**-**		89
Petrobal, S.A.P.I. de C.V. (1)		**5**		252
Petrobal Upstream Delta 1, S.A. de C.V. (1)		**-**		369
		5		710
	$	**1,869**	$	104,516

Expenses:

Electrical energy (c):		
Termoeléctrica Peñoles, S. de R.L. de C.V. (4)	**$ 22,918**	$ 24,423
Eólica de Coahuila S. de R.L. de C.V. (4)	**4,718**	13,143
Eólica Mesa la Paz S. de R.L. de C.V. (4)	**214**	9,021
	27,850	46,587
Administrative fees:		
Servicios Corporativos Bal, S.A. de C.V. (1)	**15,495**	7,502
Insurance and finance (d):		
Grupo Nacional Provincial, S.A.B. de C.V. (1)	**11,410**	4,530
Others	**114**	124
	11,524	4,654
Air transport:		
Aerovics, S.A. de C.V. (2)	**2,574**	3,092
Royalties:		
Dowa Holdings Co. Ltd (3)	**-**	642
Sumitomo Corporation (3)	**1,322**	165
	1,322	807
Rents:		
MGI Fusión, S.A. de C.V. (2)	**1,174**	1,183
Others	**2,391**	3,516
	$ 62,330	$ 67,341

(1) Affiliated entities under the control exercised by Grupo Bal, a private and diversified organization, composed of independent Mexican companies, among which are Grupo Palacio de Hierro, S.A.B. de C.V., Grupo Nacional Provincial, S.A.B. de C.V., Valores Mexicanos Casa de Bolsa, S.A. de C.V. and Petrobal, S.A.P.I. de C.V.

(2) Associates

(3) Non-controlling shareholders

(4) Other related parties

Disclosure of reserves within equity [text block]

Equity and other comprehensive loss items

Legal Reserve

The net profit for the year is subject to the legal requirement that 5% of it must be allocated to increase the legal reserve until the amount of the reserve is equal to 20% of the share capital in pesos. To date, this percentage has been fully covered. This reserve cannot be distributed, except as dividends in shares.

Other comprehensive loss items

Valuation effect of hedges

This balance includes the effective portion of gains or losses from the valuation of financial instruments designated as cash flow hedges, net of deferred income tax. When the hedged transaction occurs, the gain or loss is transferred from equity to the consolidated statement of profit or loss.

Valuation effect of financial assets in capital instruments (VRORI)

This corresponds to changes in the fair value of equity instruments, net of deferred income tax. The corresponding gains and losses on these financial assets will never be reclassified to the consolidated statement of profit or loss. Dividends are recognized as other income in the consolidated statement of profit or loss when the right to payment has been established, unless the dividend clearly represents a recovery of part of the investment cost. Under this classification, equity instruments are not subject to impairment assessment.

Accumulated conversion effect

The balance includes the conversion effect of the financial statements to the reporting currency (dollar) of certain subsidiaries and associates whose functional currency is the Mexican peso.

Accumulated effect of employee benefits revaluation

It is composed of the actuarial gains and losses resulting from the adjustment to the liabilities for retirement personnel benefits due to changes in the actuarial assumptions used for their determination.

Disclosure of revenue [text block]

Sales

An analysis of sales by geographical area is as follows:

	March 2025	March 2024
Domestic sales	**$ 313,685**	$ 344,745
United States of America	**920,202**	467,559
Europe	**304,167**	265,136
Asia	**18,403**	134,764
Canadá	**230,723**	168,737
South America	**7,949**	15,236
Other	**2,906**	286
	$ 1,798,035	$ 1,396,463

Sales by products are shown in the annex [800005]

Disclosure of subsidiaries [text block]

Consolidation

Significant subsidiaries

The significant subsidiaries are as follows:

Subsidiaries with total participation

Subsidiary	Country	Currency Funcional (1)	% Equity interest March 2025	December 2024
Minas Peñoles, S.A. de C.V.	Mexico	USD	**100**	100
Química Magna, S.A. de C.V.	Mexico	USD	**100**	100
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	Mexico	USD	**100**	100
Química del Rey, S.A. de C.V.	Mexico	USD	**100**	100
Minera Ciprés, S.A. de C.V.	Mexico	USD	**100**	100
Compañía Minera Sabinas, S.A. de C.V.	Mexico	USD	**100**	100
Minera Capela, S.A. de C.V.	Mexico	USD	**100**	100
Arrendadora Mapimí, S.A. de C.V.	Mexico	USD	**100**	100
Servicios Administrativos Peñoles, S.A. de C.V.	Mexico	Peso	**100**	100
Servicios Especializados Peñoles, S.A. de C.V.	Mexico	Peso	**100**	100
Bal Holdings, Inc.	USA (2)	USD	**100**	100
Fuerza Eólica del Istmo, S.A. de C.V.	Mexico	USD	**100**	100

(1) "USD" refers to the U.S. dollar; "Peso", refers to the Mexican peso.

