



# About **us**

Médica Sur, S.A.B. de C.V. is an operator of hospitals and a provider of comprehensive health care and related services.

The Company is composed of dedicated professionals who provide to our patients a service based on excellence with human warmth.

We are the only hospital in Mexico whose securities are publicly listed on the stock market.

Our shares are traded under the ticker symbol MEDICAB. Our securitized debt is listed under the ticker symbol MEDICA 20

# Our Philosophy

## Our mission

Médica Sur has as its mission the good health of its patients, the satisfaction of its employees, and the delivery of the best medical care in the country to its people. The patient is the most important reason since the Company was founded. This principle will prevail over any relationship or service that is provided to the community.

## Goal

Its goal is to be the Medical Services Group of the highest prestige in Mexico in its services to the community, in the development of biomedical training, research, and technological progress; to be sustainable and profitable, at a level that is within the reach of the public.



## Ethics

Our ineluctable commitment to ourselves of doing things right allows us to practice medicine with honesty and with respect to the life and dignity of persons, with our fundamental guideline being the wellbeing of all patients, without distinction.



## Our people

We value our employees as the most important resource of the organization, and we endeavor to ensure that they find satisfaction, development and wellbeing.



## Quality policy

In Médica Sur we are committed to the ensurance of the highest standards of quality in the care and safety of our patients, their families and our employees through continuous improvement, medical excellence and research and development within an ethical framework of welfare in common, to achieve the total satisfaction of its users.

We encourage the expression of their best qualities through teamwork, motivation, their training, communication, the acknowledgment of their good work, and their remuneration.

## Professionalism

We perform our tasks with expertise, dedication, seriousness, honesty and efficacy.



We always practice solidarity and fellowship towards our patients and colleagues.

## Code of Conduct

Our Code of Conduct is the guideline for meeting the ethical standards of the Institution, which highlight the spirit under which the persons who work in and for Grupo Médica Sur exercise their values in their personal lives.

## Safety

In all our medical procedures we take the utmost care to avoid any harm to our patients and to our workers that could occur as the result of any medical process.



## Sustainability

In the use of our available resources, we take care to maintain a balance, satisfying the needs of each patient through a judicious use of our resources without waste, to thereby optimize those resources for future patients and generations. We generate value in an efficient manner for our patients and the institution.

# Our evolution

We work to improve our hospital and ourselves as professionals day by day, leaving a lasting and favorable impression in the lives of our patients.



## 1981

We established the basis for a new medical alternative, based on sound medical practices and humane principles.

## 1990

In that year we inaugurated the Hospital and began the first phase of what today is Médica Sur.

## 1994

We placed 30% of our capital in the Mexican Stock Exchange. This transaction made our growth in the following years possible.

## 2011

We carried out an initial public offering of 15% of the Company's equity in the Mexican Stock Exchange, which was complemented with an additional 21.4% economic interest of Nacional Financiera.

## 2013

We became affiliates of Mayo Clinic Care Network, thereby becoming its first partner outside the United States.

## 2014

We obtained our gold level accreditation. Only six hospitals in Mexico are accredited by the Joint Commission International (JCI).

## 2023

We continued to maintain our standing as the Best Hospital in Mexico, from 2021 to 2024. In 2023 we were accredited by the JCI for the third time.

MESSAGE FROM  
**The  
Chairman**  
OF THE BOARD OF  
DIRECTORS



**To our shareholders, partners,  
patients and collaborators:**

I am pleased to present you with our financial results, as well as our principal challenges and operational achievements during 2023.

During that fiscal year Médica Sur continued to obtain outstanding results, winning the title of Best Hospital in Mexico for the fourth consecutive year.

## Principal events during 2023

- **Médica Sur continues to be ranked as the Best Hospital in Mexico**

According to the ranking carried out by Statista, in the January 2024 edition of the prestigious weekly NEWSWEEK International. Additionally, in November of 2023 Médica Sur obtained the title, for the fourth consecutive year, of Best Hospital in Mexico in the ranking of private hospitals carried out by FUNSALUD – Blutitude – Expansion 2023, and nine first-place rankings in several specialties, placing us in the indisputable first place as leaders in health care in Mexico.

- **Médica Sur and Mayo Clinic observe a decade of collaboration.**

In January of 2024 we observed the tenth anniversary of an alliance that was only the starting point for a collaboration that has grown more steadfast through the passing of the years. This relationship has evolved continuously and opened new horizons in various specialties, such as in oncological diseases. It has made possible the formation of a team that works in close collaboration with a similar team in the Mayo Clinic to address future health problems. The observation of this anniversary marks the beginning of a new decade, full of achievements, innovation and good health for all.

- **Médica Sur obtained its third reaccreditation, granted by the JCI for the 2023–2026 period,** highlighting the uncompromising commitment of Médica Sur to the safety of its patients, the performance of its services and its constant innovation.

The above is an international evaluation – external and independent – of the quality and security of the health services that are provided by Médica Sur. The nature of this accreditation is voluntary; that is, only the hospitals that wish to do so submit to this accreditation. Médica Sur has submitted to this accreditation since 2014, and we renew it every three years.

- **In Médica Sur the strictest protocols are applied in its medical procedures, and it has seen outstanding results in its patient safety indicators, as shown below in the relevant data for 2023:**

- We treated 14,454 patients discharged from hospitalization, 2.7% more than in the previous year.
- The medium hospital stay of patients decreased by 2.20%, dropping from 3.53 to 3.45 days, compared to the previous year.
- The percentage of annual hospitalization was 68.5%, that is, 3.0% basis points greater than in 2022, which was 66.5%.
- The days/bed average indicator increased by 3.20% to 129 days.
- The nosocomial infections rate was 0.85 cases per 100 surgeries, well below the international standard that recommends a rate of less than 5.0 cases per 100 surgeries.
- The rate of surgery-site infections was 0.61 cases per 100 surgeries, well below the international standard that recommends they should be less than 2.7 cases per 100 surgeries.
- The adherence to hand hygiene was greater than 90%.
- Médica Sur promotes an altruistic and positive culture of organ and tissue donation. We feel very proud of having realized 35 organ and tissue transplants during 2023, greatly contributing to the life expectancy of our patients.

- **We continue to extend health care to our employees through health wellbeing campaigns, and through nutritional, physical and mental oversight activities, as well as through activities that promote family harmony.**

With our nursing personnel we continue to generate a positive impact for the recruitment and retention of talent, through the initiatives itemized below:

- The rotation index of nursing personnel and other bedside workers was 9.9% in 2023, a considerable improvement even over the pre-pandemic levels.
- Developmental actions were continued, and a plan of salary equity and competitiveness was promoted, with the establishment of onboarding and adaptation-to-the position actions for new personnel.
- The certification level initiated in 2022 with the support of the Mexican Nursing Certification Council, A.C. (COMCE) maintained a level of 95%, with more than half of the participants obtaining a rating of excellence.

We discharged 14,454 patients from hospitalization after treatment, 2.7% more than in the previous year.





During 2023 we contributed to the training of 160 postgraduate and 41 undergraduate alumni.

**In 2023 we continued to invest in the best technology, with expenditures in the amount of Ps.213.6 million during the fiscal year. Listed below are the most relevant of these projects:**

- Ps. 28.2 million in the acquisition of the Phillips Azurion 7 C20 Angiograph, software and latest generation equipment, installed in the new Hemodynamic Unit that went into operation during the first quarter of 2023. The said unit was designed under a unique concept in the country, of great benefit to our patients, giving them the comfort of knowing that the procedures they undergo are realized with exclusive technology. The total investment in this respect since 2021 is greater than Ps. 50 million.
- Ps.21.2 million, related to the acquisition of a GE 3.0 Teslas Signa Architect Resonator, which forms a part of the renovation of the Magnetic Resonance Unit, providing the most advanced technology in diagnosis by magnetic imaging, covering a wide variety of applications in neurology, orthopedics, pediatrics, gynecology, cardiovascular disease and oncology. The total investment in this renovation was greater than Ps.100 million.
- Ps. 13.1 million invested in the advanced O-arm system for the visualization and planning of surgeries in real time and a minimum of invasive procedures. This system is added to the renovation that Médica Sur has recently carried out on its surgical units.
- Ps. 3.1 million, related to the renovation of the Gastroenterology and Obesity Clinic, now offering a greater number of consultations and greater comfort and safety to our patients. The total investment in this renovation is more than Ps. 20 million.

- Ps. 50.2 million related to the customizing of the gynecology, neonatology and nuclear medicine departments; the hospital elevators, corporate offices, medical equipment and other infrastructure projects.
  - Ps. 53.5 million spent on the "Nucleo" project, related to the implementation of the SAP platform that concluded the second phase of its startup in 2Q23 and other Information Technology projects, in the amount of Ps. 2.8 million.
  - Ps. 12.6 million related to the remodeling of Tower II of doctors' offices, designed for the greater comfort of our patients, doctors and visitors.
  - Ps. 5.4 million spent on the remodeling of the Pharmacy, located in Tower I of the Hospital Campus.
  - Ps. 23.5 million invested in maintenance, security and general services projects.
- None of the above projects would have been possible without the superior talent we enjoy in Médica Sur, whose dedication and commitment we acknowledge every day. At the end of 2023 we had 2,151 collaborators.
  - Our health care professionals were trained in an academic ambience. Our courses are in the first five places in the Sole Medical Specializations Plan (PUEM) of the National Autonomous University of Mexico.

During fiscal 2023 we contributed to the training of 160 post-graduate and 41 undergraduate alumni.

- In matters related to the Federal Labor Law, about the freedom and democracy of labor unions, our collective labor contracts and revision agreements were legitimized. Groups of workers by representative departments were assigned to union committees for the representation of their fellow workers and the resolution of problems, with a participation of more than 94%.
- Gender equality has always been a matter of great importance in Médica Sur. In 2023, 62.6% of the clinical personnel payroll consisted of women. Regarding administrative personnel, the ratio is 49% women and 51% men.
- Médica Sur maintains a healthy credit profile. HR Ratings had an HR AAA rating for Médica Sur throughout 2023. Fitch Ratings, on its part, ratified a classification of AA (mex), highlighting the good generation of operating cash flow. Both classifications came with a stable perspective. The foregoing is a reflection of our financial and operational health.
- In 2023 we held two General Ordinary Shareholder Meetings, in which the distribution of dividends of Ps. 6.53 per share was decreed, payable in June, originating from continued and from extraordinary operations related to the divestment of the laboratories part of the Hospital business

## Financial Indicators

- The Hospital's revenues for 2023 totaled Ps.4,129.8 million, representing an increase of 6.8% over 2022.
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  - The Hospital contributed Ps. 2,082.4 million of this total.
  - The Clinical Services Department and the Diagnostic Units contributed Ps. 1,857.6 million.
  - Other services contributed 189.8 million.
- The operating profit for 2023 was Ps. 727.5 million, with an operating margin of 17.6%, which was above the pre-pandemic margin in 2019, which was 13.9%.
 

This favorable effect is explained mainly by the greater volume of sales, as well as by the discipline in the control of costs and expenses, which compensated for the rise in labor costs derived from the PTU, the increase in the contribution for the concept of cessation and old age pensions, a greater risk premium, as well as a greater cost of the insurance premium for major medical expenses
- The accumulated EBITDA of continued operations increased by 22.2%, at Ps. 906.1 million, compared to the same period in the previous year, with a margin of 21.9%.
  - The accumulated total net profit was Ps. 635.0 million, with a net margin of 15.4.%, representing a decrease of 33.1% compared to the same period in the previous year, explained by the effects of discontinued operations that were not repeated in 2023.
  - The total interest-bearing debt of the Company is Ps. 1,000 million, related to the MEDICA 20 securitized certificates (Cebures) that were issued in the 2020 fiscal year at a fixed annual rate of 6.99%, with an expiration date in September of 2025.
  - At the end of 2023, the cash position was in a good situation, with a total of Ps.704.7 million.
  - In regard to the stock repurchase fund, of the 123,281,750 shares inscribed in the National Registry of Securities representing the Company capital, the Company has acquired a total of 27,541,982 shares, of which:
    - 15,342,778 shares were cancelled with the approval of the shareholders at the Ordinary and Special Shareholder Meetings held on October 14 of 2022. With the respective authorization the new shareholder holdings are now 107,938,972 outstanding shares.
    - Of this new total of outstanding shares mentioned above, 12,199,204 shares are in the Repurchasing Fund.