(2) United States of America.

Subsidiaries with non-controlling interests

Subsidiary	Country	Primary activity
Fresnillo plc	England	Holding company whose subsidiaries are primarily engaged in the extraction and processing of mineral concentrates containing mostly silver and gold in Mexico. The subsidiary was incorporated under the laws of the United Kingdom and is publicly traded on the London Stock Exchange. This company is a 75%-owned subsidiary of Grupo Peñoles, with the remaining 25% non-controlling interest publicly traded.
Minera Tizapa, S.A. de C.V.	Mexico	Primarily engaged in the extraction and processing of mineral concentrates of zinc and silver. This company is a 51%-owned subsidiary of Grupo Peñoles, with non-controlling interests held by Dowa Mining and Sumitomo Corporation of 49%.

Disclosure of significant accounting policies [text block]

A summary of the accounting policies used in the preparation of the financial statements is found below. These polices have been applied consistently in all of the periods presented in the accompanying consolidated financial statements.

Disclosure of trade and other receivables [text block]

Trade and other accounts receivable

An analysis of this caption is as follows:

	March 2025	December 2024
Trade receivables	**$ 197,543**	$ 200,734
Other accounts receivable	**13,299**	16,417
Less:		
Expected credit losses for trade receivables	**(1,763)**	(1,765)
Expected credit losses for other accounts receivable	**(883)**	(212)
Total trade and other accounts receivable	**208,196**	215,174
Related parties	**6,569**	6,548
Recoverable value added tax	**363,865**	415,101
Advances to suppliers	**15,885**	9,318
Other accounts receivable to contractors	**15,479**	15,610
	609,994	661,751
Less: Non-current maturity:		
Other accounts receivable to contractors	**5,132**	5,264
Recoverable value added tax	**35,086**	-
Long-term accounts receivable and other receivables	**40,218**	5,264
Total trade and other current accounts receivable, net	**$ 569,776**	$ 656,487

[800600] Notes - List of accounting policies

Disclosure of significant accounting policies [text block]

A summary of the accounting policies used in the preparation of the financial statements is found below. These polices have been applied consistently in all of the periods presented in the accompanying consolidated financial statements.

Description of accounting policy for borrowing costs [text block]

Borrowing costs

Borrowing costs directly related to the acquisition, construction, or production of qualifying assets, which are assets requiring a substantial period, usually twelve months or more, to get them ready for use, are added to the cost of the assets throughout their construction phase and until such time as operation and/or exploitation of the asset begins. The interest obtained on temporary investments of borrowed funds that have yet to be used for the construction of the corresponding qualifying assets are deducted from the costs of capitalized loans.

Description of accounting policy for borrowings [text block]

Financial liabilities at amortized cost are measured using the effective interest rate method (EIR) by taking into consideration any transaction costs and recognizing the interest expense on the basis of the effective interest rate. Non-interest-bearing trade and other short-term payables are stated at nominal value since this value does not significantly differ from their fair value.

Description of accounting policy for business combinations and goodwill [text block]

The accounting for business acquisitions is performed using the purchase method, which requires the acquired assets and assumed liabilities to be recognized at their fair value at the date of purchase; the results of the acquired businesses are recognized in the consolidated financial statements from the effective date of acquisition. The results of the businesses sold during the year are included in the consolidated financial statements up to the effective disposal date, and the gain or loss for their disposal is recognized in the statement of profit or loss, as the difference between the revenues obtained from the sales, net of related expenses, and the net assets attributable to the equity interest of the business that has been sold.

Description of accounting policy for cash flows [text block]

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position include cash in hand, cash in banks and highly liquid investments with maturities of less than three months, which are easily convertible into cash, have a low exposure to risk of changes in their value and the cash amount to be received can be reliably known. Short-term deposits bear interest at market rates.

For purposes of the consolidated statement of cash flows, cash and cash equivalents consist of the cash and cash equivalents defined above, net of bank overdrafts pending collection.

Description of accounting policy for decommissioning, restoration and rehabilitation provisions [text block]

Provision for decommissioning and rehabilitation

Grupo Peñoles records the present value of estimated costs of legal and constructive obligations required to rehabilitate mining units in the period in which the obligation is incurred. Estimated rehabilitation costs include the costs of decommissioning and removing structures, rehabilitating mines and tailings dams and decommissioning the processing plant and operating facilities, as well as the cost incurred for rehabilitation, reclamation, and re-vegetation of affected areas.

The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related mining assets, provided they give rise to a future economic benefit. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect the time value of money and the risks specific to the liability. The periodic unwinding of the discount is recognized in the consolidated statement of profit or loss as a finance cost.

Changes to estimated future costs are recognized in the consolidated statement of financial position by either increasing or decreasing the decommissioning liability and asset to which it relates. For closed sites, changes to estimated costs are recognized immediately in the consolidated statement of profit or loss.

Decommissioning and rehabilitation assets are depreciated over the estimated production period of the mining unit where they are located. Depreciation is recognized in the consolidated statement of profit or loss as part of the Cost of sales caption.

Description of accounting policy for deferred income tax [text block]

Deferred income tax is computed using the balance method, based on temporary differences between carrying amounts for financial reporting and tax basis values of assets and liabilities at the reporting date.

The tax rates and tax laws used to calculate deferred income tax are those that are enacted or substantively enacted at the reporting date.

Description of accounting policy for depreciation expense [text block]

Depreciation and depletion are calculated on the asset's acquisition cost, less the residual value of the property, plant and equipment throughout their useful lives or the waiting period in which the benefits of their use will be received.

Description of accounting policy for derecognition of financial instruments [text block]

If the hedging instrument matures or is sold, terminated or exercised without being replaced or if its designation as a hedge is revoked, the cumulative gain or loss recognized directly in equity as of the effective date of the hedge remains in equity and is recognized when the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss recognized in equity is immediately carried to profit or loss.

Description of accounting policy for derivative financial instruments [text block]

Hedging derivatives

Grupo Peñoles uses hedging derivatives to reduce certain market risks related to changes in metal prices, energy costs, exchange rates, interest rates, and the value of its financial assets and liabilities.

Grupo Peñoles transactions with derivatives are limited in volume and confined to risk management activities. Grupo Peñoles senior management takes an active part in the analysis and monitoring of the design, performance and impact of Grupo Peñoles hedging strategies and transactions with derivatives. Hedges are also designed to protect the value of expected mining-metallurgical-chemical production against the dynamic market conditions.

All derivative financial instruments are recognized as financial assets and liabilities and stated at fair value.

Description of accounting policy for derivative financial instruments and hedging [text block]

Cash flow hedges

For derivatives that are designated and qualify as cash flow hedges (forwards and swaps), the gain or loss from the effective portion of changes in fair value is recorded as a separate component in equity and is carried to the consolidated statement of profit or loss at the settlement date, as part of either the sales, cost of sales or finance income and cost caption. The ineffective portion of changes in the fair value of cash flow hedges is recognized in the consolidated statement of profit or loss as part of finance costs.

Description of accounting policy for dividends [text block]

Dividends

Dividends payable to the shareholders of Grupo Peñoles are recognized as a liability at the time they are declared and authorized, or when the shareholders delegate the authorization of the amount of a dividend to another body. Dividends payable to the holders of non-controlling interests are recognized as a liability when they are declared by the shareholders or partners of the subsidiaries with shareholders or partners with non-controlling interests.

Description of accounting policy for earnings per share [text block]

Earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary shareholders of Grupo Peñoles by the weighted average number of ordinary shares outstanding during the year.

Description of accounting policy for employee benefits [text block]

Employee benefits

Short-term employee benefits

Liabilities for employee benefits are recognized in the consolidated statement of profit or loss on an accrual basis considering the wages and salaries that Grupo Peñoles expects to pay at the date of the consolidated statement of financial position, including the related taxes that will be payable by Grupo Peñoles. Paid absences and vacation premiums are expensed as the benefits accrue.