To this report are attached the following: (i) the Balance Sheet, showing the financial situation of the Company at the end of the fiscal year; (ii) the Results Statement, showing the Company's results during the fiscal year; (iii) the Statement of Changes in Stockholders' Equity, showing the changes in the items composing the Company's equity that occurred during the fiscal year; (iv) the Cash Flow Statement, showing the changes in the Company's cash position; (v) the Statement of Changes in the Company's financial position during the fiscal year; and (vi) the notes that complement or clarify the information referred to in the subparagraphs (i) and (v) above.

I wish to express my appreciation to all of our talented medical and administrative team for the commitment, loyalty, capacity, human qualities and professionalism they have shown us. They have shown that they know how to work as a team, all of which has made it possible for us to achieve outstanding results, both in the medical as well as in the financial fields, to the benefit of our patients, to whom I especially wish to express my gratitude for their loyalty and the confidence they have placed in us.

To our investors, I express my gratitude for their backing and my appreciation to our Board of Directors for their invaluable recommendations and contributions, which have led, for the fourth consecutive year, to our designation as the best Hospital in Mexico.



**Dr. Misael Uribe Esquivel**  
Chairman of the Board of Directors  
of Médica Sur, S.A.B. de C.V.



# The **Best Hospital** in Mexico

2021-2024



## Once more, the Best Hospital in Mexico

The weekly magazine Newsweek, together with the global data platform Statista carry out a ranking of the best hospitals in the world. In this ranking, Médica Sur holds the first place in Mexico, with a classification of 93 points out of 100

\* Recognition received in February of 2024



## Expansión FUNSALUD Ranking 2023

In November of 2023 we were ranked in the number one position as the best hospital in Mexico, as well as number one in 9 specialties.

# The best processes

We have domestic and international certifications and accreditations that vouch for the quality of our medical services and treatment of medical excellence with human warmth.



# CERTIFICATIONS

**Médica Sur has been a member of the Mayo Clinic Care Network since 2013.**

Mayo Clinic is an American non-profit health organization whose history begins late in the XIX century. At the present time it is one of the largest and most important hospitals in the United States, with a world-wide prestige

Mayo Clinic Care Network began its activities in 2011, and it includes more than forty health organizations in the United States, Mexico, Puerto Rico, Egypt, China, Singapore and the United Arab Emirates. Médica Sur was the first hospital in Mexico to form a part of the Mayo Clinic organization outside of the United States.

**Médica Sur has been accredited by the Joint Commission International (JCI) since 2014.**

This accreditation is an external and independent evaluation of the quality and safety of the health services provided by Médica Sur. The nature of the accreditation is voluntary, that is, only the hospitals that wish to do so are subjected to it.

Médica Sur has enjoyed this accreditation since 2014 and we renew it every three years. In July of 2017 we received the first reaccreditation with the standards of the sixth edition; in 2020 we received the second, and in 2023 we received the fourth. In Mexico there are only six hospitals accredited by the JCI, and out of the thousands of hospitals in the world only 609 had obtained it up to 2021.

**Médica Sur has been certified by the General Health Council (CSG) since 1998.**

The General Health Council is the maximum health authority, which realizes an external and independent evaluation of the institution. The nature of the evaluation is voluntary; that is, only the hospitals that wish to do so are subjected to it.

This certification establishes that we meet the highest standards of quality, such as, for example:

- Safety in the management of our patients.
- The quality of the medical treatment that we provide.
- The safety of our hospital facilities

Our latest recertification was granted in 2018. We received the recertification visit during the 2023 fiscal year.

**The Médica Sur Blood Bank has been accredited by the Mexican Accreditation Entity, A.C., since 2006.**

We obtained the accreditation for the Mexican Standard NMX-EC- 15189-IMNC-2015/ ISO 15189:2012, which evaluates the technical competence of the processes and personnel of our Blood Bank to eliminate the risks associated with the production of articles used in blood transfusions.

**We have had the T-Compliance certification since 2019.**

The certification acknowledges our commitment to the integrity, confidence and reliability of our clients and providers by means of a Due Diligence process, carried out by a world-renowned third party.



**The Médica Sur laboratory has been accredited by the College of American pathologists (CAP) since 1999.**

The American College of Pathologists is a non-profit organization that has certified more than 7,900 laboratories around the world. It is an international, external, independent and voluntary evaluation of the service that is provided by Médica Sur. This accreditation is a way in which to raise the degree of certainty in our results. The certification is renewed every two years.

**Since 2009, Médica Sur's food service for its patients has had an "H" classification**

This classification is given by the Secretaryship of Tourism, overseen by the Secretaryship of Health. It certifies that Médica Sur's food service for its patients has the highest standards of quality and hygiene, to prevent the transmission of diseases through its food.

Médica Sur renews this certification every six months, ensuring that all its kitchen personnel have been trained in all the processes involving cleanliness and the preparation of food.

**Médica Sur has been recognized as an intentional training center by the American Heart Association since 2008.**

The Médica Sur Center for the Simulation of Medical Skills (CESIDEM) has been recognized as an international training center for various courses on the cardiovascular system for doctors, health personnel, and the public in general.

**The Blood Bank**

In March of 2024, Médica Sur's Blood Bank became the first blood bank in Latin America to receive the AABB Certificate of Quality. This certification, issued by the Association for the Advancement of Blood and Biotherapies, is an international recognition that evaluates whether the blood bank in question meets the fundamental standards for the collection and transfusion of blood. It is a voluntary process, submitted to only by those blood banks and transfusion services that wish to do so. The certification promotes the highest levels of quality and safety for patients and donors.

# MÉDICA SUR AND MAYO CLINIC

On January 29, 2024, we celebrated ten years of collaboration between Médica Sur and Mayo Clinic. Médica Sur was the first international member of the Mayo Clinic Care Network.

Médica Sur and the Mayo Clinic Care Network share the same values and ethical concepts, placing the patient in the forefront of everything we do. We strive to provide the best treatment in an individualized and responsible way, exchanging knowledge and innovative ideas to find the most precise diagnoses and the most adequate treatment alternatives.

Since 2018, Médica Sur and Mayo Clinic have established a collaborative alliance to facilitate the review of medical files and the transfer of patients whenever it may become necessary.

The most recent collaboration has prioritized the development of oncological treatment, especially in the fight against breast cancer. However, throughout these years, in addition to the involvement of the oncological center, collaborative endeavors have been established in various other specialties, which has allowed our doctors to discuss ideas and to participate in the most advanced medical protocols.

This educational and training exchange has given us opportunities for the use of the latest technology, better diagnoses, and the most adequate treatment alternatives. We continue to collaborate in order to face the challenges that the technological, social and cultural changes bring to healthcare in the future.



10 AÑOS

*Trabajando juntos por ti*



# SUSTAINABLE PROCESSES

## Médica Sur Environmental Management

In Médica Sur we follow administrative protocols over all our social-environmental activities through a combination of techniques and mechanisms that help us to ensure a sustainable development while observing a responsible conservation of the environment.

### Water

As an essential resource for the treatment of our patients, we follow rules and strategies for the use of water, thereby optimizing its use in a responsible manner.

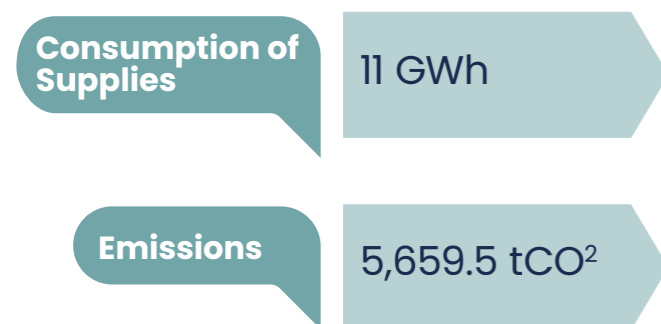
### Energy

In Médica Sur we strive day by day to minimize the energy costs generated by our hospital activities, to thereby contribute to the preservation of the environment while continuing to provide quality care for our patients.

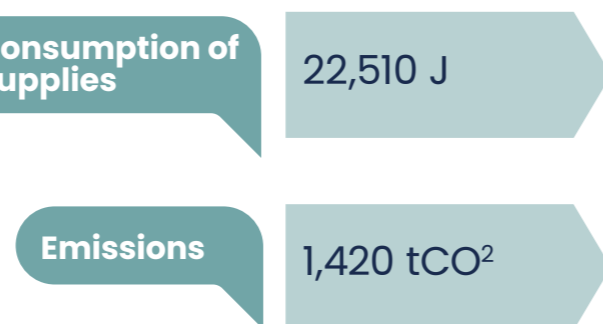
### Emissions

We have implemented actions and programs for the reduction and control of our consumption of energy.

#### Consumption of electricity



#### Consumption of natural gas



## Disposal of residues



### Green residues

Food and gardening residues



### Gray residues

Packaging, containers, tin cans, glass and PET



### Transparent residues

Paper and cardboard (Tetrapack)



### Orange residues

Sanitary residues



### White residues

Special residues (tongue depressors, cotton swabs, nets, surgical caps and face masks, boot covers, unicef)



### Red residues

Dangerous biological/infectious residues (DBIR)



### Black residues

Treated biological residues, bandages and other (All types of residues not classified)

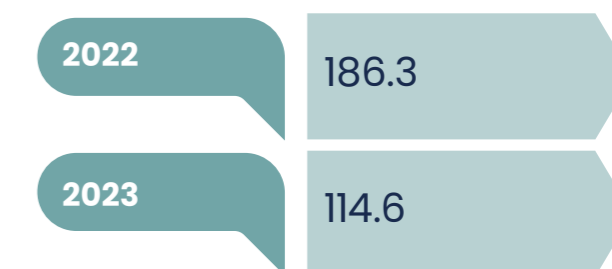
## Residues

We have agreements with providers authorized by the SEMARNAT (Secretaria del Medio Ambiente y Recursos Naturales) and the SCT (Ministry of Communications and Transportation) to carry out the following activities in regard to dangerous biological and infectious residues:

- Storage
- Collection
- Transportation
- Treatment
- Final disposal

Additionally, we have a system of signs for the correct separation and disposal of the hospital's solid residues.

### Tons of Dangerous Biological/Infectious Residues



# COMMUNICATIONS AND NETWORKS

Médica Sur maintains a close communication with its patients, doctors, and the community in general through social networks and its official Youtube channel.