Defined benefit plan

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit actuarial valuation method based on the earnings of employees and their years of service. The actuarial valuation is prepared by an independent actuarial firm at each year end. The liability is recognized at present value using a discount rate that represents the yield at the reporting date on credit-rated bonds that have maturity dates approximating the terms of Grupo Peñoles obligations and that are denominated in the same currency in which the benefits are expected to be paid.

Description of accounting policy for environment related expense [text block]

Provision for asset decommissioning and rehabilitation

The estimated costs of closure of mining units derived from the legal and implied obligations required to restore operating locations are recognized at their present value in the period in which they are incurred. Estimated rehabilitation costs include the costs of decommissioning and removing structures, rehabilitating mines and tailings dams and decommissioning the processing plant and operating facilities, as well as the costs incurred for rehabilitation, reclamation, and re-vegetation of affected areas. Provisions for asset decommissioning and rehabilitation are recognized at present value at the time the obligation becomes known and provision amounts are calculated based on management's understanding of the related legal requirements and Grupo Peñoles corporate social responsibility policies.

Environmental costs are also estimated by Grupo Peñoles own internal specialists with the support of studies performed by independent experts. Generally speaking, management applies its judgment and experience to estimate decommissioning and rehabilitation costs over the life of each mine.

The costs incurred in future periods may be different from the amounts provided for. Also, the book value of the provision could eventually be affected by future changes in the applicable legislation and regulatory requirements, as well as changes to the estimated useful lives of Grupo Peñoles mines or the discount rates.

The assumptions on which the estimates of dismantling and restoration costs for mining units are determined are regularly reviewed. These estimates are based on internationally recognized standards that require the closure processes of operations. Additionally, the discount rate is reviewed to reflect the obligations for ecological restoration at their present value, in accordance with current market interest rate conditions.

Description of accounting policy for exploration and evaluation expenditures [text block]

Mine exploration and development costs and expenses

Exploration includes the search for mineral resources, the determination of the mine's technical feasibility, and the assessment of the commercial viability of identified resources

Description of accounting policy for fair value measurement [text block]

Fair value is the price that will be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by Grupo Peñoles.

Description of accounting policy for financial assets [text block]

Grupo Peñoles classifies its financial assets into the following categories:

- Financial assets at amortized cost.

- Financial assets at fair value through Other Comprehensive Income (OCI), and;

- Financial assets at fair value through profit or loss.

The classification is based on two criteria: Grupo Peñoles´s business model for managing the assets and the contractual cash flows of the assets.

Description of accounting policy for financial liabilities [text block]

Initial recognition and measurement

All financial liabilities are recognized initially at fair value, and, in the case of loans and borrowings, net of directly attributable transaction costs.

Financial liabilities include accounts payable to suppliers and other accounts payable, financial debt and loans and derivative financial instruments.

Description of accounting policy for foreign currency translation [text block]

Foreign currency transactions

Transactions undertaken in currencies other than the entity's functional currency are translated using the exchange rate at the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated using the exchange rate at the reporting date. These translation adjustments are carried directly in the consolidated statement of profit or loss.

Description of accounting policy for functional currency [text block]

Functional currency

The functional currency of each consolidated entity is determined based on the currency of the primary economic environment in which each entity operates. Except for certain subsidiaries that are currently not operating or are service providers, the functional currency of all of the entities of Grupo Peñoles is the U.S. dollar.

Description of accounting policy for hedging [text block]

The disclosure of this note is mentioned in the accounting policy note for derivative financial instruments and hedges.

Description of accounting policy for impairment of assets [text block]

Impairment

The carrying value of non-financial long-lived assets are tested for impairment when there are situations or changes in circumstances that indicate that the carrying value of a given asset is not recoverable. Whenever there are indicators of impairment, the carrying value of the asset is assessed to determine if it exceeds the recoverable amount, which is the higher of the cash generating unit's fair value less costs of disposal and the value in use of the asset, and if the asset is therefore impaired. For this impairment evaluation, assets are grouped into CGU and their recoverable amount is calculated as the present value of the future cash flows expected to be produced by the assets. When the recoverable amount of an asset or the cash generating unit to which it belongs is less than its net carrying amount, the difference is recognized as an impairment loss.

Description of accounting policy for impairment of financial assets [text block]

Impairment of financial instruments

Grupo Peñoles recognizes expected credit losses related to its debt instruments measured at amortized cost and at fair value through other comprehensive income (FVOCI), except for equity instruments irrevocably designated at FVOCI.