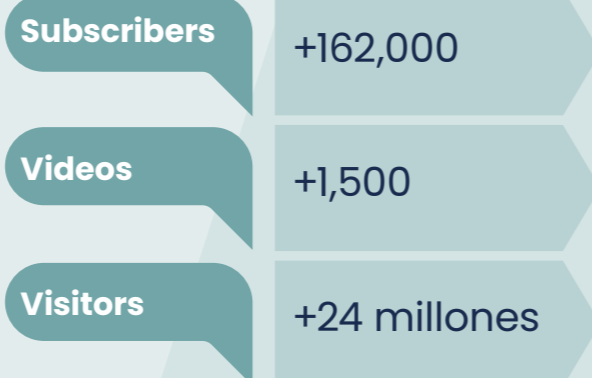
We are proud to be recognized in Youtube as an accredited provider of medical services in Mexico. The mention of Médica Sur in Youtube is assurance that its health-related content is from reliable sources that will help its users find information and the best healthcare conditions possible

## Cardiological dialogues between colleagues

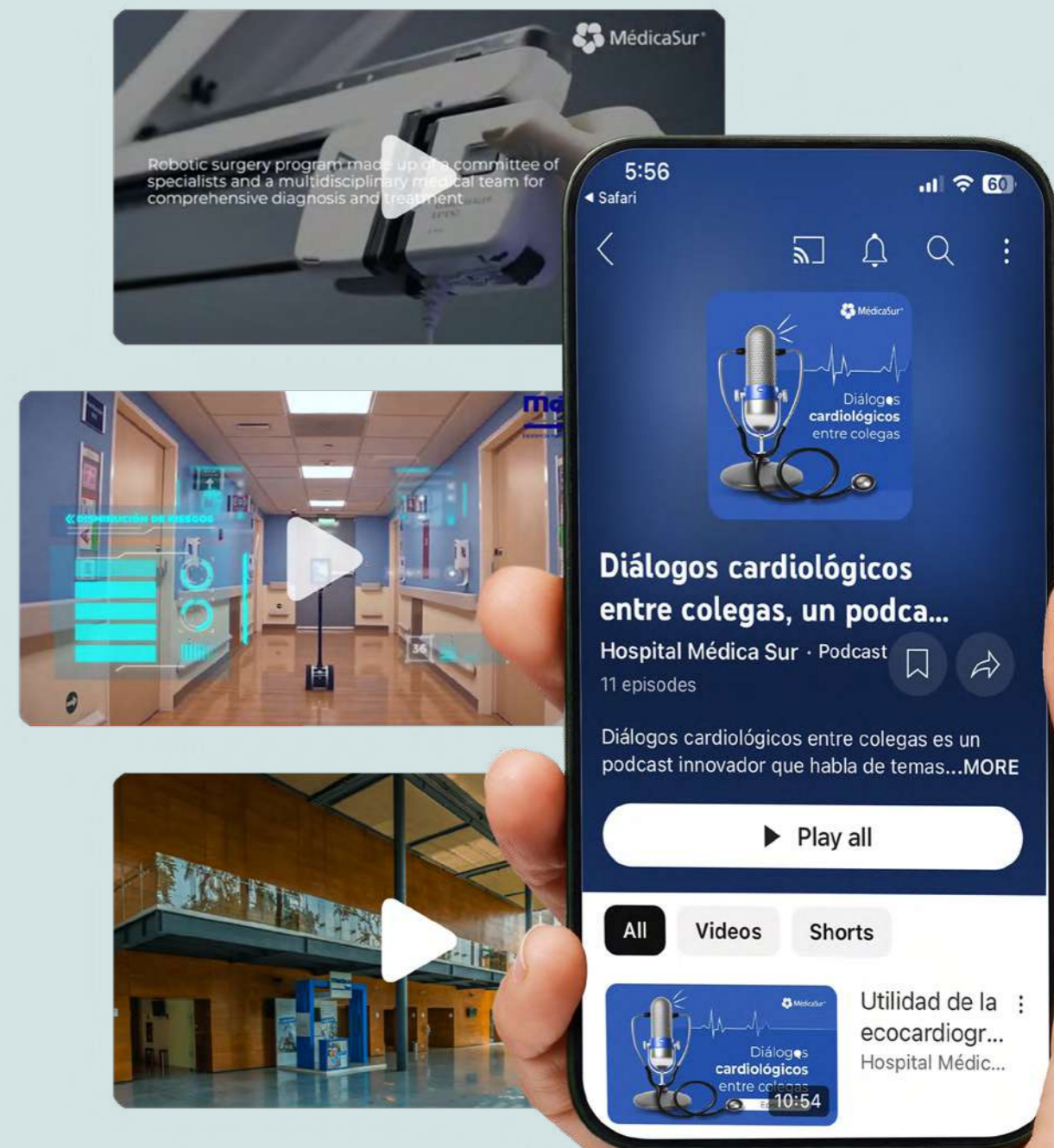
In 2023 we initiated an innovative podcast discussing subjects related to cardiovascular diseases and heart care. Our objective in that respect has been to provide relevant information to heart specialists, keeping them up-to-date on the latest advances and publications on cardiology.


In the said podcast we offer high quality content to improve the interaction with patients and to position our doctors as experts in medical research and development.

Our channel has:



Visit the official channel of Médica Sur on Youtube



 Provider of medical services, accredited in Mexico, mentioned by Youtube.  
Learn how health specialty sources are defined by the World Health Organization

# The best technology

In order to ensure that our surgical procedures are carried out in the safest and most efficient manner, we continually invest in the most recently developed equipment.



# HOSPITAL SERVICES

Over the past five years we have invested more than Ps.600 million in the modernization of our facilities, which now meet the most demanding international standards of safety, modernity and comfort in the world.

## The Hospital outlay consists of the following units

- Surgical units; central operating rooms; gynecology and obstetrics rooms; outpatient surgery rooms.
- Critical units, such as the Intensive therapy unit, intermediate therapy unit, and the coronary care unit.
- Emergency Services, which includes emergency treatment of adult and pediatric patients.
- Hospitalization floors.
- Blood Bank.
- Pathological anatomy.

Along with the hospitalization floors, the surgical departments have been totally renovated to present the same friendly atmosphere of warmth and safety. We have paid attention to each detail, from the infrastructure to the lighting, so that the whole will continue to present the values we are known for: medical excellence and human warmth.

## Revenues by Business Unit (%)

Clinical and diagnostic services **45**

Hospital **50**

Other units **5**

**8**  
Hospitalization floors

**20**  
Surgical units

**14,454**  
Patients discharged from hospitalization

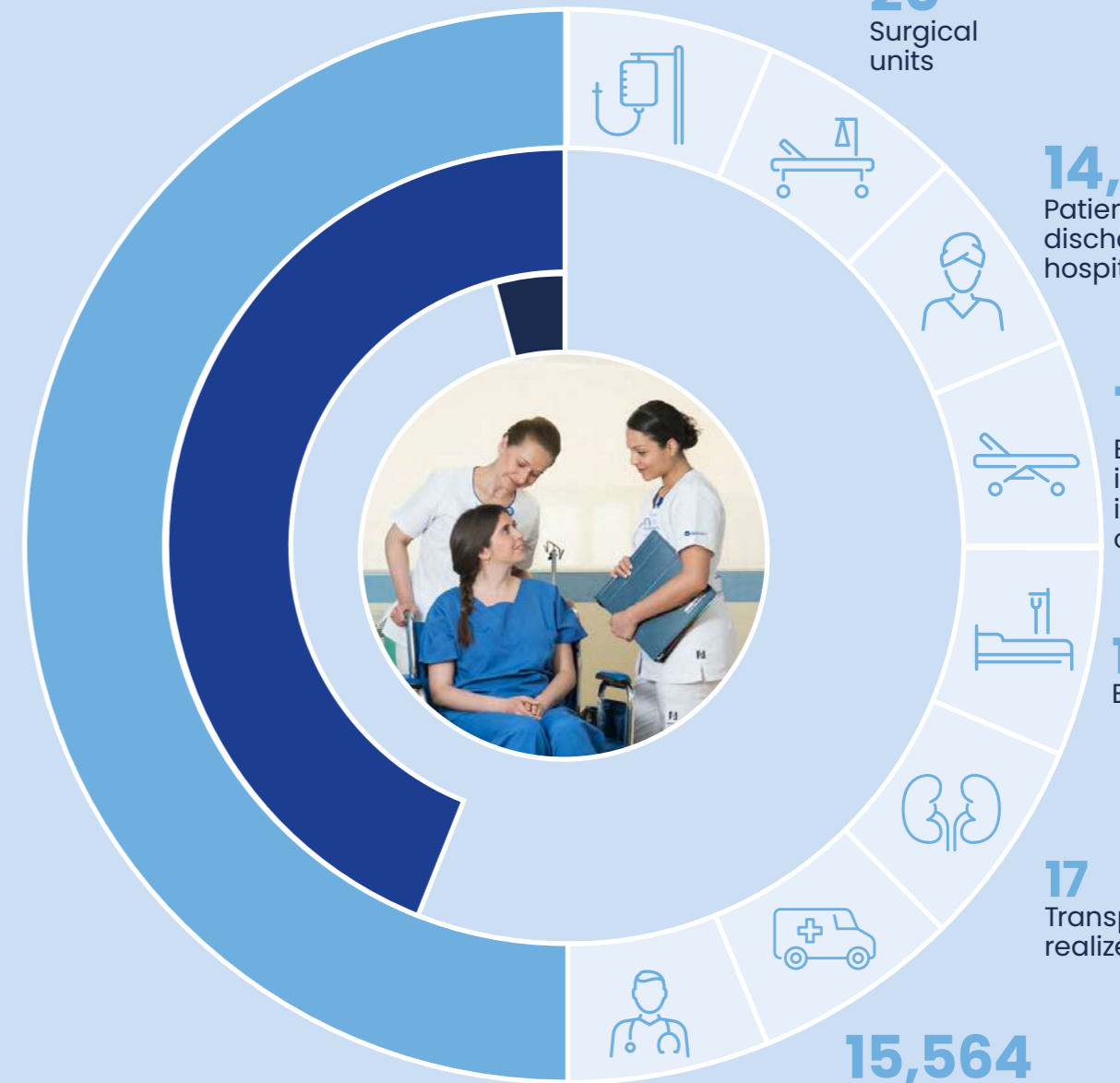
**143**  
Beds not included in the bed count

**189**  
Bedcount

**17**  
Transplants realized

**15,564**  
Patients treated in the emergency room

**9,902**  
Surgeries realized







## HIGH SPECIALTY SURGERY

In Médica Sur, high specialty procedures of ever-greater complexity are being realized, such as.

- **Orthopedic surgery**, in which articular protheses of the knee, hip and shoulder are used, with very good results and a rapid recovery.
- **Spinal column surgery**, combining the advanced specialties of neurosurgeons and orthopedists, using mini-invasive techniques for the solution of structural and compressive problems of the spinal column.
- **Cardiac surgery** in adult and pediatric patients to treat degenerative ailments of a valvular- as well as of an ischemic cardiopathic nature, in addition to other surgical heart procedures
- **Transplantation programs** are one of the most active programs in the private hospitals of Mexico. We have successfully realized transplants of the hepatic and renal type, as well as of hematopoietic parent cells, which mainly afflicts patients with multiple myeloma.
- **In neurosurgery**, we have a group of expert neurosurgeons who have addressed neurosurgical cases of great complexity with the most advanced techniques, obtaining excellent results in the localization of brain tumors.

# HEMODYNAMICS

We use innovative techniques as we continue to provide the best service to our patients. We have therefore increased our installed capacity, designing and building a new Hemodynamic unit with a new and unique concept in Mexico.

In our quest to improve the safety and the diagnostic and therapeutic certainty of our surgical procedures by means of catheter techniques, the above-mentioned new unit is equipped with the most recently developed technology, consisting of an Azurion hemodynamic room. It is a multi-purpose and multi-discipline chamber, with specific applications for cardiovascular, cerebral, peripheral vascular, orthopedic and neurosurgical studies.

It includes a panoramic screen for the observation of simultaneous images in real time, as well as reference projections, ultrasound intra-coronary images and vital signs of the patient, which help the physician carry out the procedure in a safe manner.

The latest generation software has specific applications for cardiovascular studies that are applied in coronary angiographs, stent angioplasties, and the implantation of aortic valves, among other applications.

Our medical and technical personnel is certified and trained by specialists to provide services of the highest quality and leading-edge technology.

**Investment**  
since 2021

Ps. 50+ million

**Initiation**  
of operations

1Q23



## MAGNETIC RESONANCE IMAGING

Our magnetic resonance imaging unit is available to our patients. This is a high technology equipment for the support of clinical diagnoses, medical staging studies, or for the surgical planning of multiple diseases.

Our service incorporates the participation of advanced specialty and subspecialty radiologists and radiology technicians committed to excellence, to thereby provide a service delivering peace and comfort in each study.



Our degree of specialization allows us to realize more detailed studies, as for example BOLD, spinal tractography, magnetic arthro-resonance through the direct intra-articular injection of contrasting material in the shoulder and hip, among other areas, increasing the detail, sensitivity and specificity of the diagnosis.

The new 3.0 Teslas SIGNA Architect resonator with BioMatrix technology is based on artificial intelligence to provide the most advanced diagnoses by imaging without ionizing radiation, taking into consideration the anatomy of each patient to thereby provide them with greater comfort during the process.

Magnetic resonance up to 46% faster and more precise, thanks to its artificial intelligence technology, which reduces the sensation of claustrophobia to a significant degree.

# HIGH SPECIALTY CLINIC TRANSPLANTS


Médica Sur has the certification of its doctors and hospital facilities to carry out kidney, liver and bone marrow transplants.

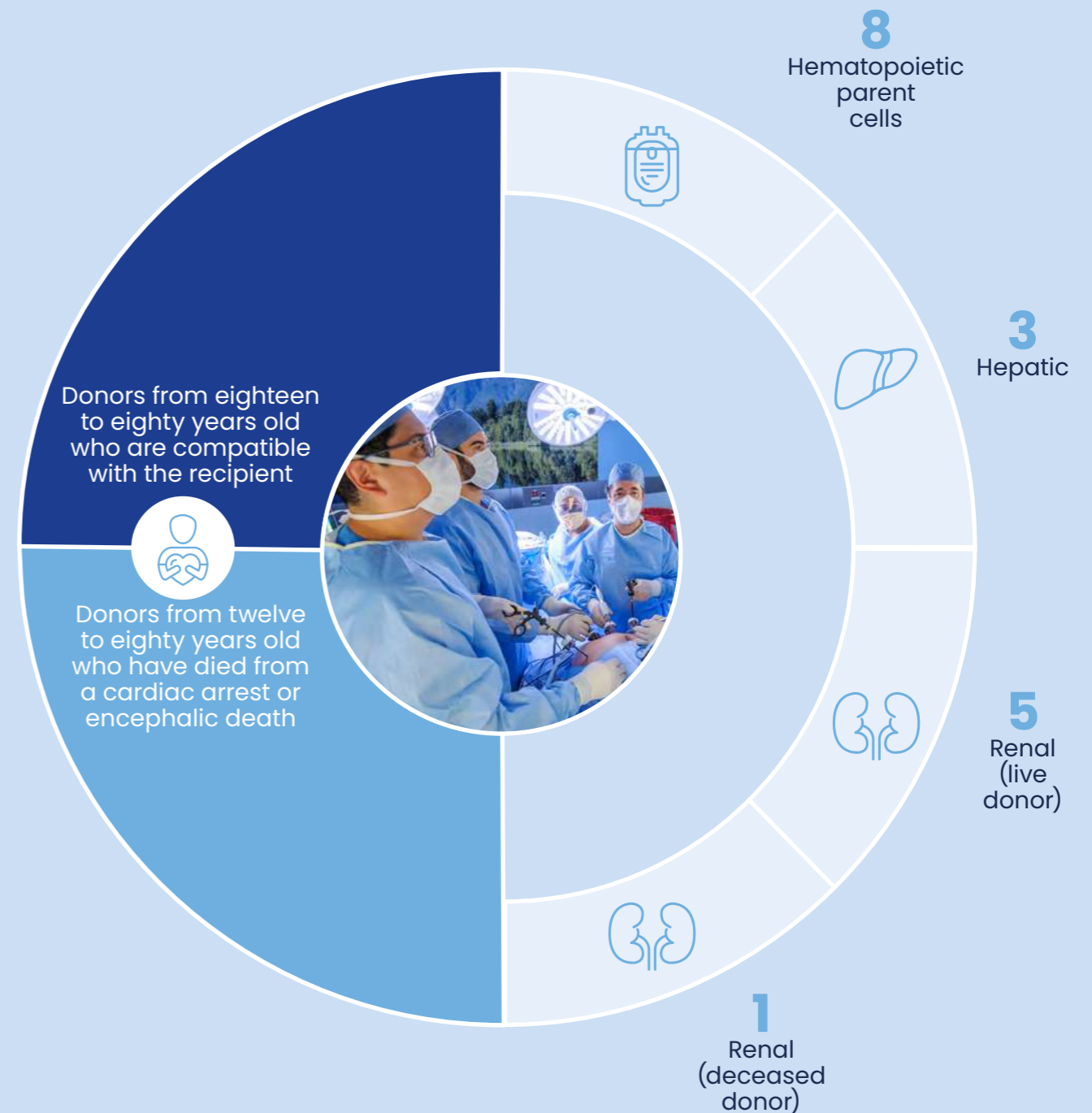
In recent years there has been an increase in acute and chronic diseases that have affected the functions of vital organs such as the heart, liver or kidneys in an irreversible manner, making it necessary to carry out the replacement of organs or tissues by means of transplants. There are thousands of persons in the National Transplant Center who are waiting for an organ or tissue that can only be obtained through the donation by a person.

We promote an altruistic and positive culture of organ and tissue donation. We feel very proud of having realized 17 transplants during the year of 2023, thereby improving the life expectancy of that number of our patients.

The support, with warmth and appreciation, of the family members of organ donors and of the recipients is a part of the mission of Médica Sur. We acknowledge the sense of solidarity of the donors when they express, while living, their wish to offer to other persons the possibility of continuing to live. We also admire the deep humanistic value of the family members when they comply with the wishes of their loved one who wishes to donate an organ.

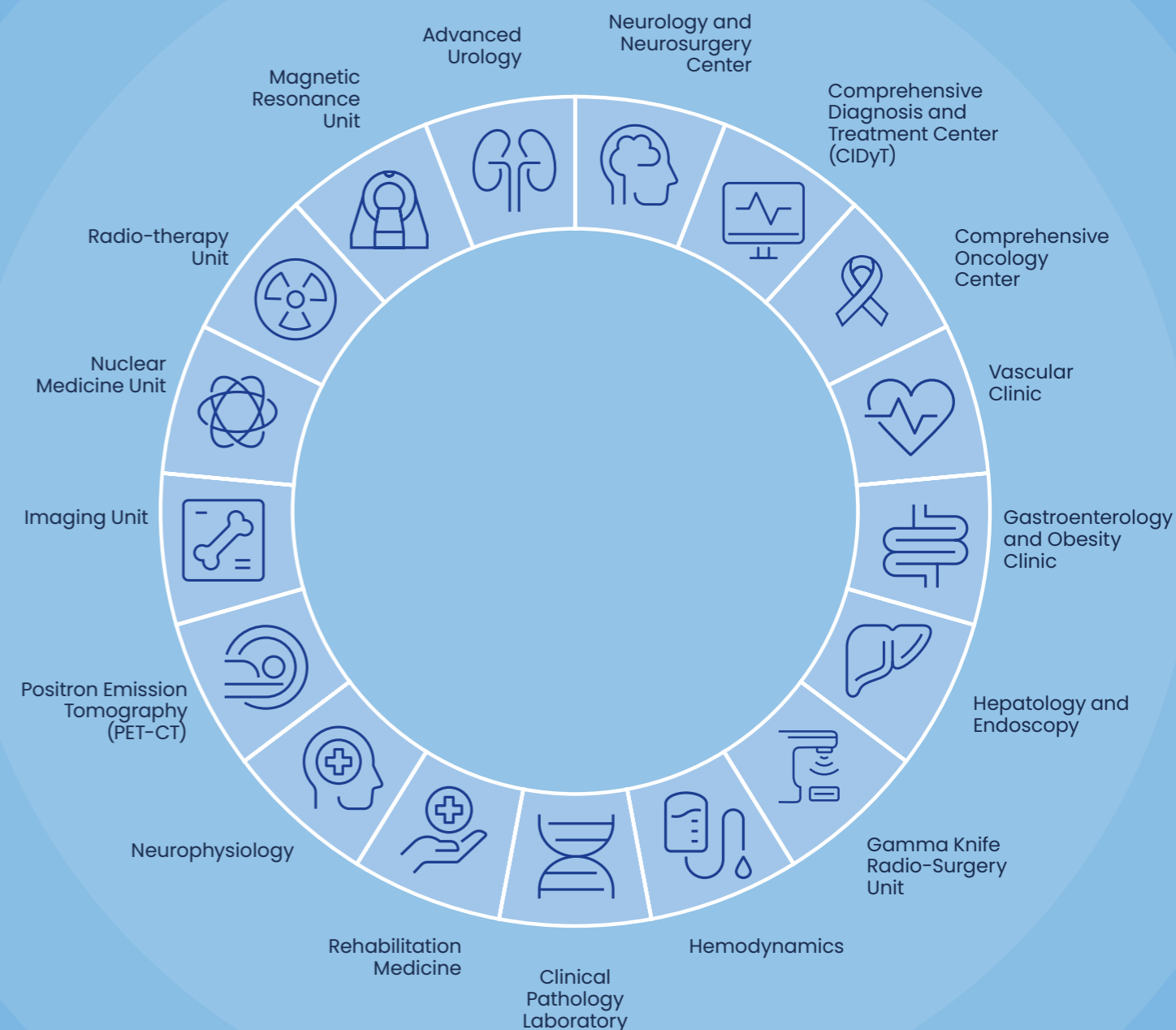
An organ transplant is the miracle that someone is waiting for.

  
**17**  
Transplants realized in 2023



# CLINICAL SERVICES AND DIAGNOSTIC UNITS

Medical Vanguard Clinics and Diagnostic Units are key elements in excellent medical treatment. We are speaking of high specialty healthcare units in which the treatment provided, does not require hospitalization of the patient, because of the nature of the illness.



# RENOVATION OF LABORATORY

During 2023 Médica Sur and Roche worked together in the implementation of the laboratory's new analytical platform.

In these new facilities, the recently acquired automated systems for the analysis of immunochemicals, coagulation and hematology is a prominent feature.

This equipment will make it possible for us to improve our operation and services, and:

- Make it possible for us to process a greater number of tests daily.
- Simplify the operation.
- Reduce costs.
- Increase the type of tests available.
- Shorten the delivery time of results to our patients.

Médica Sur continues to advance towards renovation and technological innovation by giant steps.

The renovation was concluded in April of 2024.



# TELEMEDICINE

High specialty medical consultation is the medicine of the future, in which, through the highest technology you will be able to receive medical treatment from the best specialists in Mexico in a first consultation or for a second opinion.

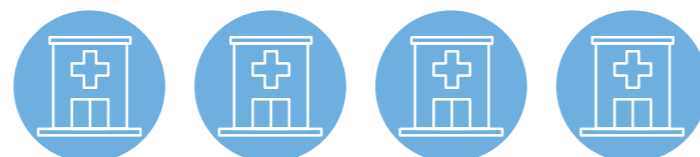


A general practitioner will give you a brief personal interview to listen to your symptoms so that he can send you to the correct specialist by means of a video consultation, to thereby create an interaction between patients, doctors, and Médica Sur..