The value of expected credit losses over the life of the asset is recognized in accordance with the simplified approach permitted by IFRS 9 "Financial Instruments." Credit losses on the asset are recognized before an instrument becomes delinquent. To determine credit risk, historical default rates over the expected life of trade receivables are considered and adjusted for forward-looking estimates taking into account the most relevant macroeconomic factors affecting collectability.

For financial assets measured at amortized cost, the amount of the expected credit loss is the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate of the financial asset.

Description of accounting policy for income tax [text block]

Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authority.

Deferred income tax

Deferred income tax is computed using the balance method, based on temporary differences between carrying amounts for financial reporting and tax basis values of assets and liabilities at the reporting date.

Description of accounting policy for intangible assets other than goodwill [text block]

Intangible assets

Intangible assets are recognized if, and only if, it is probable that the future economic benefits associated with the intangible asset will flow to Grupo Peñoles and the cost of the asset can be reliably measured.

Intangible assets with finite useful lives are valued at cost less accumulated amortization and impairment losses. Amortization is recognized based on the estimated useful life of the intangible, on a straight-line basis.

Intangible assets with finite useful lives consist of software licenses. Grupo Peñoles has no intangible assets with indefinite useful lives.

Description of accounting policy for investment in associates [text block]

The disclosure of this note is mentioned in the accounting policy note for investments in associates and joint ventures.

Description of accounting policy for investment in associates and joint ventures [text block]

Associates

Investments in associates are those in which Grupo Peñoles holds more than 20% of the issuer’s voting shares, or over which it exercises significant influence but does not have control over the investee. Investments in associates are initially recognized at cost and later accounted for using the equity method, which consists of recognizing Grupo Peñoles' share in the changes in the issuer's equity from net profit or loss and other comprehensive income items generated after the acquisition date. Dividends received from the associated company are subtracted from the value of the investment. The consolidated statement of profit or loss reflects Grupo Peñoles' share of the associate's net profit or loss. In addition Grupo Peñoles recognizes its share in the associate's other comprehensive income items directly in equity under the caption corresponding to the type of other comprehensive income being recognized.

Description of accounting policy for investments in joint ventures [text block]

The disclosure of this note is mentioned in the accounting policy note for investments in associates and joint Ventures.

Description of accounting policy for leases [text block]

Leases

Grupo Peñoles (as lessee) determines the term as the non-cancellable term of the lease, together with any periods covered by an option to extend if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Grupo Peñoles has several lease contracts that include extension options. Grupo Peñoles applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew and to this end, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, Grupo Peñoles reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. Grupo Peñoles mainly included the renewal period as part of the lease term for certain plant and machinery.

Description of accounting policy for measuring inventories [text block]

Inventories are valued at the lower of cost or net realizable value.

Description of accounting policy for mining assets [text block]

Mine properties, mine development and stripping costs

Mine properties and mine development and stripping costs are recognized at cost less accumulated depletion and, when applicable, impairment losses.

Description of accounting policy for mining rights [text block]

Special tax over mining companies

Grupo Peñoles recognized deferred assets resulting from the temporary differences between the carrying amount and tax basis of its assets and liabilities related to the calculation of the special tax for mining companies, since this special tax is calculated on the basis of Grupo Peñoles earnings, in accordance with applicable tax laws.

Description of accounting policy for property, plant and equipment [text block]

Property, plant and equipment is initially measured at cost. The cost includes the purchase price and any other costs directly attributable to refurbishing and getting the asset ready for use, including provisions for decommissioning or retirement, as well as interest costs.

Description of accounting policy for recognition of revenue [text block]

Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which Grupo Peñoles expects to be entitled in exchange for transferring goods to a customer and once Grupo Peñoles has satisfied the performance obligations of its sales agreements.

Revenue from the sale of goods is recognized when the control of the related goods has been physically transferred to the buyer, which generally occurs at the time ownership of the product is physically transferred to the customer and collection of the related accounts receivable is reasonably assured. The performance obligations of Grupo Peñoles consist in the sale of products and the rendering of freight services, both are considered a single performance obligation within the context of the contract. Revenue is recognized as the performance obligation is satisfied.

The prices of refined metals are essentially determined by international prices, to which a premium is added, depending on the region where the products are sold, as well as the specific market conditions of the region in question.

Description of accounting policy for segment reporting [text block]

Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM) who is also Grupo Peñoles Chief Executive Officer. Grupo Peñoles is organized into business units based on its products.