We are bringing the best specialists to you, providing you with treatment in: oncology, orthopedics, cardiology, gastroenterology, neurology, nutrition, general surgery, vascular surgery, endocrinology, nephrology, rheumatology and urology, among other illnesses.

### Do you need a second opinion?

Receive a diagnosis from the best doctor and hear a second opinion about that diagnosis by a specialist. You can be sure that we will send you to the expert needed according to the specialty required.



**4**  
Branches



**Initial evaluation  
at no cost**



**Consult a specialist  
for a second opinion**

(video consultation)



Download the App for patients

# OTHERS INCOME

This refers to other income not directly related to clinical services:

- Holiday Inn hotel
- Hemodialysis Clinic
- Medical offices
- Restaurants and cafeterias
- Pharmacies for sales to the public
- Parking services



**45**  
Hotel rooms



**3**  
Restaurants



**2**  
Pharmacies



**2**  
Cafeterias



**2**  
Bank branches



**1,567**  
Parking spaces



**556**  
Doctor offices



# The best talent

Hand in hand with our team of professionals we work every day to provide a quality service of medical excellence, driven by the objective of observing every detail for the welfare of our patients.



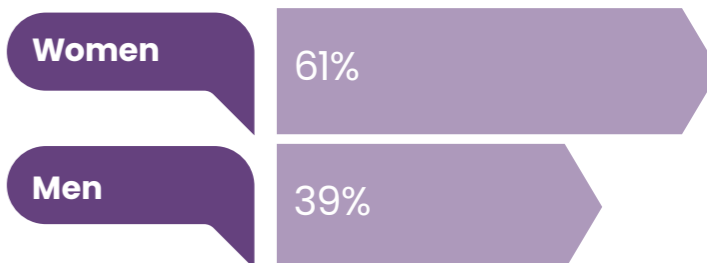
# THE BEST TEAM

Sixty percent of our payroll is composed of women, who are present in every aspect of Médica Sur's organizational structure, from our Board of Directors to positions in our Management leadership and operational departments.

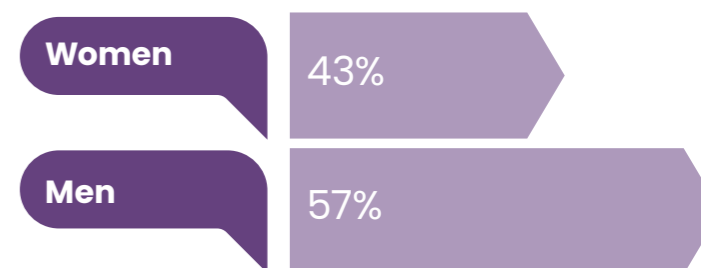


# 2,151 collaborators

### Operational department



### Administrators, deputy directors, managers and medical directors



Average range of seniority per employee

**8 years**

Average age of our employees

**38 years**

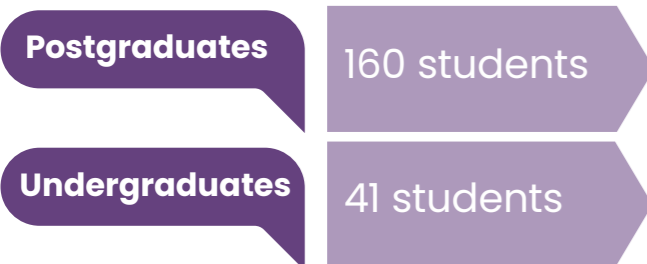
The training of our personnel in accordance with their department, duties and assignments is a priority. Our *Universidad Virtual Médica Sur* platform allows us to carry out – in a permanent manner – various preparation and training sessions, both in a virtual as well as in an in-person manner.



**Academic ambience**

Médica Sur is an academic center recognized by the National Autonomous University of Mexico (UNAM) and by the La Salle University. It is a leading-edge center for the training of medical students, with more than 20 years of experience. During 2023 Médica Sur contributed to the training of 160 postgraduate alumni and 41 undergraduates.

**Training in 2023**



**Civil Protection**

With the objective of promoting a culture of protection and prevention, and in order to raise the degree of preparation in that respect, we established a Civil Protection training program, in which the awareness of our employees in regard to the importance of prevention, management and reaction to risks was raised to a significant degree.

Our internal Civil Protection Program is constantly upgraded, incorporating all the protocols and processes for the Internal Management of Risks up to 2024.

Médica Sur is the private hospital with the largest nursing staff certified by the COMCE.

A process was carried out with the Mexican Council of Certification of Nurses, A.C. (COMCE, A.C.), in which outstanding results were obtained, with 95% of the applicants being certified, with the additional highlight being that more than half of them obtained a rating of excellence.

Médica Sur is the private hospital with the greatest number of certified male and female nurses (a total of 380 certified professionals), greatly enhancing the care and treatment of their patients.



**95%**

of the persons applying for certification were certified



**53%**

obtained a rating of excellence

**Licentiate in Nursing**

We promote the development of all our employees, and we have placed a special emphasis on the support of our nurses in their efforts to improve professionally. In 2013 Médica Sur established an agreement with the National School of Nursing and Obstetrics of the National Autonomous University of Mexico, which allows our technical employees to continue their training in order to obtain the title of Licentiate in Nursing, thereby facilitating a greater specialization, a greater possibility of professional advancement and better remuneration.

In 2023, 21 male and female nurses succeeded in obtaining a Licentiate in Nursing, thereby adding their efforts to the continuous improvement that Médica Sur seeks in the attention it provides to its patients.

**Academic support to its collaborators and their families – High School diplomas**

Based on the Accord No. 286 of the Ministry of Public Education (SEP), Médica Sur has provided economic and logistical support for the last 18 years. It had enabled its employees to take the high school equivalency test, to thereby obtain a high school diploma. This benefit is also applicable to the employee’s family members.

During the year of 2023, 18 employees successfully completed their high school studies.

**Scholarships for licentiate and master’s degrees**

During the last three years there have been 34 persons from Médica Sur taking licentiate and master’s degree courses. In 2023 there were ten graduates in those courses.



Médica Sur supports the development of the professional title of Nursing by its employees.

# CENTER FOR THE DEVELOPMENT OF MEDICAL SKILLS

The Center for the Development of Medical Skills (CESIDEM) develops and certifies students in various skills that are relevant to their clinical practice.

The Center provides a comprehensive medical education plan that includes the simulation of medical procedures of various degrees of complexity, without risk to our students and patients.

The CESIDEM is an International Reference Center (CEI) of the American Heart Association (AHA). It has been a holder of the Gold Award since 2008 for being the center that delivers the most courses in Latin America

The CESIDEM contributes to the training of healthcare professionals and of the public in general, interested in the development of skills that will improve healthcare, from basic resuscitation procedures to highly specialized procedures. The academic complex includes dynamic classrooms equipped with a Hessel chamber, cubicles and simulated living quarters, as well as anatomical models and computerized systems.

## Courses for the public

- "I know RCP," a course for children from five to eighteen years old.
- "Heart-saver first aid DEA" (SC-PAX-RCP-DEA).

## Courses for healthcare professionals

- Basic Life Support (BLS)
- Advanced Cardiological Life Support (ACLS)
- Pediatric Advanced Life Support (PALS)
- Neonatal Resuscitation Course (RENEO)
- Advanced Trauma Life Support (ATLS)
- Advanced Cardiovascular Life Support for experienced professionals (ACLS-EP)

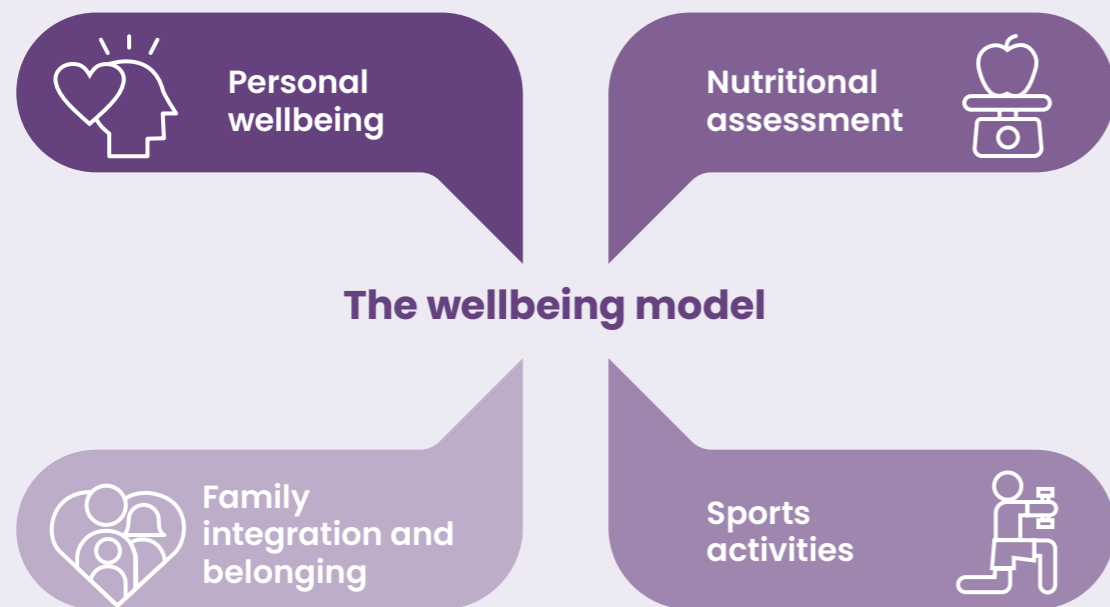
## Courses for companies

- First-aid courses, RCP (cardio-pulmonary resuscitation) and DEA courses for companies

## Institutions that monitor the courses

- American Heart Association (AHA)
- American Surgeons Association (CAC)
- American Academy of Pediatrics (AAP)

# WELLBEING OF OUR PEOPLE



## Personal wellbeing

The mental health of our group of doctors, nurses, technicians and administrators is of the greatest importance. Therefore, throughout the years of 2022 and 2023 we worked with our workplace psychologist on subjects such as:

- Workplace burnout
- Self-care
- Depression
- Stress
- Wellbeing in the workplace

In addition to the above, we held workshops and conferences in order to learn about relevant aspects of these mental problems, how to manage them, and the physical or mental reactions of the body.



**+4,512**

Vaccination of our employees

## Occupational Health consultations

In order to ensure the wellbeing of our medical and administrative teams, we have an occupational health clinic in which preventive and/or corrective consultations are offered to our employees.

## Vaccination and COVID-19 tests

All our employees who developed COVID-19 symptoms were asked to go to the occupational health clinic and they were given a free PCR test and the injection of antigens as preventive measures.



**1,902**

Consultations provided in 2023



### Health campaigns

During that year, various campaigns were carried out for the purpose of improving the health conditions of our employees and the prevention of health risks

In that year our principal campaigns were focused on:

- Smoking
- Mental health and psychological examinations
- Dental examinations
- Eye examinations and the purchase of glasses at preferential prices
- Prostate and breast examinations

Some campaigns were carried out within the framework of the following special days: Woman's Day; Father's Day; Hepatitis Day; World Day without Tobacco; World Safety and Health in the Workplace Day; World Heart Day, and Orthostatic Hygiene Day.



### Nutritional assessment

Médica Sur has a nutritional assessment service for the purpose of preventing illness, in which our employees can receive:

- Advice on health measures they can follow in their homes.
- Diet guidance



### Family integration and belonging

Various recreational activities took place throughout the year, such as drawing, games and sports tournaments for the purpose of promoting family harmony and togetherness.



### Community-oriented Activities

In 2023 we carried out a contest for children's stories, with the children of our employees in mind and focused in empathy, family values, the development of responsible communities and a more empathetic and collaborative society.

### Soccer tournament

The soccer tournament was continued in 2023, promoting family harmony and awareness of the importance of sports in a healthy lifestyle. During the tournament there were also special events for children, encouraging the spirit of togetherness and wellbeing of all the family.

Additionally, in Médica Sur we have cultivated a relationship of respect and collaboration with the communities in which we operate, strengthening our ties with the Communal Participation Commissions of Tlalpan, Cantera and Pueblo Quieto. During the year of 2023 we provided support in the celebration of the towns' patron saints, thereby promoting the preservation of their culture and traditions.

We also contributed with donations in kind for the festivities celebrating the Day of the Child and of December 12, promoting the integration of families as well as of the surrounding communities to the Médica Sur complex.

# EVENTS

In order to place our patients at the center of everything we do, Médica Sur promotes continuous medical education, medical research and development, and innovation in its medical practices.

In that respect, in 2023 we carried out 154 events, congresses and live and virtual symposiums in which the specialists interacted in person with the participants, answering their questions and proposing innovative ideas.

In 2023 we had more than thirteen thousand attendees.

Here are some of the more important events:

### 1st Geriatric Congress

A multi-discipline approach, with the participation of more than 300 attendees in person and 900 virtual attendees from various countries such as Argentina, Ecuador, El Salvador and Mexico.

### 7th Neurosciences Symposium

This symposium brought the best national and international experts in Neurology and its various branches together, including 11 expositors from the Mayo Clinic, 1 from the University of Stanford and 11 doctors from Médica Sur. They addressed more than 30 subjects in various thematic modules: Cephalaea, Multiple Sclerosis and Neuroimmunology, Epilepsy, Dementia and Movement Disorders, Neuro-oncology, Cranial base, Vascular and Spine ailments. Additionally, there were eight practical workshops and four on Neurology.

### XVII Congress on Advances in Gynecology and Obstetrics

This Congress has been held for 12 years without interruption. In 2023 we had four thousand participants, in person and virtually, and for the first time in the history of the Congress every state in the Republic of Mexico was represented, along with the United States, 12 Latin American countries, and Iran.

Topics related to the life expectancy of women were addressed, as well as advances in fetal diagnosis, pathology of the breast, uterus and ovaries, and endocrinological, oncological and cardiological problems, as well as minimal invasion surgery with robotic surgery.

### Advanced techniques workshop course in Radiotherapy

The most advanced and effective techniques in the treatment of lung cancer and breast cancer were presented. The multi-disciplinary focus that makes these techniques so successful in practice was addressed.







# MédicaSur

## Clinic Foundation

### Support of the Médica Sur Foundation

Since its creation in 1995, the Médica Sur Clinic Foundation has focused all its efforts on achieving, maintaining and promoting various Social Responsibility actions and programs.

### Mission

To contribute to the scientific research, medical learning and assistance to vulnerable groups for the improvement in health of all Mexicans.

### Vision

To be a national reference point in social support activities by the non-governmental sector, contributing to a more equitable health system.

*The Médica Sur Clinic Foundation does not form a part of the Group's corporate structure. It is an Association composed of various persons, among whom are some directors and prominent persons from Médica Sur, as well as other persons who do not belong to the Group, all of whom have as their purpose in common the promotion of education and medical science.*



# ATTENDANCE

## Dispensary

- 110 doctors, dentists, nurses
- Residents and administrative personnel
- 19 specialists
- 1,418 patients (1,105 + 313 Dispensary + Odontology)
- 4,243 consultations (3,228 +1,015 Dispensary + Odontology)
- 2,355 other medical services

## Auxiliary Projects

- 50 cataract surgeries
- 190 ophthalmological consultations
- 102 hearing consultations
- 15 institutions benefiting from donations in kind

## Campaigns

- 11 in-person campaigns
- 1 virtual campaign
- 613 beneficiaries

## Volunteers

- 36 volunteers
- 6,722 hours donated



In 2023 the magazine Annals of Hepatology celebrated its 21 years of uninterrupted publication with an annual impact factor of 3.8, maintaining its position as the scientific journal with the greatest impact factor in Mexico and the only hepatology journal with an impact factor in Latin America.

It is the official journal of the Mexican Hepatology Association (AMH), the Latin American Hepatology Association (ALEH), the Canadian Association for the Study of the Liver (CASL), and the Czech Hepatology Association. Annals of Hepatology forms a part of the Index of Scientific and Technological Journals of the CONAHCYT (Consejo Nacional de Humanidades, Ciencias y Tecnologías) in Mexico.

In 2023, the Médica Sur Clinic Foundation offered its support, by means of financial stimulus donations to a group of ten researchers associated with the SNII (Sistema Nacional de Investigadoras e Investigadores II), under the standards stipulated by the CONAHCYT. These researchers carry out their activities mainly in the areas of allergies, oncology, hepatology and gastroenterology.

To consult the annual report of the Foundation's activities and learn more about its activities, visit: [https://www.medicasur.com.mx/es\\_mx/ms/ms\\_fundacion](https://www.medicasur.com.mx/es_mx/ms/ms_fundacion)

# Board of directors And committees

## Directors

Dr. Misael Uribe Esquivel  
Director

Dr. Octavio González Chon  
Director

Dra. Martha Helena Ramos Ostos  
Director

Dr. Misael Uribe Ramos  
Director

Dr. José Manuel Correa Rovelo  
Director

Dra. Panagiota Panopoulou  
Director

Dr. Salvador Rivero Boschert  
Director

Lic. Cuauhtémoc Rafael Santa-Ana Otero  
Secretary of the Board

## Independent Directors

C.P. Adriana Lizet Aceves Padilla  
Director

Lic. Alejandro Quiroz Pedrazzi  
Director

Lic. Alonso de Garay Gutiérrez  
Director

Lic. Carlos Elizondo Mayer Serra  
Director

Lic. Daniel Antonio del Río Loaiza  
Director

Lic. Enrique Castillo Sánchez Mejorada  
Director

Lic. Joaquín Vargas Guajardo  
Director

Dr. Julio José Frenk Mora  
Director

C.P.C. Manuel Augusto Sánchez y Madrid  
Director

Lic. Mikel Andoni Arriola Peñalosa  
Director

Dr. Xóchitl Castañeda  
Director

## Corporate Practices Committee

Lic. Daniel Antonio del Río Loaiza  
President

Dr. Octavio González Chon

C.P.A. J. Vinicio González Castillo

Lic. Alejandro Quiroz Pedrazzi

## Audit Committee

C.P.A. Manuel Augusto Sánchez y Madrid

C.P.A. J. Vinicio González Castillo

Lic. Daniel Antonio del Río Loaiza

Lic. Mikel Andoni Arriola Peñalosa

# COMPANY OFFICERS AND MANAGERS

Dr. Misael Uribe Esquivel  
*President of the Board of Directors*

Dr. Carlos Arellano Quintana  
*Chief Executive Officer*

Dr. Octavio González Chon  
*Medical Director*

C.P. Aurora Zarate Zarate  
*Comptrolling Director*

Lic. Concepción Guadalupe Arriaga Ruiloba  
*Marketing and Corporate Communications Director*

Lic. Blanca Irasema Payan Ceron  
*Directora comercial*

Eng. Juan Antonio Chávez Nieves  
*Director of Human Resources*

Eng. José Luis Torres Infante  
*Systems and IT Director*

Dr. Heberto Arboleya Casanova  
*Director of Operations*

Dr. Martha H. Ramos Ostos  
*Diagnostic Clinic and Imaging Director*

Dr. Sandra María del Carmen  
García López  
*Hospitalization and Medicine Director*

Dr. Rodolfo Barragán García  
*Director of Surgery*

Lic. Francisca Vázquez García  
*Nursing Director*

Dr. Carmen Zavala García  
*Academic Director*

Lic. Enrique Higuera Aguilar  
*Risk Prevention Director*

Lic. Osvaldo Aguilar Hernández  
*Internal Auditing Deputy Director*

Lic. Elsa Juárez Rojas  
*Quality Director*

Architect. Norma Esthela Ríos Ostos  
*Infrastructure Director*

Dr. Adela Poitevin Chacon  
*Radiotherapy Unit Chief*

Dr. Alejandro Zavala Reina  
*Neurophysiology Unit Chief*

Dr. Alma Iveth Olmedo Alcántara  
*Neonathology Chief*

Lic. Ruth Hernandez Cruz  
*Nutrition Chief*

Dr. Bernardo Gabilondo Pliego  
*Urology Chief*

Dr. Carlos Federico Ortiz Hidalgo  
*Pathological Anatomy Chief*

Dr. Claudia Santamaría Arza  
*Pediatrics Chief*

Dr. Eduardo Emir Cervera Ceballos  
*Oncological Center Chief*

Dr. Héctor Baptista González  
*Chief of the Blood Bank*

Dr. José Manuel Correa Rovelo  
*Director of the Outpatient Surgery Unit*

Dr. Luis Assad Simón Pereira  
*Chief of Gynecology and Obstetrics Services*

Dr. Luis Enrique Soto Ramírez  
*Chief of Infectology and UVEH*

Dr. Luis Felipe Alva López  
*Chief of Imaging Unit*

Dr. Mario Luis Roca Cabrera  
*Chief of Respiratory Therapy*

Dr. Norberto Carlos Chávez Tapia  
*Gastroenterology, Hepatology and Endoscopy Chief*

Dr. Pedro Yeverino Suárez  
*Emergencies Chief*

Dr. Ramiro Del Valle Robles  
*Gamma Knife Unit Chief*

Dr. Víctor Manuel Noffal Nuno  
*Clinical Pathology Laboratory Deputy Director*

# The best results

The best results are the product of working with dedication every day, generating value for the patient, for the institution and for our shareholders in an honest manner.



# OPTIMUM RESULTS

In Médica Sur we work every day to deliver quality, professionalism and good health to our patients and to all parties in interest. This can be seen in our daily actions and in the results obtained.

## Hospital activity indicators



**3.5**

Average hospital stay days



**129**

average bed/days

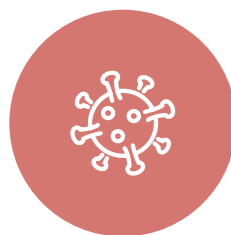


**68.5%**

occupancy

## Clinical indicators

We are committed to transparency. We are the only hospital that publishes its clinical indicators. In 2023 we obtained outstanding results in the prevention and control of infection indicators. Following below are the most relevant ones:



**0.85%**

Cases of hospital infections

*The standard 5.0%*



**0.61%**

Cases of infections in the surgical site

*The standard: 0.85 cases/100 surgeries*



**+90%**

Adherence to hand hygiene



**In 2023 we obtained outstanding results** in the indicators on the prevention and control of infections

# FINANCIAL INDICATORS

Médica Sur ended 2023 with a growth of 7% in sales and 22% in EBITDA from continued operations compared to 2022, exceeding the pre-pandemic levels.