The CODM monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. In addition, Grupo Peñoles financing and income taxes are managed at the corporate level and are not allocated to the operating segments, except for those entities that are managed separately.

Grupo Peñoles operations in the mining-metallurgical industry consist of the extraction and processing of minerals, and the smelting and refining of non-ferrous metals. The extraction and processing of minerals primarily produces lead, zinc and doré concentrates, which are treated and refined in a metallurgical complex to obtain refined metals. Grupo Peñoles metallurgical business is conducted through its subsidiary Metalúrgica Met-Mex Peñoles (Met-Mex). The metallurgical complex, known as “Met-Mex”, receives mineral concentrates and doré from related and independent mining companies to treat, process, and refine them to obtain finished products, primarily silver, gold, zinc, and lead, for their subsequent sale. Based on the business activities described above, Grupo Peñoles has divided its operations into the following operating segments:

Precious metal mines

This segment includes the mining units where silver and gold minerals are extracted and processed. Other activities related to this segment include prospecting and exploring new deposits and developing mining units for future mining operations. The equity interest in the business units of this segment is held by the subsidiary Fresnillo plc, which is a company located in the United Kingdom whose shares are traded on the London Stock Exchange in England. Practically all of the concentrates and doré produced by this segment are sent to Met-Mex metallurgical complex.

Base metal mines

This segment groups mineral exploration, extraction, and processing to obtain concentrates of zinc, lead, and copper. Zinc and lead concentrates are sent to Met-Mex for treatment and refining primarily to obtain refined zinc and lead. The copper concentrates are sold to metallurgical companies abroad that are not related parties outside of Mexico.

Metallurgical

The metallurgical segment involves treating and refining the concentrates and dorés received from the precious metals and base metals business. The activities of this segment are performed in two main metallurgical plants: a) an electrode plant that produces zinc cathode; and b) the smelting-refining plant that primarily produces refined silver and gold (mostly presented in bars), as well as molded lead. The plants also process precious metals and base metals from non-related parties and this segment represents approximately 26% of production. The refined metals, which are mostly silver, gold, lead, and zinc, are sold in Mexico and abroad, primarily in the United States through the subsidiary Bal Holdings, as well as in Europe and South America.

Other

This segment consists primarily of the following operations: a) the production and sale of chemical products, primarily sodium sulfate, and b) entities that provide administrative and operating support activities. These operations do not meet the criterion for segment reporting under IFRS 8 Operating Segments.

The accounting policies used by Grupo Peñoles in reporting segments internally are the same as those contained in the notes to the consolidated financial statements.

The financial performance of the different segments is measured by the CODM using a net profit/loss approach.

Description of accounting policy for stripping costs [text block]

Decommissioning and rehabilitation

The present value of the initial estimate of the obligation to decommission and rehabilitate mining sites is included in the cost of the mining properties and any adjustments to such obligation resulting from changes in the estimated cash flows needed to cover the obligation at the end of the useful life of the mining unit are accounted for as additions to or reductions from investments in mining units in the property, plant and equipment caption.

Description of accounting policy for subsidiaries [text block]

Subsidiaries

Subsidiaries are understood as those entities over which Grupo Peñoles exercises effective control in order to govern the operating and financial policies and derive benefits from their activities, from the date it effectively gained control until the date it effectively ceded that control. The control of entities qualified as subsidiaries is evaluated based on the power it has and exercises through its shareholding of voting rights, exposure to its variable returns, and the ability to influence its returns.

Description of accounting policy for transactions with non-controlling interests [text block]

The consolidated financial statements include all assets, liabilities, revenues, expenses, and cash flows, after eliminating intercompany balances and transactions. When shareholding in a subsidiary is less than 100%, therefore there is non-controlling interest in the net assets of the consolidated subsidiaries, it is identified in a separate line item in equity as non-controlling interest.

Description of accounting policy for transactions with related parties [text block]

All intercompany balances and transactions, intra-group unrealized gains and losses, and dividends have been eliminated on consolidation.

[813000] Notes - Interim financial reporting

Disclosure of interim financial reporting [text block]

The financial reporting note for 1Q2025 are contained in reports [800500] and [800600].

Description of significant events and transactions

N/A

Dividends paid, ordinary shares:	0
Dividends paid, other shares:	0
Dividends paid, ordinary shares per share:	0
Dividends paid, other shares per share:	0