**Médica Sur, S.A.B. de C.V. and Subsidiaries**

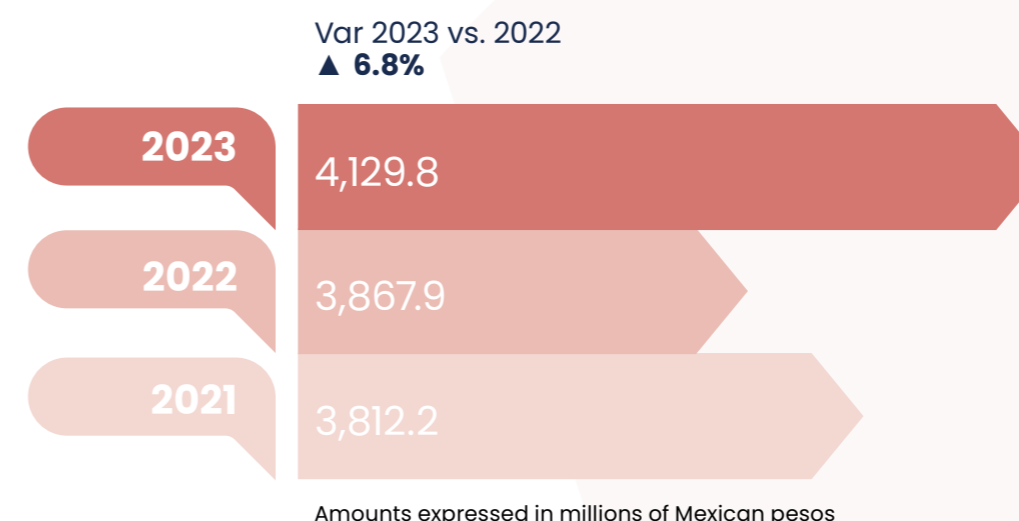
## Audited results

	2023	2022	23-22 \$Var	23-22 %Var
Revenues	4,129.8	3,867.9	261.8	6.8%
Operating Profits	727.5	574.4	153.0	26.6%
Operating Margin	17.6%	14.9%		2.8 pp
EBITDA from Continued Operations	906.0	741.3	164.8	22.2%
EBITDA Margin from Continued	21.9%	19.2%		2.8pp
Consolidated Net Profit*	635.0	949.8	(314.8)	-33.1%
Net Margin*	15.4%	24.6%		(9.2pp)

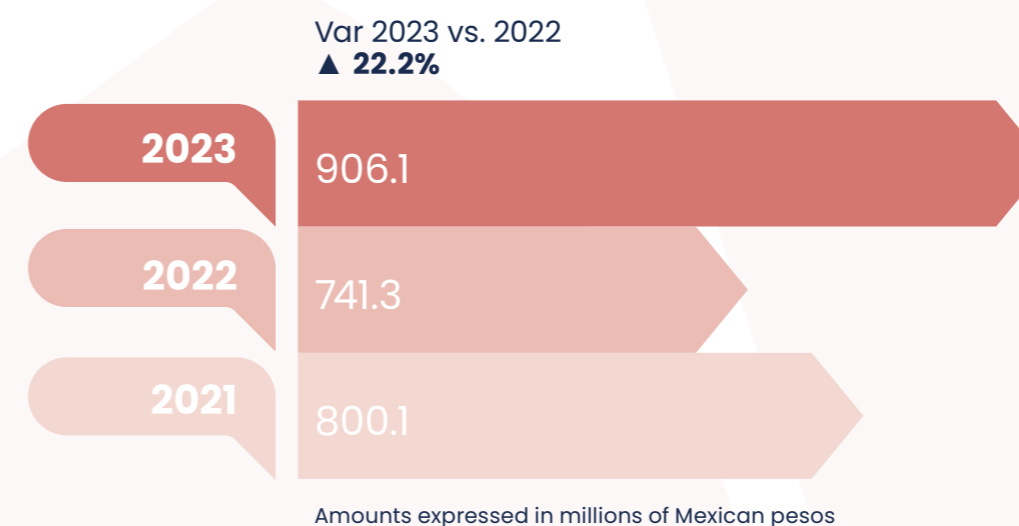
Amounts expressed in millions of Mexican pesos, rounded

\*Includes effects of discontinued operations

## Revenues



## EBITDA from Continued Operations



Médica Sur, S. A. B. de C. V. and Subsidiaries

# Independent Auditors' Report **Consolidated Financial**

statements for 2023, 2022 and 2021

Independent auditors Report	76
Consolidated Statements of Financial Position	82
Consolidated Statements of Income and Other Comprehensive Income	84
Consolidated Statements of Changes in Stockholders' Equity	86
Consolidated Statements of Cash Flows	88



## Independent Auditors' Report

Board of Directors and Stockholders of  
Médica Sur, S. A. B. de C. V. and Subsidiaries

### Opinion

(Mexican pesos)

We have audited the consolidated financial statements of Médica Sur, S.A. B. de C. V. and Subsidiaries (the "Entity"), which comprise the consolidated statements of financial position as of December 31, 2023, 2022 and 2021, and the consolidated statements of income and other comprehensive income, the consolidated statements of changes in stockholders' equity and the consolidated statements of cash flows for the years then ended, and notes of the consolidated financial statements containing a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Médica Sur, S.A. B. de C. V. and Subsidiaries as of December 31, 2023, 2022 and 2021, and its consolidated financial performance and its cash flows for the years then ended, in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

### Bases for the opinion

We have performed our audits in conformity with International Auditing Standards (IAS). Our responsibilities under these standards are explained more extensively in the section Auditors' responsibilities in relation to the audit of the consolidated financial statements of our report. We are independent from the Entity in conformity with the Code of Ethics of the International Ethics Standards Board for Accountants (IESBA Code of Ethics) and that issued by the Mexican Institute of Public Accountants (IMCP Code of Ethics), and we have complied with the other ethical responsibilities in conformity with the IESBA Code of Ethics and the IMCP Code of Ethics. We believe that the audit evidence obtained provides a sufficient and adequate basis for our opinion.

### Párrafos de énfasis

We draw attention to Note 1b to the attached consolidated financial statements, during the financial year 2022, the sale of all the shares of Corporación de Atención Médica, S.A. de C.V. was made. This operation qualified as a discontinued operation and such effect is presented retrospectively in the consolidated financial statements for the period January 1 to December 31, 2022 and 2021, as required by IFRS 5, Non-current assets held for sale and discontinued operations (IFRS 5).

We draw attention to Note 1c to the attached consolidated financial statements, during the financial year 2021, the sale of all the shares of Laboratorios Médica Sur, S.A. de C.V. and subsidiaries was made. This transaction qualified as a discontinued operation and such effect is presented retrospectively in the consolidated financial statements for the period January 1 to December 31, 2020, as required by IFRS 5.

The accompanying consolidated financial statements have been translated from Spanish into English for use outside of Mexico.

### Key audit matters

The key audit matters are those matters which, in our professional judgment, have been most important in our audit of the consolidated financial statements for the current period. These matters have been dealt with in the context of our audit of the consolidated financial statements taken as a whole and in the formation of our opinion on the latter, and we do not issue a separate opinion on these matters. We have determined that the matters described below are the key audit matters which should be communicated in our report.

#### Impairment of long-term assets including goodwill, intangible assets, property, furniture, equipment and improvements to leased premises and rights of use assets

The Entity has registered long-term assets related to the Hospital segment, in which it has identified two cash generating units (CGU) considering financial and operational performance indicators for each of them. Each year, an impairment test is carried out in accordance with the guidelines of IFRS 36, "Impairment of Assets", in which discounted future flows are calculated and compared to net book value to determine whether the value of these assets is impaired. We identified the risk that the assumptions used by the Administration to calculate future cash flows will not be reasonable based on current and foreseeable conditions in the future.

Our audit procedures related to sales estimates, costs, expenses, and the weighted average cost of capital (WACC) rate for estimating Fair Value Measurement the CGU include the following, but are not limited to:

With the help of our specialists in fair value measurement, we evaluated the reasonableness of the valuation methodology and the WACC;

We evaluated management's ability to accurately forecast sales, costs, and expenses, comparing actual results with management's historical forecasts.

Based on our evidence, we noted that the key assumptions used by the Administration in its valuation model are within a reasonable range according to IFRS. Based on our evidence, we noted that the key assumptions used by the Administration in its valuation model are within a reasonable range according to IFRS.

#### Information other than the Consolidated Financial Statements and the independent Auditor's Report

Management is responsible for the other information. The other information comprises two documents: (i) the Entity's Annual Report and the information that will be incorporated in the Annual Report which the Entity is required to prepare in accordance with article 33 Fraction I, subsection b) of the fourth title, first chapter of the General Provisions Applicable to Issuers of Securities and Other Participants in the Securities Market in Mexico (the requirements). As of the date of our auditor's report, we have not yet obtained these documents and they will be available only after the issuance of this Audit Report.

Our opinion of the consolidated financial statements does not cover the other information and we do not express any form of security about it.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether if the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated. When we read the Annual Report we will issue the auditors' legend about the reading thereof, required in Article 33 Fraction I, subsection b) numeral 1.2. of the Provisions or if we conclude that it is materially misstated, we would be required to report this fact.

#### Responsibilities of Management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and reasonable presentation of the accompanying consolidated financial statements in conformity with the IFRS, and for any internal control that management believes necessary to enable the preparation of the consolidated financial statements free from material misstatement due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process, reviewing the contents of the consolidated financial statements and submitting them to the Governing Body for approval

#### Auditor's responsibilities in relation to the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with IASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and evaluate the risks of material misstatements in the consolidated financial statements, due to fraud or error, by designing and applying audit procedures which respond to these risks, and by obtaining audit evidence which is sufficient and appropriate to provide the basis for our opinion. The risk of not detecting material misstatements resulting from fraud is greater than those resulting from an error, because fraud may involve collusion, forgery, deliberate omissions, intentionally erroneous declarations or the evasion of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We obtained sufficient and adequate audit evidence related to the financial information of the entities and business activities which comprise the Entity in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the entities comprising the Entity. We are the only persons responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Galaz, Yamazaki, Ruiz Urquiza, S. C.**

Member of Deloitte Touche Tohmatsu Limited



**C. P. C. Elsa Alarcón Gutiérrez**

March 04, 2024

## Médica Sur, S. A. B. de C. V. and Subsidiaries

## Consolidated Statements of Financial Position

As of December 31, 2023, 2022 and 2021  
(In Mexican pesos)

Assets	Note	2023	2022	2021
Short term assets:				
Cash and cash equivalents	6	\$ 704,743,558	\$ 1,221,395,930	\$ 3,531,821,699
Accounts receivable, net	7	334,592,927	295,525,707	439,393,041
Other accounts receivable	8	70,465,885	13,839,829	17,240,996
Inventories, net	9	138,649,594	135,440,242	126,776,698
Advance payments	10	23,665,444	18,843,380	17,891,592
<b>Total short-term asset</b>		<b>1,272,117,408</b>	<b>1,685,045,088</b>	<b>4,133,124,026</b>
Long term assets:				
Property, furniture, equipment and improvements to leased premises, net	11	2,374,751,258	2,448,864,983	2,514,706,602
Lease right-of-use assets	13	32,701,706	39,787,293	63,679,010
Investment properties, net	12	190,176,863	201,380,404	73,424,493
Goodwill	15	123,432,329	123,432,329	123,432,329
Deferred income taxes	19	121,419,899	59,084,294	64,765,712
Other assets, net	16	13,482,931	18,791,867	10,908,925
<b>Total long-term asset</b>		<b>2,855,964,986</b>	<b>2,891,341,170</b>	<b>2,850,917,071</b>
<b>Total asset</b>		<b>\$ 4,128,082,394</b>	<b>\$ 4,576,386,258</b>	<b>\$ 6,984,041,097</b>

Liabilities and Stockholders' Equity	Note	2023	2022	2021
Short-term liabilities:				
Interest payable	17	\$ 19,416,667	\$ 19,805,000	\$ 19,416,667
Suppliers		275,746,693	280,770,713	269,143,231
Taxes payable and accrued expenses		423,790,058	400,573,368	559,949,466
Dividends payable		165,025,746	136,018,937	17,879,238
Direct employee benefits	18a	113,220,288	129,346,164	102,196,979
Provisions for contingent liabilities	29	21,585,036	18,995,730	13,077,580
Lease liabilities	14	20,734,696	11,813,615	22,180,264
<b>Total short-term liabilities</b>		<b>\$ 1,039,519,184</b>	<b>\$ 997,323,527</b>	<b>\$ 1,003,843,425</b>
Long-term liabilities:				
Long-term documents payable	17	\$ 996,292,782	\$ 994,110,552	\$ 991,928,321
Lease liabilities	14	12,196,428	29,045,735	43,002,092
Retirement benefits to employees	18b	42,882,703	33,635,247	30,968,955
<b>Total long-term liabilities</b>		<b>1,051,371,913</b>	<b>1,056,791,534</b>	<b>1,065,899,368</b>
<b>Total liabilities</b>		<b>\$ 2,090,891,097</b>	<b>\$ 2,054,115,061</b>	<b>\$ 2,069,742,793</b>
Capital stock				
Capital stock	21	\$ 453,422,677	\$ 453,422,677	\$ 517,873,932
Contributions for future capital increases		124,628	124,628	124,628
Surplus in subscription of shares		121,280,931	121,280,931	121,280,931
Retained earnings		1,254,279,552	1,475,858,615	3,756,687,722
Legal reserve		103,573,805	103,573,805	103,573,805
Reserve for shares repurchase	21c	116,023,682	376,798,274	422,517,711
Other comprehensive results		(12,471,143)	(9,743,779)	(8,716,064)
Stockholders' equity attributable to the controlling share		2,036,234,132	2,521,315,151	4,913,342,665
<b>Non-controlling participation</b>	22	<b>957,165</b>	<b>956,046</b>	<b>955,639</b>
<b>Total stockholders' equity</b>		<b>2,037,191,297</b>	<b>2,522,271,197</b>	<b>4,914,298,304</b>
Contingent commitments and liabilities	29			
<b>Total liabilities and stockholders' equity</b>		<b>\$ 4,128,082,394</b>	<b>\$ 4,576,386,258</b>	<b>\$ 6,984,041,097</b>

The accompanying notes are part of the consolidated financial statements.

## Médica Sur, S. A. B. de C. V. and Subsidiaries

## Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the years ending December 31, 2023, 2022 and 2021  
(In Mexican pesos)

	Note	2023	2022	2021
Revenue from services	24	\$ 4,129,753,984	\$ 3,867,922,428	\$ 3,812,199,286
Costs for services		2,670,119,085	2,500,743,880	2,308,240,723
<b>Gross profit</b>		<b>1,459,634,899</b>	<b>1,367,178,548</b>	<b>1,503,958,563</b>
Sales and administration expenses	25	868,592,139	792,246,184	757,281,446
Other (income) expenses, net	26	(136,410,939)	502,729	113,338,591
Exchange rate loss (gain), net	20b	10,876,131	2,727,762	(3,100,630)
Interest and commission expenses		75,379,025	75,949,332	76,825,177
Interest income		(100,312,427)	(181,829,739)	(53,842,876)
<b>Income before income tax</b>		<b>741,510,970</b>	<b>677,582,280</b>	<b>613,456,855</b>
Income taxes	19	183,614,216	204,789,744	255,879,320
Net income from continuous operations		557,896,754	472,792,536	357,577,535
Income from discontinued operation, net	30	77,085,714	477,010,401	796,911,069
<b>Consolidated net income for the year</b>		<b>\$ 634,982,468</b>	<b>\$ 949,802,937</b>	<b>\$ 1,154,488,604</b>
Consolidated net income attributable to:				
Controlling Participation		634,983,587	949,802,530	1,154,516,740
Non-controlling participation	22	(1,119)	407	(28,136)
Consolidated net income		634,982,468	949,802,937	1,154,488,604

	Note	2023	2022	2021
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss:				
Actuarial (loss) gain (net of income tax)		(2,727,364)	(1,027,715)	1,259,979
Consolidated comprehensive income for the year		632,255,104	948,775,222	1,155,748,583
Consolidated comprehensive income attributable to:				
Controlling participation		632,256,223	948,774,815	1,155,776,719
Non-controlling participation		(1,119)	407	(28,136)
Earnings per share:				
From continuous and discontinued operations:				
<b>Basic and diluted</b>	23	\$ 5.88	\$ 8.80	\$ 9.36
Continuous operations:				
<b>Basic and diluted</b>	23	\$ 5.17	\$ 4.38	\$ 2.90
<b>Weighted average outstanding shares</b>	23	<b>107,938,972</b>	<b>107,938,972</b>	<b>123,281,750</b>

The accompanying notes are part of the consolidated financial statements.

Médica Sur, S. A. B. de C. V. and Subsidiaries

## Consolidated Statements of Changes in Stockholders' Equity

For the years ending December 31, 2023, 2022 and 2021  
(In Mexican pesos)

	Note	Capital stock	Contributions for future capital increases	Surplus in subscription of shares	Retained earnings	Legal reserve	Reserve for shares repurchase	Other comprehensive results Actuarial gain (loss)	Stockholders' Equity attributable to the controlling participation	Non-controlling participation	Total stockholders' equity
Balances as of January 1, 2021	21, 22	\$ 517,873,932	\$ 124,628	\$ 121,280,931	\$ 3,272,028,595	\$ 103,573,805	\$ 2,975,667	\$ (9,976,043)	\$ 4,007,881,515	\$ 983,775	\$ 4,008,865,290
Repurchase of shares		-	-	-	(500,000,000)	-	419,542,044	-	(80,457,956)	-	(80,457,956)
Dividend decree		-	-	-	(169,857,613)	-	-	-	(169,857,613)	-	(169,857,613)
Consolidated comprehensive income		-	-	-	1,154,516,740	-	-	1,259,979	1,155,776,719	(28,136)	1,155,748,583
<b>Balances as of December 31, 2021</b>	<b>21, 22</b>	<b>517,873,932</b>	<b>124,628</b>	<b>121,280,931</b>	<b>3,756,687,722</b>	<b>103,573,805</b>	<b>422,517,711</b>	<b>(8,716,064)</b>	<b>4,913,342,665</b>	<b>955,639</b>	<b>4,914,298,304</b>
Repurchase of shares		-	-	-	(96,055,389)	-	(110,170,692)	-	(206,226,081)	-	(206,226,081)
Dividend decree		-	-	-	(3,141,709,217)	-	-	-	(3,141,709,217)	-	(3,141,709,217)
Other capital movements Reduction of variable		-	-	-	7,132,969	-	-	-	7,132,969	-	7,132,969
Stockholders' Equity by cancellation of shares		(64,451,255)	-	-	-	-	64,451,255	-	-	-	-
Consolidated comprehensive income		-	-	-	949,802,530	-	-	(1,027,715)	948,774,815	407	948,775,222
<b>Balances as of December 31, 2022</b>	<b>21, 22</b>	<b>453,422,677</b>	<b>124,628</b>	<b>121,280,931</b>	<b>1,475,858,615</b>	<b>103,573,805</b>	<b>376,798,274</b>	<b>(9,743,779)</b>	<b>2,521,315,151</b>	<b>956,046</b>	<b>2,522,271,197</b>
Other capital movements Reduction of variable		-	-	-	(168,303,077)	-	(260,774,592)	-	(429,077,669)	-	(429,077,669)
Stockholders' Equity by cancellation of shares		-	-	-	(688,258,454)	-	-	-	(688,258,454)	-	(688,258,454)
Consolidated comprehensive income		-	-	-	634,982,468	-	-	(2,727,364)	632,255,104	1,119	632,256,223
<b>Balances as of December 31, 2022</b>	<b>21, 22</b>	<b>\$ 453,422,677</b>	<b>\$ 124,628</b>	<b>\$ 121,280,931</b>	<b>\$ 1,254,279,552</b>	<b>\$ 103,573,805</b>	<b>\$ 116,023,682</b>	<b>\$ (12,471,143)</b>	<b>\$ 2,036,234,132</b>	<b>\$ 957,165</b>	<b>\$ 2,037,191,297</b>

The accompanying notes are part of the consolidated financial statements.

## Médica Sur, S. A. B. de C. V. and Subsidiaries

## Consolidated Statements of Cash Flows

For the years ending December 31, 2023, 2022 and 2021  
(In Mexican pesos)

	Note	2023	2022	2021
Cash flow from operating activities				
Consolidated net income for the year	\$	634,982,468	\$ 949,802,937	\$ 1,154,488,604
Income taxes		183,614,216	204,789,744	255,879,320
Income taxes on discontinued operation		37,911,007	201,229,857	121,758,369
Net cost of the period		6,454,123	2,693,289	(7,725,277)
Net cost of the discontinued period		-	670,749	-
Items related to investment activities:				
Depreciation and amortization	11,12,13	178,615,294	166,885,217	166,803,465
Discontinued operation, depreciation and amortization	30	-	2,383,551	9,991,365
Result from disposal of discontinued operation		(77,085,714)	(477,010,401)	(778,475,117)
Impairment of goodwill		-	-	100,584,603
(Gain) loss in sale of transport equipment and other assets		(103,564,075)	(192,367)	(378,764)
Items related to financing activities: :				
Interest gain		(100,312,427)	(181,829,739)	(53,842,876)
Interest and commission expense		75,379,025	75,949,332	76,825,177
Interest and commission expense on discontinued operation		-	558,885	1,971,290
		835,993,917	945,931,054	1,047,880,159
Items related to operation activities:				
Decrease (increase) of:				
Accounts receivable		(39,067,220)	143,867,334	153,080,960
Other accounts receivable s.		(56,626,057)	3,401,167	11,878,050
Inventories		(3,209,352)	(8,663,544)	28,599,951
Advance payments		(4,822,064)	(951,789)	34,926,053
Increase (decrease) of:				
Suppliers		16,588,452	11,627,482	(76,780,373)
Accumulated taxes and expenses		44,928,463	(478,457,278)	(198,723,399)
Contingent liabilities provisions		2,589,306	5,918,150	(11,059,350)
Employee benefits		(16,125,876)	27,149,184	87,102,559
Income taxes paid		(356,378,241)	(379,731,552)	(255,963,115)
Net cash flows generated by operating activities	\$	423,871,328	\$ 270,090,208	\$ 820,941,495

	Note	2023	2022	2021
Cash flows from investment activities				
Acquisition of property, furniture, equipment and investment property	11,12	\$ (213,635,991)	\$ (186,450,550)	\$ (150,790,585)
Increase (decrease) in other non-current assets, net		5,308,936	(7,882,939)	12,651,875
Sale of real estate, furniture and equipment		215,691,250	359,654	378,764
Revenue from the sale of subsidiaries	30	126,501,541	744,991,349	2,354,842,000
Dividends collected	30	-	-	290,310,669
Interest expense		100,312,427	181,829,739	52,239,057
Cash flows used in investment activities		234,178,163	732,847,253	2,559,631,780
Cash flows from financing activities				
Payment of dividends	21	(659,251,644)	(3,019,928,622)	(161,680,346)
Payment of leases		(15,697,000)	(16,531,860)	(108,780,657)
Repurchase of treasury shares		(429,076,552)	(206,226,081)	(80,457,956)
Interest paid	17	(70,676,667)	(70,676,667)	(70,676,667)
Net cash flows used in financing activities		(1,174,701,863)	(3,313,363,230)	(421,595,626)
(Decrease) increase in cash andw cash equivalents		(516,652,372)	(2,310,425,769)	2,958,977,649
Cash and cash equivalents at the beginning of the year		1,221,395,930	3,531,821,699	572,844,050
<b>Cash and cash equivalents at the end of the year</b>	<b>\$</b>	<b>704,743,558</b>	<b>\$ 1,221,395,930</b>	<b>\$ 3,531,821,699</b>

The accompanying notes are part of the consolidated financial statements.

# Information for **inverstors**



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MEDICAB

TICKER SYMBOL  
Shares: MEDICA B  
Debt (Cebures): MEDICA 20

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